

# MR01

## Particulars of a charge



Companies House

235122/13

A fee is payable with this form  
Please see 'How to pay' on the  
last page

You can use the WebFiling service to  
Please go to [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)

☒ **What this form is for**  
You may use this form to register  
a charge created or evidenced by  
an instrument

☒ **What this form is NOT for**  
You may not use this form to  
register a charge where there is  
an instrument. Use form MR08



WEDNESDAY

This form **must be delivered to the Registrar for registration within 21 days** beginning with the day after the date of creation of the charge. If delivered outside of the 21 days it will be rejected unless it is accompanied by a court order extending the time for delivery.



You **must** enclose a certified copy of the instrument with this form. This will be scanned and placed on the public record. **Do not send the original**

### 1 Company details

Company number 02769768

Company name in full FLYBE LIMITED

0316 For official use

→ **Filing in this form**  
Please complete in typescript or in  
bold black capitals

All fields are mandatory unless  
specified or indicated by \*

### 2 Charge creation date

Charge creation date 26/01/2015

### 3 Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees  
entitled to the charge

Name NAC AVIATION 19 LIMITED

Name

Name

Name

If there are more than four names, please supply any four of these names then  
tick the statement below

☐ I confirm that there are more than four persons, security agents or  
trustees entitled to the charge

# MR01

## Particulars of a charge

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### Brief description

Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument

Brief description

Please submit only a short description if there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument"

Please limit the description to the available space

5

### Other charge or fixed security

Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box

☒ Yes

☐ No

6

### Floating charge

Is the instrument expressed to contain a floating charge? Please tick the appropriate box

☐ Yes Continue

☒ No Go to **Section 7**

Is the floating charge expressed to cover all the property and undertaking of the company?

☐ Yes

7

### Negative Pledge

Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge?

Please tick the appropriate box

☒ Yes

☐ No

8

### Trustee statement <sup>①</sup>

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge

☐

<sup>①</sup> This statement may be filed after the registration of the charge (use form MR06)

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### Signature

Please sign the form here

Signature

Signature

X

Allen & Overy LLP

X

This form must be signed by a person with an interest in the charge

MR01

## Particulars of a charge

**Presenter information**

You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **DANIEL GRIMWOOD**

Company name **ALLEN & OVERY LLP**

Address **ONE BISHOPS SQUARE**

Post town **LONDON**

County/Region

Postcode **E 1 6 A D**

Country **UNITED KINGDOM**

DX

Telephone **0203 088 4428**

**Certificate**

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.

**Checklist**

**We may return forms completed incorrectly or with information missing**

**Please make sure you have remembered the following**

- ☐ The company name and number match the information held on the public Register
- ☐ You have included a certified copy of the instrument with this form
- ☐ You have entered the date on which the charge was created
- ☐ You have shown the names of persons entitled to the charge
- ☐ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8
- ☐ You have given a description in Section 4, if appropriate
- ☐ You have signed the form
- ☐ You have enclosed the correct fee
- ☐ Please do not send the original instrument, it must be a certified copy

**Important information**

**Please note that all information on this form will appear on the public record**

**How to pay**

**A fee of £13 is payable to Companies House in respect of each mortgage or charge filed on paper**

Make cheques or postal orders payable to 'Companies House'

**Where to send**

**You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below**

**For companies registered in England and Wales**  
The Registrar of Companies, Companies House,  
Crown Way, Cardiff, Wales, CF14 3UZ  
DX 33050 Cardiff

**For companies registered in Scotland**  
The Registrar of Companies, Companies House,  
Fourth floor, Edinburgh Quay 2,  
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF  
DX ED235 Edinburgh 1  
or LP - 4 Edinburgh 2 (Legal Post)

**For companies registered in Northern Ireland**  
The Registrar of Companies, Companies House,  
Second Floor, The Linenhall, 32-38 Linenhall Street,  
Belfast, Northern Ireland, BT2 8BG  
DX 481 N R Belfast 1

**Further information**

For further information, please see the guidance notes on the website at [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

**This form is available in an alternative format. Please visit the forms page on the website at [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)**



**FILE COPY**

## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

Company number. 2769768

Charge code: 0276 9768 0316

The Registrar of Companies for England and Wales hereby certifies that a charge dated 26th January 2015 and created by FLYBE LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 4th February 2015

Given at Companies House, Cardiff on 9th February 2015



**Companies House**



**THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES**

**C L I F F O R D  
C H A N C E**

**CLIFFORD CHANCE LLP**

EXECUTION VERSION

Except for material redacted pursuant to  
s859G of the Companies Act 2006 I certify  
that this is a correct copy of the original  
document

Allen & Overy LLP  
04/02/2015

FLYBE LIMITED

AS ASSIGNOR

AND

NAC AVIATION 19 LIMITED

AS ASSIGNEE

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SECURITY AGREEMENT  
RELATING TO  
ONE (1) BOMBARDIER DHC-8-402 AIRCRAFT  
MANUFACTURER'S SERIAL NUMBER 4155

ASSIGNMENT OF INSURANCES

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**THIS SECURITY AGREEMENT** is dated 26 January 2015

**BETWEEN:**

- (1) **FLYBE LIMITED**, a limited liability company incorporated and existing under the laws of England and Wales (the "**Assignor**"); and
- (2) **NAC AVIATION 19 LIMITED**, a company incorporated under the laws of Ireland (with registered number 550220) with its registered office at 5th Floor, Bedford Place, Henry Street, Limerick, Ireland (the "**Assignee**")

**WHEREAS:**

- (A) The Assignee has agreed to acquire title to the Aircraft from GOAL Verwaltungsgesellschaft mbh & Co. Projekt nr 25 KG (the "**Existing Lessor**")
- (B) The Assignor, the Assignee and the Existing Lessor have entered into an aircraft lease novation and amendment agreement dated on or about the date hereof (the "**Novation Agreement**") pursuant to which the Existing Lessor has agreed to transfer to the Assignee all of its rights and obligations under the lease agreement relating to the Aircraft dated on or about 13 June 2007 and entered into between Existing Lessor, as, lessor, and the Assignor, as lessee
- (C) As a condition precedent to the obligations of the Assignee under the Novation Agreement, the Assignor is now required to execute this Agreement in favour of the Assignee as security for the Secured Obligations

**THIS AGREEMENT WITNESSES** as follows:

**1. DEFINITIONS**

- 1.1 In this Agreement, including the Recitals and the Schedules, the following words and expressions shall, except where the context otherwise requires, have the following respective meanings:

"**Agreement**" means this agreement as originally executed by the Parties and as the same may be amended, modified or supplemented from time to time.

"**Aircraft**" means the Bombardier DHC-8-402 aircraft bearing manufacturer's serial number 4155

"**Business Day**" has the meaning ascribed thereto in the Lease Agreement

"**Collateral**" means (a) the Relevant Insurance Property and (b) the Relevant Requisition Proceeds Property

"**Compulsory Acquisition**" means the requisition of title or other compulsory acquisition, requisition, appropriation, expropriation, deprivation or confiscation for any reason of the Aircraft by any Governmental Authority or other competent authority, whether de jure or de facto, but shall exclude requisition for use or hire not involving requisition of title

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

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

**"Governmental Authority"** means (a) any national government, political subdivision thereof, or local jurisdiction therein whether de facto or de jure and/or (b) any board, commission, department, division, organ, instrumentality, court or agency thereof, howsoever constituted and/or (c) any association, organisation or institution of which any entity mentioned in (a) or (b) above is a member or who is controlled directly or indirectly thereby (and for these purposes "control" shall mean the power to direct its management and its policies whether through the ownership of voting capital, by contract or otherwise).

**"Insurances"** means (a) any and all policies and contracts of insurance (other than liability insurance) from time to time required to be maintained in relation to the Aircraft of any part thereof by the terms of the Lease Agreement and (b) all the benefits of, and all claims under, and the right to make all claims under, all such policies and contracts of insurance (other than liability insurance) to the extent relating to the Aircraft

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

**"Lease Agreement"** means the lease agreement relating to the Aircraft dated on or about 13 June 2007 and entered into between Existing Lessor, as, lessor, and the Assignor, as lessee, as novated from the Existing Lessor to the Assignee pursuant to the Novation Agreement

**"Lessor Security Agreement"** means the security agreement relating to the Aircraft dated on or about the date hereof and entered into between the Assignee, as assignor, and the Security Trustee, as assignee

**"Lien"** means any encumbrance or security interest whatsoever, howsoever created or arising including (without prejudice to the generality of the foregoing) any assignment, charge, hypothecation, lien, mortgage, pledge or right in rem (whether statutory or otherwise), any bailment (including leasehold), purchase or ownership right or interest, any right of detention, title retention or set-off (other than a right of set-off arising by operation of law) or any agreement or arrangement having a similar effect to any of the foregoing

**"Party"** means a party to this Agreement.

**"Prior Financing"** means the part-financing of the purchase of the Aircraft pursuant to a loan agreement dated on or about 27 January 2006 and entered into between, *inter alios*, the Existing Lessor, as borrower, and Norddeutsche Landesbank Girozentrale, as initial lender, facility agent and security trustee

**"Receiver"** means any receiver or receiver and manager or administrative receiver appointed by the Assignee hereunder or under any statutory power

**"Relevant Insurance Property"** means all of the right, title and interest (present and future, actual and contingent) of the Assignor in and to the Insurances



**"Relevant Requisition Proceeds Property"** means all of the right, title and interest (present and future, actual and contingent) of the Assignor in and to the Requisition Proceeds

**"Requisition Proceeds"** means all moneys or other compensation from time to time payable in respect of the Compulsory Acquisition of the Aircraft

**"Secured Obligations"** means all moneys, liabilities and obligations which are now or at any time hereafter may be expressed to be 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 any Transaction Document or 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 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 Wells Fargo Trust Corporation Limited

**"Third Parties Act"** means the Contracts (Rights of Third Parties) Act 1999.

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

## 1.2 **Headings**

Clause headings are inserted for convenience of reference only and shall be ignored in the interpretation of this Agreement

## 1.3 **Interpretation**

In this Agreement, unless the context otherwise requires, a reference to:

- (a) any person shall be construed so as to include its successors, permitted assigns and permitted transferees in accordance with their respective interests,
- (b) this Agreement or any other agreement or document shall be construed as a reference to this Agreement or, as the case may be, such other agreement or document as the same may have been, or may from time to time be, amended, varied, novated or supplemented in accordance with the provisions hereof or thereof,
- (c) any **"applicable law"** includes, without limitation, (i) applicable laws, statutes, decrees, decree-laws, acts, codes, legislation, treaties, conventions and similar instruments and, in respect of any of the foregoing, any instrument passed in substitution therefor or for the purposes of consolidation thereof with any other instrument or instruments, in each case, as amended, modified, varied or supplemented from time to time, (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 orders, guidelines, notices, guidance, rules

and regulations of any Governmental Authority with which, if not having the force of law, compliance is customary,

- (d) a "**Clause**" shall, subject to any contrary indication, be construed as a reference to a clause of this Agreement,
- (e) "**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 hereof or of the relevant Transaction Document) or otherwise ceased to exist;
- (f) a "**person**" shall be construed as a reference to any person, firm, company, corporation, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the foregoing;
- (g) a "**Schedule**" shall, subject to any contrary indication, be construed as a reference to a schedule to this Agreement,
- (h) 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
- (i) the "**winding-up**", "**dissolution**", "**administration**" or "**re-organisation**" of a company or corporation shall be construed so as to include any equivalent or analogous proceedings under the law of the jurisdiction in which such company or corporation is incorporated or any jurisdiction in which such company or corporation carries on business including the seeking of liquidation, winding up, reorganisation, dissolution, administration, arrangement, adjustment, protection or relief of debtors.

## **2 REPRESENTATIONS AND WARRANTIES**

### **2.1 Prior Security**

The Assignor hereby represents and warrants to the Assignee that (save as provided or permitted under the Transaction Documents or in connection with the Prior Financing) 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.

## **3. ASSIGNMENT, CHARGE AND NOTICES**

### **3.1 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

### **3.2 Charge**

Notwithstanding and in addition to the assignment of the Collateral in accordance with Clause 3.1 (*Assignment*), 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.

### **3.3 Initial Notice**

Upon execution of this Agreement, the Assignor shall, in relation to the assignment and charge in respect of the Relevant Insurance Property, deliver a notice of assignment and charge to the insurers with whom the Insurances or any part thereof are effected in the form set out in Schedule 1 (*Form of Notice of Assignment and Charge of Relevant Insurance Property*)

### **3.4 Further Notices**

The Assignor hereby undertakes to give notice, or to procure that notice is given, of the assignment and charge of the Relevant Requisition Proceeds Property to the relevant Governmental Authority in the form set out in Schedule 2 (*Form of Notice of Assignment and Charge of Relevant Requisition Proceeds Property*) promptly following the Assignor becoming aware of any Compulsory Acquisition being effected by or under the order of such Governmental Authority in relation to the Aircraft and, if received from such Governmental Authority, to deliver to the Assignor and the Assignee a copy of an acknowledgement of assignment and charge duly countersigned by or on behalf of the addressee(s) in the form set out in Schedule 3 (*Form of Acknowledgement of Assignment and Charge of Relevant Requisition Proceeds Property*)

## **4 CONTINUING SECURITY**

### **4.1 Throughout the Security Period, the Lien constituted by this Agreement shall**

- (a) be a continuing security for the payment, satisfaction and discharge in full of the Secured Obligations;
- (b) not be considered as satisfied or discharged or prejudiced by any intermediate payment, satisfaction or settlement of any of the Secured Obligations or any other matter or thing whatsoever;
- (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 Lien, guarantee, indemnity or other right or remedy which the Assignee may now or at any time hereafter hold for or in respect of the Secured Obligations or any part thereof, and
- (d) not be prejudiced by any time or indulgence granted to any person, or any abstention or delay by the Assignee in perfecting or enforcing any Lien, securities, guarantees, rights or remedies that the Assignee may now or hereafter have from or against the Assignor or any other person, or any waiver, act, omission, unenforceability or invalidity of any such Lien, security, guarantee, right or remedy

- 4 2 The giving by the Assignee of any consent to any act which by the terms of this Agreement requires such consent shall not prejudice the right of the Assignee to withhold or give consent to the doing of any other similar act
- 4 3 This Agreement and the Lien hereby constituted 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.
- 4 4 Neither Section 93 nor Section 103 of the Law of Property Act 1925 shall apply to this Agreement.

## **5 ASSIGNOR'S COVENANTS**

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.

## **6 APPLICATION OF MONEYS**

All moneys in respect of the Collateral received by a Receiver or the Assignee or either of them by reason of this Agreement shall be applied in or towards discharge of the Secured Obligations in accordance with the provisions of clause 9 7 of the Lease Agreement

## **7 ASSIGNOR'S CONTINUING OBLIGATIONS**

Notwithstanding anything herein contained.

- (a) the Assignor shall remain liable under the Transaction Documents to which it is a party to perform all the obligations assumed by it thereunder,
- (b) the Assignee shall not be under any further obligation or liability under the Transaction Documents to which the Assignor is a party by reason of this Agreement or anything arising out of, or in connection with, it, and
- (c) the Assignee shall not be under any obligation of any kind

- (i) to assume or to perform or fulfil any obligation of the Assignor in, under or pursuant to the Transaction Documents to which the Assignor is a party or be under any liability whatsoever as a result of any failure of the Assignor to perform any of its obligations in connection therewith,
- (ii) (except as otherwise provided in the Transaction Documents) to enforce against any of the parties thereto any term or condition of the Transaction Documents or to enforce any rights and benefits hereby assigned and/or charged or to which the Assignee may at any time be entitled; and/or
- (iii) to make any enquiries as to the nature or sufficiency of any payment received by the Assignee hereunder or to make any claim or to take any action to collect any moneys hereby assigned and/or charged

## 8 ENFORCEABILITY OF SECURITY

8.1 Upon the occurrence of any Event of Default and so long as such Event of Default is continuing, the Assignee 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 may exercise any and all rights in or in relation to the Collateral and at all times thereafter the Assignee shall be entitled without notice or further demand to

- (a) exercise any and all rights of the Assignor in or in relation to the Collateral including, without limitation, any and all rights of the Assignor to demand or otherwise require payment of any amount under the Collateral;
- (b) subject to the provisions of clause 9.7 of the Lease Agreement, collect, receive or compromise and give a good discharge for all claims then outstanding or thereafter arising under the Collateral and to take over or institute all such suits, legal actions or other proceedings in connection therewith as the Assignee may consider fit,
- (c) appoint, by deed or by a document under the hand of any of its officers, attorneys or substitute attorneys, a person from time to time to act as Receiver in respect of the Collateral subject to the provisions of Clause 9 (*Receiver*) and to remove a person so appointed and appoint another in his place, and
- (d) otherwise put into force and effect all rights, powers and remedies available to the Assignee, pursuant to applicable law or otherwise, as assignee and/or chargee of the Collateral (to the extent assigned and/or charged hereunder) and the rights of the Assignor in relation to the Collateral,

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

8.2 Unless an Event of Default shall have occurred and be continuing, the Assignor shall be entitled to exercise any and all rights in or in relation to the Collateral (except any and all rights in relation to Insurance Proceeds relating to an Event of Loss).

- 8 3 The Assignee shall not be obliged to exercise any right, remedy, power or privilege conferred upon the Assignee by or pursuant to 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 to enforce any rights and benefits assigned and/or charged hereunder with respect to the Collateral or any amount due and payable, or which may become payable, thereunder or to which it may at any time be entitled. No action taken or omitted to be taken by the Assignee shall give rise to any defence, counterclaim or other right of set-off in favour of the Assignor or affect in any manner whatsoever any of the Secured Obligations.
- 8 4 The Assignee may exercise its power of sale hereunder in such a way as it in its absolute discretion may determine and shall not in any circumstances be answerable for any loss occasioned by any such sale or resulting from any postponement thereof.
- 8.5 The Assignee shall not be liable as assignee or chargee in respect of the Collateral to account or be liable for any loss upon the realisation thereof or for any neglect or default (but not including gross negligence or wilful misconduct) of any nature whatsoever in connection therewith for which any assignee or chargee may be liable as such
- 8 6 Upon any sale by the Assignee of the whole 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 hereof 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(c) shall be deemed to be subject to the following provisions:
- (a) the Receiver shall be the agent of the Assignor, and the Assignor alone shall be responsible for his acts, defaults and remuneration;
  - (b) neither the Assignee nor any Receiver shall be liable to account as an assignee and/or chargee of the Collateral and neither the Assignee nor any Receiver shall be liable for any loss arising from or in connection with the realisation of the Collateral or otherwise for any act, neglect, default or omission for which an assignee or chargee might be liable as such,
  - (c) any 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 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 (to the extent assigned and/or charged hereunder), and
  - (d) such appointment may be made either before or after the Assignee shall have exercised any of its rights pursuant to this Agreement.

- 9 2 Sections 103, 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(c).

## 10 DELEGATION

The Assignee shall be entitled, at any time and as often as may be expedient, to delegate all or any of the powers and discretions vested in it by this Agreement (including the power vested in it by virtue of Clause 13 (*Appointment of Attorney*)) in such manner, upon such terms, and to such persons as the Assignee in its discretion may think fit, provided that the Assignee shall remain primarily liable therefor.

## 11. CONDITIONAL DISCHARGE ONLY

Any settlement or discharge between the Assignee and the Assignor shall be conditional upon no security or payment to the Assignee by any person under or in relation to the Transaction Documents being avoided or set aside or ordered to be refunded or reduced by virtue of any provision or enactment relating to bankruptcy, liquidation, winding-up, insolvency, dissolution, reorganisation, amalgamation or other analogous event or proceedings for the time being in force

## 12 REASSIGNMENT AND RELEASE OF CHARGE

Following the full and unconditional discharge of the Secured Obligations, the Assignee shall, upon the request and at the cost of the Assignor, re-assign the Collateral to the Assignor or to such other person as the Assignor shall direct, grant an express release of the charge of the Collateral created under Clause 3 2 (*Charge*) and execute such documents as the Assignor may reasonably require in order to effect such re-assignment or release

## 13 APPOINTMENT OF ATTORNEY

- 13 1 The Assignor hereby by way of security irrevocably appoints Assignee to be its true and lawful attorney (with full power of substitution and delegation) for the Assignor and in its name or otherwise and on its behalf and as its act and deed to sign, seal, execute, deliver and do all such assurances, acts and things which the Assignee may deem to be necessary 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 hereunder), 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 may consider to be necessary or advisable in connection with the Collateral (to the extent assigned and/or charged hereunder), 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, 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 may deem appropriate for the purpose of exercising any of such powers, authorities and discretions, provided that the authority conferred in this Clause 13 1 shall only be exercisable for so long as an Event of Default has occurred and is continuing.

13.2 The power conferred by Clause 13.1 shall be a general power of attorney under the Powers of Attorney Act 1971.

13.3 The Assignor hereby unconditionally and irrevocably ratifies and confirms and agrees to ratify and confirm whatever any such attorney appointed pursuant to Clause 13.1 shall do or purport to do in the exercise or purported exercise of all or any of the powers, authorities and discretions conferred pursuant to Clause 13.1.

#### **14 FURTHER ASSURANCES AND PROTECTION OF SECURITY**

14.1 The Assignor shall from time to time sign, seal, execute, acknowledge, deliver, file and register any additional documents, instruments, agreements, certificates, notices, consents and assurances and do such other acts and things reasonably necessary and as the Assignee may reasonably request from time to time to perfect the security granted by this Agreement or to establish, maintain, protect or preserve the rights of the Assignee under this Agreement and the Lien and security intended to be constituted by this Agreement.

14.2 The Assignee shall, without prejudice to its other rights and powers under this Agreement, be entitled (but shall be under no obligation) at any time in consultation with the Assignor and as often as may be necessary after notice to the Assignor, to take any such action as it in its reasonable discretion thinks fit for the purpose of protecting the Lien and security constituted by this Agreement.

#### **15 SUCCESSORS AND ASSIGNS**

15.1 This Agreement shall be binding upon and inure to the benefit of the Assignor and the Assignee and their respective successors and permitted assigns and permitted transferees.

15.2 The Assignor shall not be entitled to assign any of its rights or transfer any of its obligations hereunder without the prior written consent of the Assignee.

15.3 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.

#### **16 NOTICES**

16.1 Each communication to be made or document to be delivered by one Party to another pursuant to this Agreement shall be made or delivered in writing and in the English language but, unless otherwise stated, may be made by letter or any form of facsimile transmission.

16.2 Each communication to be made or document to be delivered by one Party to another pursuant to this Agreement shall (unless that other Party has by fifteen (15) days' written notice specified another address) be made or delivered to that Party addressed as follows:



(a) if to the Assignor, to it at

Flybe Limited  
Jack Walker House  
Exeter International Airport  
Exeter  
Devon EX5 2HL

Attention      Company Secretary  
Fax            +44 1392 266 772

with a copy to

Flybe Group Limited  
Jack Walker House  
Exeter International Airport  
Exeter  
Devon EX5 2HL

Attention.      Company Secretary  
Fax            +44 1392 266 772

(b) if to the Assignee, to it at.

NAC Aviation 19 Limited  
5<sup>th</sup> Floor Bedford Place  
Henry Street  
Limerick, Ireland

Attention.      Director  
Fax            +353 61 432420

with a copy to.

Nordic Aviation Capital A/S  
Stratusvej 12  
7190 Billund  
Denmark

Attention      CEO  
Fax            +45 7651 1212

and shall be deemed to have been given or delivered when despatched (in the case of any communication made by facsimile transmission provided that, if the date of despatch is not a Business Day in the country of the recipient, it shall be deemed to have been given or delivered on the next succeeding Business Day in such country) or (in the case of any communication made by letter) when left at the relevant address, as aforesaid, or (as the case may be) five (5) Business Days after being deposited with a recognised international air courier postage prepaid in an envelope addressed to it at that address provided that any communication or document to be made or delivered to

the Assignee shall be effective only when received by the Assignee and then only if the same is expressly marked for the attention of the department or officer specified above (or such other department or officer as the Assignee shall from time to time specify for this purpose).

**17. MISCELLANEOUS**

17.1 This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall constitute an original, but all counterparts shall together constitute but one and the same instrument

17.2 No failure to exercise, nor any delay in exercising, on the part of either Party, any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise thereof or the exercise of any other right or remedy. The rights and remedies herein provided are cumulative and not exclusive of any rights or remedies provided by law

17.3 If, at any time, any provision hereof 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 hereof nor the legality, validity or enforceability of such provision under the law of any other jurisdiction shall in any way be affected or impaired thereby.

**18. GOVERNING LAW AND JURISDICTION**

18.1 This Agreement shall be governed by and construed in accordance with the laws of England and Wales

18.2 Each of the Parties irrevocably agrees for the benefit of the other 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

18.3 The submission by the Parties to the jurisdiction mentioned in Clause 18.2 shall not (and shall not be construed so as to) limit the right of either Party to take Proceedings against the other 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.

18.4 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

18.5 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.

**19. RIGHTS OF THIRD PARTIES**

- 19.1 Subject to this Clause 19, a person who is not a Party has no right under the Third Parties Act to enforce any provision of this Agreement but this does not affect any right or remedy of a third party which exists or is available apart from under the Third Parties Act.
- 19.2 A Receiver appointed pursuant to Clause 8 1(c) may enforce the terms of Clause 9 (*Receiver*) subject to and in accordance with this Clause 19 and the provisions of the Third Parties Act, provided that the consent of a Receiver shall not be required in relation to any amendment to this Agreement (including, without limitation, Clause 9 (*Receiver*)).

**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 AND CHARGE OF RELEVANT**  
**INSURANCE PROPERTY**

To     Albatros  
       (Flybe Hull All Risks/Liabilities, Hull War and All Risks Spares Insurances)

From   Flybe Limited (the "Lessee")  
       NAC Aviation 19 Limited (the "Lessor")

[Date]

Dear Sirs

**One (1) Bombardier DHC-8-402 Aircraft bearing Manufacturer's Serial Number 4155**  
**(the "Aircraft")**

1.     We refer to the lease agreement relating to the Aircraft dated on or about 13 June 2007 and entered into between the Lessor, as lessor, and the Lessee, as lessee (as novated and amended, the "**Lease Agreement**")
2.     We hereby give notice that by a security agreement of even date herewith (the "**Lessee Security Agreement**"), a copy of which is attached hereto, the Lessee has assigned and agreed to assign by way of first priority security and has charged by way of first fixed charge in favour of the Lessor all of its right, title and interest in and to the Insurances.
3.     For the purposes hereof Insurances means (a) any and all policies and contracts of insurance (other than liability insurance) from time to time required to be maintained in relation to the Aircraft of any part thereof by the terms of the Lease Agreement and (b) all the benefits of, and all claims under, and the right to make all claims under, all such policies and contracts of insurance (other than liability insurance) to the extent relating to the Aircraft
4.     Unless you are notified otherwise by the Lessor, please continue to follow the instructions of the Lessee in respect of the Insurances (except in respect of the occurrence of any total loss in relation to the Aircraft) Upon notice from the Lessor, please follow the Lessor's instructions in respect of the Insurances
5.     This notice is governed by and shall be construed in accordance with the laws of England and Wales.

Yours faithfully

**Lessee**

\_\_\_\_\_  
for and on behalf of  
**FLYBE LIMITED**

**Lessor**

\_\_\_\_\_  
for and on behalf of  
**NAC AVIATION 19 LIMITED**

\_\_\_\_\_  
for and on behalf of

**SCHEDULE 2**  
**FORM OF NOTICE OF ASSIGNMENT AND CHARGE OF RELEVANT**  
**REQUISITION PROCEEDS PROPERTY**

To: [ ]

From: Flybe Limited (the "Lessee")

NAC Aviation 19 Limited (the "Lessor")

[Date]

Dear Sirs

**One (1) Bombardier DHC-8-402 Aircraft bearing Manufacturer's Serial Number 4155**  
**(the "Aircraft")**

- 1 We hereby give notice that by a security agreement dated [•] (the "**Lessee Security Agreement**"), a copy of which is attached hereto, the Lessee assigned and agreed to assign by way of first priority security and charged by way of first fixed charge in favour of the Lessor all of its right, title and interest in and to any moneys or other compensation from time to time payable in respect of the requisition of title or other compulsory acquisition, requisition, appropriation, expropriation, deprivation or confiscation for any reason of the Aircraft by any government or public or local authority, or other competent authority, whether de jure or de facto but shall exclude requisition for use or hire not involving requisition of title (the "**Requisition Proceeds**").
2. Upon notice from the Lessor that an Event of Default has occurred and is continuing, which notice shall be conclusive for these purposes, all moneys that may be payable by you in relation to the Aircraft shall be paid to the account of [ ], quoting reference "[ ]".
3. This notice and the instructions contained herein cannot be amended or modified without the prior written consent of the Lessor and, prior to the occurrence of an Event of Default that is continuing, the Lessee
4. Kindly acknowledge receipt of this notice by completing and sending to the Lessee and the Lessor an acknowledgement in the form set forth below
- 5 Expressions defined in the Lessee Security Agreement (including definitions incorporated therein by reference to another document) shall, unless otherwise defined herein, have the same respective meanings when used in this notice
- 6 This notice is governed by and shall be construed in accordance with the laws of England and Wales.

Yours faithfully

**Lessee**

\_\_\_\_\_  
for and on behalf of  
**FLYBE LIMITED**

**Lessor**

\_\_\_\_\_  
for and on behalf of  
**NAC AVIATION 19 LIMITED**

\_\_\_\_\_  
for and on behalf of

**SCHEDULE 3**  
**FORM OF ACKNOWLEDGEMENT OF ASSIGNMENT AND CHARGE OF**  
**RELEVANT REQUISITION PROCEEDS PROPERTY**

To. Flybe Limited (the "Lessee")  
NAC Aviation 19 Limited (the "Lessor")

From [       ]

[Date]

Dear Sirs

**One (1) Bombardier DHC-8-Q402 Aircraft bearing Manufacturer's Serial Number 4155**  
**(the "Aircraft")**

1. We hereby acknowledge receipt from the Lessee and the Lessor of a notice of assignment and charge of certain requisition proceeds relating to the Aircraft (the "Notice") We hereby consent to the assignment and charge thereby notified and agree to the terms and conditions of the Notice.
2. We shall pay all moneys that may be payable by us in relation to the Aircraft in accordance with the Notice.
3. We hereby confirm that we have not received any prior notice of assignment or charge in respect of the Requisition Proceeds
4. Expressions defined in the Notice (including definitions incorporated therein by reference to another document) shall, unless otherwise defined herein, have the same respective meanings when used in this acknowledgement.
5. This acknowledgement is governed by and shall be construed in accordance with the laws of England and Wales.

Yours faithfully

\_\_\_\_\_  
for and on behalf of  
[       ]



**EXECUTION PAGE**

**FLYBE / NAC AVIATION 19 LIMITED -SECURITY AGREEMENT**

**The Assignor**

EXECUTED AS A DEED by  
**FLYBE LIMITED**  
acting by

REDACTED

Name **Saad Hammad**  
Title Director Chief Executive Officer

)  
)  
)

REDACTED

Name **Annelie Carver**  
Title Director/Secretary Company Secretary  
and Legal Counsel

**The Assignee**

**SIGNED AND DELIVERED** as a  
**DEED** for and on behalf of NAC  
**AVIATION 19 LIMITED** by its duly  
authorised attorney  
in the presence of

)  
)  
)  
)  
)

Signature of Witness

Name of Witness

**EXECUTION PAGE**

**FLYBE / NAC AVIATION 19 LIMITED -SECURITY AGREEMENT**

**The Assignor**

EXECUTED AS A DEED by )  
FLYBE LIMITED )  
acting by )

\_\_\_\_\_  
Name  
Title Director

\_\_\_\_\_  
Name:  
Title Director/Secretary

**The Assignee**

SIGNED AND DELIVERED as a )  
DEED for and on behalf of NAC )  
AVIATION 19 LIMITED by its duly )  
authorised attorney )  
in the presence of )

REDACTED

Jette Hulgaaard  
Attorney-in-fact

Signature of Witness

REDACTED

Pernille Havsager  
Legal Assistant

Name of Witness

REDACTED