



Registration of a Charge

Company name: **Flybe Limited**

Company number: **02769768**



X6AO8F60

Received for Electronic Filing: **14/07/2017**

Details of Charge

Date of creation: **29/06/2017**

Charge code: **0276 9768 0384**

Persons entitled: **COMMUTER AIRCRAFT LEASING 2017 I LIMITED, 2 GRAND CANAL SQUARE, GRAND CANAL HARBOUR, DUBLIN 2, IRELAND AS ASSIGNEE**

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 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:

CLIFFORD CHANCE PTE LTD



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 2769768

Charge code: 0276 9768 0384

The Registrar of Companies for England and Wales hereby certifies that a charge dated 29th June 2017 and created by Flybe Limited was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 14th July 2017 .

Given at Companies House, Cardiff on 18th July 2017

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

DATED 29 June 2017

FLYBE LIMITED
AS ASSIGNOR

AND

COMMUTER AIRCRAFT LEASING 2017 I LIMITED
AS ASSIGNEE

LESSEE SECURITY AGREEMENT
ONE (1) ATR 72-600 AIRCRAFT
MANUFACTURER'S SERIAL NUMBER 1315

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THIS LESSEE SECURITY AGREEMENT is dated 29 June 2017

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) **COMMUTER AIRCRAFT LEASING 2017 I LIMITED**, (registration number 602686) a company duly incorporated and validly existing under the laws of Ireland whose registered office is at 2 Grand Canal Square, Grand Canal Harbour, Dublin 2, Ireland (the "**Assignee**").

WHEREAS:

- (A) The Assignee has agreed to lease the Aircraft to the Assignor pursuant to the Lease Agreement upon and subject to the terms and conditions thereof.
- (B) As a condition precedent to the obligations of the Assignee under the Transaction Documents, the Assignor is required to execute this Agreement in favour of the Assignee 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 Lease Agreement (including definitions incorporated therein 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 Schedule).

"**Aircraft**" means the ATR 72-600 aircraft bearing manufacturer's serial number 1315.

"**Collateral**" means:

- (a) the Relevant Insurance Property; and
- (b) the Relevant Requisition Compensation Property.

"**Event of Loss**" means any of the following events:

- (a) the agreed, actual, arranged, compromised or constructive total loss of the Aircraft (including any damage to the Aircraft which results in an insurance settlement on the basis of a total loss, or requisition for use or hire of the Aircraft which results in an insurance settlement on the basis of a total loss);

- (b) the Aircraft being destroyed, damaged beyond practical or economic repair or permanently rendered unfit for normal use for any reason whatsoever;
- (c) the Compulsory Acquisition of the Aircraft and where such Compulsory Acquisition does not involve requisition of title or other loss of title to the Aircraft, such Compulsory Acquisition shall be for a period of thirty (30) days or more;
- (d) the hijacking, theft, or disappearance of the Aircraft (i) for a period of thirty (30) days or more or (ii) if earlier, beyond the Lease Termination Date;
- (e) the condemnation, confiscation, capture, deprivation, seizure or requisition for use or hire of the Aircraft (other than where the same amounts to the Compulsory Acquisition of the Aircraft) which deprives any person entitled to have possession and/or use of the Aircraft of its possession and/or use (i) for more than a period of thirty (30) consecutive days or more or (ii) if earlier, beyond the Lease Termination Date; or
- (f) any other case which by subsequent agreement Lessor and Lessee may deem, with the agreement of the insurers, to be an Event of Loss.

An Event of Loss with respect to the Aircraft shall be deemed to have occurred if an Event of Loss occurs with respect to the Airframe.

"Insurance Proceeds" means any and all amounts payable in consequence of any claim under the Insurances.

"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 Lease Agreement, including without limitation all the benefits of, and all claims under, and the right to make all claims under, all such insurances.

"Lease Agreement" means the Original Lease Agreement, as amended and novated by the Lease Novation Agreement.

"Lease Novation Agreement" means the lease novation and amendment agreement relating to the Aircraft dated 29 June 2017 and entered into between the Assignee, AVAP Leasing (Europe) IV Pte Ltd and the Assignor.

"Lessor Security Agreement" means the English law first priority security assignment relating to the Aircraft dated 29 June 2017 between the Assignee, as assignor, and the Security Trustee, as assignee.

"Lien" means any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, trust arrangement, other encumbrance or security interest of any kind (howsoever created or arising) or any other right, agreement or arrangement having a similar effect (including without limitation title transfer and/or retention arrangements and rights of possession or detention).

"Original Lease Agreement" means the lease agreement relating to the Aircraft dated 19 February 2015 and entered into between Avation PLC and the Assignor as amended, restated and/or novated from time to time.

"Parties" means, together, the parties to this Agreement.

"Receiver" means any receiver or receiver and manager or administrative receiver appointed by the Assignee 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.

"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.

"Requisition Compensation" means all moneys and other compensation from time to time payable in respect of any Compulsory Acquisition of the Aircraft.

"Secured Obligations" means (a) any and all moneys and financial liabilities which are (or which are expressed to be) now or at any time hereafter due, owing or payable by the Assignor to the Assignee 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, including as a consequence of any breach, non-performance, disclaimer or repudiation by the Assignor (or by a liquidator, receiver, administrative receiver, administrator, examiner or any similar officer in respect of the Assignor) of any of the Assignor's obligations under or in relation to any 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 Assignor in favour of the Assignee under or in relation to any Transaction Document.

"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.

"Security Trustee" means Export Development Canada, in its capacity as security trustee for and on behalf of certain financial institutions.

"Termination Event" means any of the events or circumstances described in clause 23 of the Lease Agreement.

"Transaction Documents" means any or each or all (as the context may require) of the Lease Agreement, the Acceptance Certificate, the Authorisation Letter, the Airframe and Engine Warranty Agreement, the Support Agreement, the Assignment of Insurances, the Deregistration Power of Attorney, any Letter of Credit, any Permitted Sublease and any Security Document to which Lessee is a party and all notices, acknowledgements, consents and certificates required hereunder or thereunder or entered into in connection herewith or therewith and any other document or agreement agreed from time to time by Lessor and Lessee to constitute a Transaction Document.

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, assigned, 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 a Termination Event, be construed as a reference to a Termination Event which has not been waived or remedied in accordance with the terms of the Lease 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 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;
- (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, examinership, re-

organisation, dissolution, administration, arrangement, adjustment, protection or relief of debtors; and

(k) words importing the plural shall include the singular and *vice versa*.

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 Assignee.

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 Assignee.

2.3 Initial Notice

Immediately upon execution of this Agreement, the Assignor shall 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 the Schedule.

2.4 Further Notices

The Assignor hereby undertakes (a) to execute and deliver (and to use all commercially reasonable efforts to procure that each such other person as the Assignee and/or the Security Trustee may require (acting reasonably) executes and delivers) such further notices of assignment as the Assignee and/or the Security Trustee may require (acting reasonably), each of which notices shall be in such form as the Assignee and/or the Security Trustee may require (acting reasonably) and (b) to use all commercially reasonable efforts to procure that each such person as the Assignee and/or the Security Trustee may require (acting reasonably) executes and delivers a related acknowledgement of assignment to the Assignor, the Assignee and the Security Trustee, each of which acknowledgements shall be in such form as the Assignee and/or 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 the Assignee or the Security Trustee 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 the Assignee or the Security Trustee in perfecting or enforcing any other Lien, security, guarantee, indemnity or other right or remedy that the Assignee or the Security Trustee 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. **Representation and Warranty**

The Assignor hereby represents and warrants to the Assignee that (save as provided or permitted under the Transaction Documents) it has not prior to the date hereof assigned, charged or otherwise encumbered the Collateral or any moneys payable thereunder, other than pursuant to this Agreement.

5. **Covenants**

The Assignor acknowledges to the Assignee 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 Assignee 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 Assignor hereby covenants with the Assignee that (save as provided or permitted under the Transaction Documents):

- (a) it will not do anything which may in any way jeopardise or otherwise prejudice the Lien constituted hereby or the rights of the Assignee hereunder;

- (b) it will not, except with the prior written consent of the Assignee, agree to any variation of the Collateral or release any party from its, or waive any breach of any party's obligations under or in relation to the Collateral or consent to any act or omission which would otherwise constitute a breach of any party's obligations under any of the Transaction Documents in relation to the Collateral;
- (c) it will not, without the prior written consent of the Assignee, assign, charge, sell or otherwise dispose of the Collateral or create or incur any Lien in or upon the Collateral, save for the Liens constituted by this Agreement; and
- (d) it will not exercise any right of set-off, counterclaim or defence against the Assignee with respect to the Collateral.

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 Assignee 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 Assignee 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 Assignee 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 Assignee 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 Upon the occurrence of any Termination Event and so long as such Termination Event is continuing, the Assignee (or, pursuant to the Lessor Security Agreement, the Security Trustee) may give written notice to the Assignor and/or any other relevant person (including the insurers with whom the Insurances are placed) declaring that the

Assignee or the Security Trustee, as the case may be, may exercise any and all rights in or in relation to the Collateral and at all times thereafter the Assignee or the Security Trustee, as the case may be, shall be entitled without notice or further demand:

- (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 Assignee 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 Assignee (or, pursuant to the Lessor Security Agreement, 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 a Termination Event shall have occurred and be continuing (subject to any further requirement for notice by the Assignee 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 Insurance Proceeds relating to an Event of Loss), subject to the terms of the Transaction Documents.
- 8.3 Subject to the terms of this Agreement, the Assignee 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 Assignee's fraud, gross negligence or wilful misconduct).
- 8.4 The Assignee 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 Assignee 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 Assignee 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 Assignee 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 Assignee's fraud, gross negligence or wilful misconduct).
- 8.6 Upon any sale by the Assignee of all or any part of the Assignee'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 Assignee has arisen, the sale shall be deemed for all purposes to be within the power of the Assignee and the receipt of the Assignee 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 Assignee will have exercised any of its rights under this Agreement;
 - (b) such appointment may be made upon such terms and conditions as the Assignee 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 Assignee by this Agreement and by applicable law with respect to the Collateral; and
 - (f) without limiting Clause 9.1(b), the remuneration of the Receiver may be fixed by the Assignee (acting reasonably), and may include a commission calculated

by reference to a gross amount of all money received or otherwise, but 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 Assignee (or any Receiver) in relation to the Collateral by reason of this Agreement shall be applied in accordance with the provisions of clause 20.3 of the Lease Agreement (in the case of the Relevant Insurance Property) and clause 21.2 of the Lease Agreement (in the case of the Relevant Requisition Compensation Property).

11. Delegation

The Assignee 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 Assignee may in its sole and absolute discretion determine.

12. Conditional Discharge Only

Any settlement or discharge between the Assignee and the Assignor will be conditional upon no security or payment to the Assignee or the Security Trustee 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

Following the full and final discharge of the Secured Obligations (as confirmed in writing by the Assignee), the Assignee will, upon the request and at the cost of the Assignor and subject to Clause 12, re-assign and release to the Assignor, without recourse or warranty, such right, title and interest as the Assignee may then have in and to the Collateral.

14. Appointment of Attorney

- 14.1 The Assignor hereby by way of security irrevocably appoints each of the Assignee and any Receiver severally 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 Assignee and Receiver (as the case may be) and as the Assignor's act and deed to sign, seal, execute, deliver and do all such assurances, acts and things which the Assignee and Receiver (as the case may be) 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 Assignee and Receiver (as the case may be) 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 Assignee and Receiver (as the case may be), 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 Assignee and Receiver (as the case may be) 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, and the exercise of the power by the Assignee and Receiver as the case may be, shall be conclusive evidence of its right to exercise to exercise the same.
- 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 Assignor will take all such actions and do all such things as the Assignee may from time to time require (acting reasonably) so as to establish, maintain, perfect, preserve and/or protect the rights of the Assignee 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.
- 15.2 The Assignee 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 Assignee shall, for so long as there shall not have occurred and be continuing a Termination Event, consult in good faith with the Assignor in relation to the taking of any such action or the doing of any such thing.
- 15.3 Any action taken or thing done pursuant to this Clause 15 shall be at the Assignor's sole cost and expense.

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 Assignee 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 Assignee 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) 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)) and (b) the Security Trustee shall be entitled to enforce and enjoy the benefit of the terms of Clauses 2.4 and 8 subject to and in accordance with the provisions thereof.

17. Costs and Expenses

- 17.1 Each Party is responsible for costs and expenses relating to this Agreement subject to and in accordance with the provisions of clause 27.9 of the Lease Agreement.

18. Assignments and Transfers

- 18.1 This Agreement shall be binding upon and enure 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 The Assignee shall be entitled to assign all of its rights under this Agreement to the Security Trustee pursuant to the Lessor Security Agreement, but shall not otherwise be entitled to assign and/or transfer any of its rights and/or obligations under this Agreement.

19. **Notices**

19.1 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 Lease Agreement.

19.2 For such purposes:

(a) the notice details of the Assignor are:

Flybe Limited
New Walker Hanger
Exeter International Airport
Clyst Honiton
Exeter EX5 2BA
United Kingdom

Attention: General Counsel and Director of Fleet Planning
Fax: +44 1392 266772

(b) the notice details of the Assignee are:

Commuter Aircraft Leasing 2017 I Limited
2 Grand Canal Square, Grand Canal Harbour
Dublin 2, D02 A342
Ireland

Attention: John Naughton
Fax: +353 (1) 224 0480
Email: John.Naughton@capitaifs.com

with a copy to:

Chorus Aviation Inc.
3 Spectacle Lake Drive, Dartmouth,
Nova Scotia B3B 1W8, Canada

Attention: General Counsel and Corporate Secretary
Fax: +1 902 873-2098
Email: legalnotices@chorusaviation.ca

with a copy to:

Export Development Canada
150 Slater Street
Ottawa, Ontario
Canada K1A 1K3

Loan Administration:

Attention: Loans Services
Fax: (613) 598-2514
Email: LS-aerospace@edc.ca

Covenants & Compliance:

Attention: Covenants Officer
Fax: (613) 598-3186
Email: covenantsofficer@edc.ca

Credit Matters:

Attention: Credit Risk Management
Fax: (613) 598-3186

or, in each case, such other notice details that a Party may from time to time notify to the other Party upon not less than five (5) Business Days' prior written notice.

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.

THE SCHEDULE
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 "**Lessee**")

Commuter Aircraft Leasing 2017 I Limited (the "**Lessor**")

Export Development Canada, in its capacity as security trustee for and on
behalf of certain persons (in such capacity, the "**Security Trustee**")

[●] 2017

Dear Sirs

One (1) ATR 72-600 Aircraft bearing Manufacturer's Serial Number 1315 (the Aircraft)

1. We refer to the lease agreement relating to the Aircraft dated 19 February 2015 between Avation PLC as lessor and the Lessee, as amended and novated pursuant to the lease novation agreement dated 18 March 2016 between Avation PLC as existing lessor, AVAP Leasing (Europe) IV Pte. Ltd as new lessor and the Lessee as lessee and as further amended or novated pursuant to the lease novation agreement dated on or about the date hereof and entered into between AVAP Leasing (Europe) IV Pte Ltd, the Lessor and the Lessee (the "**Lease Agreement**").
2. We hereby give notice that:
 - (a) by a security agreement dated [●] 2017 (the "**Lessee Security Agreement**"), the Lessee assigned and agreed to assign by way of first priority security to the Lessor all of its right, title and interest in and to, *inter alia*, the Insurances; and
 - (b) by a security agreement dated [●] 2017, the Lessor 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, *inter alia*, the Insurances (either in its own capacity or pursuant to the Lessee Security Agreement).
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 Lease 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 Lessor or by the Security Trustee, please continue to follow the instructions of the Lessee in respect of the Insurances (except in respect of the occurrence of any event of loss in relation to the Aircraft). Upon

notice from the Lessor or the Security Trustee, please follow the Lessor's or the Security Trustee's, as the case may be, instructions in respect of the Insurances (provided that the notice of the Security Trustee shall in all circumstances prevail).

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

Lessee

for and on behalf of
FLYBE LIMITED

Name:

Title:

Lessor

for and on behalf of
COMMUTER AIRCRAFT LEASING 2017 I LIMITED

Name:

Title:

Security Trustee

for and on behalf of
EXPORT DEVELOPMENT CANADA

Name:

Title:

EXECUTION PAGE

Lessee Security Agreement

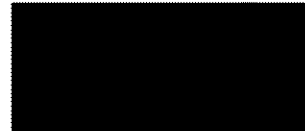
One (1) ATR 72-600 Aircraft

MSN 1315

The Assignor

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

)
)
)
)



Sylvain Gloux

Senior Fleet Planning Executive

Signature of Witness:



Name of Witness:

Paul Williams

Address of Witness:

New Walkers, Hampers

Exeter International Airport

EXS ISA Dept Hants UK

The Assignee

SIGNED AND DELIVERED AS A DEED

For and on behalf of

COMMUTER AIRCRAFT LEASING 2017 I LIMITED by
its lawfully appointed attorney

In the presence of:

Witness

Address

Occupation