



Registration of a Charge

Company name: **FLYBE LIMITED**

Company number: **02769768**



X5E4TJL6

Received for Electronic Filing: **25/08/2016**

Details of Charge

Date of creation: **24/08/2016**

Charge code: **0276 9768 0356**

Persons entitled: **NORDDEUTSCHE LANDESBANK GIROZENTRALE**

Brief description:

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 THE ELECTRONIC COPY INSTRUMENT
DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION
IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **VEDDER PRICE LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 2769768

Charge code: 0276 9768 0356

The Registrar of Companies for England and Wales hereby certifies that a charge dated 24th August 2016 and created by FLYBE LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 25th August 2016 .

Given at Companies House, Cardiff on 26th August 2016

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**

Flybe Limited
as Assignor

and

Norddeutsche Landesbank Girozentrale
as Security Trustee

Security Agreement
One (1) Bombardier Q400 Aircraft
Manufacturer's Serial Number 4187

Execution Version

I certify this to be a true copy of the original document

Signed VEDDER PRICE LLP Date 25/08/16

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This Security Agreement is dated 24 August 2016

Between:

- (1) **Flybe Limited**, a limited liability company incorporated and existing under the laws of England with company registration number 02769768 (the **Assignor**); and
- (2) **Norddeutsche Landesbank Girozentrale**, a public law banking institution organised and existing under the laws of the Federal Republic of Germany, as security agent and trustee for and on behalf of the Finance Parties (the **Security Trustee**).

Whereas:

- (A) Pursuant to the Loan Agreement, the Lenders have agreed to provide the Assignor with a commercial financing facility to partially re-finance the Assignor's acquisition of the Aircraft.
- (B) As a condition precedent to the obligations of the Finance Parties under the Transaction Documents, the Assignor is required to execute this Agreement in favour of the Security Trustee as security for the Secured Obligations.

It is agreed as follows:

1 Definitions and Interpretation

- 1.1 Except as otherwise defined in this Agreement, all words and expressions defined in the Loan Agreement (including definitions incorporated by reference to another document) shall have the same respective meanings when used in this Agreement.
- 1.2 In this Agreement, the following words and expressions shall, except where the context otherwise requires, have the following respective meanings:

Agreement means this deed of security assignment (including the Recitals and the Schedules).

Aircraft means the Bombardier Q400 aircraft bearing manufacturer's serial number 4187.

Collateral means (a) the Relevant Insurance Property, (b) the Relevant Requisition Compensation Property and (c) the Relevant Warranty Property.

Loan Agreement means the loan agreement relating to, *inter alia*, the Aircraft dated 5 May 2016 and entered into between, *inter alios*, the Assignor and the Security Trustee.

Parties means, together, the parties to this Agreement (each, a **Party**).

Receiver means any receiver or receiver and manager or administrative receiver appointed by the Security Trustee under this Agreement or under any statutory power.

Relevant Insurance Property means all of the right, title and interest (present and future, actual and contingent and whether now or hereafter acquired) of the

Assignor in and to any and all proceeds, benefits and claims (including without limitation the right to make any claim) relating to the Insurances for the Aircraft.

Relevant Requisition Compensation Property means all of the right, title and interest (present and future, actual and contingent) of the Assignor in and to the Requisition Compensation for the Aircraft.

Relevant Secured Obligations means the Secured Obligations to the extent relating to the Aircraft, the Advance for the Aircraft and/or the Transaction Documents (to the extent relating to the Aircraft).

Relevant Warranty Property means all of the right, title and interest (present and future, actual and contingent and whether now or hereafter acquired) of the Assignor in and to the Warranties for the Aircraft.

Security Period means the period commencing on the date hereof and terminating on the date upon which all of the Secured Obligations have been discharged.

1.3 Unless otherwise specified and except where the context otherwise requires, any reference in this Agreement to:

- (a) any person shall be construed so as to include its successors and permitted assigns and permitted transferees in accordance with their respective interests;
- (b) any document (including this Agreement and each other Transaction Document) shall be construed as a reference to such document as amended, restated, supplemented, varied, transferred or novated from time to time in accordance with its terms and to the extent that such document is at the relevant time in effect;
- (c) any provision of law shall be construed as a reference to that provision as amended, supplemented, varied, re-enacted, replaced or restated from time to time;
- (d) any **applicable law** includes, without limitation, (i) applicable laws, acts, codes, conventions, decrees, decree-laws, legislation, statutes, treaties and similar instruments, (ii) applicable final judgments, orders, determinations or awards of any court from which there is no right of appeal (or, if there is a right of appeal, such appeal is not prosecuted within the allowable time) and (iii) applicable directives, guidance, guidelines, notices, orders, regulations and rules of any Governmental Authority (whether or not having the force of law but with which, if not having the force of law, compliance is customary);
- (e) a **Clause** shall be construed as a reference to a clause of this Agreement;
- (f) **continuing** shall, in relation to an Event of Default, be construed as a reference to an Event of Default which has not been waived or remedied in accordance with the terms of the Loan Agreement;
- (g) a **person** shall be construed as a reference to any association, company, corporation, firm, Governmental Authority, individual, joint venture, partnership (including any limited partnership and any limited liability

partnership) or trust (in each case whether or not having separate legal personality);

- (h) a **Schedule** shall, subject to any contrary indication, be construed as a reference to a schedule to this Agreement;
- (i) a **successor** shall be construed so as to mean a successor in title of a person and any person who under the applicable laws of its jurisdiction of incorporation or domicile has assumed the rights and obligations of such person or to which, under such laws or by agreement or otherwise, such rights and obligations have been transferred; and
- (j) the **winding-up, dissolution, administration or re-organisation** of a person shall be construed so as to include any equivalent or analogous proceedings under the applicable law of the jurisdiction in which such person is incorporated or formed or any jurisdiction in which such person carries on business including the seeking of liquidation, winding-up, re-organisation, dissolution, administration, arrangement, adjustment, protection or relief of debtors.

1.4 Clause and Schedule headings shall be ignored in the interpretation of this Agreement.

2 **Assignment, Charge and Notices**

2.1 **Assignment**

As security for the payment, performance and discharge of the Secured Obligations, the Assignor hereby assigns absolutely and agrees to assign absolutely, with full title guarantee and by way of first priority security, the Collateral in favour of the Security Trustee (but subject to redemption upon the full and final payment and discharge of the Secured Obligations, as confirmed in writing by the Security Trustee).

2.2 **Charge**

To the extent that the Collateral is not capable of assignment pursuant to Clause 2.1 (and notwithstanding the provisions of Clause 2.1), as security for the payment, performance and discharge of the Secured Obligations, the Assignor hereby charges, with full title guarantee and by way of first fixed charge, the Collateral in favour of the Security Trustee.

2.3 **Initial Notices**

Immediately upon execution of this Agreement, the Assignor shall:

- (a) in relation to the assignment in respect of the Relevant Insurance Property, execute and deliver a notice of assignment to the insurers of the Aircraft in the form set out in Schedule 1;
- (b) in relation to the assignment in respect of the Relevant Warranty Property (to the extent relating to the Engines), execute and deliver a notice of assignment to the Engine Manufacturer in the form set out in Schedule 2; and

- (c) in relation to the assignment in respect of the Relevant Warranty Property (to the extent relating to the Airframe), (i) execute and deliver a notice of assignment to the Airframe Manufacturer in the form set out in Schedule 3 and (ii) procure that the Airframe Manufacturer executes and delivers to the Assignor and the Security Trustee an acknowledgement of assignment in the form set out in Schedule 4.

2.4 Further Notices

The Assignor hereby undertakes (a) to execute and deliver (and to use reasonable efforts to procure that each such other person as the Security Trustee may require (acting reasonably) executes and delivers) such further notices of assignment as the Security Trustee may require (acting reasonably), each of which notices shall be in such form as the Security Trustee may require (acting reasonably) and (b) to use reasonable efforts to procure that each such person as the Security Trustee may require (acting reasonably) executes and delivers a related acknowledgement of assignment to the Assignor and the Security Trustee, each of which acknowledgements shall be in such form as the Security Trustee may require (acting reasonably), in each case in relation to the assignment of the Collateral effected pursuant to Clause 2.1.

3 Effectiveness of Security

3.1 Throughout the Security Period, the Lien constituted by this Agreement shall:

- (a) be a continuing security for the full and final payment, satisfaction and discharge of the Secured Obligations;
- (b) not be considered as satisfied, discharged or prejudiced by any intermediate payment, satisfaction or settlement of any or all of the Secured Obligations or any other matter or thing whatsoever, other than the full and final payment and discharge of the Secured Obligations;
- (c) be in addition to and shall not operate so as in any way to prejudice or affect or be prejudiced or affected by any other Lien, security, guarantee, indemnity or other right or remedy that any Finance Party may now or at any other time have in respect of any or all of the Secured Obligations; and
- (d) not be prejudiced by (i) any time or indulgence granted to any person, (ii) any failure or delay by any Finance Party in perfecting or enforcing any other Lien, security, guarantee, indemnity or other right or remedy that any Finance Party may now or at any other time have in respect of any or all of the Secured Obligations or (iii) any waiver, act, omission, unenforceability or invalidity of any such other Lien, security, guarantee, indemnity or other right or remedy.

3.2 This Agreement and each Lien constituted by this Agreement shall extend to and cover any sum, or sums of money or other obligations which shall from time to time constitute the balance of the Secured Obligations.

3.3 Neither Section 93 nor Section 103 of the Law of Property Act 1925 shall apply to this Agreement.

4 **Representations and Warranties**

The representations and warranties of the Assignor in relation to the transactions contemplated by the Transaction Documents are set out in schedule 1 to the Loan Agreement.

5 **Covenants**

5.1 The covenants of the Assignor in relation to the transactions contemplated by the Transaction Documents and the Aircraft are set out in part A of schedule 2, schedule 3 and schedule 4 to the Loan Agreement.

5.2 The Assignor acknowledges to the Security Trustee that the amount secured by this Agreement, and in respect of which this Agreement and each Lien created by this Agreement is enforceable, is the full amount of the Secured Obligations from time to time. The Assignor hereby covenants in favour of the Security Trustee that it will promptly pay and discharge all of the Secured Obligations subject to and in accordance with the terms of the Transaction Documents.

6 **Negative Pledge**

The negative pledge of the Assignor with respect to, *inter alia*, the Collateral is set out in paragraph 12 of part A of schedule 2 to the Loan Agreement.

7 **Assignor's Continuing Obligations**

Notwithstanding anything to the contrary contained in this Agreement:

- (a) the Assignor will remain liable to perform all of its obligations in relation to the Collateral and the Transaction Documents;
- (b) the Security Trustee will not (by reason of this Agreement or otherwise) in any circumstances be under any liability whatsoever as a result of any failure by the Assignor to perform any of its obligations in relation to the Collateral or any Transaction Document; and
- (c) the Security Trustee will not (by reason of this Agreement or otherwise) in any circumstances be required or obliged:
 - (i) to assume or to perform any of the Assignor's obligations in relation to the Collateral or any Transaction Document;
 - (ii) (except as otherwise provided in any Transaction Document to which it is a party) to enforce against any person any term or condition of any Transaction Document or to enforce any right or benefit assigned and/or charged pursuant to this Agreement or to which the Security Trustee may at any time be entitled in relation to the Collateral or to exercise any right, power or remedy conferred upon it by or under this Agreement or applicable law; and/or
 - (iii) to make any enquiry as to the nature or sufficiency of any payment received by the Security Trustee under or in relation to this Agreement or to make any claim or to take any action with respect to the Collateral or to collect any moneys assigned and/or charged pursuant to this Agreement.

8 Enforceability of Security

8.1 Following the occurrence of an Event of Default that is continuing, the Security Trustee will be entitled (subject to any further requirement for notice by the Security Trustee contained in any notice of assignment executed and delivered pursuant to this Agreement) following the delivery of a written notice by the Security Trustee to the Assignor stating that the Security Trustee has become entitled to enforce the security constituted by this Agreement:

- (a) to exercise any and all rights of the Assignor in relation to all or any part of the Collateral;
- (b) to take possession of and hold and/or sell or otherwise dispose of or realise all or any part of the Collateral;
- (c) to collect, receive, compromise or settle, and to give a good release or discharge for, any and all claims in relation to all or any part of the Collateral;
- (d) to bring, take, defend, compromise, settle, submit to arbitration or discontinue any and all actions, disputes, proceedings or suits (civil or criminal) in relation to all or any part of the Collateral;
- (e) to appoint a Receiver of all or any part of the Collateral and to remove any Receiver so appointed and appoint another in his place;
- (f) to exercise in any lawful manner any rights, powers and remedies available to a secured creditor under any applicable law, all of which rights, powers and remedies are intended to be available to the Security Trustee under this Agreement;
- (g) to apply to any court of competent authority for any applicable order in relation to all or any part of the Collateral; and/or
- (h) to take all such action and do all such things as the Security Trustee may, in its sole and absolute discretion, consider necessary or appropriate for or in relation to any of the purposes of this Agreement,

all of which rights, powers and remedies shall be in addition to all other rights, powers and remedies otherwise available to it under applicable law.

8.2 Unless an Event of Default shall have occurred and be continuing (subject to any further requirement for notice by the Security Trustee contained in any notice of assignment executed and delivered pursuant to this Agreement), the Assignor will be entitled to exercise any and all rights in relation to the Collateral (except in relation to any Total Loss Proceeds), subject to and in accordance with the terms of the Transaction Documents.

8.3 Subject to the terms of this Agreement, the Security Trustee may exercise any and all of its rights, powers and remedies under and in relation to this Agreement (including without limitation its power of sale) at such times, in such a manner and upon such terms and conditions as it may, in its sole and absolute discretion, determine and shall not in any circumstances be responsible for any loss occasioned thereby (unless caused by the Security Trustee's fraud, gross negligence or wilful misconduct).

- 8.4 The Security Trustee will not be obliged to exercise any right, power or remedy conferred upon it by or under this Agreement or applicable law or to make any enquiry as to the nature or sufficiency of any payment received by the Security Trustee or to make any claim or to take any other action with respect to the Aircraft. No action taken or omitted to be taken by the Security Trustee in accordance with the terms of this Agreement and/or any other Transaction Document or as permitted by applicable law shall give rise to any defence, counterclaim, right of set-off or other right in favour of the Assignor or affect in any manner whatsoever any of the Secured Obligations.
- 8.5 The Security Trustee shall not under any circumstances be liable to account as an assignee and/or chargee of the Collateral or be liable for any loss arising from or in connection with the realisation of all or any part of the Collateral or otherwise for any act, neglect, default or omission for which an assignee and/or chargee of property such as the Collateral might be liable (unless caused by the Security Trustee's fraud, gross negligence or wilful misconduct) **provided that** this Clause 8.5 shall not relieve the Security Trustee of its obligation to account in relation to its receipt of proceeds from any realisation of all or any part of the Collateral subject to and in accordance with the provisions of clause 20 of the Loan Agreement.
- 8.6 Upon any sale by the Security Trustee of all or any part of the Security Trustee's right, title and interest in and to the Collateral, the purchaser shall not be bound to see or enquire whether the power of sale of the Security Trustee has arisen, the sale shall be deemed for all purposes to be within the power of the Security Trustee and the receipt of the Security Trustee for the purchase money shall effectively discharge the purchaser who shall not be concerned with the manner of application of the proceeds of sale or be in any way answerable therefor.

9 Receiver

- 9.1 The appointment of a Receiver pursuant to Clause 8.1(e) shall be subject to the following provisions:
- (a) such appointment may be made either before or after the Security Trustee will have exercised any of its rights under this Agreement;
 - (b) subject to Clause 9.1(f) with respect to remuneration only, such appointment may be made upon such terms and conditions as the Security Trustee may, in its sole and absolute discretion, determine;
 - (c) the Receiver shall be the agent of the Assignor, and the Assignor alone shall be responsible for his acts, defaults and remuneration;
 - (d) the Receiver shall not under any circumstances be liable to account as an assignee and/or chargee of the Collateral or be liable for any loss arising from or in connection with the realisation of all or any part of the Collateral or otherwise for any act, neglect, default or omission for which an assignee and/or chargee of property such as the Collateral might be liable (unless caused by the Receiver's fraud, gross negligence or wilful misconduct);
 - (e) the Receiver shall have and be entitled to exercise all such powers as would be conferred on him had he been duly appointed under the Law of Property Act 1925 and shall in any event have and be entitled to exercise

all the rights, powers and remedies conferred upon the Security Trustee by this Agreement and by applicable law with respect to the Collateral; and

- (f) the remuneration of the Receiver may be fixed by the Security Trustee (acting reasonably), which remuneration shall be appropriate to the work and responsibilities involved upon the basis of charging from time to time adopted by the Receiver in accordance with the current practice of his firm and shall be payable by the Assignor and shall form part of the Secured Obligations.

9.2 Sections 109(6) and 109(8) of the Law of Property Act 1925 shall not apply in relation to any Receiver appointed pursuant to Clause 8.1(e).

10 **Application of Moneys**

All moneys received by the Security Trustee (or any Receiver) in relation to the Collateral by reason of this Agreement shall be applied in or towards the discharge of the Secured Obligations in accordance with the provisions of clause 20 of the Loan Agreement.

11 **Delegation**

The Security Trustee will be entitled, at any time and as often as may be necessary or appropriate, to delegate any or all of the powers and discretions vested in it by this Agreement (including the power vested in it by virtue of Clause 14) in such manner, upon such terms, and to such persons as the Security Trustee may in its sole and absolute discretion determine.

12 **Conditional Discharge Only**

Any settlement or discharge between the Security Trustee and the Assignor will be conditional upon no security or payment to any Finance Party by any person under or in relation to any Transaction Document being avoided or set aside or ordered to be refunded or reduced by virtue of any applicable law (including without limitation in the context of any winding-up, dissolution, administration or re-organisation).

13 **Reassignment and Release of Charge**

Notwithstanding Clause 3.1(b), following the full and final discharge of the Relevant Secured Obligations (as confirmed in writing by the Security Trustee), the Security Trustee (on behalf of itself and the other Finance Parties) will, upon the request and at the cost of the Assignor and provided that there shall not then have occurred and be continuing any Event of Default, release and transfer to the Assignor, without recourse or warranty, such right, title and interest as the Security Trustee may then have in and to the Collateral free and clear of all Liens created by any Finance Party in relation to the Collateral, subject to the provisions of Clause 12.

14 **Appointment of Attorney**

14.1 The Assignor hereby by way of security irrevocably appoints the Security Trustee to be its true and lawful attorney (with full power of substitution and delegation) for and on behalf of the Assignor and in its name or in the name of the Security Trustee and as the Assignor's act and deed to sign, seal, execute, deliver and do

all such assurances, acts and things which the Security Trustee may deem to be appropriate or advisable in order to give full effect to the purposes of this Agreement including, without limitation, to ask, require, demand, receive, compound and give acquittance for any and all moneys and claims for any and all moneys due under or arising out of the Collateral (to the extent assigned and/or charged pursuant to this Agreement), to endorse any cheque, draft or other document, instrument or order in connection therewith and to make any claim or to take any action or to institute any suit, legal action or other proceeding which the Security Trustee may consider to be appropriate or advisable in connection with the Collateral (to the extent assigned and/or charged pursuant to this Agreement), and generally in the Assignor's name and on its behalf to exercise all or any of the powers, authorities and discretions conferred by or pursuant to this Agreement or applicable law on the Security Trustee and, without prejudice to the generality of the foregoing, to seal and deliver and otherwise perfect any deed, assurance, agreement, instrument, act or thing which the Security Trustee may deem appropriate for the purpose of exercising any of such powers, authorities and discretions, **provided that** the authority conferred in this Clause 14.1 shall only be exercisable for so long as the security created under this Agreement has become enforceable in accordance with the terms of this Agreement.

14.2 The power conferred by Clause 14.1 shall be a general power of attorney under the Powers of Attorney Act 1971.

14.3 The Assignor hereby unconditionally and irrevocably ratifies and confirms and agrees to ratify and confirm whatever any attorney appointed pursuant to Clause 14.1 shall do or purport to do in the exercise or purported exercise of any or all of the powers, authorities and discretions conferred pursuant to Clause 14.1.

15 **Further Assurance and Protection of Security**

15.1 The covenant of the Assignor in relation to further assurance (including any related costs and expenses) is contained in paragraph 6 of part A of schedule 2 to the Loan Agreement.

15.2 The Security Trustee shall, without prejudice to its other rights, powers and remedies under this Agreement, be entitled (but not obliged) to take all such action and do all such things as it may from time to time consider (acting reasonably) necessary or appropriate so as to establish, maintain, perfect, preserve and/or protect its rights under or in relation to this Agreement, each Lien created (or intended to be created) by this Agreement and/or the priority (or intended priority) of each such Lien **provided that** the Security Trustee shall, for so long as there shall not have occurred and be continuing an Event of Default, consult in good faith with the Assignor in relation to the taking of any such action or the doing of any such thing.

16 **Miscellaneous**

16.1 This Agreement may be executed in any number of counterparts and on separate counterparts, each of which when executed and delivered shall constitute an original, but all counterparts shall together constitute one and the same instrument. Delivery of a counterpart of this Agreement by e-mail attachment or fax shall be an effective mode of delivery. In relation to each counterpart, upon confirmation by or on behalf of a Party that such Party authorises the attachment of its counterpart signature page to the final text of this Agreement, such

- counterpart signature page shall take effect, together with such final text, as a complete authoritative counterpart.
- 16.2 Any amendment, supplement or variation to this Agreement must be in writing and executed by each Party.
- 16.3 Neither the failure to exercise, nor the delay in any exercise of, nor the single or partial exercise of, any right, power or remedy by the Security Trustee under or in relation to this Agreement shall (a) operate as a waiver of such right, power or remedy, (b) prevent any further or other exercise of such right, power or remedy or (c) prevent the exercise of any other right, power or remedy. The rights, powers and remedies of the Security Trustee provided in this Agreement are cumulative and not exclusive of any rights, powers or remedies provided by law.
- 16.4 Any waiver or consent given by a Party under or in relation to this Agreement must, in order to be effective, be in writing and shall only be effective in the specific circumstances in which it is given.
- 16.5 If, at any time, any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Agreement nor the legality, validity or enforceability of such provision under the law of any other jurisdiction shall in any way be affected or impaired.
- 16.6 A person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Agreement **provided that** a Receiver appointed pursuant to Clause 8.1(e) shall be entitled to enforce and enjoy the benefit of the terms of Clause 9 subject to and in accordance with the provisions thereof (provided that the consent of a Receiver shall not be required in relation to any amendment to this Agreement (including without limitation Clause 9)).
- 17 **Costs and Expenses**
- The Assignor is responsible for costs and expenses relating to this Agreement subject to and in accordance with the provisions of clause 23 of the Loan Agreement.
- 18 **Assignments and Transfers**
- 18.1 This Agreement shall be binding upon and inure to the benefit of each Party and its successors and permitted assigns and permitted transferees.
- 18.2 The Assignor shall not be entitled to assign and/or transfer any or all of its rights and/or obligations under this Agreement.
- 18.3 Subject to and in accordance with the provisions of the Loan Agreement, the Security Trustee shall be entitled to assign and/or transfer any or all of its rights and/or obligations under this Agreement to any successor security agent and trustee appointed pursuant to and in accordance with the provisions of the Loan Agreement. The Security Trustee will give written notice to the Assignor of any assignment and/or transfer of rights and/or obligations by it under this Agreement **provided that** (a) the giving of such notice shall not be a condition to any such assignment and/or transfer and (b) the failure to give such notice shall not in any way invalidate or render ineffective any such assignment and/or transfer.

19 **Notices**

All notices, requests, demands or other written communications in relation to this Agreement shall be made in accordance with the provisions of clause 34 of the Loan Agreement.

20 **Governing Law and Jurisdiction**

20.1 This Agreement and any non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with English law.

20.2 Each Party irrevocably agrees for the benefit of the other Party that the courts of England shall have jurisdiction to hear and determine any suit, action or proceeding (**Proceedings**), and to settle any disputes, which may arise out of or in connection with this Agreement and for such purpose irrevocably submits to the jurisdiction of such courts.

20.3 The submission by the Parties to the jurisdiction mentioned in Clause 20.2 shall not (and shall not be construed so as to) limit the right of any Party to take Proceedings against the other Party in any other court of competent jurisdiction nor shall the taking of Proceedings in any one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction, whether concurrently or not, if and to the extent permitted by applicable law.

20.4 The Assignor hereby consents generally in respect of any Proceedings arising out of or in connection with this Agreement to the giving of any relief or the issue of any process in connection with such Proceedings including, without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment which may be made or given in such Proceedings.

20.5 To the extent that the Assignor may in any jurisdiction claim for itself or its assets immunity from suit, execution, attachment (whether in aid of execution or judgment or otherwise) or other legal process and to the extent that in any such jurisdiction there may be attributed to itself or its assets such immunity (whether or not claimed), the Assignor hereby irrevocably agrees not to claim and hereby irrevocably waives such immunity to the full extent permitted by the laws of such jurisdiction.

IN WITNESS WHEREOF the Parties have caused this Agreement to be executed as a deed by the duly authorised representatives of the Parties and this Agreement is intended to be and is hereby delivered on the day and year first above written.

Schedule 1 Form of Notice of Assignment of Insurances

To: Participating Insurers
In the Flybe Limited
Hull All Risks, Hull War Risks and All Risks Spares Insurances

From: Flybe Limited (the **Assignor**)

Norddeutsche Landesbank Girozentrale, in its capacity as security agent and trustee for and on behalf of certain financial institutions (in such capacity, the **Security Trustee**)

[●] August 2016

Dear Sirs

One (1) Bombardier Q400 Aircraft bearing Manufacturer's Serial Number 4187 (the Aircraft)

- 1 We refer to the loan agreement relating to certain Bombardier Q400 aircraft dated 5 May 2016 and entered into between, *inter alios*, the Assignor and the Security Trustee (the **Loan Agreement**).
- 2 We hereby give notice that by a security agreement of even date herewith (the **Security Agreement**), the Assignor assigned and agreed to assign by way of first priority security to the Security Trustee all of its right, title and interest in and to the Insurances.
- 3 For the purposes hereof **Insurances** means any and all insurances (other than liability insurances) from time to time maintained or required to be maintained in relation to the Aircraft or any part thereof by the terms of the Loan Agreement, including without limitation all the benefits of, and all claims under, and the right to make all claims under, all such insurances.
- 4 Unless you are notified otherwise by the Security Trustee, please continue to follow the instructions of the Assignor in respect of the Insurances (except in respect of the occurrence of any total loss in relation to the Aircraft). Upon notice from the Security Trustee, please follow the Security Trustee's instructions in respect of the Insurances.
- 5 This notice and any non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with English law.

Yours faithfully

Assignor

for and on behalf of

Flybe Limited

Name:

Title:

Security Trustee

for and on behalf of

Norddeutsche Landesbank Girozentrale

Name:

Title: Authorised Signatory

for and on behalf of

Norddeutsche Landesbank Girozentrale

Name:

Title: Authorised Signatory

Schedule 2 Form of Notice of Assignment to Engine Manufacturer

To: Pratt & Whitney Canada Corporation
Warranty Administration (01RD4)
(the **Engine Manufacturer**)

From: Flybe Limited (the **Assignor**)

Norddeutsche Landesbank Girozentrale, in its capacity as security agent and trustee for and on behalf of certain persons (in such capacity, the **Security Trustee**)

[●] August 2016

Dear Sirs

Warranties for two (2) Pratt & Whitney Canada PW150A Engines with Manufacturer's Serial Numbers PCE-FA0434 and PCE-FA0759 (the Engines)

- 1 We refer to:
 - (a) the loan agreement relating to certain Bombardier Q400 aircraft dated 5 May 2016 and entered into between, *inter alios*, the Assignor and the Security Trustee; and
 - (b) the security agreement relating to one (1) Bombardier Q400 aircraft bearing manufacturer's serial number 4187 dated of even date herewith and entered into between the Assignor and the Security Trustee (the **Security Agreement**).
- 2 We hereby give notice that, pursuant to the Security Agreement, the Assignor assigned by way of first priority security to the Security Trustee all of its right, title and interest in and to the warranties granted by the Engine Manufacturer in relation to the Engines.
- 3 This notice and any non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with English law.

Yours faithfully

Assignor

for and on behalf of

Flybe Limited

Name:

Title:

Security Trustee

for and on behalf of
Norddeutsche Landesbank Girozentrale
Name:
Title: Authorised Signatory

for and on behalf of
Norddeutsche Landesbank Girozentrale
Name:
Title: Authorised Signatory

Schedule 3 Form of Notice of Assignment to Airframe Manufacturer

To: Bombardier Inc. as represented by Bombardier Commercial Aircraft
123 Garratt Boulevard
Toronto
Ontario M3K 1Y5
Canada
(the **Airframe Manufacturer**)

From: Flybe Limited (the **Assignor**)

Norddeutsche Landesbank Girozentrale, in its capacity as security agent and trustee for and on behalf of certain persons (in such capacity, the **Security Trustee**)

[•] August 2016

Dear Sirs

Warranties for one (1) Bombardier Q400 Aircraft bearing Manufacturer's Serial Number 4187 (the Airframe)

- 1 We refer to:
 - (a) the loan agreement relating to certain Bombardier Q400 aircraft dated 5 May 2016 and entered into between, *inter alios*, the Assignor and the Security Trustee; and
 - (b) the security agreement relating to one (1) Bombardier Q400 aircraft bearing manufacturer's serial number 4187 dated of even date herewith and entered into between the Assignor and the Security Trustee (the **Security Agreement**).
- 2 We hereby give notice that, pursuant to the Security Agreement, the Assignor assigned by way of first priority security to the Security Trustee all of its right, title and interest in and to the warranties granted by the Airframe Manufacturer in relation to the Airframe.
- 3 This notice and any non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with English law.

Yours faithfully

Assignor

for and on behalf of

Flybe Limited

Name:

Title:

Security Trustee

for and on behalf of
Norddeutsche Landesbank Girozentrale
Name:
Title: Authorised Signatory

for and on behalf of
Norddeutsche Landesbank Girozentrale
Name:
Title: Authorised Signatory

Schedule 4 Form of Acknowledgement of Assignment from Airframe Manufacturer

To: Flybe Limited (the **Assignor**)

Norddeutsche Landesbank Girozentrale, in its capacity as security agent and trustee for and on behalf of certain persons (in such capacity, the **Security Trustee**)

From: Bombardier Inc. as represented by Bombardier Commercial Aircraft (the **Airframe Manufacturer**)

[●] August 2016

Dear Sirs

Warranties for one (1) Bombardier Q400 Aircraft bearing Manufacturer's Serial Number 4187 (the Airframe)

- 1 We acknowledge receipt of a notice of assignment dated [●] August 2016 relating to a security agreement dated [●] August 2016 between the Assignor and the Security Trustee (the **Security Agreement**). We confirm that we consent to the assignment of the warranties relating to the Aircraft (the **Warranties**) referred to therein and the provisions of the notice of assignment and that we have received no previous notices of assignment in relation to the right, title and interest of the Assignor in and to the Warranties).
- 2 Following the occurrence of an Event of Default (as defined in the Security Agreement) that is continuing and the delivery of an enforcement notice from the Security Trustee that the security constituted by the Security Agreement has become enforceable, we hereby confirm our agreement to the Security Trustee's right to exercise (to the exclusion of the Assignor) any and all rights of the Assignor in respect of the Warranties and/or in or in relation to all the benefits of and claims under the Warranties.
- 3 Our consent to the assignment referred to herein is subject to nothing in the Security Agreement nor the notice of assignment subjecting us to any liability which we would not otherwise be subject under the original agreement relating to the Warranties or affecting any right of ours to set-off, recoup or otherwise deduct any amounts owing by the Assignor to us with respect to the Aircraft.
- 4 This notice and any non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with English law.

Yours faithfully

Airframe Manufacturer

for and on behalf of

**Bombardier Inc. as represented by
Bombardier Commercial Aircraft**

Name:

Title:

Execution Page

Security Agreement

Flybe – One (1) Bombardier Q400 Aircraft

MSN 4187

The Assignor

EXECUTED AND DELIVERED

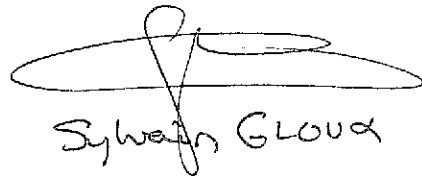
as a DEED by

FLYBE LIMITED

acting by its

in the presence of:

)
)
)
)


Sylvain GLOUX

Signature of Witness:

Name of Witness:

Address of Witness:



Martina Glaser

Vedder Price LLP
4 Coleman Street
London EC2R 5AR

The Security Trustee

EXECUTED as a DEED by

NORDDEUTSCHE LANDESBANK

GIROZENTRALE

acting by:

)
)
)
)

Name: _____

Title: Authorised Signatory

Name: _____

Title: Authorised Signatory

Execution Page

Security Agreement

Flybe – One (1) Bombardier Q400 Aircraft

MSN 4187

The Assignor

EXECUTED AND DELIVERED)
as a DEED by)
FLYBE LIMITED)
acting by its)
in the presence of:

Signature of Witness:

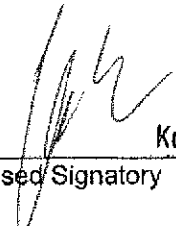
Name of Witness:

Address of Witness:

The Security Trustee

EXECUTED as a DEED by)
NORDDEUTSCHE LANDESBANK)
GIROZENTRALE)
acting by:)

Name:  **Sygusch**
Title: Authorised Signatory

Name:  **Kornath**
Title: Authorised Signatory