



Registration of a Charge

Company name: **AVATION PLC**

Company number: **05872328**

Received for Electronic Filing: **26/03/2021**



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Details of Charge

Date of creation: **25/03/2021**

Charge code: **0587 2328 0013**

Persons entitled: **CITICORP INTERNATIONAL LIMITED (AS SECURITY TRUSTEE)**

Brief description: **NO SPECIFIC LAND, SHIP, AIRCRAFT OR INTELLECTUAL PROPERTY HAS BEEN CHARGED. FOR FULL DETAILS OF THE CHARGES, PLEASE REFER TO THE CHARGING DOCUMENT DIRECTLY.**

Contains fixed charge(s).

Contains floating charge(s) (floating charge covers all the property or undertaking of the company).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S. 859G OF THE COMPANIES ACT 2006 THE ELECTRONIC**

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

Certified by:

RACHEL HOLT



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 5872328

Charge code: 0587 2328 0013

The Registrar of Companies for England and Wales hereby certifies that a charge dated 25th March 2021 and created by AVATION PLC was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 26th March 2021 .

Given at Companies House, Cardiff on 29th March 2021

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

Strictly private and confidential

DATED

25 March

2021

(1) AVATION PLC

and

(2) CITICORP INTERNATIONAL LIMITED
as Security Trustee

DEBENTURE

I certify that, save for material redacted pursuant to
s859G of the Companies Act 2006, this is a true,
complete and correct copy of the virtual PDF original
of the instrument.

Signed

Date

26/03/21

DLA PIPER UK LLP

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THIS DEBENTURE is made on 25 March 2021

BETWEEN:

- (1) **AVATION PLC**, a company incorporated with limited liability in England and Wales, having its registered office at 5 Fleet Place, London, England, EC4M 7RD (the "**Chargor**"); and
- (2) **CITICORP INTERNATIONAL LIMITED**, whose specified office is at 20th Floor Citi Tower, One Bay East, 83 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong, as security trustee for itself and the other Secured Parties (as defined below) (in such capacity, the "**Security Trustee**" which expression includes its successors and assigns).

IT IS AGREED:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed:

- (a) unless otherwise defined herein, capitalised terms in this Agreement shall have the same meaning as in the Note Trust Deed and the Security Trust Deed (as applicable); and
- (b) at all times the following terms have the following meanings:

"Account Notice" means a notice substantially in the form set out in schedule 2 (*Form of notice to and acknowledgement from Account Bank*);

"Act" means the Law of Property Act 1925;

"AGS" means Avation Group (S) Pte. Ltd.;

"AGS Debenture" has the meaning given to that term in the Security Trust Deed;

"AGS Deed of Guarantee" has the meaning given to that term in the Security Trust Deed;

"Assigned Assets" means the Security Assets expressed to be assigned pursuant to clause 4.2 (*Security assignments*);

"Charged Accounts" means any account of the Chargor opened or maintained from time to time with any bank, financial institution or other person including but not limited to the accounts set out in part 4 schedule 1 (*Details of Security Assets*), in each case other than accounts which are the subject of an existing Security for any Senior Debt;

"Charged Investments" means the Charged Securities and all present and future Related Rights accruing to all or any of the Charged Securities;

"Charged Securities" means:

- (a) the securities specified in part 2 of schedule 1 (*Details of Security Assets*); and
- (b) all other stocks, shares, debentures, bonds, warrants, coupons, negotiable instruments, certificates of deposit or other securities or "*investments*" (as defined in part II of schedule II to the Financial Services and Markets Act 2000 as in force at the date of this Deed) now or in future owned (legally or beneficially) by the Chargor or held by a

nominee, trustee, fiduciary or clearance system on its behalf or in which the Chargor has an interest at any time,

in each case other than securities which are the subject of an existing Security for any Senior Debt;

"Company Share Charge" means a share charge to be granted by the Company in respect of all shares in the capital of AGS in favour of the Security Trustee on or about the date of this Deed;

"Charge Limited Assets" has the meaning given to such term in clause 5;

"Conditions" has the meaning given to such term in the Note Trust Deed;

"Debenture Security" means the Security created in favour of the Security Trustee under or pursuant to this Deed;

"Delegate" means any delegate, sub-delegate, agent, attorney or co-trustee appointed in accordance with the terms of the Security Trust Deed;

"Event of Default" has the meaning given to that term in the Note Trust Deed;

"Fixed Security" means any mortgage, fixed charge or assignment expressed to be created by or pursuant to clause 4 (*Fixed security*) of this Deed;

"Group" means the Chargor and its Subsidiaries from time to time;

"Group Company" means any member of the Group;

"Insurances" means all policies of insurance (and all cover notes) which are at any time held by or written in favour of the Chargor or in which the Chargor from time to time has an interest including without limitation the policies of insurance (if any) specified in part 4 of schedule 1 (*Details of Security Assets*), but excluding such policies of insurance to the extent that they relate to third party liabilities and such policies of insurance which are the subject of an existing Security for any Senior Debt;

"Intellectual Property" means all legal and/or equitable interests (including, without limitation, the benefit of all licences in any part of the world) of the Chargor in, or relating to:

- (a) any patents, trademarks, service marks, designs, business names, copyrights, database rights, design rights, domain names, moral rights, inventions, confidential information, know-how and other intellectual property rights and interests (which may now or in the future subsist), whether registered or unregistered; and
- (b) the benefit of all applications and rights to use such assets of the Chargor (which may now or in the future subsist),

including, without limitation, the intellectual property rights (if any) specified in part 3 of schedule 1 (*Details of Security Assets*) but excluding intellectual property rights which are the subject of an existing Security for any Senior Debt;

"Issuers" has the meaning given to that term in the Note Trust Deed;

"LP (MP) Act" means the Law of Property (Miscellaneous Provisions) Act 1994;

"Note Trustee" means Citicorp International Limited as trustee under the Note Trust Deed;

"Noteholders" has the meaning given to that term in the Note Trust Deed;

"Notes" means Aviation Capital S.A. 6.5% Senior Notes due 2021 issued under the Global Medium Term Note Programme and subject to the Note Trust Deed comprising the:

- (a) Series 02 Tranche 01 US\$300,000,000 6.50% Senior Notes due 2021 (the **"Series 02 Tranche 01 Notes"**); and
- (b) Series 02 Tranche 02 US\$50,000,000 6.50% Senior Notes due 2021 (the **"Series 02 Tranche 02 Notes"**),

as amended by the Supplemental Trust Deed;

"Obligors" means has the meaning given to that term in the Security Trust Deed and **"Obligor"** means any of them;

"Party" means a party to this Deed;

"Planning Acts" means (a) the Town and Country Planning Act 1990, (b) the Planning (Listed Buildings and Conservation Areas) Act 1990, (c) the Planning (Hazardous Substances) Act 1990, (d) the Planning (Consequential Provisions) Act 1990, (e) the Planning and Compensation Act 1991, (f) any regulations made pursuant to any of the foregoing and (g) any other legislation of a similar nature;

"Pricing Supplements" means the Pricing Supplement dated 3 May 2018 in respect of the Series 02 Tranche 01 Notes and the Pricing Supplement dated 15 November 2018 in respect of the Series 02 Tranche 02 Notes, as amended and restated by the Supplemental Trust Deed;

"Real Property" means all estates and interests in freehold, leasehold and other immovable property (wherever situated) now or in future belonging to the Chargor, or in which the Chargor has an interest at any time (including the registered and unregistered land (if any) specified in part 1 of schedule 1 (*Details of Security Assets*)), together with:

- (a) all buildings and fixtures (including trade fixtures) and fixed plant and machinery at any time thereon;
- (b) all easements, rights and agreements in respect thereof; and
- (c) the benefit of all covenants given in respect thereof,

but excluding all estates and interests in freehold, leasehold and other immovable property which are the subject of an existing Security for any Senior Debt;

"Receivables" means all present and future book debts and other debts, rentals, royalties, fees, VAT and monetary claims and all other amounts at any time recoverable or receivable by, or due or owing to, the Chargor (whether actual or contingent and whether arising under contract or in any other manner whatsoever) together with:

- (a) the benefit of all rights, guarantees, Security and remedies relating to any of the foregoing (including, without limitation, negotiable instruments, indemnities, reservations of property rights, rights of tracing and unpaid vendor's liens and similar associated rights); and
- (b) all proceeds of any of the foregoing;

"Receiver" has the meaning given to that term in the Security Trust Deed;

"Related Rights" means, in relation to any Charged Securities:

- (a) all dividends, distributions and other income paid or payable on the relevant Charged Securities or on any asset referred to in paragraph (b) of this definition; and
- (b) all rights, monies or property accruing or offered at any time in relation to such Charged Securities whether by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise;

"Secured Obligations" has the meaning given to that term in the Security Trust Deed;

"Secured Parties" means the Security Trustee, the Note Trustee, the Noteholders and any Receiver or Delegate appointed by the Security Trustee;

"Security" has the meaning given to that term in the Security Trust Deed;

"Security Assets" means all property, assets and undertakings of the Chargor the subject of any Security created by this Deed. For avoidance of doubt the Security Assets exclude the Charge Limited Assets;

"Security Documents" means the Security Trust Deed, this Deed, the AGS Debenture, the Share Charge and other documents which secure the Notes;

"Security Period" means the period beginning on the date of this Deed and ending on the date on which the Secured Obligations in respect of the Security Assets have been unconditionally and irrevocably paid and discharged in full;

"Security Trust Deed" means the security trust deed dated on or about the date of this Deed between the Chargor, Avation Capital S.A., Avation Group (s) Pte. Ltd., the Note Trustee and the Security Trustee;

"Senior Debt" means all of the senior secured indebtedness of any Group Company existing as at the date of the Security Trust Deed;

"Share Charge" has the meaning given to that term in the Security Trust Deed;

"Subsidiaries" means, in relation to any company or corporation, a company or corporation:

- (a) which is controlled, directly or indirectly, by the first mentioned company or corporation;
- (b) more than half the issued capital of which is beneficially owned, directly or indirectly, by the first mentioned company or corporation; or
- (c) which is a Subsidiary of another Subsidiary of the first mentioned company or corporation,

and for this purpose, a company or corporation shall be treated as controlled by another if that other company or corporation is able to direct its affairs and/or control the composition of its board of directors or equivalent body;

"Supplemental Trust Deed" means trust deed dated on or about the date of this Deed between Avation Capital S.A. and Avation Group (S) Pte. Ltd. as issuers, the Chargor as guarantor, and the Note Trustee which amends and restates (a) the Pricing Supplements in relation to the Series 02 Tranche 01 Notes and the Series 02 Tranche 02 Notes, and (b) the Conditions and the

Note Trust Deed in relation to the Series 02 Tranche 01 Notes and the Series 02 Tranche 02 Notes;

"**Transaction Documents**" has the meaning given to that term in the Security Trust Deed; and

"**Trust Deed**" means the trust deed dated 19 May 2015 as amended and restated on 20 October 2017 between Avation Capital S.A. and Avation Group (S) Pte. Ltd. as issuers, the Chargor as guarantor, and the Note Trustee, in relation to the Notes and as amended and supplemented by the Supplemental Trust Deed.

1.2 Interpretation

- (a) Unless a contrary indication appears, any reference in this Deed to:
 - (i) the "**Chargor**", the "**Security Trustee**" or any other "**Secured Party**" or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees and, in the case of the Security Trustee, any person for the time being appointed as Security Trustee or Security Trustees in accordance with the relevant appointment documents;
 - (ii) any reference to a document (including a Transaction Document) shall be construed as a reference to that document as the same may have been, or may from time to time be, amended, varied, novated, replaced or supplemented in accordance with its terms and the terms of the Transaction Documents;
 - (iii) "**Security Asset**" includes the proceeds of sale of that Secured Asset unless disposed of in accordance with the terms of the Transaction Documents.
- (b) Each undertaking of the Chargor (other than a payment obligation) contained in this Deed:
 - (i) must be complied with at all times during the Security Period; and
 - (ii) is given by the Chargor for the benefit of the Security Trustee and each other Secured Party.
- (c) Any covenant of the Chargor under this Deed (other than a payment obligation) shall remain in force during the Security Period.
- (d) The terms of the other Transactions Documents are incorporated in this Deed to the extent required to give effect thereto and/or to ensure that any purported disposition contained in this Deed is a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- (e) The term "full title guarantee" will be construed in accordance with the LP (MP) Act but so that the covenants implied by the LP (MP) Act in respect of the Chargor do not include:
 - (i) the words "other than any charges, encumbrances or rights which that person does not and could not reasonably be expected to know about" in section 3(1)(b) of the LP (MP) Act; and
 - (ii) section 6(2) of the LP (MP) Act.

- (f) If an amount paid to the Security Trustee or any of the Secured Parties under this Deed is capable of being avoided or reduced by virtue of any provisions or enactments relating to bankruptcy, insolvency or liquidation for the time being in force or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Deed. Any settlement, discharge or release between the Chargor and the Security Trustee (or any Receiver) will be conditional upon no security or payment granted or made to the Security Trustee (or any Receiver, as the case may be) by the Chargor or any other person being avoided or reduced by virtue of any provisions or enactments relating to bankruptcy, insolvency or liquidation for the time being in force. If any security or payment is avoided or reduced in the circumstances described in the foregoing paragraph, then the Security Trustee (or any Receiver, as the case may be) will be entitled to recover the value or amount of such security or payment from the Chargor as if the relevant settlement, discharge or release had not occurred.
- (g) The Parties intend that this document shall take effect as a deed notwithstanding the fact that a Party may only execute this document under hand.
- (h) An Event of Default is "continuing" if it has not been remedied or waived.

1.3 Trust

- (a) All Security and dispositions made or created, and all obligations and undertakings contained, in this Deed to, in favour of or for the benefit of the Security Trustee are made, created and entered into in favour of the Security Trustee as trustee for the Secured Parties from time to time in accordance with the provisions of the Security Trust Deed.
- (b) This Deed is subject to the terms of the Security Trust Deed, in the event of any inconsistency between the terms of this Deed and the Security Trust Deed, the terms of the Security Trust Deed shall prevail.

1.4 Third party rights

Save as expressly provided to the contrary in this Deed, a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed.

2. COVENANT TO PAY

2.1 Covenant to pay

- (a) The Chargor, as principal obligor and not merely as surety, covenants in favour of the Security Trustee that it will pay and discharge the Secured Obligations from time to time when they fall due in accordance with the terms of the Security Trust Deed.
- (b) Every payment by the Chargor of a Secured Obligation which is made to or for the benefit of a Secured Party to which that Secured Obligation is due and payable in accordance with the Security Trust Deed under which such sum is payable to that Secured Party, shall operate in satisfaction to the same extent of the covenant contained in clause 2.1(a).

3. GRANT OF SECURITY

3.1 Nature of security

- (a) All Security and dispositions created or made by or pursuant to this Deed are created or made:
 - (i) in favour of the Security Trustee (who holds the benefit of this Deed on trust for itself and for the other Secured Parties);
 - (ii) over the present and future assets of the Chargor;
 - (iii) with full title guarantee; and
 - (iv) as continuing security for payment, discharge and performance of all the Secured Obligations notwithstanding any intermediate payment or settlement of account or reduction or repayment of the Secured Obligations for the time being owing.
- (b) The fact that no or incomplete details of any Security Asset are inserted in schedule 1 (*Details of Security Assets*) does not affect the validity or enforceability of this Security.

3.2 Consent for Fixed Security

The Chargor creates each Fixed Security subject to obtaining any necessary consents to such Fixed Security from any relevant third party.

3.3 Qualifying floating charge

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to any floating charge created by or pursuant to this Deed (and each such floating charge is a qualifying floating charge for the purposes of the Insolvency Act 1986).

4. FIXED SECURITY

4.1 Fixed charges

The Chargor charges and agrees to charge all of its present and future right, title and interest in and to the following assets (other than assets excluded under clause 5) which are at any time owned by it or in which it from time to time has an interest:

- (a) by way of first legal mortgage:
 - (i) the Real Property (if any) specified in part 1 of schedule 1 (*Details of Security Assets*); and
 - (ii) all other Real Property (if any) and all interests in Real Property not charged by clause 4.1(a)(i);
- (b) by way of first fixed charge:
 - (i) all other Real Property and all interests in Real Property not charged by clause 4.1(a);
 - (ii) all licences to enter upon or use land and the benefit of all other agreements relating to land; and

- (iii) the proceeds of sale of all Real Property;
- (c) by way of first fixed charge:
 - (i) the Charged Securities (if any) referred to in part 2 of schedule 1 (*Details of Security Assets*); and
 - (ii) all other Charged Securities (not charged by clause 4.1(c)(i)),

in each case, together with (A) all Related Rights from time to time accruing to those Charged Securities and (B) all rights which the Chargor may have at any time against any clearance or settlement system or any custodian in respect of any Charged Investments;
- (d) by way of first fixed charge:
 - (i) the Intellectual Property (if any) specified in part 3 of schedule 1 (*Details of Security Assets*); and
 - (ii) all other Intellectual Property (if any) (not charged by clause 4.1(d)(i));
- (e) to the extent that any Assigned Asset is not effectively assigned under clause 4.2 (*Security assignments*), by way of first fixed charge such Assigned Asset;
- (f) by way of first fixed charge (to the extent not otherwise charged or assigned in this Deed):
 - (i) the benefit of all licences, consents, agreements and authorisations held or used in connection with the business of the Chargor or the use of any of its assets; and
 - (ii) any letter of credit issued in favour of the Chargor and all bills of exchange and other negotiable instruments held by it; and
- (g) by way of first fixed charge all of the goodwill and uncalled capital of the Chargor.
- (h) by way of first fixed charge all monies standing to the credit of the Charged Accounts and any other bank accounts which it may have with any bank, financial institution or other person and all of its rights, title and interest in relation to those accounts.

4.2 Security assignments

- (a) The Chargor assigns and agrees to assign absolutely (subject to a proviso for reassignment on redemption) all of its present and future right, title and interest in and to:
 - (i) all Insurances and all claims under the Insurances and all proceeds of the Insurances and the Chargor acknowledges that the Security Trustee is not liable for paying any premium or making any disclosure to insurers; and
 - (ii) all other Receivables (not assigned under clause 4.2(a)(i)),

other than where excluded under clause 5. For avoidance of doubt, the Security Trustee shall not be required to be loss payee under the Insurances.

- (b) To the extent that any Assigned Asset described in clause 4.2(a)(i) is not assignable, the assignment which that clause purports to effect shall operate as an assignment of all present and future rights and claims of the Chargor to any proceeds of such Insurances until such time as the necessary consent is obtained or any restriction on assignment is removed.
- (c) The Chargor must use all commercially reasonable endeavours to obtain the consents necessary and/or the removal of the restriction on assignments over any such assets to enable the assets of that Chargor to be the subject of an effective assignment pursuant to this Deed.

4.3 Notice of assignment and/or charge - immediate notice

- (a) Immediately upon execution of this Deed (and immediately upon the obtaining of any Insurance after the date of this Deed), the Chargor shall in respect of each of its Insurances, deliver a duly completed notice of assignment to the provider of each such Insurance and shall use its reasonable endeavours to procure that each such person executes and delivers to the Security Trustee an acknowledgement, in each case in the respective forms set out in schedule 3 (*Form of notice to and acknowledgement by insurers*).
- (b) Within five Business Days after the execution of this Debenture (or, in respect of any Charged Account designated as such after the date of execution of this Debenture, as soon as reasonably practicable and in any event within two (2) Business Days of such designation) serve an Account Notice on the bank with whom the Charged Account is maintained and use reasonable endeavours (not involving the payment of money or incurrance of any external expenses) to procure that such bank signs and delivers to the Security Trustee an acknowledgement substantially in the form set out in the Account Notice within 20 Business Days of such service. If the Chargor has used its reasonable endeavours but has not been able to obtain acknowledgement of such notice within 20 Business Days of service, its obligations in this regard will be deemed to have been satisfied. Irrespective of whether notice of the security is required for perfection, if the service of notice would prevent the Chargor from using a bank account in the ordinary course of its business, no notice of security shall be served unless an Event of Default is continuing, provided that the Chargor shall provide reasonable evidence of such restriction being applicable to the relevant bank account to the Security Trustee.

5. EXCLUSIONS

There shall be excluded from the charge created by clause 4.1 (*Fixed charges*), clause 4.2 (*Security assignments*) and 6 (*Floating charge*) any asset, property (including but not limited to any intellectual property) and undertaking held by the Chargor to the extent it is subject to an existing Security for any Senior Debt as at the date of this Deed the terms of which prohibit or require consent to charge and to the extent it would constitute a breach of the terms of that pre-existing Security and only for so long as that prohibition or consent requirement applies ("**Charge Limited Assets**").

6. FLOATING CHARGE

The Chargor charges and agrees to charge by way of first floating charge all of its present and future assets and undertaking (wherever located) not otherwise effectively charged by way of fixed mortgage or charge or assigned pursuant to clause 4.1 (*Fixed charges*), clause 4.2 (*Security assignments*) or any other provision of this Deed subject to clause 5.

7. CONVERSION OF FLOATING CHARGE

7.1 Conversion by notice

The Security Trustee may, at any time by written notice to the Chargor, convert the floating charge created under this Deed with immediate effect into a fixed charge as regards all or any of the assets of the Chargor specified in the notice if:

- (a) an Event of Default has occurred and is continuing;
- (b) the Security Trustee considers any Security Assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy;
- (c) that Chargor fails to comply, or takes or threatens in writing to take any action which, in the opinion of the Security Trustee, is likely to result in it failing to comply with its material obligations under clause 11 (*Undertakings by the Chargor*); or
- (d) the Security Trustee considers that it is desirable in order to protect the priority of the Security; or
- (e) the Chargor requests the Security Trustee to exercise any of its powers under this Deed.

7.2 Part A1 Moratorium

- (a) The floating charge created under this Deed by the Chargor shall not convert into a fixed charge solely by reason of a moratorium being obtained under Part A1 of the Insolvency Act 1986 (or anything done with a view to obtaining such a moratorium (including any preliminary decision or investigation)) in respect of the Chargor.
- (b) Clause 7.2(a) does not apply to a floating charge created under this Deed which falls within any of the categories described in section A52(4) of the Insolvency Act 1986.

7.3 Automatic conversion

Notwithstanding clause 7.1 (*Conversion by notice*) and without prejudice to any law which may have a similar effect, the floating charge created under this Deed shall (in addition to the circumstances in which the same will occur under general law) automatically convert into a fixed charge as regards all the assets subject to the floating charge if:

- (a) in relation to any Security Asset which is subject to a floating charge if:
 - (i) the Secured Obligations have become due and payable by reason of an Event of Default having occurred and continuing;
 - (ii) the Chargor creates (or attempts or purports to create) any Security on or over the relevant Security Asset without the prior written consent of the Security Trustee;
 - (iii) a Receiver is appointed over all or any of the Security Assets;
 - (iv) a meeting is convened for the passing of a resolution for the voluntary winding-up of the Chargor;
 - (v) a petition is presented for the compulsory winding-up of the Chargor;

- (vi) a provisional liquidator is appointed to the Chargor;
 - (vii) a resolution is passed or an order is made for the dissolution or reorganisation of the Chargor;
 - (viii) any third party levies or attempts to levy any distress, execution, attachment or other legal process against any such Security Asset; or
 - (ix) a meeting is convened of the members of a Chargor to consider a resolution to wind up that Chargor, or a resolution is passed, a petition is presented or an order is made for the winding-up, dissolution or administration of a Chargor or an administrator is appointed to a Chargor; or
- (b) over all Security Assets of the Chargor which are subject to a floating charge if an administrator is appointed in respect of the Chargor or the Security Trustee receives notice of intention to appoint such an administrator (as contemplated by the Insolvency Act 1986) or any analogous procedure or step is taken in any jurisdiction.

7.4 Partial conversion

The giving of a notice by the Security Trustee pursuant to clause 7.1 (*Conversion by notice*) in relation to any asset or class of assets of the Chargor shall not be construed as a waiver or abandonment of the rights of the Security Trustee to serve similar notices in respect of any other asset or class of assets or of any other right of the Security Trustee and/or the other Secured Parties.

8. CONTINUING SECURITY

8.1 Continuing security

The Debenture Security is continuing and will extend to the ultimate balance of the Secured Obligations regardless of any intermediate payment or discharge in whole or in part. This Deed shall remain in full force and effect as a continuing security for the duration of the Security Period.

8.2 Additional and separate security

The Debenture Security is in addition to, and will not be merged in, or in any way exclude or prejudice any other Security or other right, remedy or guarantee which the Security Trustee or any other Secured Party may now or at any time have (or would apart from the Debenture Security have) as regards the Chargor or any other person in respect of the Secured Obligation.

8.3 Right to enforce

This Deed may be enforced against the Chargor without the Security Trustee and/or any other Secured Party first having recourse to any other right, remedy, guarantee or Security held by or available to it or any of them.

9. LIABILITY OF THE CHARGOR RELATING TO SECURITY ASSETS

Notwithstanding anything contained in this Deed or implied to the contrary, the Chargor remains liable to observe and perform all conditions and obligations assumed by it in relation to the Security Assets. The Security Trustee is under no obligation to perform or fulfil any such condition or obligation or to make any payment in respect of any such condition or obligation.

10. REPRESENTATION

10.1 General

The Chargor makes the representation and warranty set out in this clause 10 to the Security Trustee and to each other Secured Party on the date of this Deed.

10.2 Ownership of Security Assets

The Chargor is the legal and beneficial owner of all of the Security Assets identified in schedule 1 (*Details of Security Assets*) and such Security Assets are free of any Security (except for (i) those created by or under this Deed or other Security Documents; or (ii) otherwise arising as a matter of law).

11. UNDERTAKINGS BY THE CHARGOR

The undertakings in this clause 11 remain in force during the Security Period.

11.1 Negative pledge and Disposals

The Chargor shall not do or agree to do any of the following without the prior written consent of the Security Trustee or except as otherwise permitted by any Transaction Document:

- (a) except for (i) those created by or under the Security Documents or (ii) otherwise arising as a matter of law, create or permit to exist upon or affect any of the Security Assets, any mortgage, sub mortgage, assignment, charge, sub charge, pledge, lien, hypothecation or other Security or security interest whatsoever or otherwise permit the validity or effectiveness of the Security Documents or the priority of any Security created thereby to be amended, terminated, postponed or discharged; or
- (b) sell, factor, discount, transfer, convey, assign, lend or otherwise dispose of any of its rights, title or interests any Security Asset or purport to do so, or except as otherwise permitted by any Transaction Document.

11.2 Security Assets generally

The Chargor shall:

- (a) notify the Security Trustee within 14 days of receipt of every material notice, order, application, requirement or proposal given or made in relation to the Security Assets by any competent authority, and (if required by the Security Trustee):
 - (i) immediately provide it with a copy of the same; and
 - (ii) either (A) comply with such notice, order, application, requirement or proposal or (B) make such objections to the same as the Security Trustee may require or approve;
- (b) pay all rates, rents and other outgoings owed by it in respect of the Security Assets;
- (c) comply with:
 - (i) all obligations in relation to the Security Assets under any present or future regulation or requirement of any competent authority or any Authorisation; and

- (ii) all covenants and obligations affecting any Security Asset (or its manner of use);
- (d) not enter into any onerous or restrictive obligation affecting any material part of any of the Security Assets;
- (c) provide the Security Trustee with all information which it may reasonably request in relation to the Security Assets; and
- (f) not do, cause or permit to be done anything which may to a material extent depreciate, jeopardise or otherwise prejudice the value or marketability of any Security Asset (or make any omission which has such an effect).

11.3 Deposit of documents and notices relating to Real Property

The Chargor shall, if requested by the Security Trustee in writing, deposit with the Security Trustee:

- (a) all deeds and documents of title relating to the Real Property; and
- (b) all local land charges, land charges and the Land Registry search certificates and similar documents received by or on behalf of the Chargor,

which the Security Trustee may hold throughout the Security Period.

11.4 Real Property undertakings - acquisitions and notices to the Land Registry

- (a) The Chargor shall notify the Security Trustee promptly upon the acquisition of any estate or interest in any freehold or leasehold property.
- (b) The Chargor shall, in respect of any Real Property which is acquired by it after the date of this Deed, the title to which is registered at the Land Registry or the title to which is required to be so registered:
 - (i) give the Land Registry written notice of this Deed; and
 - (ii) to the extent applicable, procure that notice of this Deed is clearly noted in the Register to each such title.

11.5 Real Property undertakings - maintenance

- (a) The Chargor shall maintain all buildings and erections forming part of the Security Assets in a reasonable state of repair.
- (b) The Chargor shall not, except with the prior written consent of the Security Trustee (or as expressly permitted under any Transaction Document):
 - (i) confer on any person any lease or tenancy of any of the Real Property or accept a surrender of any lease or tenancy (whether independently or under any statutory power);
 - (ii) confer on any person any right or licence to occupy any land or buildings forming part of the Real Property; or
 - (iii) grant any licence to assign or sub-let any part of the Real Property.

- (c) The Chargor shall not carry out any development within the meaning of the Planning Acts in or upon any part of the Real Property without first obtaining such permissions as may be required under or by virtue of the Planning Acts and, in the case of development involving a substantial change in the structure of, or a change of use of, any part of the Real Property, without first obtaining the written consent of the Security Trustee.
- (d) The Chargor shall not do, or knowingly permit to be done, anything as a result of which any lease may be liable to forfeiture or otherwise be determined.
- (e) The Chargor shall permit the Security Trustee and any person nominated by it at all reasonable times with reasonable notice to enter any part of the Real Property and view the state of it.
- (f) For the avoidance of doubt, The Security Trustee is entitled to refrain from taking any action in respect of any Real Property where, in its sole discretion, believes it may incur any liability in respect of that Real Property.

11.6 Charged Investments - protection of security

- (a) The Chargor shall, immediately upon execution of this Deed or (if later) as soon as is practicable after its acquisition of any Charged Securities, by way of security for the Secured Obligations:
 - (i) deposit with the Security Trustee (or as the Security Trustee may direct) all certificates and other documents of title or evidence of ownership to the Charged Securities and their Related Rights; and
 - (ii) execute and deliver to the Security Trustee:
 - (A) instruments of transfer in respect of the Charged Securities (executed in blank and left undated); and/or
 - (B) such other documents as the Security Trustee shall require to enable it (or its nominees) to be registered as the owner of or otherwise to acquire a legal title to the Charged Securities and their Related Rights (or to pass legal title to any purchaser).
- (b) The Chargor shall following the occurrence of an Event of Default which is continuing:
 - (i) promptly give notice to any custodian of any agreement with the Chargor in respect of any Charged Investment in the form required by the Security Trustee; and
 - (ii) use its reasonable endeavours to ensure that the custodian acknowledges that notice in the form required by the Security Trustee.
- (c) The Chargor shall following the occurrence of an Event of Default which is continuing:
 - (i) instruct any clearance system to transfer any Charged Investment held by it for the Chargor or its nominee to an account of the Security Trustee or its nominee with such clearance system; and
 - (ii) take whatever action the Security Trustee may request for the dematerialisation or rematerialisation of any Charged Investment held in a clearance system.

- (d) The Chargor shall promptly pay all calls or other payments which may become due in respect of its Charged Investments.

11.7 Charged Accounts – protection of security

- (a) After the occurrence of an Event of Default that is continuing, the Chargor shall not withdraw, attempt or be entitled to withdraw (or direct any transfer of) all or any part of the monies in any Charged Account without the prior written consent of the Security Trustee and the Security Trustee shall be entitled to refuse to permit any such withdrawal or transfer.

11.8 Rights of the Parties in respect of Charged Investments

- (a) Unless an Event of Default is continuing, the Chargor shall be entitled to:
 - (i) receive and retain all dividends, distributions and other monies paid on or derived from its Charged Securities; and
 - (ii) exercise all voting and other rights and powers attaching to its Charged Securities, provided that it must not do so in a manner which:
 - (A) has the effect of changing the terms of such Charged Securities (or any class of them) or of any Related Rights unless permitted by any Transaction Document; or
 - (B) is prejudicial to the interests of the Security Trustee and/or the other Secured Parties.
- (b) Subject to sub-paragraph (c) and (d) below, at any time following the occurrence of an Event of Default which is continuing, the Security Trustee may, without prior notice and at its discretion, (in the name of the Chargor or otherwise and without any further consent or authority from the Chargor) or instruct the Chargor to:
 - (i) exercise (or refrain from exercising) any voting rights in respect of the Charged Securities;
 - (ii) complete the instrument(s) of transfer for all or any Charged Securities on behalf of the Chargor in favour of itself or such other person as it may select; or
 - (iii) exercise (or refrain from exercising) the powers and rights conferred on or exercisable by the legal or beneficial owner of the Charged Securities including the right, in relation to any company whose shares or other securities are included in the Charged Securities, to concur or participate in:
 - (A) the reconstruction, amalgamation, sale or other disposal of such company or any of its assets or undertaking (including the exchange, conversion or reissue of any shares or securities as a consequence thereof);
 - (B) the release, modification or variation of any rights or liabilities attaching to such shares or securities; and
 - (C) the exercise, renunciation or assignment of any right to subscribe for any shares or securities.

- (c) At any time when any Charged Securities are registered in the name of the Security Trustee or its nominee, the Security Trustee shall be under no duty to:
 - (i) ensure that any dividends, distributions or other monies payable in respect of such Charged Securities/Subsidiary Shares are duly and promptly paid or received by it or its nominee;
 - (ii) verify that the correct amounts are paid or received; or
 - (iii) take any action in connection with the taking up of any (or any offer of any) Related Rights in respect of or in substitution for, any such Charged Securities.
- (d) **Waiver of voting rights by the Security Trustee**
 - (i) The Security Trustee may, in its absolute discretion and without any consent or authority from the other Secured Parties or the Chargor, at any time elect to give up the right to exercise (or refrain from exercising) all voting rights and powers in respect of the Charged Securities conferred or to be conferred on the Security Trustee pursuant to paragraph (b) of this clause 11.8 or any other provision of this Deed and the other Secured Parties unconditionally waive any rights they may otherwise have to require the Security Trustee not to make such election or to require the Security Trustee to indemnify, compensate or otherwise make them good for any losses, costs or liabilities incurred by any of them in relation to or as a consequence of the Security Trustee making such election.
 - (ii) Once a notice has been issued by the Security Trustee under paragraph (i) above, on and from the date of such notice the Security Trustee shall cease to have the rights to exercise or refrain from exercising voting rights and powers in respect of the Charged Securities conferred or to be conferred on it pursuant to paragraph (b) of this clause 11.8 or any other provision of this Deed and all such rights will be exercisable by the Chargor. The Chargor shall be entitled on and from the date of such notice, to exercise all voting rights and powers in relation to the Charged Securities subject only to the proviso contained in paragraph (a) of this clause 11.8.
 - (iii) take any action in connection with the taking up of any (or any offer of any) Related Rights in respect of or in substitution for, any such Charged Securities.

12. POWER TO REMEDY

12.1 Power to remedy

If at any time the Chargor does not comply with any of its obligations under this Deed, the Security Trustee (without prejudice to any other rights arising as a consequence of such non-compliance) shall be entitled (but not bound) to rectify that default. The relevant Chargor irrevocably authorises the Security Trustee and its employees and agents by way of security to do all such things (including entering the property of the Chargor) which are necessary or desirable to rectify that default.

12.2 Mortgagee in possession

The exercise of the powers of the Security Trustee under this clause 12 shall not render it, or any other Secured Party, liable as a mortgagee in possession.

12.3 Monies expended

The relevant Chargor shall pay to the Security Trustee on demand any monies which are expended by the Security Trustee in exercising its powers under this clause 12.

13. WHEN SECURITY BECOMES ENFORCEABLE

13.1 When enforceable

This Debenture Security shall become immediately enforceable upon the occurrence of an Event of Default and shall remain so for so long as such Event of Default is continuing.

13.2 Statutory powers

The power of sale and other powers conferred by section 101 of the Act (as amended or extended by this Deed) shall be immediately exercisable upon and at any time after the occurrence of any Event of Default and for so long as such Event of Default is continuing.

13.3 Enforcement

After this Debenture Security has become enforceable, the Security Trustee may enforce all or any part of the Debenture Security in such manner as it sees fit in accordance with the terms of this Deed and the Security Trust Deed.

14. ENFORCEMENT OF SECURITY

14.1 Powers of Security Trustee

- (a) The Security Trustee may at any time after the Debenture Security becomes enforceable, at its discretion and without further notice (unless required by law), take any steps or actions or institute such proceedings against the Chargor as it may think fit to enforce the Debenture Security or enforce any provisions of the Security Documents or exercise any right, power, authority or discretion vested in it as Security Trustee in accordance with the Security Documents, but the Security Trustee shall not be bound to take any such steps or actions or institute such proceedings or any other action in relation to the Security Documents (including in relation to the Debenture Security) or exercise any right, power, authority or discretion vested in it as Security Trustee unless (i) it has been instructed to do so by the Note Trustee and (ii) it has been indemnified and/or secured and/or prefunded to its satisfaction in respect of all fees, costs, charges, claims, expenses and liabilities which it has incurred to that date and to which it may thereby or as a consequence thereof in its opinion render itself or have rendered itself, liable.
- (b) The Debenture Security in respect of the Security Assets will become enforceable at any time when an Event of Default has occurred and is continuing.
- (c) The Security Trustee shall incur no liability to any person for any action it may take or omits to take in respect of the enforcement of the Debenture Security in respect of the Security Assets, including, without limiting the generality of the foregoing, if an Event of Default ceases to be continuing at any time after any steps in respect of the enforcement of the Debenture Security have been taken.
- (d) None of the Secured Parties (excluding the Security Trustee) shall be entitled to proceed directly against the Chargor to enforce the Debenture Security. Any action

taken by the Security Trustee in accordance with this Deed and the Trust Deed shall be binding on all the other Secured Parties.

- (e) In exercising its powers under this clause 14.3, the Security Trustee may without further notice (unless required by law):
 - (i) appoint a Receiver in relation to all or any part of the Security Assets and/or of the income of the Security Assets in accordance with the terms of the Security Trust Deed; and/or
 - (ii) appoint or apply for the appointment of any person who is appropriately qualified as administrator of the Chargor; and/or
 - (iii) exercise all or any of the powers conferred on mortgagees by the Act (as amended or extended by this Deed) and/or all or any of the powers which are conferred by this Deed on a Receiver, in each case without first appointing a Receiver or notwithstanding the appointment of any Receiver and in accordance with the terms of the Security Trust Deed.
- (f) The Security Trustee is not entitled to appoint a Receiver in respect of any Security Assets of the Chargor which are subject to a charge which (as created) was a floating charge solely by reason of a moratorium being obtained under the Part A1 of the Insolvency Act 1986 (or anything done with a view to obtaining such a moratorium, including any preliminary decision or investigation) in respect of the Chargor, unless the floating charge falls within any of the categories described in section A52(4) of the Insolvency Act 1986.

14.2 Privileges

- (a) Each Receiver and the Security Trustee is entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers when such receivers have been duly appointed under the Act, except that section 103 of the Act does not apply.
- (b) To the extent that the Security Assets constitute "*financial collateral*" and this Deed and the obligations of the Chargor under this Deed constitute a "*security financial collateral arrangement*" (in each case for the purpose of and as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226)) each Receiver and the Security Trustee shall have the right after the Debenture Security has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Obligations.
- (c) For the purpose of clause 14.2(b), the value of the financial collateral appropriated shall be such amount as the Receiver or Security Trustee reasonably determines having taken into account advice obtained by it from an independent investment or accountancy firm of national standing selected by it.

14.3 No liability

- (a) Neither the Security Trustee, any other Secured Party nor any Receiver or Delegate shall be liable (A) in respect of all or any part of the Security Assets or (B) for any loss or damage which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise any of, its or his respective powers (unless such loss or damage is caused by its or his gross negligence or wilful misconduct).

- (b) Without prejudice to the generality of clause 14.3(a), neither the Security Trustee, any other Secured Party nor any Receiver or Delegate shall be liable, by reason of entering into possession of a Security Asset, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable.

14.4 Protection of third parties

No person (including a purchaser) dealing with the Security Trustee or any Receiver or Delegate will be concerned to enquire:

- (a) whether the Secured Obligations have become payable;
- (b) whether any power which the Security Trustee or the Receiver is purporting to exercise has become exercisable;
- (c) whether any money remains due under the Note Trust Deed, the Supplemental Trust Deed or the Security Trust Deed; or
- (d) how any money paid to the Security Trustee or to the Receiver is to be applied.

15. APPLICATION OF PROCEEDS

15.1 Application

All monies received or recovered by or on behalf of the Security Trustee or any Receiver appointed on its behalf pursuant to any enforcement of the Debenture Security in respect thereof shall be held by the Security Trustee on trust to be applied by the Security Trustee in accordance with the terms of the Security Trust Deed.

15.2 Contingencies

If the Debenture Security is enforced at a time when no amount is due in respect of the Secured Obligations or any of the Secured Obligations are contingent or future, the Security Trustee or any Receiver may pay the proceeds of any recoveries effected by it into any account to be held by it as security and applied in accordance with the terms of the Security Trust Deed.

16. SET-OFF

16.1 Set-off rights

- (a) The Security Trustee and each other Secured Party may (but shall not be obliged to) set off any obligation which is due and payable by the Chargor and unpaid (whether under this Deed or the Security Trust Deed or which has been assigned to the Security Trustee or such other Secured Party by any other Chargor) against any obligation (whether or not matured) owed by the Security Trustee or such other Secured Party to the Chargor, regardless of the place of payment, booking branch or currency of either obligation.
- (b) At any time after the Debenture Security has become enforceable (and in addition to its rights under clause 16.1(a)), the Security Trustee and each other Secured Party may (but shall not be obliged to) set-off any contingent liability owed by the Chargor under this Deed or the Security Trust Deed against any obligation (whether or not matured) owed by the Security Trustee or such other Secured Party to the Chargor, regardless of the place of payment, booking branch or currency of either obligation.

- (c) If the obligations are in different currencies, the Security Trustee or such other Secured Party may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.
- (d) If either obligation is unliquidated or unascertained, the Security Trustee or such other Secured Party may set off in an amount estimated by it in good faith to be the amount of that obligation.

16.2 Time deposits

Without prejudice to clause 16.1 (*Set-off*), if any time deposit matures on any account which the Chargor has with the Security Trustee or any other Secured Party at a time within the Security Period when:

- (a) this Debenture Security has become enforceable; and
- (b) no Secured Obligation is due and payable,

such time deposit shall automatically be renewed for such further maturity as the Security Trustee or such other Secured Party in its absolute discretion considers appropriate unless the Security Trustee or such other Secured Party otherwise agrees in writing.

17. NO APPROPRIATION

There is no obligation on the Security Trustee to appropriate the Charged Securities, or for the Security Trustee to hold the Charged Securities in its name or to require the nominee to hold the Charged Securities in the nominee's name.

18. FURTHER ASSURANCES

- (a) The Chargor shall, at its own expense, effect all registrations, execute all documents and provide all notices and take whatever action the Security Trustee or a Receiver may require for:
 - (i) creating, perfecting or protecting any security intended to be created by this Deed; or
 - (ii) facilitating the realisation of any Security Assets, or the exercise of any right, power or discretion exercisable, by the Security Trustee or any Receiver or any of its delegates or sub-delegates in respect of any Security Assets.

This includes (which is not an exhaustive list):

- (i) the execution of any document including any transfer, conveyance, assignment or assurance of any property intended to comprise the Security Assets, whether to the Security Trustee or to its nominee; or
- (ii) the giving of any notice, order or direction and the making of any registration,

which, in any such case, the Security Trustee may think expedient and/or desirable. Under no circumstances shall the Security Trustee be responsible for registration or perfection of the Debenture Security over the Security Assets.

- (b) The Chargor shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection,

protection or maintenance of any Security conferred or intended to be conferred on the Security Trustee or the Secured Parties by or pursuant to this Deed.

- (c) Without prejudice to the generality of clause 18(a), the Chargor will immediately upon request by the Security Trustee execute any document contemplated by that clause over any Security Asset which is subject to or intended to be subject to any Fixed Security (including any fixed security arising or intended to arise pursuant to clause 7 (*Conversion of floating charge*)).

19. POWER OF ATTORNEY

- (a) The Chargor by way of security for the payment and performance of the Secured Obligations and the performance of its obligations hereunder irrevocably (within the meaning of Section 4 of the Powers of Attorney Act 1971) appoints the Security Trustee and every Receiver or Delegate of the whole or any part of the Security Assets appointed pursuant to the Security Trust Deed to be its attorney or attorneys acting jointly and severally in its name and on its behalf to sign, seal, execute, deliver, perfect and do all assurances, acts and things which the Chargor is required to execute or do under the covenants and provisions contained in this Deed or the Security Trust Deed and generally in its name and on its behalf to exercise all or any of the powers, authorities or discretions conferred by or pursuant to this Deed or the Security Trust Deed or otherwise on the Security Trustee or any such Receiver or Delegate including, without limitation, in connection with the exercise of any power of sale or getting in all or any part of the Security Assets. Each and any of the Security Trustee and any Receiver or Delegate shall have full power to delegate the power conferred on it or him by this clause 19 but no such delegation shall preclude the subsequent exercise of such power by the Security Trustee or such Receiver or a subsequent delegation thereof to some other person; any such delegation may be revoked by the Security Trustee or the Receiver at or Delegate any time.
- (b) The Chargor hereby ratifies and confirms and agrees to ratify and confirm whatever any such attorney shall do or purport to do in the exercise or purported exercise of all or any of the powers, authorities and/or discretions referred to in this clause 19.

20. CURRENCY CONVERSION

All monies received or held by the Security Trustee or any Receiver under this Deed may be converted from their existing currency into such other currency as the Security Trustee or the Receiver considers necessary or desirable to cover the obligations and liabilities comprised in the Secured Obligations in that other currency at the spot rate of exchange for the purchase of the relevant currency in the London foreign exchange market on the relevant day. The Chargor shall indemnify the Security Trustee against all costs, charges and expenses incurred in relation to such conversion. Neither the Security Trustee nor any Receiver shall have any liability to the Chargor in respect of any loss resulting from any fluctuation in exchange rates after any such conversion.

21. CHANGES TO THE PARTIES

21.1 Chargor

The Chargor may not assign any of its rights or obligations under this Deed.

21.2 Security Trustee

The Security Trustee may assign or transfer all or any part of its rights under this Deed pursuant to the resignation or removal of the Security Trustee in accordance with the Security Trust Deed. The Chargor shall, immediately upon being requested to do so by the Security Trustee, enter into such documents as may be necessary or desirable to effect such assignment or transfer.

21.3 Successors

This Deed shall remain in effect despite any amalgamation or merger (however effected) relating to the Security Trustee. References to the Security Trustee shall include (i) any transferee, assignee or successor in title of the Security Trustee, (ii) any entity into which the Security Trustee is merged or converted or with which it may be consolidated, (iii) any legal entity resulting from any merger, conversion or consolidation to which such Security Trustee is a party and (iv) any other person who, under the laws of its jurisdiction of incorporation or domicile, has assumed the rights and obligations of the Security Trustee under this Deed or to which, under such laws, those rights and obligations have been transferred (such person described in (i) to (iv) being a successor to the Security Trustee for all purposes under the Transaction Documents and the Security Trust Deed).

22. MISCELLANEOUS

22.1 New accounts

- (a) If the Security Trustee or any other Secured Party receives, or is deemed to be affected by, notice, whether actual or constructive, of any subsequent Security (other than a Permitted Lien) affecting any Security Asset and/or the proceeds of sale of any Security Asset or any guarantee under the Security Documents ceases to continue in force, it may open a new account or accounts for the Chargor. If it does not open a new account, it shall nevertheless be treated as if it had done so at the time when it received or was deemed to have received such notice.
- (b) As from that time all payments made to the Security Trustee or such other Secured Party will be credited or be treated as having been credited to the new account and will not operate to reduce any amount of the Secured Obligations.

22.2 Protective clause

The Chargor is deemed to be a principal debtor in relation to this Deed. The obligations of the Chargor under, and the security intended to be created by, this Deed shall not be impaired by any forbearance, neglect, indulgence, extension or time, release, surrender or loss of securities, dealing, amendment or arrangement by any Secured Party which would otherwise have reduced, released or prejudiced this Debenture Security or any surety liability of the Chargor (whether or not known to it or to any Secured Party).

23. NOTICES

23.1 Communications in writing

Any communication to be made in connection with this Deed, including the giving of any consent or approval, shall be made in writing and unless otherwise stated, may be made personally or by email or letter.

23.2 Delivery

Any communication or document to be made or delivered by one Party to another pursuant to this Deed shall only be effective if it is in legible form and made or delivered to that other Party at the address identified next to its name in clause 23.3 or any substitute address, as that Party may notify to the Parties by not less than five (5) Business Days' notice, and shall be deemed to have been made or delivered:

- (a) if delivered personally, at the time of delivery; or
- (b) in the case of pre-paid first class post, recorded delivery, two (2) Business Days from the date of posting; or
- (c) in the case of registered airmail, five (5) Business Days from the date of posting; or
- (d) in the case of email, on sending provided no notice of non-delivery is received; or
- (e) if deemed receipt under paragraphs (a), (b), (c) or (d) of this clause 23.2 is not within business hours (meaning 9.00 am to 5.30 pm Monday to Friday on a Business Day in the place of receipt), when business hours next begin in the place of receipt.

23.3 Contact details

- (a) All notices and communications to the Chargor shall be sent to the following address:

Address: Avation PLC, 5 Fleet Place, London, England, EC4M 7RD
Attention: Jeff Chatfield, Duncan Scott
Email: Jeff@avation.net / Duncan@avation.net

with a copy to DLA Piper LLP, to be sent to:

Address: 80 Raffles Place, #48-01 UOB Plaza 1, Singapore 048624
Attention: Philip Lee / Tony Lopez
Email: Philip.Lee@dlapiper.com; tony.lopez@dlapiper.com;
ProjectAvatar@dlapiper.com

- (b) All notices and communications to the Security Trustee shall be sent to the following address:

Address: Citicorp International Limited, 20th Floor, Citi Tower
One Bay East, 83 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong
Attention: Agency & Trust
Email: agencytrust.tmg@citi.com

24. CALCULATIONS AND CERTIFICATES

Any certificate of or determination by a Secured Party or the Security Trustee specifying the amount of any Secured Obligation due from the Chargor (including details of any relevant calculation thereof) is, in the absence of manifest error, conclusive evidence against the Chargor of the matters to which it relates.

25. PARTIAL INVALIDITY

All the provisions of this Deed are severable and distinct from one another and if at any time any provision is or becomes illegal, invalid or unenforceable in any respect under any law of

any jurisdiction, neither the legality, validity or enforceability of any of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

26. REMEDIES AND WAIVERS

No failure to exercise, nor any delay in exercising, on the part of the Security Trustee (or any other Secured Party), any right or remedy under this Deed shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise, or the exercise of any other right or remedy. The rights and remedies provided are cumulative and not exclusive of any rights or remedies provided by law.

27. AMENDMENTS AND WAIVERS

Any provision of this Deed may be amended in writing by the Security Trustee and the Chargor. Any breach of this Deed may be waived before or after it occurs only if the Security Trustee so agrees in writing. A waiver given or consent granted by the Security Trustee under this Deed will be effective only if given in writing and then only in the instance and for the purpose for which it is given.

28. SECURITY TRUSTEE

28.1 Actions of the Security Trustee

In exercising any right, power or discretion under, or taking any action in relation to this Deed, the Security Trustee shall act in accordance with the provisions of the Security Trust Deed and with the benefit of the protections set out in the Security Trust Deed, and shall be under no obligation to exercise any such right, power or discretion or take any action except in accordance with the provisions of the Security Trust Deed.

29. COUNTERPARTS

This Deed may be executed in any number of counterparts, and this has the same effect as if the signatures (and seals, if any) on the counterparts were on a single copy of this Deed.

30. RELEASE

30.1 Release

Upon the expiry of the Security Period (and the Note Trustee notifying the Security Trustee that the Secured Obligations have been discharged in full (upon which the Security Trustee will rely without further investigation), the Security Trustee will, without recourse, warranty or representation, at the cost of the Chargor, take whatever action as is reasonably necessary to release and/or re-assign the Security Assets from the Debenture Security to, or to the order of, the respective Security Assets.

30.2 Clawback

If the Security Trustee considers that any amount paid or credited to any Secured Party is capable of being avoided or otherwise set aside, that amount shall not be considered to have been paid for the purposes of determining whether all the Secured Obligations have been irrevocably and unconditionally paid and the Secured Parties' right to recover to the full extent of the Secured Obligations from the Chargor shall not be in any way prejudiced thereby.

30.3 Reinstatement

Where any discharge (whether in respect of the obligations of the Chargor or any security for those obligations or otherwise) is made in whole or in part or any arrangement is made on the faith of any payment, security or other disposition which is avoided or must be restored on insolvency, liquidation or otherwise (without limitation), the liability of the Chargor under this Deed shall continue as if the discharge or arrangement had not occurred. The Security Trustee may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration.

30.4 No liability for loss

The Security Trustee will not be liable to the Chargor, any Obligor or any other person for any loss, costs, claims or liabilities arising in connection with its acting upon a request made under this clause 30 and/or any release made under this clause 30.

31. GOVERNING LAW

This Deed and any non-contractual obligations arising out of or in connection with it shall be governed by English law.

32. ENFORCEMENT AND JURISDICTION

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "Dispute").
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

IN WITNESS of which this Deed has been duly executed by the Chargor as a deed and duly executed by the Security Trustee and has been delivered on the first date specified on page 1 of this Deed by the Chargor.

SCHEDULE 1: DETAILS OF SECURITY ASSETS

Part 1: Real Property

None.

Part 2: Charged Securities

None.

Part 3: Intellectual Property

None.

Part 4: Insurances

None.

Part 5: Bank Accounts

Name of Chargor	Name and address of institution at which account is held	Account Number
Avation PLC	Citibank N.A., Singapore Branch 8 Marina View #22-00 Asia Square Tower 1 Singapore 018960	██████019
		██████027
		██████043
	United Overseas Bank Ltd. 80 Raffles Place Singapore 048624	██████403
		██████076
		██████438

SCHEDULE 2: FORM OF NOTICE TO AND ACKNOWLEDGEMENT FROM ACCOUNT BANK

Part 1: Form of notice of charge to Account Bank

To: *[insert name and address of Account Bank]*

Dated: [●]

Dear Sirs/Madams

We hereby give notice that, by a debenture dated [●] (the "**Debenture**") we have charged to [●] (the "**Security Trustee**") as security trustee for certain financial institutions and others (as referred to in the Debenture) all our present and future right, title and interest in and to the following accounts in our name with you, all monies from time to time standing to the credit of those accounts and all interest from time to time accrued or accruing on those accounts, any investment made out of any such monies or account and all rights to repayment of any of the foregoing by you:

[Insert details of accounts] (together the "**Accounts**").

For the purposes of this notice and the attached acknowledgement, the term "**Event of Default**" has the meaning given to that term in the Debenture.

We hereby irrevocably instruct and authorise you:

1. to credit to each Account all interest from time to time earned on the sums of money held in that Account;
2. to disclose to the Security Trustee, without any reference to or further authority from us and without any liability or inquiry by you as to the justification for such disclosure, such information relating to the Accounts and the sums in each Account as the Security Trustee may, at any time and from time to time, request you to disclose to it;
3. to hold all sums from time to time standing to the credit of each Account in our name with you to the order of the Security Trustee;
4. to pay or release all or any part of the sums from time to time standing to the credit of each Account in our name with you in accordance with the written instructions of the Security Trustee at any time and from time to time; and
5. to comply with the terms of any written notice or instructions in any way relating to the Accounts or the sums standing to the credit of any Account from time to time which you may receive at any time from the Security Trustee without any reference to or further authority from us and without any liability or inquiry by you as to the justification for or validity of such notice or instructions.

For the avoidance of doubt, the Security Trustee shall not be entitled to exercise any of its rights pursuant to or in connection with paragraphs 3 and 4 above and shall not be entitled to serve any notice or give any instruction pursuant to paragraph 5 above unless and until an Event of Default has occurred and is continuing (as notified to you in writing by the Security Trustee).

By countersigning this notice, the Security Trustee confirms that we may make withdrawals from the Accounts until such time as the Security Trustee shall notify you in writing that its rights have become enforceable in accordance with the terms of the Debenture and that its permission is withdrawn,

whereupon we will not be permitted to withdraw any amounts from any Account without the prior written consent of the Security Trustee.

These instructions cannot be revoked or varied without the prior written consent of the Security Trustee.

This notice, any acknowledgement in connection with it, and any non-contractual obligations arising out of or in connection with any of them, shall be governed by English law.

Please confirm your acceptance of the above instructions by returning the attached acknowledgement to the Security Trustee with a copy to ourselves.

Yours faithfully

By _____
for and on behalf of
[*relevant Chargor*]

By _____
for and on behalf of the Security Trustee

Part 2: Form of acknowledgement from Account Bank

To: [insert name and address of Security Trustee]

Dated: [●]

Dear Sirs/Madams

We confirm receipt of a notice dated [●] (the "Notice") from [relevant Chargor] (the "Company") of a charge upon the terms of a Debenture dated [●], over all the Company's present and future right, title and interest in and to the following accounts with us in the name of the Company together with all monies standing to the credit of those accounts and all interest from time to time accrued or accruing on those accounts, any investment made out of any such monies or account and all rights of repayment of any of the foregoing by us:

[●] (together the "Accounts").

We confirm that:

1. we accept the instructions and authorisation contained in the Notice and undertake to comply with its terms;
2. we have not received notice of the interest of any third party in any Account or in the sums of money held in any Account or the debts represented by those sums and we will notify you promptly should we receive notice of any third party interest;
3. we have not claimed or exercised, nor will we claim or exercise, any Security or right of set-off or combination or counterclaim or other right in respect of any Account, the sums of money held in any Account or the debts represented by those sums;
4. until you notify us in writing that withdrawals are prohibited, the Company may make withdrawals from the Accounts; upon receipt of such notice we will not permit any amount to be withdrawn from any Account except against the signature of one of your authorised signatories; and
5. we will not seek to modify, vary or amend the terms upon which sums are deposited in the Accounts without your prior written consent.

This letter and any non-contractual obligations arising out of or in connection with it shall be governed by English law.

Yours faithfully

By _____
for and on behalf of
[Account Bank]

SCHEDULE 3: FORM OF NOTICE TO AND ACKNOWLEDGEMENT BY INSURERS

To: [Insert name and address of insurer]

Dated: [•]

Dear Sirs/Madams

[•] (THE "CHARGOR")

1. We give notice that, by a debenture dated [•] (the "**Debenture**"), we have assigned to [•] (the "**Security Trustee**") as Security Trustee for certain financial institutions and others (as referred to in the Debenture) all our present and future right, title and interest in and to the policies listed in the schedule to this notice (together with any other agreement supplementing or amending the same, the "**Policies**") including all rights and remedies in connection with the Policies and all proceeds and claims arising from the Policies.
2. For the purposes of this notice and the attached acknowledgement, the term "**Event of Default**" has the meaning given to that term in the Debenture.
3. We irrevocably authorise and instruct you from time to time:
 - (a) to disclose to the Security Trustee at our expense (without any reference to or further authority from us and without any enquiry by you as to the justification for such disclosure) such information relating to the Policies as the Security Trustee may from time to time request;
 - (b) following written notice to you from the Security Trustee confirming that an Event of Default has occurred and is continuing, to hold all sums from time to time due and payable by you to us under the Policies to the order of the Security Trustee;
 - (c) following written notice to you from the Security Trustee confirming that an Event of Default has occurred and is continuing, to pay or release all or any part of the sums from time to time due and payable by you to us under the Policies only in accordance with the written instructions given to you by the Security Trustee from time to time;
 - (d) to comply with any written notice or instructions in any way relating to (or purporting to relate to) the Debenture, the sums payable to us from time to time under the Policies or the debts represented by them which you may receive from the Security Trustee (without any reference to or further authority from us and without any enquiry by you as to the justification for or validity of such notice or instruction); and
 - (e) to send copies of all notices and other information given or received under the Policies to the Security Trustee.
4. You may continue to deal with the Chargor in relation to the Policies until you receive written notice from the Security Trustee that an Event of Default has occurred and is continuing. Thereafter we will cease to have any right to deal with you in relation to the Policies and therefore from that time you should deal only with the Security Trustee.
5. Following the occurrence of an Event of Default which is continuing, we are not permitted to receive from you, otherwise than through the Security Trustee, any amount in respect of or on account of the sums payable to us from time to time under the Policies.

6. This notice may only be revoked or amended with the prior written consent of the Security Trustee.
7. Please confirm by completing the enclosed copy of this notice and returning it to the Security Trustee (with a copy to us) that you agree to the above and that:
- (a) you accept the instructions and authorisations contained in this notice and you undertake to comply with this notice;
 - (b) you have not, at the date this notice is returned to the Security Trustee, received notice of the assignment or charge, the grant of any security or the existence of any other interest of any third party in or to the Policies or any proceeds of them or any breach of the terms of any Policy and you will notify the Security Trustee promptly if you should do so in future; and
 - (c) following written notice to you from the Security Trustee confirming that an Event of Default has occurred and is continuing, you will not permit any sums to be paid to us or any other person under or pursuant to the Policies without the prior written consent of the Security Trustee.
8. This notice, and any acknowledgement in connection with it, and any non-contractual obligations arising out of or in connection with any of them, shall be governed by English law.

Yours faithfully

for and on behalf of
[Name of Chargor]

SCHEDULE
THE POLICIES

[On copy]

To: [•]
as Security Trustee
[ADDRESS]

Copy to: [NAME OF CHARGOR]

Dear Sirs/Madams

We acknowledge receipt of the above notice and consent and agree to its terms. We confirm and agree to the matters set out in paragraph 7 in the above notice.

for and on behalf of
[•]

Dated: [•]

EXECUTION PAGES

THE CHARGOR

EXECUTED as a DEED by
AVATION PLC
acting by:
under the authority of that company



Roderick Douglas MAHONEY
Director

Witness's signature:

Name:

Address:

Occupation:



Duncan Gerard Stephen SCOTT
Attorney



THE SECURITY TRUSTEE

EXECUTED as a **DEED** by
CITICORP INTERNATIONAL LIMITED

By:

Name:

Witness's signature:

Name:

Address:

Occupation:

