



Registration of a Charge

Company name: **FLYBE LIMITED**

Company number: **02769768**



X8BS4VHU

Received for Electronic Filing: **13/08/2019**

Details of Charge

Date of creation: **31/07/2019**

Charge code: **0276 9768 0406**

Persons entitled: **WILMINGTON TRUST SP SERVICES (DUBLIN) LIMITED (NOT IN ITS OWN CAPACITY BUT SOLELY AS OWNER TRUSTEE)**

Brief description: **SECURITY ASSIGNMENT BETWEEN FLYBE LIMITED, AS ASSIGNOR, AND WILMINGTON TRUST SP SERVICES (DUBLIN) LIMITED (NOT IN ITS OWN CAPACITY BUT SOLELY AS OWNER TRUSTEE), AS ASSIGNEE, RELATING TO ONE (1) BOMBARDIER Q400 AIRCRAFT BEARING MANUFACTURER'S SERIAL NUMBER 4224.**

Contains fixed charge(s).

Contains negative pledge.

Chargor acting as a bare trustee for the property.

Authentication of Form

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

Authentication of Instrument

Certification statement: **WE 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 PART OF THE CHARGING INSTRUMENT SIGNED BY OR ON BEHALF OF THE CHARGOR, AND A CORRECT COPY OF THE SIGNATURE PAGE TO EACH OTHER PART OF SUCH CHARGING INSTRUMENT.**

Certified by: **DENTONS UK AND MIDDLE EAST LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 2769768

Charge code: 0276 9768 0406

The Registrar of Companies for England and Wales hereby certifies that a charge dated 31st July 2019 and created by FLYBE LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 13th August 2019 .

Given at Companies House, Cardiff on 14th August 2019

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

Wilmington Trust SP Services (Dublin) Limited
(not in its own capacity but solely as owner trustee)

as Assignee

SECURITY AGREEMENT

One (1) Bombardier Q400 Aircraft

Manufacturer's Serial Number 4224

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THIS SECURITY AGREEMENT is dated 31 July 2019

BETWEEN:

- (1) **FLYBE LIMITED**, a limited liability company incorporated and existing under English law (the "**Assignor**"); and
- (2) **WILMINGTON TRUST SP SERVICES (DUBLIN) LIMITED** (not in its own capacity but solely as owner trustee), a private company limited by shares incorporated under Irish law (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 and the Other Transaction Documents, the Assignor is now required to execute this Agreement in favour of the Assignee as security for the Secured Obligations.

THIS DEED 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 Q400 aircraft bearing manufacturer's serial number 4224.

"**Beneficial Owner**" has the meaning ascribed thereto in the Lease Agreement.

"**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 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.

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

"Lease Agreement" means the aircraft lease agreement dated 31 July 2008 between GOAL Verwaltungsgesellschaft mbH & Co. Projekt Nr. 52 KG i.L. ("**GOAL**"), as lessor, and the Assignor, as lessee, in respect of the Aircraft, as amended by a first amendment agreement dated 30 January 2009 and a second amendment agreement dated 31 March 2015, as further amended and restated by a third amendment agreement dated 22 June 2018, and as further novated and amended pursuant to a lease novation and amendment agreement made on or about the date hereof between GOAL, as existing lessor, the Assignee, as new lessor, and the Assignor, as lessee (as may be further amended, supplemented, extended, restated, novated or otherwise modified from time to time).

"Lessor Security Agreement" means the security agreement relating to the Aircraft dated of even date herewith 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.

"Loan Agreement" means the loan agreement relating to the financing of the acquisition of the Aircraft dated 31 July 2019 and entered into between, *inter alios*, the Beneficial Owner and the Security Trustee.

"Other Transaction Documents" has the meaning ascribed thereto in the Lease Agreement.

"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 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.

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

"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 (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 or any Other 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 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/or any Other Transaction Document, and (b) any and all obligations which are (or which are expressed to be) now or at any time hereafter to be performed by the Assignor in favour of the Assignee under or in relation to any Transaction Document and/or any Other 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 National Westminster Bank PLC, in its capacity as security agent and trustee for and on behalf of certain financial institutions.

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

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

Headings

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

Interpretation

- 1.3 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) a statute or a provision of a statute is a reference to that statute, or that provision, as from time to time amended, replaced or re-enacted;
- (d) 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;
- (e) a "**Clause**" shall, subject to any contrary indication, 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 hereof or of the relevant Transaction Document) or otherwise ceased to exist;
- (g) 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;
- (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 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. REPRESENTATION AND WARRANTY

- 2.1 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 or pursuant to prior security agreements which have been reassigned to the Assignor and/or discharged in full.

3. ASSIGNMENT, CHARGE AND NOTICES

Assignment

- 3.1 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.

Charge

- 3.2 To the extent that the Collateral is not capable of assignment pursuant to Clause 3.1 (and notwithstanding the provisions of Clause 3.1), 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.

Initial Notice

- 3.3 Forthwith upon execution of this Agreement, the Assignor shall, in relation to the assignment in respect of the Relevant Insurance Property, deliver a notice of assignment to the insurers with whom the Insurances or any part thereof are effected in the form set out in Schedule 1.

Further Notices

- 3.4 The Assignor hereby undertakes to give notice, or to procure that notice is given, of the assignment of the Relevant Requisition Proceeds Property to the relevant Governmental Authority in the form set out in Schedule 2 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, the Assignee and the Security Trustee a copy of an acknowledgement of assignment duly countersigned by or on behalf of the addressee(s) in the form set out in Schedule 3.

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 or the Security Trustee 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 or the Security Trustee in perfecting or enforcing any Lien, securities, guarantees, rights or remedies that the Assignee or the Security Trustee 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

- 5.1 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

- 6.1 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

- 7.1 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 (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 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 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 (or, pursuant to the Lessor Security Agreement, the Security Trustee), 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 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 (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

10.1 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) 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

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

- 12.1 Following the full and unconditional discharge of the Relevant Secured Obligations and provided that no Event of Default shall then have occurred and be continuing, 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 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 the 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
New Walker Hangar
Exeter International Airport
Exeter
Devon EX5 2BA

Attention: Company Secretary
E-mail: notices.aircraftfinancing@flybe.com

with a copy to:

Flybe Group Plc
New Walker Hangar
Exeter International Airport
Exeter
Devon EX5 2BA

Attention: Company Secretary
E-mail: notices.aircraftfinancing@flybe.com

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

Wilmington Trust SP Services (Dublin) Limited
(not in its own capacity but solely as owner trustee)
Fourth Floor, 3 George's Dock
IFSC, Dublin 1, D01 X5X0
Ireland

Attention: Trust/Agency Team
Fax: +353 (1) 612 5550
Email: ireland@wilmingtontrust.com

with a copy to:

Chorus Aviation Capital (Ireland) Limited
26/27 Upper Mount Street
Dublin 2, Ireland

Attention: Legal Department
Fax: +353 (1) 535 9192
Email: legalnotices@chorusaviation.com

and a copy to:

National Westminster Bank PLC
250 Bishopsgate
London EC2M 4AA

Attention: Allen D. Noad, Specialist Asset Finance Portfolio Management
Fax: +44 1293 642942
Email: LombardAviationIn-Life@lombard.co.uk

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 is governed by and shall be construed in accordance with English law.
- 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 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).

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 Relevant Insurance Property

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

From: Flybe Limited (the "**Lessee**")

Wilmington Trust SP Services (Dublin) Limited (not in its own capacity but solely as owner trustee) (the "**Lessor**")

National Westminster Bank PLC, in its capacity as security agent and trustee for and on behalf of certain financial institutions (in such capacity, the "**Security Trustee**")

[●] 2019

Dear Sirs

One (1) Bombardier Q400 Aircraft bearing Manufacturer's Serial Number 4224 (the "Aircraft")

1. We refer to the aircraft lease agreement relating to the Aircraft dated 31 July 2008 between GOAL Verwaltungsgesellschaft mbH & Co. Projekt Nr. 52 KG i.L. ("**GOAL**"), as lessor, and the Lessee, as lessee, as amended by a first amendment agreement dated 30 January 2009 and a second amendment agreement dated 31 March 2015, as further amended and restated by a third amendment and restatement agreement dated 22 June 2018, and as further novated and amended pursuant to a lease novation and amendment agreement made on or about the date hereof between GOAL, as existing lessor, the Lessor, as new lessor, and the Lessee, as lessee (as may be further amended, supplemented, extended, restated, novated or otherwise modified from time to time, the "**Lease Agreement**").
2. We hereby give notice that:
 - (a) by a security agreement of even date herewith (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 the Insurances; and
 - (b) by a security agreement of even date herewith, 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 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 total 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 is governed by and shall be construed in accordance with English law.

Yours faithfully

Lessee

for and on behalf of
FLYBE LIMITED

Lessor

for and on behalf of
**WILMINGTON TRUST SP SERVICES
(DUBLIN) LIMITED (not in its own
capacity but solely as owner trustee)**

Security Trustee

for and on behalf of
**NATIONAL WESTMINSTER BANK
PLC**

for and on behalf of
**NATIONAL WESTMINSTER BANK
PLC**

Schedule 2: Form of Notice of Assignment of Relevant Requisition Proceeds Property

To: [●]

From: Flybe Limited (the "Lessee")

Wilmington Trust SP Services (Dublin) Limited (not in its own capacity but solely as owner trustee) (the "Lessor")

National Westminster Bank PLC, in its capacity as security agent and trustee for and on behalf of certain financial institutions (in such capacity, the "Security Trustee")

[Date]

Dear Sirs

One (1) Bombardier Q400 Aircraft bearing Manufacturer's Serial Number 4224 (the "Aircraft")

1. We hereby give notice that:
 - (a) by a security agreement dated [●] (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 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**"); and
 - (b) by a security agreement dated [●], 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 the Requisition Proceeds (either in its own capacity or pursuant to the Lessee Security Agreement).
2. Upon notice from the Lessor or the Security Trustee that an Event of Default has occurred and is continuing (provided that any notice received from the Security Trustee shall in all circumstances prevail), 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 "[●]" or to such other account as the Security Trustee may direct.
3. This notice and the instructions contained herein cannot be amended or modified without the prior written consent of the Security Trustee 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, the Lessor and the Security Trustee 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 English law.

Yours faithfully

Lessee

for and on behalf of
FLYBE LIMITED

Lessor

for and on behalf of
**WILMINGTON TRUST SP SERVICES
(DUBLIN) LIMITED (not in its own
capacity but solely as owner trustee)**

Security Trustee

for and on behalf of
**NATIONAL WESTMINSTER BANK
PLC**

for and on behalf of
**NATIONAL WESTMINSTER BANK
PLC**

Schedule 3: Form of Acknowledgement of Assignment of Relevant Requisition Proceeds Property

To: Flybe Limited (the "**Lessee**")

Wilmington Trust SP Services (Dublin) Limited (not in its own capacity but solely as owner trustee) (the "**Lessor**")

National Westminster Bank PLC, in its capacity as security agent and trustee for and on behalf of certain financial institutions (in such capacity, the "**Security Trustee**")

From: [●]

[Date]

Dear Sirs

One (1) Bombardier Q400 Aircraft bearing Manufacturer's Serial Number 4224 (the "Aircraft")

1. We hereby acknowledge receipt from the Lessee, the Lessor and the Security Trustee of a notice of assignment of certain requisition proceeds relating to the Aircraft (the "**Notice**"). We hereby consent to the assignment 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 English law.

Yours faithfully

for and on behalf of

[●]

EXECUTION PAGE
LESSEE SECURITY AGREEMENT
FLYBE – ONE (1) BOMBARDIER Q400 AIRCRAFT
MSN 4224

The Assignor

EXECUTED AS A DEED by)
FLYBE LIMITED)
acting by its ~~attorney-in-fact~~ **DIRECTOR**)
in the presence of:)

Name: **GRAEME BUCHANAN**
Title: ~~Attorney-in-Fact~~ **DIRECTOR**

Name: **CATHERINE LEDGER**)
Title: **GENERAL COUNSEL**)

Witnessed by Catherine Ledger

The Assignee

SIGNED and DELIVERED as a DEED
for and on behalf of **WILMINGTON TRUST**
SP SERVICES (DUBLIN) LIMITED (not in
its own capacity but solely as owner trustee)
By its lawfully appointed attorney

Name:

in the presence of

(Witness' Signature)

(Witness' Name)

(Witness' Address)

(Witness' Occupation)

EXECUTION PAGE

LESSEE SECURITY AGREEMENT

FLYBE – ONE (1) BOMBARDIER Q400 AIRCRAFT

MSN 4224

The Assignor

EXECUTED AS A DEED by
FLYBE LIMITED
acting by its attorney-in-fact
in the presence of:

Name:
Title: Attorney-in-Fact

Name:
Title:

The Assignee

SIGNED and DELIVERED as a DEED
for and on behalf of **WILMINGTON TRUST**
SP SERVICES (DUBLIN) LIMITED (not in
its own capacity but solely as owner trustee)
By its lawfully appointed attorney



Name: Claire O'Donovan

in the presence of



Witnessed by Alison Galvin

(Witness' Signature)

ALISON GALVIN
(Witness' Name)

Fourth Floor
3 George's Dock
IFSC
Dublin 1

(Witness' Address)

Admin.
(Witness' Occupation)