



**Registration of a Charge**

Company name: **ONTIC ENGINEERING & MANUFACTURING UK LIMITED**  
Company number: **06707516**



Received for Electronic Filing: **09/03/2020**

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**Details of Charge**

Date of creation: **28/02/2020**  
Charge code: **0670 7516 0003**  
Persons entitled: **NOMURA CORPORATE FUNDING AMERICAS, LLC**  
Brief description:

**Contains fixed charge(s).**

**Contains floating charge(s) .**

**Contains negative pledge.**

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**Authentication of Form**

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

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**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:

**SHEARMAN & STERLING (LONDON) LLP**



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

Company number: 6707516

Charge code: 0670 7516 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 28th February 2020 and created by ONTIC ENGINEERING & MANUFACTURING UK LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 9th March 2020 .

Given at Companies House, Cardiff on 10th March 2020

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

# SHEARMAN & STERLING

EXECUTION VERSION

Dated 28 February 2020

**ONTIC ENGINEERING & MANUFACTURING UK LTD.**

**as the Chargor**

**- and -**

**NOMURA CORPORATE FUNDING AMERICAS, LLC**

**as Collateral Agent**

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## **SECOND LIEN ENGLISH SECURITY AGREEMENT**

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THIS DEED is dated 28 February 2020 and made

**BETWEEN:**

- (1) **ONTIC ENGINEERING & MANUFACTURING UK LTD.**, a company incorporated in England and Wales with a registered office at Cleeve Business Park, Bishops Cleeve, Cheltenham, Gloucestershire, GL52 8TW and registered number 06707516 (the "**Chargor**"); and
- (2) **NOMURA CORPORATE FUNDING AMERICAS, LLC** (the "**Collateral Agent**") as collateral agent for the Secured Parties.

**BACKGROUND:**

- (A) The Chargor enters into this Deed in connection with the Credit Agreement (as defined below).
- (B) It is intended that this document take effect as a deed notwithstanding the fact that a party may only execute this document under hand.
- (C) Pursuant to a second lien credit agreement dated October 31, 2019 (as amended, amended and restated, supplemented or otherwise modified from time to time), by and among, *inter alios*, Bleriot US Bidco Inc. as the Original Borrower, Bleriot Midco Limited as Holdings, the Lenders party to it from time to time and Nomura Corporate Funding Americas, LLC as the Administrative Agent and Collateral Agent (the "**Credit Agreement**"), the Lenders agreed to make available to the Original Borrower a second lien term loan facility on the terms and subject to the conditions of the Credit Agreement.
- (D) It is one of the conditions to the making of Loans by the Lenders under the Credit Agreement that the Chargor executes this Deed and provides this Security to the Collateral Agent as collateral for the Second Lien Secured Parties (as defined in the Intercreditor Agreement).
- (E) The Intercreditor Agreement (as defined below) governs the relative rights and priorities of the First Lien Secured Parties and the Second Lien Secured Parties in respect of the Common Collateral (in each case, as defined in the Intercreditor Agreement).
- (F) This Security is intended to take effect as second-ranking security pursuant to this Deed.

**IT IS AGREED** as follows:

**1. INTERPRETATION**

**1.1 Definitions**

In this Deed:

"**Acceleration Event**" has the meaning given to it in the Intercreditor Agreement.

"**Account**" means each bank account located in England specified in Schedule 2 (*Bank Accounts*) and any other bank account located in England held in the name of the Chargor from time to time.

"**Account Bank**" means, in relation to an Account, the bank with which the Account is maintained.

"**Act**" means the Law of Property Act 1925.

"**Bail-In Action**" means the exercise of any Write-down and Conversion Powers.

"**Bail-In Legislation**" means in relation to an EEA Member Country which has implemented, or which at any time implements, Article 55 BRRD, the relevant implementing law or regulation as described in the EU Bail-In Legislation Schedule from time to time.

**"EEA Member Country"** means any member state of the European Union, Iceland, Liechtenstein and Norway.

**"EU Bail-In Legislation Schedule"** means the document described as such and published by the Loan Market Association (or any successor person) from time to time.

**"Excluded Bank Account"** means:

- (a) any bank account which is part of a cash pool arrangement and restricted from being pledged under the applicable terms of such cash pool arrangement which is listed in Schedule 2 (*Bank Accounts*) as a Cash Pool Bank Account; and
- (b) any other present or future bank account which is part of a cash pool arrangement under which such bank account is restricted from being pledged under the applicable terms of such cash pool arrangement **provided that** the Collateral Agent has been notified by the Chargor that that bank account is part of such a cash pool arrangement and is restricted from being pledged under the terms applicable there to.

**"Final Discharge Date"** means the date on which all Secured Obligations have been unconditionally and irrevocably, fully and finally paid, satisfied and discharged.

**"First Lien Security Agreement"** means the first lien security agreement dated on or about the date of this Deed, by and among, *inter alios*, Ontic Engineering & Manufacturing UK Ltd. as Chargor and Nomura Corporate Funding Americas, LLC as the Collateral Agent for the Secured Parties (as defined therein).

**"Intercreditor Agreement"** means the intercreditor agreement, dated October 31, 2019, by and among, *inter alios*, Nomura Corporate Funding Americas, LLC as Administrative Agent and Collateral Agent under the First Lien Term Loan Credit Agreement and Nomura Corporate Funding Americas, LLC as administrative agent and collateral agent under the Second Lien Term Loan Credit Agreement (as defined therein), Bleriot US Bidco Inc. as the Original Borrower, Bleriot Midco Limited as Holdings, and each additional representative party to it from time to time, as amended, restated, supplemented or otherwise modified from time to time.

**"Investments"** means:

- (a) any Shares;
- (b) any shares or other ownership interests in any other Restricted Subsidiary incorporated in England and Wales owned by the Chargor from time to time;
- (c) any dividend or interest paid or payable in relation to any Shares; and
- (d) any right, money or property accruing or offered at any time in relation to any of the above by way of redemption, substitution, exchange, bonus or preference under option rights or otherwise.

**"Material Intra-Group Loan Agreements"** means:

- (a) any agreement in respect of indebtedness or liabilities owed by a member of the Group to the Chargor; and
- (b) any other agreement to which the Chargor is a party and which the Collateral Agent and the Chargor have designated as a Material Intra-Group Loan Agreement,

in each case in a principal amount equal to or in excess of USD 1,500,000 or its equivalent,

except in each case for:

- (A) any trade credit in the ordinary course of trading; or
- (B) any loans, credit or other arrangement relating to the cash pooling arrangements of the Group in the ordinary course of business.

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

**"PSC Notice"** means a "restrictions notice" as defined in paragraph 1 of Schedule 1B of the Companies Act 2006.

**"PSC Register"** means "PSC register" within the meaning of section 790C(10) of the Companies Act 2006.

**"Receiver"** means an administrative receiver, receiver and manager or a receiver, in each case, appointed under this Deed.

**"Relevant Company"** means each company listed in Schedule 1 (*Shares*).

**"Resolution Authority"** means any body which has authority to exercise any Write-down and Conversion Powers.

**"Second Lien Document"** has the meaning given to it in the Intercreditor Agreement.

**"Secured Debt Document"** means each Second Lien Document under which any Secured Obligation is evidenced, created or purported to be created.

**"Secured Obligations"** means the Second Lien Obligations under and as defined in the Intercreditor Agreement.

**"Security Assets"** means all assets of the Chargor the subject of this Security.

**"Security Period"** means the period beginning on the date of this Deed and ending on the Final Discharge Date.

**"Shares"** means any shares owned by the Chargor in a Relevant Company from time to time including, but not limited to, the shares specified, if any, in Schedule 1 (*Shares*).

**"UK Bail-In Legislation"** means (to the extent that the United Kingdom is not an EEA Member Country which has implemented, or implements, Article 55 BRRD) Part I of the United Kingdom Banking Act 2009 and any other law or regulation applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (otherwise than through liquidation, administration or other insolvency proceedings).

**"Write-down and Conversion Powers"** means:

- (a) in relation to any Bail-In Legislation described in the EU Bail-In Legislation Schedule from time to time, the powers described as such in relation to that Bail-In Legislation in the EU Bail-In Legislation Schedule; and
- (b) in relation to any UK Bail-In Legislation:
  - (i) any powers under that UK Bail-In Legislation to cancel, transfer or dilute shares issued by a person that is a bank or investment firm or other financial institution or affiliate of a bank, investment firm or other financial institution, to cancel, reduce, modify or change the form of a liability of such a person or any contract or instrument under



which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that UK Bail-In Legislation that are related to or ancillary to any of those powers; and

- (ii) any similar or analogous powers under that UK Bail-In Legislation.

## 1.2 Construction

- (a) Capitalised terms defined in the Credit Agreement have, unless expressly defined in this Deed, the same meaning in this Deed.
- (b) The provisions of section 1.02 (*Terms Generally*) of the Credit Agreement apply to this Deed as though they were set out in full in this Deed, except that references to the Credit Agreement will be construed as references to this Deed. In the event of any conflict or inconsistency between the terms of this Deed and the terms of the Credit Agreement, the terms of the Credit Agreement will prevail.
- (c) In this Deed:
  - (i) a **Secured Debt Document** or any other agreement or instrument includes (without prejudice to any prohibition on amendments) any amendment to that Secured Debt Document or other agreement or instrument, including any change in the purpose of, any extension of or any increase in the amount of a facility or any additional facility;
  - (ii) the term **this Security** means any security created by this Deed; and
  - (iii) **assets** includes present and future properties, revenues and rights of every description.
- (d) Any covenant of the Chargor under this Deed (other than a payment obligation) remains in force during the Security Period.
- (e) If the Collateral Agent reasonably considers that an amount paid to a Secured Party under a Secured Debt Document is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Deed.
- (f) The terms of the other Secured Debt Documents and of any side letters between any Parties in relation to any Secured Debt Document are incorporated in this Deed to the extent required to ensure that any purported disposition of any freehold or leasehold property contained in this Deed is a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- (g) If any terms and conditions of this Deed are in contradiction with the terms and conditions of any other Secured Debt Document, the applicable terms of the relevant Secured Debt Documents shall prevail.
- (h) To the extent permitted by law:
  - (i) this Deed is subject to the Secured Debt Documents; and
  - (ii) nothing which is permitted to be done under any Secured Debt Document governed by the laws of any jurisdiction shall be deemed to constitute a breach of any term of this Deed.

- (i) Unless the context otherwise requires, a reference to a Security Asset includes the proceeds of sale of that Security Asset.
- (j) The fact that no or incomplete details of any Security Asset are inserted in the Schedules of this Deed does not affect the validity or enforceability of this Security.

### 1.3 **Third party rights**

- (a) Unless expressly provided to the contrary in this Deed, a person who is not a Party has no right under the Third Parties Rights Act to enforce or to enjoy the benefit of any term of this Deed.
- (b) Notwithstanding any term of this Deed, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.
- (c) Any Secured Party that is not a Party may enforce and enjoy the benefit of any Clause of this Deed which expressly confers rights on it, subject to paragraph (b) above and the provisions of the Third Parties Rights Act.

## 2. **CREATION OF SECURITY**

### 2.1 **General**

All the security created under this Deed:

- (a) is created in favour of the Collateral Agent;
- (b) is created over present and future assets of the Chargor;
- (c) is security for the payment of all the Secured Obligations; and
- (d) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994 (save with respect to the security interests over the Secured Assets created or purported to be created pursuant to the First Lien Security Agreement).

### 2.2 **Trust**

- (a) The Collateral Agent declares that it holds this Security and the benefit of this Deed on trust for the Secured Parties on the terms contained in this Deed and the other Secured Debt Documents.
- (b) The rights, powers, authorities and discretions given to the Collateral Agent under or in connection with the Secured Debt Documents shall be supplemental to the Trustee Act 1925 and the Trustee Act 2000 and in addition to any which may be vested in the Collateral Agent by law or regulation or otherwise.
- (c) Section 1 of the Trustee Act 2000 shall not apply to the duties of the Collateral Agent in relation to the trusts constituted by this Deed. Where there are any inconsistencies between the Trustee Act 1925 or the Trustee Act 2000 and the provisions of any Secured Debt Document, the provisions of the Secured Debt Documents shall, to the extent permitted by law and regulation, prevail and, in the case of any inconsistency with the Trustee Act 2000, the provisions of the Secured Debt Documents shall constitute a restriction or exclusion for the purposes of that Act.

### 2.3 **Investments**

The Chargor charges by way of a first fixed charge (subject always to the First Lien Security Agreement) its interest in all Investments owned by it or held by any nominee on its behalf.

## 2.4 **Material Intra-Group Loan Agreements**

On and from the date on which any Material Intra-Group Loan Agreement is re-assigned to the Chargor under the First Lien Security Agreement, the Chargor assigns by way of security absolutely, subject to a proviso for re-assignment on redemption, all of its rights in respect of any Material Intra-Group Loan Agreement to which it is a party, including all amounts which the Chargor may receive or has received under such document, in each case, except to the extent that it is subject to any fixed security created under any other term of this Deed.

## 2.5 **Bank accounts and credit balances**

The Chargor charges by way of a first fixed charge (subject always to the First Lien Security Agreement) all of its rights in respect of any amount standing to the credit of any Account and the debt represented by it.

## 2.6 **Floating charge**

- (a) The Chargor charges by way of a first floating charge (subject always to the First Lien Security Agreement) all its assets.
- (b) Except as provided below, the Collateral Agent may by notice to the Chargor convert the floating charge created by the Chargor under this Clause into a fixed charge as regards any of the Chargor's assets specified in that notice, if:
  - (i) an Acceleration Event is continuing; or
  - (ii) those assets specified in that notice are at a material and imminent risk of being seized or sold under any form of distress, attachment, execution or other similar legal process.
- (c) The floating charge created by this Clause may not be converted into a fixed charge solely by reason of:
  - (i) the obtaining of a moratorium; or
  - (ii) anything done with a view to obtaining a moratorium,
 under section 1A of the Insolvency Act 1986.
- (d) The floating charge created under this Deed will (in addition to the circumstances in which the same will occur under general law) automatically convert into a fixed charge over all the Chargor's assets if an administrator is appointed in respect of the Chargor.
- (e) The floating charge created by this Clause is a qualifying floating charge for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act 1986.

## 2.7 **Property Excluded from Security**

- (a) There shall be excluded from the floating charge created under Clause 2.6 (*Floating charge*):
  - (i) any asset or undertaking which the Chargor is at any time prohibited (whether conditionally or unconditionally) from creating Security on or over by reason of any contract, licence, lease, instrument or other arrangement with a third party (including any asset or undertaking which the Chargor is precluded from creating Security on or over without the prior consent of a third party), in each case to the extent of that prohibition and for so long as such prohibition is in existence or until consent has been received from the third party; and

- (ii) any asset which, if subject to the applicable Security or the provisions of this Deed, would give a third party the right to terminate or otherwise amend any rights, benefits and/or obligations with respect to any member of the Group in respect of the asset or require the Chargor to take any action materially adverse to the interests of the Group or any member thereof,

**provided that** the Chargor shall use reasonable endeavours (exercised for a period of time not more than twenty (20) Business Days) to obtain consent to charging any material asset (where otherwise prohibited) if the Chargor is reasonably satisfied that such endeavours would not have a negative impact on any relationships with third parties or otherwise place those relationships in jeopardy.

- (b) Immediately upon receipt of the relevant waiver or consent, the formerly excluded asset shall stand charged to the Collateral Agent under Clause 2.6 (*Floating charge*).

## 2.8 First Lien Security

Each of the parties hereto acknowledges:

- (a) the existence of the security created in accordance with the terms of the First Lien Security Agreement;
- (b) that the ranking of the Security created pursuant to Clause 2.3 (*Investments*), Clause 2.4 (*Material Intra-Group Loan Agreements*), Clause 2.5 (*Bank accounts and credit balances*) and Clause 2.6 (*Floating charge*) is subject to the First Lien Security Agreement and the Intercreditor Agreement; and
- (c) the application of proceeds pursuant to this Deed and the First Lien Security Agreement is provided for in the Intercreditor Agreement.

## 3. INVESTMENTS

### 3.1 Delivery of share certificates

- (a) The Chargor shall, on or before the date falling twenty (20) Business Days after the date of this Deed (or, in relation to any Investment which the Chargor does not own on the date of this Deed, on or before the date falling twenty (20) Business Days after the date on which the Chargor becomes the legal and beneficial owner of such Investment):
  - (i) deposit with the Collateral Agent, or as the Collateral Agent may direct, all certificates and other documents of title or evidence of ownership in relation to any Investment in any Relevant Company or in any other Restricted Subsidiary incorporated in England and Wales (as applicable); and
  - (ii) execute and deliver to the Collateral Agent all share transfer forms required to enable the Collateral Agent or its nominees to be registered as the owner or otherwise obtain a legal title to any Investment in that Relevant Company or in any other Restricted Subsidiary incorporated in England and Wales (as applicable).
- (b) To the extent that the relevant documents of title and instrument of title referred to in paragraph (a) above are deposited with the collateral agent under and pursuant to the terms of the First Lien Security Agreement, and so long as such documents of title remain deposited with the collateral agent under and pursuant to the terms of the First Lien Security Agreement, the Chargor shall not be required to deposit such documents of title with the Collateral Agent under paragraph (a) above, and the Collateral Agent shall treat those documents of title as having been deposited under the terms of this Deed.

### 3.2 **Calls**

If the Chargor fails to pay any call or other payment due and payable in respect of any Investment, the Collateral Agent may pay the calls or other payments on behalf of the Chargor. The Chargor must, following a period of ten (10) Business Days after the Collateral Agent giving written notice to the Chargor of such failure, reimburse the Collateral Agent for any payment made by the Collateral Agent under this Clause.

### 3.3 **Other obligations in respect of Investments**

The Collateral Agent is not obliged to:

- (a) perform any obligation of the Chargor;
- (b) make any payment, or to make any enquiry as to the nature or sufficiency of any payment received by it or the Chargor; or
- (c) present or file any claim or take any other action to collect or enforce the payment of any amount to which it may be entitled under this Deed,

in respect of any Investment.

### 3.4 **Voting rights**

- (a) Before this Security becomes enforceable:
  - (i) the voting rights, powers and other rights in respect of the Investments shall be exercisable by the Chargor **provided that** the Chargor shall not exercise such voting or other rights in any manner (other than pursuant to a step or matter as permitted under the terms of the Secured Debt Documents) which materially adversely affects the validity or enforceability of this Security or causes an Event of Default to occur; and
  - (ii) all dividends or other income paid or payable in relation to any Investments shall be paid directly to the Chargor.
- (b) After this Security has become enforceable, the Collateral Agent may exercise (in the name of the Chargor and without any further consent or authority on the part of the Chargor) any voting rights and any powers or rights which may be exercised by the legal or beneficial owner of any Investment, any person who is the holder of any Investment or otherwise.

### 3.5 **Financial Collateral**

- (a) To the extent that the assets mortgaged or charged under this Deed 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)) the Collateral Agent will have the right after this Security has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Obligations.
- (b) Where any financial collateral is appropriated:
  - (i) if it is cash, its value will be the amount standing to the credit of the relevant account on the date of appropriation plus any accrued but uncredited interest;
  - (ii) if the financial collateral is listed or traded on a recognised exchange its value will be taken as the value at which it could have been sold on the exchange on the date of appropriation; or

- (iii) in any other case, the value of the financial collateral will be such amount as the Collateral Agent reasonably determines having taken into account advice obtained by it from an independent investment or accountancy firm of national standing selected by it;

and each Secured Party will give credit for the proportion of the value of the financial collateral appropriated to its use.

### 3.6 PSC Register

Whilst an Acceleration Event is continuing:

- (a) the Chargor shall promptly upon request of the Collateral Agent (and in any event within ten (10) Business Days of request) notify the Collateral Agent if it becomes aware that any Relevant Company or any other Restricted Subsidiary which is incorporated in the United Kingdom and whose shares are subject to Transaction Security has issued a PSC Notice in respect of its shares which has not been withdrawn; and
- (b) if any such PSC Notice has been issued and has not been withdrawn, the Chargor shall, upon request of the Collateral Agent and subject to having received confirmation from the Collateral Agent in writing that the Collateral Agent's rights in respect of the relevant shares are being unfairly affected by the PSC Notice, issue a withdrawal of the PSC Notice under paragraph 11 of Schedule 1B of the Companies Act 2006,

in each case to the extent legally possible.

## 4. MATERIAL INTRA-GROUP LOAN AGREEMENTS

### 4.1 Representations

The Chargor represents and warrants to each Secured Party, on the date of this Deed and on any date that a Material Intra-Group Loan Agreement becomes the subject of this Security, that:

- (a) its rights in respect of each such Material Intra-Group Loan Agreement are free of any Security (except for those created by or pursuant to this Deed or the First Lien Security Agreement) and any other rights or interests in favour of third parties; and
- (b) there is no prohibition on assignment by way of security in any Material Intra-Group Loan Agreement,

in each case, other than as permitted under the terms of the Secured Debt Documents.

### 4.2 Notices of assignment

- (a) The Chargor must:
  - (i) within twenty (20) Business Days of this Security being granted, or, in the case of any Material Intra-Group Loan Agreement entered into or designated as a Material Intra-Group Loan Agreement after the date of this Deed, within twenty (20) Business Days of the date of that Material Intra-Group Loan Agreement or the designation of such agreement as a Material Intra-Group Loan Agreement, serve a notice of assignment, substantially in the form set out in Schedule 3 (*Form of notice for Material Intra-Group Loan Agreements*) (a "**Notice of Assignment**"), on each counterparty to that Material Intra-Group Loan Agreement which is a debtor; and
  - (ii) use its commercially reasonable endeavours for a period of twenty (20) Business Days from the date of service of the notice referred to in paragraph (i) above to procure that

each such party acknowledges that notice, substantially in the form set out in Schedule 3 (*Form of notice for Material Intra-Group Loan Agreements*) (an **Acknowledgement**), **provided that** if the Chargor is not able to obtain such acknowledgment within such twenty (20) Business Day period its obligation to obtain such acknowledgment shall expire.

- (b) The Chargor, by its entry to this Deed and as a party to this Deed, confirms that, to the extent it is or becomes a party to a Material Intra-Group Loan Agreement in respect of intra-group liabilities that is subject to Transaction Security, notwithstanding any other term of such Material Intra-Group Loan Agreement, the relevant creditor in respect of that Material Intra-Group Loan Agreement may assign and/or transfer the Chargor's rights and obligations as a debtor under such Material Intra-Group Loan Agreement by way of security, including pursuant to the terms of this Deed.

## 5. **BANK ACCOUNTS**

### 5.1 **Withdrawals**

- (a) Prior to the occurrence of an Acceleration Event, the Chargor may withdraw any moneys (including interest) standing to the credit of any Account.
- (b) Except with the prior consent of the Collateral Agent, on and after the occurrence of an Acceleration Event (in respect of which the Collateral Agent has given notice to the Chargor), the Chargor may not withdraw any moneys (including interest) standing to the credit of any Account.

### 5.2 **Notices of charge**

- (a) The Chargor must:
  - (i) as soon as reasonably practicable and in any event within twenty (20) Business Days of the date of this Deed or the date on which it designates the account as an Account (as applicable), serve a notice of charge, substantially in the form set out in Schedule 4 (*Form of notice to Account Bank*) on each Account Bank; and
  - (ii) use its commercially reasonable endeavours (not involving the payment of money or incurrance of any external expenses) to ensure that each Account Bank acknowledges the notice, substantially in the form set out in Schedule 4 (*Form of notice to Account Bank*) within twenty (20) Business Days of service of such notice, **provided that** the Chargor's obligation under this paragraph (ii) shall cease upon expiration of such period.
- (b) Following the occurrence of an Acceleration Event and upon written notice by the Collateral Agent, the Chargor must (unless otherwise instructed by the Collateral Agent):
  - (i) immediately serve a notice, substantially in the form set out in Schedule 4 (*Form of notice to Account Bank*) on any bank with which the Chargor holds an account; and
  - (ii) use its commercially reasonable endeavours to ensure that each bank acknowledges the notice, substantially in the form set out in Schedule 4 (*Form of notice to Account Bank*).

## 6. **WHEN SECURITY BECOMES ENFORCEABLE**

### 6.1 **Acceleration Event**

This Security will become immediately enforceable upon the occurrence of an Acceleration Event.

## 6.2 Discretion

After this Security has become enforceable, the Collateral Agent may in its absolute discretion enforce all or any part of this Security in accordance with the Intercreditor Agreement.

## 6.3 Power of sale

The power of sale and other powers conferred by Section 101 of the Act, as amended by this Deed, will be immediately exercisable at any time after this Security has become enforceable.

# 7. ENFORCEMENT OF SECURITY

## 7.1 General

- (a) For the purposes of all powers implied by statute, the Secured Obligations are deemed to have become due and payable on the date of this Deed.
- (b) Section 103 of the Act (restricting the power of sale) and Section 93 of the Act (restricting the right of consolidation) do not apply to this Security.

## 7.2 No liability as mortgagee in possession

Neither the Collateral Agent nor any Receiver will 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.

## 7.3 Privileges

Each Receiver and the Collateral Agent is entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers duly appointed under the Act, except that Section 103 of the Act does not apply.

## 7.4 Protection of third parties

No person (including a purchaser) dealing with the Collateral Agent or a Receiver or its or his agents will be concerned to enquire:

- (a) whether the Secured Obligations have become payable;
- (b) whether any power which the Collateral Agent or a Receiver is purporting to exercise has become exercisable or is being properly exercised;
- (c) whether any money remains due under the Secured Debt Documents; or
- (d) how any money paid to the Collateral Agent or to that Receiver is to be applied.

## 7.5 Redemption of prior mortgages

- (a) At any time after this Security has become enforceable, the Collateral Agent may:
  - (i) redeem any prior Security against any Security Asset; and/or
  - (ii) procure the transfer of that Security to itself; and/or
  - (iii) settle and pass the accounts of the prior mortgagee, chargee or encumbrancer; any accounts so settled and passed will be, in the absence of manifest error, conclusive and binding on the Chargor.



- (b) The Chargor must pay to the Collateral Agent the costs and expenses incurred by the Collateral Agent in accordance with Section 10.05 (*Expenses; Indemnity*) of the Credit Agreement and the provisions of Section 10.05 (*Expenses; Indemnity*) of the Credit Agreement shall be incorporated by reference into this Deed and apply to the Chargor *mutatis mutandis*.

## 7.6 Contingencies

If this Security is enforced at a time when no amount is due under the Secured Debt Documents but at a time when amounts may or will become due, the Collateral Agent (or the Receiver) may pay the proceeds of any recoveries effected by it into a suspense account.

## 8. RECEIVER

### 8.1 Appointment of Receiver

- (a) Except as provided below, the Collateral Agent may from time to time appoint any one or more persons to be a Receiver of all or any part of the Security Assets if:
  - (i) this Security has become enforceable; or
  - (ii) the Chargor so requests the Collateral Agent in writing at any time.
- (b) Any appointment under paragraph (a) above may be by deed, under seal or in writing under its hand.
- (c) Except as provided below, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the Act) does not apply to this Deed.
- (d) The Collateral Agent is not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under section 1A of the Insolvency Act 1986.
- (e) The Collateral Agent may not appoint an administrative receiver (as defined in section 29(2) of the Insolvency Act 1986) over the Security Assets if the Collateral Agent is prohibited from so doing by section 72A of the Insolvency Act 1986 and no exception to the prohibition on appointing an administrative receiver applies.

### 8.2 Removal

The Collateral Agent may by writing under its hand (subject to any requirement for an order of the court in the case of an administrative receiver) remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

### 8.3 Remuneration

The Collateral Agent may fix the remuneration of any Receiver appointed by it and the maximum rate specified in Section 109(6) of the Act will not apply. The Chargor alone is responsible for the remuneration payable to the Receiver.

### 8.4 Agent of the Chargor

- (a) A Receiver will be deemed to be the agent of the Chargor for all purposes and accordingly will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Act. The Chargor alone is responsible for the contracts, engagements, acts, omissions, defaults and losses of a Receiver and for liabilities incurred by a Receiver.

- (b) No Secured Party will incur any liability (either to the Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

#### 8.5 Relationship with Collateral Agent

To the fullest extent allowed by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) or by law on a Receiver may after this Security becomes enforceable be exercised by the Collateral Agent in relation to any Security Asset without first appointing a Receiver and notwithstanding the appointment of a Receiver.

### 9. POWERS OF RECEIVER

#### 9.1 General

- (a) A Receiver has all of the rights, powers and discretions set out below in this Clause in addition to those conferred on it by any law; this includes:
  - (i) in the case of an administrative receiver, all the rights, powers and discretions conferred on an administrative receiver under the Insolvency Act, 1986; and
  - (ii) otherwise, all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the Act and the Insolvency Act, 1986.
- (b) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.

#### 9.2 Possession

A Receiver may take immediate possession of, get in and collect any Security Asset.

#### 9.3 Carry on business

A Receiver may carry on any business of the Chargor in any manner he thinks fit.

#### 9.4 Employees

- (a) A Receiver may appoint and discharge managers, officers, agents, accountants, servants, workmen and others for the purposes of this Deed upon such terms as to remuneration or otherwise as he thinks fit.
- (b) A Receiver may discharge any person appointed by the Chargor.

#### 9.5 Borrow money

A Receiver may raise and borrow money either unsecured or on the security of any Security Asset either in priority to this Security or otherwise and generally on any terms and for whatever purpose which he thinks fit.

#### 9.6 Sale of assets

- (a) A Receiver may sell, exchange, convert into money and realise any Security Asset by public auction or private contract and generally in any manner and on any terms which he thinks fit.
- (b) The consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which he thinks fit.

- (c) Fixtures, other than landlord's fixtures, may be severed and sold separately from the property containing them without the consent of the Chargor.

#### 9.7 **Leases**

A Receiver may let any Security Asset for any term and at any rent (with or without a premium) which it thinks fit and may accept a surrender of any lease or tenancy of any Security Asset on any terms which it thinks fit (including the payment of money to a lessee or tenant on a surrender).

#### 9.8 **Compromise**

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with or by any person who is or claims to be a creditor of the Chargor or relating in any way to any Security Asset.

#### 9.9 **Legal actions**

A Receiver may bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Security Asset which he thinks fit.

#### 9.10 **Receipts**

A Receiver may give a valid receipt for any moneys and execute any assurance or thing which may be proper or desirable for realising any Security Asset.

#### 9.11 **Subsidiaries**

A Receiver may form a Subsidiary of the Chargor and transfer to that Subsidiary any Security Asset.

#### 9.12 **Delegation**

A Receiver may delegate his powers in accordance with this Deed.

#### 9.13 **Lending**

A Receiver may lend money or advance credit to any customer of the Chargor.

#### 9.14 **Protection of assets**

A Receiver may:

- (a) effect any repair or insurance and do any other act which the Chargor might do in the ordinary conduct of its business to protect or improve any Security Asset;
- (b) commence and/or complete any building operation; and
- (c) apply for and maintain any planning permission, building regulation approval or any other Authorisation,

in each case as he thinks fit.

### 9.15 **Other powers**

A Receiver may:

- (a) do all other acts and things which he may consider desirable or necessary for realising any Security Asset or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed or law;
- (b) exercise in relation to any Security Asset all the powers, authorities and things which he would be capable of exercising if he were the absolute beneficial owner of that Security Asset; and
- (c) use the name of the Chargor for any of the above purposes.

## 10. **APPLICATION OF PROCEEDS**

Any moneys received by the Collateral Agent or any Receiver after this Security has become enforceable must be applied in accordance with section 9.06 (*Application of Payments*) of the Intercreditor Agreement.

## 11. **POWER OF ATTORNEY**

The Chargor, by way of security, irrevocably and severally appoints the Collateral Agent, each Receiver and any of its delegates or sub-delegates to be its attorney to take any action which the Chargor is obliged to take under this Deed, **provided that** such power of attorney may only be exercised after the occurrence of an Acceleration Event or (following a period of ten (10) Business Days after the Collateral Agent giving written notice to the Chargor of such failure) failure by the Chargor to comply with a further assurance or perfection obligation under this Deed and that written notice shall be given to the Chargor prior to the exercise of any rights under such power of attorney. The Chargor ratifies and confirms whatever any attorney does or purports to do under its appointment under this Clause.

## 12. **MISCELLANEOUS**

### 12.1 **Continuing security**

This Security is a continuing security and will extend to the ultimate balance of the Secured Obligations regardless of any intermediate payment or discharge in whole or in part.

### 12.2 **Covenant to pay**

The Chargor must pay or discharge the Secured Obligations in the manner provided for in the Secured Debt Documents.

### 12.3 **Tacking**

Each Secured Party must perform its obligations under the Secured Debt Documents (including any obligation to make available further advances).

### 12.4 **New Accounts**

- (a) If any subsequent charge or other interest affects any Security Asset, the Secured Party may open a new account with the Chargor.
- (b) If the Secured Party does not open a new account, it will nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice of that charge or other interest.

- (c) As from that time all payments made to the Secured Party will be credited or be treated as having been credited to the new account and will not operate to reduce any Secured Obligations.

## 12.5 Time deposits

Without prejudice to any right of set-off any Secured Party may have under any other Secured Debt Document or otherwise, if any time deposit matures on any account the Chargor has with any Secured Party within the Security Period when:

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

that time deposit will automatically be renewed for any further maturity which that Secured Party considers appropriate.

## 13. RELEASE

At the end of the Security Period or otherwise in accordance with the terms of the Secured Debt Documents, the Secured Parties must, at the request and cost of the Chargor, take whatever action is necessary to release the Security Assets from this Security.

## 14. GOVERNING LAW

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

## 15. ENFORCEMENT

### 15.1 Jurisdiction of English courts

- (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 obligations 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.
- (c) This Clause 15.1 is for the benefit of the Secured Parties only. As a result, no Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Secured Parties may take concurrent proceedings in any number of jurisdictions.

## 16. CONTRACTUAL RECOGNITION OF BAIL-IN

Notwithstanding any other term of any Secured Debt Document or any other agreement, arrangement or understanding between the Parties, each Party acknowledges and accepts that any liability of any Party to any other Party under or in connection with the Secured Debt Documents may be subject to Bail-In Action by the relevant Resolution Authority and acknowledges and accepts to be bound by the effect of:

- (a) any Bail-In Action in relation to any such liability, including (without limitation):
  - (i) a reduction, in full or in part, in the principal amount, or outstanding amount due (including any accrued but unpaid interest) in respect of any such liability;

- (ii) a conversion of all, or part of, any such liability into shares or other instruments of ownership that may be issued to, or conferred on, it; and
  - (iii) a cancellation of any such liability; and
- (b) a variation of any term of any Secured Debt Document to the extent necessary to give effect to any Bail-In Action in relation to any such liability.

**THIS DEED** has been entered into as a deed on the date stated at the beginning of this Deed.

**SCHEDULE 1**

**SHARES**

None as at the date of this Deed.

**SCHEDULE 2**  
**BANK ACCOUNTS**

| <b>Name of Account</b>                       | <b>Currency</b> | <b>Account Number</b> | <b>Sort Code</b> |
|--|-----------------|-----------------------|------------------|
| Ontic Engineering & Manufacturing UK Limited | Sterling        | ██████                | ██████           |
| Ontic Engineering & Manufacturing UK Limited | Sterling        | ██████                | ██████           |
| Ontic Engineering & Manufacturing UK Limited | Sterling        | ██████                | ██████           |
| Ontic Engineering & Manufacturing UK Limited | Sterling        | ██████                | ██████           |
| Ontic Engineering & Manufacturing UK Limited | Sterling        | ██████                | ██████           |
| Ontic Engineering & Manufacturing UK Limited | Sterling        | ██████                | ██████           |

**CASH POOL BANK ACCOUNTS**

None as at the date of this Deed.



## SCHEDULE 3

## FORM OF NOTICE FOR MATERIAL INTRA-GROUP LOAN AGREEMENTS

To: [Contract party]

[Date]

Dear Sir/Madam,

**Second Lien English Security Agreement dated [●] February 2020 between Ontic Engineering & Manufacturing UK Ltd. and Nomura Corporate Funding Americas, LLC as the Collateral Agent (the "Security Agreement")**

This letter constitutes notice to you that under the Security Agreement we have assigned by way of security to [●] (the "**Collateral Agent**") all our rights in respect of [insert details of Material Intra-Group Loan Agreement] (the "**Material Intra-Group Loan Agreement**"). Such assignment is subject to the first lien security agreement dated on or about the date of the Security Agreement, by and among, *inter alios*, Ontic Engineering & Manufacturing UK Ltd. as Chargor and Nomura Corporate Funding Americas, LLC as the Collateral Agent for the Secured Parties (as defined therein) (the "**First Lien Security Agreement**").

We confirm that:

- (a) we will remain liable under the Material Intra-Group Loan Agreement to perform all the obligations assumed by us under the Material Intra-Group Loan Agreement; and
- (b) none of the Collateral Agent, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of the Material Intra-Group Loan Agreement.

We will also remain entitled to exercise all our rights, powers and discretions under the Material Intra-Group Loan Agreement, and you should continue to give notices under the Material Intra-Group Loan Agreement to us, unless and until you receive notice from the Collateral Agent to the contrary stating that the security has become enforceable. In this event, all the rights, powers and discretions will be exercisable by, and notices must be given to, the Collateral Agent or as it directs.

Please note that we have agreed that we will not amend or waive (where such amendment or waiver would reasonably be expected to be prejudicial, directly or indirectly, to the validity, effectiveness or enforceability of the Security Agreement, or the rights of the Collateral Agent under or in connection with the Security Agreement) any provision of or terminate the Material Intra-Group Loan Agreement without the prior consent of the Collateral Agent, unless otherwise permitted by the Secured Debt Documents.

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

Please acknowledge receipt of this letter by sending the attached acknowledgement to the Collateral Agent at [address], with a copy to ourselves.

By acknowledging receipt you confirm that notwithstanding any other term of the Material Intra-Group Loan Agreement, we may assign and/or transfer our rights and obligations under the Material Intra-Group Loan Agreement by way of security, including pursuant to the terms of the First Lien Security Agreement and the Security Agreement.

Yours faithfully,

.....  
Ontic Engineering & Manufacturing UK Ltd.  
(Authorised signatory)

**Acknowledgement of counterparty**

To: [●] as Collateral Agent

Copy: [Chargor]

[Date]

Dear Sir/Madam,

We confirm receipt from [●] (the "**Chargor**") of a notice dated [●] of an assignment on the terms of the Security Agreement dated [●] of all the Chargor's rights in respect of *[insert details of the Material Intra-Group Loan Agreement]* (the "**Material Intra-Group Loan Agreement**").

We confirm that we will pay all sums due, and give notices, under the Material Intra-Group Loan Agreement as directed in that notice.

We confirm that notwithstanding any other term of the Material Intra-Group Loan Agreement, the Chargor may assign and/or transfer the Chargor's rights and obligations under the Material Intra-Group Loan Agreement by way of security, including pursuant to the terms of the First Lien Security Agreement and the Security Agreement.

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

Yours faithfully,

.....  
(Authorised signatory)  
[Counterparty]

## SCHEDULE 4

## FORM OF NOTICE TO ACCOUNT BANK

To: [Account Bank]

Copy: [●] as Collateral Agent

[Date]

Dear Sir/Madam,

**Second Lien English Security Agreement dated [●] February 2020 between Ontic Engineering & Manufacturing UK Ltd. (the "Chargor") and Nomura Corporate Funding Americas, LLC as the Collateral Agent (the "Security Agreement")**

This letter constitutes notice to you that under the Security Agreement the Chargor has charged (by way of a first fixed charge) in favour of [●] as agent and trustee for the Secured Parties referred to in the Security Agreement (the "**Collateral Agent**") all its rights in respect of any amount standing to the credit of the account maintained by us with you (Account no. [●] sort code [●]) (the "**Account**") and the debt represented by it.

Upon notification in writing to you that an Acceleration Event under (and as defined in) the Security Agreement has occurred, we irrevocably instruct and authorise you to:

- (a) disclose to the Collateral Agent any information relating to the Account requested from you by the Collateral Agent;
- (b) comply with the terms of any written notice or instruction relating to the Account received by you from the Collateral Agent;
- (c) hold all sums standing to the credit of the Account to the order of the Collateral Agent; and
- (d) pay or release any sum standing to the credit of the Account in accordance with the written instructions of the Collateral Agent.

Prior to the occurrence of an Acceleration Event (as defined in the Security Agreement), we are permitted to withdraw any moneys (including interest) standing to the credit of this Account.

We acknowledge that you may comply with the instructions in this letter without any further permission from us and without any enquiry by you.

The instructions in this letter may not be revoked or amended without the prior written consent of the Collateral Agent.

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

Please confirm your agreement to the above by sending the attached acknowledgement to the Collateral Agent at [address] with a copy to us.

Yours faithfully,

.....

(Authorised signatory)

For Ontic Engineering & Manufacturing UK Ltd. as the Chargor

**Form of Acknowledgement of Account Bank**

*[On the letterhead of the Account Bank]*

To: [●] as Collateral Agent

Copy: *[Chargor]*

*[Date]*

Dear Sir/Madam,

**Second Lien English Security Agreement dated [●] February 2020 between Ontic Engineering & Manufacturing UK Ltd. and Nomura Corporate Funding Americas, LLC as the Collateral Agent (the "Security Agreement")**

We confirm receipt from Ontic Engineering & Manufacturing UK Ltd. (the "**Chargor**") of a notice dated [●] of a charge upon the terms of the Security Agreement over all the rights the Chargor to any amount standing to the credit of its account with us (Account no. [●], sort code [●]) (the "**Account**") and the debt represented by it.

We confirm that we:

- (a) accept the instructions contained in the notice and agree to comply with the notice;
- (b) have not received notice of the interest of any third party in the Account;
- (c) have neither claimed nor exercised, nor will claim or exercise, any security interest, set-off, counter-claim or other right in respect of the Account except where such rights already exist as a matter of law or pursuant to the standard terms and conditions applicable to the Account or in the terms of any relevant cash pool arrangement; and
- (d) prior to the occurrence of an Acceleration Event (as defined in the Security Agreement), will permit any moneys (including interest) standing to the credit of the Account to be withdrawn from the Account.

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

Yours faithfully,

.....  
 (Authorised signatory)  
*[Account Bank]*

SIGNATORIES

EXECUTED as a DEED by  
ONTIC ENGINEERING & MANUFACTURING UK LTD.  
acting by

)  
)  
)



Director

In the presence of:

Witness's signature:

Name: ...EMMA SMILES...

Address: OAKFIELD HOUSE  
7 CHERRY BLOSSOM CLOSE  
HITCHAM  
GL2 8FE

**Collateral Agent**

NOMURA CORPORATE FUNDING AMERICAS, LLC )  
by \_\_\_\_\_ )

Signed: \_\_\_\_\_  
**G. Andrew Keith**  
 Name: \_\_\_\_\_  
**Executive Director**  
 Title: \_\_\_\_\_