



Registration of a Charge

Company name: **OMEGA LEASING (NO.9) LIMITED**

Company number: **08072649**

Received for Electronic Filing: **23/08/2018**



X7CXWA8O

Details of Charge

Date of creation: **16/08/2018**

Charge code: **0807 2649 0012**

Persons entitled: **U.S. BANK NATIONAL ASSOCIATION**

Brief description:

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **NORTON ROSE FULBRIGHT LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 8072649

Charge code: 0807 2649 0012

The Registrar of Companies for England and Wales hereby certifies that a charge dated 16th August 2018 and created by OMEGA LEASING (NO.9) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 23rd August 2018 .

Given at Companies House, Cardiff on 28th August 2018

The above information was communicated by electronic means and authenticated
by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



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

Dated 16 August 2018

OMEGA LEASING (NO.9) LIMITED (1)
as Borrower

and

U.S. BANK NATIONAL ASSOCIATION (2)
as Security Agent

I certify that, save for material
redacted pursuant to s.859G
of the Companies Act 2006,
this copy instrument is a correct copy
of the original instrument.

NORTON ROSE FULBRIGHT LLP
Sign & Dated *22 AUGUST 2018*

SECOND BORROWER SECURITY
ASSIGNMENT

relating to a US\$180,000,000
Loan Facility and a Note Purchase
Agreement

 NORTON ROSE FULBRIGHT

Contents

Clause	Page
1 Definitions and Interpretation.....	2
2 Representations and Warranties.....	3
3 Covenant to Pay, Discharge and Perform the Secured Obligations	3
4 Assignment.....	4
5 Borrower's Undertakings	4
6 Extent of Security Agent's Liability	5
7 Notice of Assignment.....	5
8 Power of Attorney	6
9 Further Assurance and Other Matters	7
10 Security.....	7
11 Enforcement of Security	7
12 Protection of Third Parties	8
13 Failure to Exercise.....	8
14 Delegation.....	8
15 Indemnity	8
16 Notices.....	9
17 Law, Jurisdiction and Other Provisions	9
Schedule 1 Notice and Acknowledgement of Lease Assignment.....	10
Schedule 2 Notice and Acknowledgement of Assignment of New RR Guarantee	14
Schedule 3 Notice of Assignment of Insurances.....	17
Execution Page.....	20

A DEED OF ASSIGNMENT dated 16 August 2018 and made BETWEEN:

- (1) **OMEGA LEASING (NO.9) LIMITED**, a company incorporated under the laws of England with its registered office at 62 Buckingham Gate, London SW1E 6AT, United Kingdom (the Borrower); and
- (2) **U.S. BANK NATIONAL ASSOCIATION**, a national banking association established under the laws of the USA with an office at 300 Delaware Avenue, 9th Floor, Wilmington, Delaware 19801, USA, in its capacity as security agent and trustee for and on behalf of itself, the Joint Mandated Lead Arrangers, the Facility Agent and the Banks (the Security Agent which expression shall include its successors and assigns).

WHEREAS:

- (A) Pursuant to seventeen (17) engine lease agreements entered into between (1) the Borrower, (2) the Guarantor and (3) Rolls-Royce Leasing Limited (RRL) (together the Leases and each a Lease), the Borrower has agreed to lease to RRL and RRL has agreed to take on lease for the period and upon the terms and conditions therein contained the Facility Engines.
- (B) By a guarantee (the RR Guarantee) dated 22 November 2016 entered into in respect of each of the Leases, in favour of the Borrower, Rolls-Royce plc (Rolls-Royce) agreed to guarantee the obligations of RRL under each of the Leases.
- (C) By a loan facility agreement entered into on 22 November 2016 between (1) the Borrower as borrower, (2) Alpha Leasing (No.9) Limited as guarantor (the Guarantor), (3) SMBC Leasing & Finance Inc., London Branch and Lombard North Central Plc as Joint Mandated Lead Arrangers, (4) the Security Agent as security agent, (5) The Royal Bank of Scotland PLC as the facility agent and (6) certain banks and financial institutions (the Banks) as amended and supplemented from time to time, the Banks agreed (inter alia) to make available to the Borrower a loan of up to US\$180,000,000 (the Facility Agreement).
- (D) By a note purchase agreement entered into on 22 November 2016 as amended and supplemented from time to time between (1) the Borrower as issuer, (2) the Guarantor as guarantor, (3) the Security Agent as the noteholders facility agent and (4) the purchasers listed on Schedule A thereto (the Purchasers) as amended and supplemented from time to time the Borrower agreed to issue and sell to each Purchaser and each Purchaser agreed to purchase from the Borrower up to US\$152,000,000 aggregate principal amount of note (the NPA).
- (E) By an intercreditor agreement dated 22 November 2016 between (1) the Borrower as borrower, (2) the Guarantor as guarantor, (3) The Noteholders Facility Agent as noteholders facility agent (4) the Security Agent as security agent and (5) the Facility Agent as facility agent, as amended pursuant to an amendment agreement dated on or around the date of this Assignment (the Intercreditor Amendment Agreement) the parties thereto agreed amongst other things, the terms upon which certain documents will become enforceable and the manner in which the proceeds of enforcement will be distributed amongst the Beneficiaries (the Intercreditor Agreement).
- (F) Four (4) of the Leases have been amended pursuant to a leases amendment agreement dated on or around the date of this Assignment (the Leases Amendment Agreement) and the Borrower has agreed to enter into this Assignment as security for its obligations to the Finance Parties under this Assignment, the Intercreditor Agreement and the Finance Documents.

NOW IT IS HEREBY AGREED as follows:

1 Definitions and Interpretation

- 1.1 In this Assignment words and expressions defined in the Intercreditor Agreement shall bear the same respective meanings unless otherwise defined herein and the following words and expressions have the following meanings, in each case unless the context otherwise requires:

Amended Leases means the Leases with respect to the Relevant Facility Engines;

Assigned Property means the Collateral and the Requisition Compensation and references to Assigned Property include references to any part of the Assigned Property;

Collateral means:

- (a) all moneys of whatsoever nature payable to the Borrower pursuant to the Amended Leases and all other rights, title, interest and benefits accruing to the Borrower pursuant to the Amended Leases including, without limitation, all claims for damages in respect of any breach by RRL of the terms of the Amended Leases and including any moneys payable in respect of the Requisition Compensation;
- (b) all moneys of whatsoever nature payable to the Borrower under the New RR Guarantee and all other rights and benefits whatsoever accruing to the Borrower under the New RR Guarantee including, without limitation, all claims for damages in respect of any breach by Rolls-Royce of the New RR Guarantee; and
- (c) all of the Borrower's rights, title, interest and benefit (present and future, actual and contingent) in, to, under and pursuant to the Insurance Proceeds;

Existing Assigned Property means the Assigned Property (as such term is defined in the Borrower Security Assignment) in respect of the Leases, the Insurances and the Requisition Compensation with respect to the Relevant Facility Engines prior to the amendments to the Leases set out in the Leases Amendment Agreement taking effect;

Insurance Proceeds means (i) the proceeds of any and all Insurances (other than the Liability Insurances and any reinsurance with respect thereto) payable to the Borrower, and (ii) all claims under, and the right to make all claims under, any and all Insurances (other than the Liability Insurances and any reinsurance with respect thereto), in each case with respect to the Relevant Facility Engines;

Manufacturer means Rolls-Royce or any other manufacturer of a Facility Engine or any component, equipment or accessory installed or attached therein or thereon;

Notice of Assignment (Insurances) means a notice of assignment with respect to the Insurance Proceeds substantially in the form set out in Schedule 3 (*Notice of Assignment of Insurances*) of the Second Borrower Security Assignment;

Relevant Documents means this Assignment, the Leases Amendment Agreement, the New RR Guarantee, the Second Guarantor Security Assignment and all supplemental agreements, notices, certificates, requests, consents, other agreements and instruments from time to time entered into or issued pursuant to these presents or any of the above mentioned documents;

Relevant Facility Engines means the Rolls-Royce Trent 970-84 civil aircraft engines with engine serial numbers 91173, 91247, 91249 and 91270 more particularly described in Appendix 5 of the Intercreditor Agreement owned by the Borrower (and any substitute engine therefor made in accordance with the Substitution Provisions);

Requisition Compensation means all moneys or other compensation payable by reason of any Compulsory Acquisition or requisition for the use or hire of the Relevant Facility Engines or any part thereof; and

Secured Obligations means the moneys, liabilities and obligations which the Borrower covenants in clause 3 (*Covenant to Pay, Discharge and Perform the Secured Obligations*) to pay, discharge and perform and any reference to the Secured Obligations includes a reference to any of them.

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

- 1.3 Paragraph 1.2 (*Construction*) of Schedule 1 (*Definitions and construction*) of the Intercreditor Agreement and any other provision of the Intercreditor Agreement which, by its terms, purports to apply to all of the Finance Documents and/or any Obligor shall apply to this Assignment as if set out herein but with all necessary changes and as if references in such provisions to this Agreement or a Finance Document referred to this Assignment.

2 Representations and Warranties

- 2.1 The Borrower hereby represents and warrants to the Security Agent that:

- 2.1.1 the copies of the Relevant Documents which the Borrower has delivered to the Security Agent are true, complete and up-to-date copies, and there have been no amendments, supplements or modifications thereto or variations thereof;

- 2.1.2 each of the Relevant Documents to which it is a party constitutes its valid, binding and enforceable obligations (subject to bankruptcy, insolvency and other laws affecting creditors rights generally and the Legal Reservations) is in full force and effect and there have been no defaults by it thereunder;

- 2.1.3 the Borrower will, for so long as the Security Agent shall not have executed a discharge of the security created hereby, remain the sole lawful owner of all rights, title and interest in and to the Collateral, subject to this Assignment;

- 2.1.4 subject to the assignment by the Borrower of the Existing Assigned Property in favour of the Security Agent, the Borrower is the legal and beneficial owner of the Assigned Property and neither the Assigned Property nor any part thereof is subject to any assignment, pledge or other Security Interest in favour of any other person other than the Security Agent save as contemplated by the Relevant Documents; and

- 2.1.5 there are no actions, suits or proceedings pending or threatened by or against the Borrower in connection with or arising out of the Assigned Property.

- 2.2 The rights and remedies of the Security Agent in relation to any misrepresentation or breach of warranty on the part of the Borrower shall not be prejudiced by any investigation by or on behalf of the Security Agent into the affairs of the Borrower, by the performance of this Assignment or by any other act or thing which may be done by it in connection with this Assignment and which would, apart from this sub-clause, prejudice such rights or remedies.

3 Covenant to Pay, Discharge and Perform the Secured Obligations

The Borrower covenants with the Security Agent that the Borrower will pay, discharge and perform all moneys, liabilities and obligations whatsoever which are now or at any time hereafter may be due, owing, payable or outstanding by any Obligor in any currency, actually or contingently, solely and/or jointly and/or severally with another or others, as principal or surety on any account whatsoever under or pursuant to this Assignment, the Intercreditor Agreement or any Finance Document or as a consequence of any breach, non-performance, disclaimer or repudiation by it or any other Obligor of any of its

obligations under or pursuant to this Assignment, the Intercreditor Agreement or any Finance Document.

4 Assignment

- 4.1 As continuing security for the payment, discharge and performance of the Secured Obligations the Borrower, subject to the assignment by the Borrower of the Existing Assigned Property in favour of the Security Agent, but otherwise with full title guarantee HEREBY ASSIGNS AND AGREES TO ASSIGN ABSOLUTELY to the Security Agent all the Borrower's rights, title, benefit and interest (present or future) in and to the Assigned Property including (without limitation) all moneys, proceeds and payments in connection with any of the same, and all other rights and benefits thereby accruing to the Borrower, including (without prejudice to the generality of the foregoing) the right to sue for damages, PROVIDED ALWAYS that any and all monies and rights hereby assigned shall continue to be payable and performed in accordance with the provisions regulating payment and performance thereof in the Amended Lease, the Insurances or, as the case may be, the New RR Guarantee, until such time as an Enforcement Event occurs and the Security Agent shall direct to the contrary, whereupon the Borrower shall forthwith, and the Security Agent may, at any time thereafter, instruct RRL and/or Rolls-Royce and/or the brokers through whom the Insurances or any part thereof are effected (being the persons from whom such monies are then payable) to pay the same to the Security Agent or as it may otherwise direct.
- 4.2 Upon the absolute, irrevocable and unconditional payment, discharge and performance in full to the satisfaction of the Security Agent of all the Secured Obligations, the Security Agent shall, at the request and cost of the Borrower, re-assign the Assigned Property to the Borrower or to the Borrower's order and execute, sign, perfect, do and (if required) file, record, register and enrol every further deed, assurance, agreement, instrument, act and thing which may reasonably be required for the purposes of affecting and/or perfecting such release provided however that if there is any liquidator, administrator or similar officer of the Borrower who could be entitled to reclaim or recover any moneys paid to the Security Agent in payment or discharge of the Secured Obligations, the Security Agent may delay such re-assignment until such time as, in the Security Agent's reasonable opinion, such liquidator, administrator or similar officer is no longer so entitled.
- 4.3 Any Requisition Compensation received by the Security Agent pursuant to the assignment set forth in clause 4.1 shall be applied in accordance with the provisions of the Amended Leases.
- 4.4 Any Insurance Proceeds received by the Security Agent pursuant to the assignment set forth in clause 4.1 shall be applied in accordance with the provisions of the Amended Leases.
- 4.5 This Assignment does not constitute an assignment of any policies representing the Insurances but only of the benefit, rights, title, interest in the Insurance Proceeds and only insofar as the same relate to the Relevant Facility Engines.

5 Borrower's Undertakings

- 5.1 The Borrower hereby undertakes with the Security Agent that, so long as any Secured Obligation remains outstanding:
- 5.1.1 it will do or permit to be done each and every act or thing which the Security Agent may from time to time reasonably require to be done for the purpose of enforcing the Security Agent's rights under this Assignment and will allow the Borrower's name to be used as and when reasonably required by the Security Agent for that purpose;
- 5.1.2 it will perform its obligations under the Relevant Documents and with respect to the Insurances;

- 5.1.3 the lease of the Relevant Facility Engines to RRL pursuant to the Amended Leases shall not in any circumstances be terminated by the Borrower by reason of any breach or alleged breach of the Amended Leases by RRL unless the Security Agent shall first have given its consent in writing to such termination PROVIDED ALWAYS that any termination of the Amended Leases by the Borrower after such consent is given shall be without responsibility on the part of the Security Agent which shall be under no liability whatsoever in the event that such termination be thereafter adjudged to constitute a repudiation of the Amended Leases by the Borrower;
- 5.1.4 it will pay to the Security Agent on demand all moneys whatsoever which the Security Agent shall or may reasonably expend in or about the protection, maintenance or enforcement of the security created by this Assignment, together with interest thereon at the rate provided in clause 10.8 of the Facility Agreement from the date or dates falling one (1) Business Day after the date on which such demand was made until the date of payment thereof by the Borrower as well before as after judgment;
- 5.1.5 it will supply to the Security Agent all information, accounts and records that may be necessary or reasonably required to enable the Security Agent to verify the amount of all payments due to the Borrower pursuant to the Relevant Documents;
- 5.1.6 it will not create or attempt to create or permit to subsist any Security Interest in respect of the Assigned Property or the debts, revenues, claims, assets, rights, remedies, benefits and interests hereby assigned both present and future or any part thereof or interest therein or sell, assign, discount, transfer or otherwise dispose of any of the same or attempt or agree so to do, save in each case as contemplated by the Relevant Documents (and in particular, pursuant to the Borrower Security Assignment);
- 5.1.7 it shall, upon request, appoint the Security Agent (or any person designated by the Security Agent) to be a person designated by the Borrower to visit, inspect and survey the Relevant Facility Engines pursuant to clause 9.3(a) of the Amended Leases;
- 5.1.8 not do, or cause or permit to be done, anything which may in any way depreciate, jeopardise or otherwise prejudice the value to the Security Agent of the Assigned Property; and
- 5.1.9 comply in all respects with all laws to which it may be subject, if failure to do so would impair this Assignment, or its ability to perform its obligations under this Assignment, or would impose any liability or obligation on the Security Agent.

6 Extent of Security Agent's Liability

- 6.1 It is further agreed and declared that notwithstanding the assignment herein before contained:
- 6.1.1 the Security Agent shall not be obliged to make any enquiry as to the nature or sufficiency of any payment received by it under this Assignment or to make any claim or take any other action to collect any moneys or to enforce any rights and benefits hereby assigned to the Security Agent or to which the Security Agent may at any time be entitled hereunder; and
- 6.1.2 the Borrower shall remain liable to perform all the obligations assumed by it under the Relevant Documents and the Insurances and the Security Agent shall be under no obligation of any kind whatsoever thereunder or be under any liability whatsoever in the event of any failure by the Borrower to perform any of its obligations thereunder.

7 Notice of Assignment

- 7.1 The Borrower covenants and agrees that on execution of this Assignment it will execute and forthwith deliver (a) a notice of assignment to RRL in the form of Schedule 1 (*Notice*

and Acknowledgement of Lease Assignment); (b) a notice of assignment to Rolls-Royce in the form of Schedule 2 (*Notice and Acknowledgement of Assignment of New RR Guarantee*), and the Borrower will procure (i) that RRL counter-executes and delivers to the Security Agent the acknowledgement to the notice of assignment in the form of Schedule 1 (*Notice and Acknowledgement of Lease Assignment*); (ii) that Rolls-Royce counter-executes and delivers to the Security Agent the acknowledgement to the notice of assignment in the form of Schedule 2 (*Notice and Acknowledgement of Assignment of New RR Guarantee*).

- 7.2 The Borrower covenants and agrees that upon execution of this Assignment and upon each instance when RRL validly exercises its substitution rights with respect to the Relevant Facility Engines in accordance with the Substitution Provisions of the Amended Leases, the Borrower shall provide to the Security Agent a signed written notice of the assignment herein contained in the form of the notice set out in Schedule 1 (*Notice and Acknowledgement of Lease Assignment and EWAs*), Schedule 2 (*Notice and Acknowledgement of Assignment of RR Guarantee and EWAs*) and Schedule 3 (*Notice of Assignment of Insurances*) of the Borrower Security Assignment with respect to the incoming engine.
- 7.3 The Borrower covenants and agrees that the Security Agent may deliver each Notice of Assignment (Insurances) to the brokers through whom the Insurances or part thereof are effected and/or to any of the persons referred to in clause 9.5(a) of the Amended Leases (the "Relevant Insurance Parties") if:
- (a) an Enforcement Event has occurred and is continuing; or
 - (b) the Security Agent determines (acting in good faith and on the basis of independent legal advice which it has sought and received with respect to the matter) that the failure to deliver a Notice of Assignment (Insurances) to any of the Relevant Insurance Parties is having or will have a material adverse effect on the validity, priority, enforceability or effectiveness of the assignment by way of security created or intended to be created by this Assignment or on its ability to realise the security created thereby, provided that, this paragraph (b) will not apply, on the basis of Applicable Law as at the date of this Assignment, with respect to the absence of perfection of the assignment of Insurances as a consequence of the agreement not to serve Notices of Assignment (Insurances) as outlined in this clause 7.3.
- 7.4 Should the insurers and/or brokers through whom all or any part of the Insurances are effected at any time change the Borrower shall ensure that the Security Agent is promptly informed of such change (provided that, the Borrower shall only be obliged to inform the Security Agent of a change in the insurers to the extent it is informed of the same)
- 7.5 The Borrower hereby undertakes to give notice of the assignment pursuant to clause 4.1 in respect of any Requisition Compensation to any relevant Government Entity reasonably requested by the Security Agent, and in such form as the Security Agent may reasonably require, upon any Compulsory Acquisition of the Relevant Facility Engines and shall use reasonable endeavours to obtain the countersignature by or on behalf of the relevant Government Entity of each such notice by way of acknowledgement of receipt of such notice.

8 Power of Attorney

For the purpose of securing the interest of the Security Agent in the Assigned Property and the performance of the Secured Obligations, the Borrower hereby irrevocably appoints and constitutes the Security Agent as the Borrower's true and lawful attorney with full power (in the name of the Borrower or otherwise) to ask, require, demand, receive, compound and give good discharge for any and all moneys and claims for moneys due and to become due under or arising out of the property hereby assigned, to endorse any cheque or other instrument or orders in connection therewith and to file any

claims or take any action or institute any proceedings which the Security Agent may deem to be necessary or advisable and otherwise to do any and all things which the Borrower itself could do in relation to the Assigned Property, Provided that such power shall only be exercisable by the Security Agent if and for so long as there shall have occurred an Enforcement Event but the exercise of such power by the Security Agent shall not put any person dealing with the Security Agent upon enquiry as to whether an Enforcement Event has occurred nor shall any person be in any way affected by notice that no Enforcement Event has occurred and the exercise by the Security Agent of such power shall be conclusive evidence of its right to exercise the same.

9 Further Assurance and Other Matters

9.1 The Borrower further undertakes that at any time and from time to time upon the request of the Security Agent it will at its own expense execute, perfect, do, and (if required) register every such further assurance, document, act or thing which the Security Agent may reasonably specify with a view to:

9.1.1 perfecting or giving effect to any assignment or security created or intended to be created by this Assignment; or

9.1.2 facilitating the exercise, or the proposed exercise, of any of the Security Agent's powers following the occurrence of an Enforcement Event.

10 Security

10.1 This Assignment and the security created hereby shall be held by the Security Agent as a continuing security for the payment, discharge and performance of the Secured Obligations, and the securities, covenants and provisions contained in this Assignment shall remain in force as continuing securities to the Security Agent notwithstanding any settlement of account or any other act, event or matter whatsoever, except the release by the Security Agent in accordance with clause 4.2 of the security created by this Assignment and the reassignment of the Assigned Property to the Borrower or such other person as the Borrower may direct. The security so created shall not be satisfied by any intermediate payment or satisfaction of any part of the Secured Obligations, shall be in addition to, and shall not in any way be prejudiced or affected by, any collateral or other security now or hereafter held by the Security Agent for all or any part of the Secured Obligations. Every power and remedy given to the Security Agent hereunder shall be in addition to, and not a limitation of, any and every other power or remedy vested in the Security Agent, and all the powers so vested in the Security Agent may be exercised from time to time and as often as the Security Agent may deem expedient. No delay or omission of the Security Agent in the exercise of any right or power vested in it hereunder shall impair such right or power or be construed as a waiver of or an acquiescence in any default by the Borrower.

10.2 The Security Agent shall have all the powers conferred on mortgagees by Section 101 of the Law of Property Act, 1925. Sections 93 and 103 of the Law of Property Act, 1925 shall not apply to this Assignment.

11 Enforcement of Security

11.1 When, and at any time after, an Enforcement Event occurs, the Security Agent shall be entitled, without further notice, immediately to put into force and exercise all the powers and remedies possessed by it according to law as assignee by way of security of the Assigned Property as and when it may see fit, and in particular:

11.1.1 to recover and collect, pursuant to all powers, remedies, rights and privileges of the Borrower with respect to the Assigned Property, and to give a good receipt therefor on behalf of the Borrower;

- 11.1.2 to take over or institute all such proceedings in connection with all or any of the Assigned Property as the Security Agent, in its absolute discretion thinks fit, and to discharge, compound, release or compromise all or any of the Assigned Property or claims in respect thereof;
- 11.1.3 to take possession of and/or, subject to the terms of the Relevant Documents restricting assignment thereof, to sell all or any of the Assigned Property, by public auction or private contract, at any place in the world, with or without advertisement or notice to the Borrower, for cash or on credit and otherwise and upon such terms as the Security Agent in its absolute discretion may determine;
- 11.1.4 to set-off any monies comprised in the Assigned Property against such or any of the Secured Obligations; and
- 11.1.5 to implement any contracts included in the Assigned Property, or to agree with any other party thereto to determine the same on such terms and conditions as the Security Agent and such party may agree.

12 Protection of Third Parties

No purchaser or other person dealing with the Security Agent or with its attorneys or agents shall be concerned to enquire (a) whether any power exercised by it or him has become exercisable, (b) whether any money remains due on the security hereby created, (c) as to the propriety or regularity of any of his, its or their actions, or (d) as to the application of any money paid to him, it or them. In the absence of bad faith on the part of such purchaser or other person, such dealings shall be deemed so far as regards the safety and protection of such purchaser or other person to be within the powers hereby conferred and to be valid accordingly. The remedy of the Borrower in respect of any impropriety or irregularity whatever in the exercise of such powers shall be in damages only.

13 Failure to Exercise

Neither the Security Agent nor any of the other Beneficiaries shall be liable in respect of any loss or damage which arises out of the exercise, or the attempted or purported exercise in good faith of, or the failure to exercise, any of its powers, unless such loss or damage is caused by its or his gross negligence, fraud or wilful default,

14 Delegation

- 14.1 The Security Agent may, at the expense of the Borrower at any time(s):-
 - 14.1.1 delegate to any person(s) all or any of its rights, powers and discretions hereunder on such terms (including power to sub-delegate) as the Security Agent sees fit; and
 - 14.1.2 employ agents, managers, employees, advisers and others on such terms as the Security Agent sees fit for any of the purposes set out herein.

15 Indemnity

- 15.1 The Borrower will indemnify the Security Agent in respect of all liabilities and expenses reasonably incurred by it in good faith in the exercise of any rights, powers or discretions vested in it pursuant hereto except to the extent sustained or incurred as a result of gross negligence, wilful misconduct or fraud.
- 15.2 Without prejudice to the Security Agent's duties at law, the Security Agent shall not be liable for any losses arising in connection with the exercise of any of its rights, powers and discretions in good faith hereunder (unless such losses are caused by its gross negligence, fraud or wilful default) and, in particular (without limitation) the Security Agent

shall not be liable to account as Security Agent in possession or for anything except actual receipts.

16 Notices

Save as otherwise expressly provided in this Assignment, every notice, request, demand or other communication under this Assignment shall be given in the same manner as is provided in clause 7 (*Notices*) of the Intercreditor Agreement.

17 Law, Jurisdiction and Other Provisions

- 17.1 This Assignment and any non-contractual obligations connected with it shall be governed by, and construed in accordance with, English law.
- 17.2 The courts of England shall have jurisdiction to determine any claim arising out of or in connection with this Assignment any non-contractual obligations connected with it.
- 17.3 This Assignment may be entered into in the form of two or more counterparts, each executed by one or more of the parties, and provided all the parties shall so execute this Assignment, each of the executed counterparts, when duly exchanged or delivered, shall be deemed to be an original but, taken together, they shall constitute one instrument.
- 17.4 Each of the provisions of this Assignment are severable and distinct from the others and if at any time one or more of such provisions is or becomes invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions of this Assignment shall not in any way be affected or impaired thereby.
- 17.5 All certificates, instruments and other documents to be delivered under or supplied in connection with this Assignment or the Relevant Documents or the Insurances shall be in the English language or shall be accompanied by a certified English translation upon which the recipient shall be entitled to rely.
- 17.6 A person who is not a party to this Assignment has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Assignment.

IN WITNESS whereof the parties hereto have caused this Assignment to be duly executed, in the case of the Borrower as its Deed, the day and year first above written.

Schedule 1
Notice and Acknowledgement of Lease Assignment

[●] 2018

To: Rolls-Royce Leasing Limited (RRL)

From: Omega Leasing (No.9) Limited (the Borrower)
Alpha Leasing (No.9) Limited (the Guarantor)
U.S. Bank National Association (the Security Agent)

We refer to the engine lease agreements (the **Leases**) dated the dates set out in the column headed "Lease Date" in the attached schedule entered into between the Borrower, the Guarantor and RRL as the lessee, whereby the Borrower and the Guarantor agreed to lease and RRL agreed to take on lease for the period and upon the terms and conditions therein mentioned the four (4) civil aircraft engines more particularly described in the attached schedule (the **Engines**).

We hereby give you notice that:

1 By:

- (a) a second assignment (the **Second Borrower Assignment**) of even date herewith between the Borrower as borrower and the Security Agent, acting through its office at 300 Delaware Avenue, 9th Floor, Wilmington, Delaware 19801, USA, the Borrower as borrower has assigned to the Security Agent all its rights, title and interest in and to, inter alia, the Collateral (as defined in the Second Borrower Assignment, receipt of a copy of which is hereby acknowledged by RRL) which includes the Leases;
- (b) a second assignment (the **Second Guarantor Assignment**) of even date herewith between the Guarantor and the Security Agent, the Guarantor as borrower has assigned to the Security Agent all of its rights, title and interest in and to, inter alia, the Collateral (as defined in the Second Guarantor Assignment, receipt of a copy of which is hereby acknowledged by RRL) which includes the Leases,

and until such time as RRL receives an Enforcement Notice from the Security Agent as referred to in paragraph 3(a) below, all moneys payable by RRL to the Borrower under the Lease shall continue to be payable to the Borrower in accordance with the provisions regulating payment thereof contained in the Lease and and, if and whenever the Security Agent gives such an Enforcement Notice to RRL, RRL is hereby irrevocably authorised and instructed to pay all monies payable to the Borrower under the Lease to the Security Agent's account at such bank and account as the Security Agent may from time to time direct;

- 2 by signing the acknowledgement below RRL acknowledges that RRL will not challenge the effectiveness of the Second Borrower Assignment and/or the Second Guarantor Assignment to confer on the Security Agent all of the Borrower's and the Guarantor's rights, title and interest in and to the Collateral; and
- 3 In consideration of payment to RRL of US\$1, receipt of which RRL acknowledges by signing below, RRL hereby agrees as follows:
 - (a) if the Security Agent issues to RRL a notice (the **Enforcement Notice**) that its rights as assignee under the Second Borrower Assignment have become enforceable, RRL shall thereafter perform, observe and comply with all RRL's undertakings and obligations under the Lease in the Security Agent's favour and

for the Security Agent's benefit as if the Security Agent were named therein as lessor;

- (b) from the date of issue of any Enforcement Notice, RRL shall not recognise the exercise by the Borrower or Guarantor of any of the Borrower's or Guarantor's rights and powers under the Leases unless and until requested to do so by the Security Agent;
 - (c) from the date of receipt of an Enforcement Notice and until notified by the Security Agent to the contrary, RRL shall pay to the Security Agent at the account described in paragraph 1 above or such other account as the Security Agent may nominate, all moneys from time to time payable by RRL to the Borrower and/or the Guarantor under the Leases;
 - (d) RRL confirms its agreement to the provisions of the Assignments;
 - (e) the Security Agent shall have the benefit of clauses 11.2 (*General Indemnity*) and 11.3 (*Tax Indemnity*) of the Master Long Term Lease Terms (as defined in the Leases) and RRL agrees that RRL is bound by the terms of such clauses, as though the same were set out herein in full (*mutatis mutandis*); and
 - (f) the Security Agent shall not have any liability to RRL for the performance of any of the Borrower's or Guarantor's obligations under the Leases; and
- 4 for the purposes of the Leases, The Royal Bank of Scotland PLC and U.S. Bank National Association are the Facility Agents, U.S. Bank National Association is the Security Agent, SMBC Leasing & Finance Inc., London Branch, Lombard North Central Plc and the Purchasers (as defined in the Note Purchase Agreement) are Banks (as such terms are defined in the Leases).

This notice and the instructions herein contained are irrevocable.

Terms and expressions defined or referred to in the Second Borrower Assignment (whether incorporated by reference to another document or otherwise) shall (unless otherwise defined herein) have the same meanings when used herein.

Please acknowledge receipt of this notice to the Security Agent and the Borrower, by signing the acknowledgement below and delivering it to the Security Agent.

Yours faithfully

OMEGA LEASING (NO.9) LIMITED

By:

Name:

Title:

U.S. BANK NATIONAL ASSOCIATION

By:

Name:

Title:

ALPHA LEASING (NO.9) LIMITED

By:

Name:

Title:

We hereby acknowledge and agree to the above

ROLLS-ROYCE LEASING LIMITED

By:

Name:

Title:

Schedule of Engines and Leases

ESN	Variant	Configuration	Configuration Standard	Build Date	Lease Date
91173	970-84	Maximum	FW57238	October 2010	2 July 2012, as amended by a lease amendment agreement dated 22 November 2016
91247	970-84	Maximum	FW57238	December 2011	24 June 2012, as amended by a lease amendment agreement dated 22 November 2016
91249	970-84	Maximum	FW57238	January 2012	23 June 2012, as amended by a lease amendment agreement dated 22 November 2016
91270	970-84	Maximum	FW57238	April 2012	24 June 2012, as amended by a lease amendment agreement dated 22 November 2016

Schedule 2
Notice and Acknowledgement of Assignment of New RR Guarantee

To: Rolls-Royce plc (Rolls-Royce)

From: Omega Leasing (No.9) Limited (the Borrower)

 Alpha Leasing (No.9) Limited (the Guarantor)

 U.S. Bank National Association (the Security Agent)

[●] 2018

Dear Sirs

The Borrower and the Guarantor hereby gives Rolls-Royce notice that pursuant to:

- (a) a second assignment of even date herewith (the **Second Borrower Assignment**), between the Borrower and the Security Agent, the Borrower has assigned to the Security Agent all of the Borrower's right, title and interest in and to, inter alia, the Collateral (as defined in the Second Borrower Assignment, receipt of a copy of which is hereby acknowledged by Rolls-Royce);
- (b) a second assignment of even date herewith (the **Second Guarantor Assignment**), between the Guarantor and the Security Agent, the Guarantor has assigned to the Security Agent all of the Guarantor's right, title and interest in and to, inter alia, the Collateral (as defined in the Second Borrower Assignment, receipt of a copy of which is hereby acknowledged by Rolls-Royce),

which both include the second guarantee entered into between Rolls-Royce, the Guarantor and the Borrower (as amended from time to time, the **New RR Guarantee**), in respect of amounts, whether of rental or otherwise, due and payable by Rolls-Royce Leasing Limited (RRL) under the lease agreements entered into between the Borrower, the Guarantor and (in each case) RRL (as amended from time to time, the **Leases**) dated with the dates, in respect of the civil aircraft engine, more particularly described in the attached schedule (the **Engines**).

Terms and expressions defined or referred to in the Second Borrower Assignment and the Second Guarantor Assignment (whether incorporated by reference to another document or otherwise) shall (unless otherwise defined herein) have the same meanings when used herein.

Until such time as Rolls-Royce receives an Enforcement Notice from the Security Agent as referred to in paragraph 1 below, all moneys payable by Rolls-Royce under the New RR Guarantee shall continue to be payable to the Borrower and/or the Guarantor in accordance with the provisions regulating payment thereof contained in the New RR Guarantee, if and whenever the Security Agent gives such an Enforcement Notice to Rolls-Royce, thereafter all monies that may be payable by Rolls-Royce under the New RR Guarantee shall be paid to the Security Agent's account at such bank and account as the Security Agent may from time to time direct (or at such other place as the Security Agent may from time to time direct) unless and until the Security Agent otherwise directs, whereupon Rolls-Royce is irrevocably authorised and required to comply with the Security Agent's directions.

By signing the acknowledgement below Rolls-Royce acknowledges that Rolls-Royce will not challenge the effectiveness of the Second Borrower Assignment and/or the Second Guarantor Security Assignment to confer on the Security Agent all of the Borrower's and the Guarantor's rights, title and interest under the New RR Guarantee.

In consideration of payment to Rolls Royce of US\$1, receipt of which Rolls-Royce hereby acknowledges by signing below, Rolls-Royce hereby agrees as follows:

- 1 if the Security Agent issues to Rolls-Royce a notice (the Enforcement Notice) that its rights as Security Agent under the Assignments have become enforceable, Rolls-Royce shall thereafter (a) perform, observe and comply with all Rolls-Royce's undertakings and obligations under the New RR Guarantee in the Security Agent's favour and for the Security Agent's benefit as if the Security Agent were named therein in the Borrower and the Guarantor's place and (b) if the Security Agent so requests, enter into a guarantee with the Security Agent or the Security Agent's nominee on terms identical (mutatis mutandis) to the terms of the New RR Guarantee;
- 2 after issue of any Enforcement Notice, Rolls-Royce shall not recognise the exercise by the Borrower or the Guarantor of any of the Borrower's or the Guarantor's rights and powers under the New RR Guarantee unless and until requested to do so by the Security Agent; and
- 3 from the date of receipt of an Enforcement Notice, Rolls-Royce agrees that Rolls-Royce shall pay to the Security Agent at the account described in the second paragraph above or such other account as the Security Agent may nominate, all moneys from time to time payable under the New RR Guarantee.

This notice and the instructions herein contained are irrevocable.

Please acknowledge receipt of this notice, to the Security Agent, the Borrower and the Guarantor, by signing the acknowledgement below and delivering it to the Security Agent.

Yours faithfully

OMEGA LEASING (NO.9) LIMITED

By:

Name:

Title:

U.S. BANK NATIONAL ASSOCIATION

By:

Name:

Title:

We hereby acknowledge and agree to the above

ALPHA LEASING (NO.9) LIMITED

By:

Name:

Title:

ROLLS-ROYCE PLC

By:

Name:

Title:

Schedule of Engines and Leases

ESN	Variant	Configuration	Configuration Standard	Build Date	Lease Date
91173	970-84	Maximum	FW57238	October 2010	2 July 2012, as amended by a lease amendment agreement dated 22 November 2016
91247	970-84	Maximum	FW57238	December 2011	24 June 2012, as amended by a lease amendment agreement dated 22 November 2016
91249	970-84	Maximum	FW57238	January 2012	23 June 2012, as amended by a lease amendment agreement dated 22 November 2016
91270	970-84	Maximum	FW57238	April 2012	24 June 2012, as amended by a lease amendment agreement dated 22 November 2016

Schedule 3
Notice of Assignment of Insurances

To: [brokers on behalf of participating insurers and reinsurers]

Dated _____

**Rolls-Royce Trent 970-84 civil aircraft engine with engine serial numbers 91173, 91247, 91249
and 91270 or any substitute engine thereof (the Engines)**

- 1 Rolls-Royce Leasing Limited (RRL), Omega Leasing (No. 9) Limited (the Borrower), Alpha Leasing (No. 9) Limited (the Guarantor) and U.S. Bank National Association, as security agent for and on behalf of itself and certain other parties (the Security Agent) hereby give you notice that pursuant to:
 - (a) a security assignment dated [●] 2018 (the Second Borrower Security Assignment) (a copy of which is hereby provided), between the Borrower and the Security Agent, the Borrower has assigned absolutely by way of security to the Security Agent all of its rights, title, benefit and interest (present and future, actual and contingent) in, to, under and pursuant to, amongst other things, (a) the proceeds of any and all policies and contracts of insurance (other than liability insurance and reinsurance with respect thereto) taken out or in existence from time to time in respect of, or in relation to, the Engines or any part thereof (more particularly described below), and (b) all claims under, and the right to make all claims under, any and all contracts or policies of insurance (other than liability insurance and reinsurance with respect thereto) required to be maintained by RRL pursuant to the Leases in respect of, or in relation to, the Engines or any part thereof (for the avoidance of doubt, this is only an assignment of the benefits and proceeds of the insurances and does not amount to an assignment of the policies themselves) (the Insurances); and.
 - (b) a security assignment dated [●] 2018 (the Second Guarantor Security Assignment) (a copy of which is hereby provided), between the Guarantor and the Security Agent, the Guarantor has assigned absolutely by way of security to the Security Agent all of its rights, title, benefit and interest (present and future, actual and contingent) in, to, under and pursuant to, amongst other things, the Insurances.
- 2 Neither the Borrower, the Guarantor, nor the Security Agent have any operational interest in the Engines.
- 3 Where settlement of any claim (in respect of All Risks insurance and War Risks insurance) on the basis of a Total Loss of any of the Engines is to be made to or to the order of the Contract Party(ies), the Contract Party(ies) and RRL have agreed that payment shall be made to RRL.
- 4 Subject to the provision of the AVN67[B]/[C] endorsement contained in the policies, the proceeds of such insurances in respect of any loss other than a Total Loss shall be paid in accordance with the provisions of the Amended Leases unless the Amended Leases have been terminated and the Security Agent shall otherwise have given you notice that its enforcement rights under the Second Borrower Security Assignment and/or the Second Guarantor Security Assignment have become exercisable, in which event all such proceeds shall be paid to the Security Agent or its designee.
- 5 For the purposes of the foregoing paragraphs, the term Contract Party(ies) shall have the same meaning ascribed to such term in the latest certificate of insurance issued by you in respect of the insurances for the Engine, or, if different, those persons from time to time notified to you in writing by the Borrower or the Security Agent.
- 6 Terms and expressions defined or referred to in the Second Borrower Security Assignment and the Second Guarantor Security Assignment (whether incorporated by reference to another

document or otherwise) shall (unless otherwise defined herein) have the same meanings when used herein.

**Signature Page
Notice of Assignment of Insurances**

Signed:

.....
For and on behalf of
**OMEGA LEASING (NO.9)
LIMITED**

.....
For and on behalf of
ROLLS-ROYCE LEASING LIMITED

.....
For and on behalf of
**ALPHA LEASING (NO.9)
LIMITED**

.....
For and on behalf of
**U.S. BANK NATIONAL
ASSOCIATION**
as Security Agent

We hereby acknowledge receipt of the above Notice of Assignment of Insurances (**Notice of Assignment**) and confirm that we have not previously received any notice of any other assignment of the interest of RRL or the Borrower in the insurances referred to in the Notice of Assignment other than pursuant to a borrower security assignment dated 22 November 2016 executed by the Borrower in favour of the Security Agent and a guarantor security assignment dated 22 November 2016 executed by the Guarantor in favour of the Security Agent.

It is acknowledged for the benefit of the Contract Party(ies) that any and all proceeds of All Risks insurance and War Risks insurance in respect of the engine referred to in the Notice of Assignment shall be paid in accordance with paragraphs 3 and 4 of the Notice of Assignment.

.....
For and on behalf of:
[●]

Execution Page

Second Borrower Security Assignment

Borrower

SIGNED as a DEED and DELIVERED
by
for and on behalf of
OMEGA LEASING (NO.9) LIMITED

in the presence of

[Redacted]

[Redacted]

Witness

Name: *Rory Milligan*
Address: *Rolls-Royce plc, Moor Lane*
Derby, DE24 8BJ
Occupation: *Lawyer*

MARK GARRETT
ATTORNEY-IN-FACT

Security Agent

SIGNED
by
for and on behalf of
U.S. BANK NATIONAL ASSOCIATION
its duly authorised signatory

.....
Authorised Signatory

Confidential

Execution Version

Dated 16 August 2018

OMEGA LEASING (NO.9) LIMITED (1)
as Borrower

and
U.S. BANK NATIONAL ASSOCIATION (2)
as Security Agent

**SECOND BORROWER SECURITY
ASSIGNMENT**

**relating to a US\$180,000,000
Loan Facility and a Note Purchase
Agreement**

 **NORTON ROSE FULBRIGHT**

Contents

Clause	Page
1 Definitions and Interpretation.....	2
2 Representations and Warranties	3
3 Covenant to Pay, Discharge and Perform the Secured Obligations	3
4 Assignment	4
5 Borrower's Undertakings	4
6 Extent of Security Agent's Liability	5
7 Notice of Assignment.....	5
8 Power of Attorney	6
9 Further Assurance and Other Matters	7
10 Security	7
11 Enforcement of Security	7
12 Protection of Third Parties	8
13 Failure to Exercise	8
14 Delegation.....	8
15 Indemnity	8
16 Notices	9
17 Law, Jurisdiction and Other Provisions	9
Schedule 1 Notice and Acknowledgement of Lease Assignment	10
Schedule 2 Notice and Acknowledgement of Assignment of New RR Guarantee	14
Schedule 3 Notice of Assignment of Insurances	17
Execution Page.....	20

A DEED OF ASSIGNMENT dated 16 August 2018 and made BETWEEN:

- (1) **OMEGA LEASING (NO.9) LIMITED**, a company incorporated under the laws of England with its registered office at 82 Buckingham Gate, London SW1E 6AT, United Kingdom (the **Borrower**); and
- (2) **U.S. BANK NATIONAL ASSOCIATION**, a national banking association established under the laws of the USA with an office at 300 Delaware Avenue, 9th Floor, Wilmington, Delaware 19801, USA, in its capacity as security agent and trustee for and on behalf of itself, the Joint Mandated Lead Arrangers, the Facility Agent and the Banks (the **Security Agent** which expression shall include its successors and assigns).

WHEREAS:

- (A) Pursuant to seventeen (17) engine lease agreements entered into between (1) the Borrower, (2) the Guarantor and (3) Rolls-Royce Leasing Limited (**RRL**) (together the **Leases** and each a **Lease**), the Borrower has agreed to lease to RRL and RRL has agreed to take on lease for the period and upon the terms and conditions therein contained the Facility Engines.
- (B) By a guarantee (the **RR Guarantee**) dated 22 November 2016 entered into in respect of each of the Leases, in favour of the Borrower, Rolls-Royce plc (**Rolls-Royce**) agreed to guarantee the obligations of RRL under each of the Leases.
- (C) By a loan facility agreement entered into on 22 November 2016 between (1) the Borrower as borrower, (2) Alpha Leasing (No.9) Limited as guarantor (the **Guarantor**), (3) SMBC Leasing & Finance Inc., London Branch and Lombard North Central Plc as Joint Mandated Lead Arrangers, (4) the Security Agent as security agent, (5) The Royal Bank of Scotland PLC as the facility agent and (6) certain banks and financial institutions (the **Banks**) as amended and supplemented from time to time, the Banks agreed (inter alia) to make available to the Borrower a loan of up to US\$180,000,000 (the **Facility Agreement**).
- (D) By a note purchase agreement entered into on 22 November 2016 as amended and supplemented from time to time between (1) the Borrower as issuer, (2) the Guarantor as guarantor, (3) the Security Agent as the noteholders facility agent and (4) the purchasers listed on Schedule A thereto (the **Purchasers**) as amended and supplemented from time to time the Borrower agreed to issue and sell to each Purchaser and each Purchaser agreed to purchase from the Borrower up to US\$152,000,000 aggregate principal amount of note (the **NPA**).
- (E) By an intercreditor agreement dated 22 November 2016 between (1) the Borrower as borrower, (2) the Guarantor as guarantor, (3) The Noteholders Facility Agent as noteholders facility agent (4) the Security Agent as security agent and (5) the Facility Agent as facility agent, as amended pursuant to an amendment agreement dated on or around the date of this Assignment (the **Intercreditor Amendment Agreement**) the parties thereto agreed amongst other things, the terms upon which certain documents will become enforceable and the manner in which the proceeds of enforcement will be distributed amongst the Beneficiaries (the **Intercreditor Agreement**).
- (F) Four (4) of the Leases have been amended pursuant to a leases amendment agreement dated on or around the date of this Assignment (the **Leases Amendment Agreement**) and the Borrower has agreed to enter into this Assignment as security for its obligations to the Finance Parties under this Assignment, the Intercreditor Agreement and the Finance Documents.

NOW IT IS HEREBY AGREED as follows:

1 Definitions and Interpretation

- 1.1 In this Assignment words and expressions defined in the Intercreditor Agreement shall bear the same respective meanings unless otherwise defined herein and the following words and expressions have the following meanings, in each case unless the context otherwise requires:

Amended Leases means the Leases with respect to the Relevant Facility Engines;

Assigned Property means the Collateral and the Requisition Compensation and references to Assigned Property include references to any part of the Assigned Property;

Collateral means:

- (a) all moneys of whatsoever nature payable to the Borrower pursuant to the Amended Leases and all other rights, title, interest and benefits accruing to the Borrower pursuant to the Amended Leases including, without limitation, all claims for damages in respect of any breach by RRL of the terms of the Amended Leases and including any moneys payable in respect of the Requisition Compensation;
- (b) all moneys of whatsoever nature payable to the Borrower under the New RR Guarantee and all other rights and benefits whatsoever accruing to the Borrower under the New RR Guarantee including, without limitation, all claims for damages in respect of any breach by Rolls-Royce of the New RR Guarantee; and
- (c) all of the Borrower's rights, title, interest and benefit (present and future, actual and contingent) in, to, under and pursuant to the Insurance Proceeds;

Existing Assigned Property means the Assigned Property (as such term is defined in the Borrower Security Assignment) in respect of the Leases, the Insurances and the Requisition Compensation with respect to the Relevant Facility Engines prior to the amendments to the Leases set out in the Leases Amendment Agreement taking effect;

Insurance Proceeds means (i) the proceeds of any and all Insurances (other than the Liability Insurances and any reinsurance with respect thereto) payable to the Borrower, and (ii) all claims under, and the right to make all claims under, any and all Insurances (other than the Liability Insurances and any reinsurance with respect thereto), in each case with respect to the Relevant Facility Engines;

Manufacturer means Rolls-Royce or any other manufacturer of a Facility Engine or any component, equipment or accessory installed or attached therein or thereon;

Notice of Assignment (Insurances) means a notice of assignment with respect to the Insurance Proceeds substantially in the form set out in Schedule 3 (*Notice of Assignment of Insurances*) of the Second Borrower Security Assignment;

Relevant Documents means this Assignment, the Leases Amendment Agreement, the New RR Guarantee, the Second Guarantor Security Assignment and all supplemental agreements, notices, certificates, requests, consents, other agreements and instruments from time to time entered into or issued pursuant to these presents or any of the above mentioned documents;

Relevant Facility Engines means the Rolls-Royce Trent 970-84 civil aircraft engines with engine serial numbers 91173, 91247, 91249 and 91270 more particularly described in Appendix 5 of the Intercreditor Agreement owned by the Borrower (and any substitute engine therefor made in accordance with the Substitution Provisions);

Requisition Compensation means all moneys or other compensation payable by reason of any Compulsory Acquisition or requisition for the use or hire of the Relevant Facility Engines or any part thereof; and

Secured Obligations means the moneys, liabilities and obligations which the Borrower covenants in clause 3 (*Covenant to Pay, Discharge and Perform the Secured Obligations*) to pay, discharge and perform and any reference to the Secured Obligations includes a reference to any of them.

- 1.2 Clause headings and the table of contents are inserted for convenience of reference only and shall be ignored in the interpretation of this Assignment.
- 1.3 Paragraph 1.2 (*Construction*) of Schedule 1 (*Definitions and construction*) of the Intercreditor Agreement and any other provision of the Intercreditor Agreement which, by its terms, purports to apply to all of the Finance Documents and/or any Obligor shall apply to this Assignment as if set out herein but with all necessary changes and as if references in such provisions to this Agreement or a Finance Document referred to this Assignment.

2 Representations and Warranties

- 2.1 The Borrower hereby represents and warrants to the Security Agent that:
 - 2.1.1 the copies of the Relevant Documents which the Borrower has delivered to the Security Agent are true, complete and up-to-date copies, and there have been no amendments, supplements or modifications thereto or variations thereof;
 - 2.1.2 each of the Relevant Documents to which it is a party constitutes its valid, binding and enforceable obligations (subject to bankruptcy, insolvency and other laws affecting creditors rights generally and the Legal Reservations) is in full force and effect and there have been no defaults by it thereunder;
 - 2.1.3 the Borrower will, for so long as the Security Agent shall not have executed a discharge of the security created hereby, remain the sole lawful owner of all rights, title and interest in and to the Collateral, subject to this Assignment;
 - 2.1.4 subject to the assignment by the Borrower of the Existing Assigned Property in favour of the Security Agent, the Borrower is the legal and beneficial owner of the Assigned Property and neither the Assigned Property nor any part thereof is subject to any assignment, pledge or other Security Interest in favour of any other person other than the Security Agent save as contemplated by the Relevant Documents; and
 - 2.1.5 there are no actions, suits or proceedings pending or threatened by or against the Borrower in connection with or arising out of the Assigned Property.
- 2.2 The rights and remedies of the Security Agent in relation to any misrepresentation or breach of warranty on the part of the Borrower shall not be prejudiced by any investigation by or on behalf of the Security Agent into the affairs of the Borrower, by the performance of this Assignment or by any other act or thing which may be done by it in connection with this Assignment and which would, apart from this sub-clause, prejudice such rights or remedies.

3 Covenant to Pay, Discharge and Perform the Secured Obligations

The Borrower covenants with the Security Agent that the Borrower will pay, discharge and perform all moneys, liabilities and obligations whatsoever which are now or at any time hereafter may be due, owing, payable or outstanding by any Obligor in any currency, actually or contingently, solely and/or jointly and/or severally with another or others, as principal or surety on any account whatsoever under or pursuant to this Assignment, the Intercreditor Agreement or any Finance Document or as a consequence of any breach, non-performance, disclaimer or repudiation by it or any other Obligor of any of its

obligations under or pursuant to this Assignment, the Intercreditor Agreement or any Finance Document.

4 Assignment

- 4.1 As continuing security for the payment, discharge and performance of the Secured Obligations the Borrower, subject to the assignment by the Borrower of the Existing Assigned Property in favour of the Security Agent, but otherwise with full title guarantee HEREBY ASSIGNS AND AGREES TO ASSIGN ABSOLUTELY to the Security Agent all the Borrower's rights, title, benefit and interest (present or future) in and to the Assigned Property including (without limitation) all moneys, proceeds and payments in connection with any of the same, and all other rights and benefits thereby accruing to the Borrower, including (without prejudice to the generality of the foregoing) the right to sue for damages, PROVIDED ALWAYS that any and all monies and rights hereby assigned shall continue to be payable and performed in accordance with the provisions regulating payment and performance thereof in the Amended Lease, the Insurances or, as the case may be, the New RR Guarantee, until such time as an Enforcement Event occurs and the Security Agent shall direct to the contrary, whereupon the Borrower shall forthwith, and the Security Agent may, at any time thereafter, instruct RRL and/or Rolls-Royce and/or the brokers through whom the Insurances or any part thereof are effected (being the persons from whom such monies are then payable) to pay the same to the Security Agent or as it may otherwise direct.
- 4.2 Upon the absolute, irrevocable and unconditional payment, discharge and performance in full to the satisfaction of the Security Agent of all the Secured Obligations, the Security Agent shall, at the request and cost of the Borrower, re-assign the Assigned Property to the Borrower or to the Borrower's order and execute, sign, perfect, do and (if required) file, record, register and enrol every further deed, assurance, agreement, instrument, act and thing which may reasonably be required for the purposes of affecting and/or perfecting such release provided however that if there is any liquidator, administrator or similar officer of the Borrower who could be entitled to reclaim or recover any moneys paid to the Security Agent in payment or discharge of the Secured Obligations, the Security Agent may delay such re-assignment until such time as, in the Security Agent's reasonable opinion, such liquidator, administrator or similar officer is no longer so entitled.
- 4.3 Any Requisition Compensation received by the Security Agent pursuant to the assignment set forth in clause 4.1 shall be applied in accordance with the provisions of the Amended Leases.
- 4.4 Any Insurance Proceeds received by the Security Agent pursuant to the assignment set forth in clause 4.1 shall be applied in accordance with the provisions of the Amended Leases.
- 4.5 This Assignment does not constitute an assignment of any policies representing the Insurances but only of the benefit, rights, title, interest in the Insurance Proceeds and only insofar as the same relate to the Relevant Facility Engines.

5 Borrower's Undertakings

- 5.1 The Borrower hereby undertakes with the Security Agent that, so long as any Secured Obligation remains outstanding:
- 5.1.1 it will do or permit to be done each and every act or thing which the Security Agent may from time to time reasonably require to be done for the purpose of enforcing the Security Agent's rights under this Assignment and will allow the Borrower's name to be used as and when reasonably required by the Security Agent for that purpose;
- 5.1.2 it will perform its obligations under the Relevant Documents and with respect to the Insurances;

- 5.1.3 the lease of the Relevant Facility Engines to RRL pursuant to the Amended Leases shall not in any circumstances be terminated by the Borrower by reason of any breach or alleged breach of the Amended Leases by RRL unless the Security Agent shall first have given its consent in writing to such termination PROVIDED ALWAYS that any termination of the Amended Leases by the Borrower after such consent is given shall be without responsibility on the part of the Security Agent which shall be under no liability whatsoever in the event that such termination be thereafter adjudged to constitute a repudiation of the Amended Leases by the Borrower;
- 5.1.4 it will pay to the Security Agent on demand all moneys whatsoever which the Security Agent shall or may reasonably expend in or about the protection, maintenance or enforcement of the security created by this Assignment, together with interest thereon at the rate provided in clause 10.8 of the Facility Agreement from the date or dates falling one (1) Business Day after the date on which such demand was made until the date of payment thereof by the Borrower as well before as after judgment;
- 5.1.5 it will supply to the Security Agent all information, accounts and records that may be necessary or reasonably required to enable the Security Agent to verify the amount of all payments due to the Borrower pursuant to the Relevant Documents;
- 5.1.6 it will not create or attempt to create or permit to subsist any Security Interest in respect of the Assigned Property or the debts, revenues, claims, assets, rights, remedies, benefits and interests hereby assigned both present and future or any part thereof or interest therein or sell, assign, discount, transfer or otherwise dispose of any of the same or attempt or agree so to do, save in each case as contemplated by the Relevant Documents (and in particular, pursuant to the Borrower Security Assignment);
- 5.1.7 it shall, upon request, appoint the Security Agent (or any person designated by the Security Agent) to be a person designated by the Borrower to visit, inspect and survey the Relevant Facility Engines pursuant to clause 9.3(a) of the Amended Leases;
- 5.1.8 not do, or cause or permit to be done, anything which may in any way depreciate, jeopardise or otherwise prejudice the value to the Security Agent of the Assigned Property; and
- 5.1.9 comply in all respects with all laws to which it may be subject, if failure to do so would impair this Assignment, or its ability to perform its obligations under this Assignment, or would impose any liability or obligation on the Security Agent.

6 Extent of Security Agent's Liability

- 6.1 It is further agreed and declared that notwithstanding the assignment herein before contained:
- 6.1.1 the Security Agent shall not be obliged to make any enquiry as to the nature or sufficiency of any payment received by it under this Assignment or to make any claim or take any other action to collect any moneys or to enforce any rights and benefits hereby assigned to the Security Agent or to which the Security Agent may at any time be entitled hereunder; and
- 6.1.2 the Borrower shall remain liable to perform all the obligations assumed by it under the Relevant Documents and the Insurances and the Security Agent shall be under no obligation of any kind whatsoever thereunder or be under any liability whatsoever in the event of any failure by the Borrower to perform any of its obligations thereunder.

7 Notice of Assignment

- 7.1 The Borrower covenants and agrees that on execution of this Assignment it will execute and forthwith deliver (a) a notice of assignment to RRL in the form of Schedule 1 (Notice

and Acknowledgement of Lease Assignment); (b) a notice of assignment to Rolls-Royce in the form of Schedule 2 (*Notice and Acknowledgement of Assignment of New RR Guarantee*), and the Borrower will procure (i) that RRL counter-executes and delivers to the Security Agent the acknowledgement to the notice of assignment in the form of Schedule 1 (*Notice and Acknowledgement of Lease Assignment*); (ii) that Rolls-Royce counter-executes and delivers to the Security Agent the acknowledgement to the notice of assignment in the form of Schedule 2 (*Notice and Acknowledgement of Assignment of New RR Guarantee*).

- 7.2 The Borrower covenants and agrees that upon execution of this Assignment and upon each instance when RRL validly exercises its substitution rights with respect to the Relevant Facility Engines in accordance with the Substitution Provisions of the Amended Leases, the Borrower shall provide to the Security Agent a signed written notice of the assignment herein contained in the form of the notice set out in Schedule 1 (*Notice and Acknowledgement of Lease Assignment and EWAs*), Schedule 2 (*Notice and Acknowledgement of Assignment of RR Guarantee and EWAs*) and Schedule 3 (*Notice of Assignment of Insurances*) of the Borrower Security Assignment with respect to the incoming engine.
- 7.3 The Borrower covenants and agrees that the Security Agent may deliver each Notice of Assignment (Insurances) to the brokers through whom the Insurances or part thereof are effected and/or to any of the persons referred to in clause 9.5(a) of the Amended Leases (the "Relevant Insurance Parties") if:
- (a) an Enforcement Event has occurred and is continuing; or
 - (b) the Security Agent determines (acting in good faith and on the basis of independent legal advice which it has sought and received with respect to the matter) that the failure to deliver a Notice of Assignment (Insurances) to any of the Relevant Insurance Parties is having or will have a material adverse effect on the validity, priority, enforceability or effectiveness of the assignment by way of security created or intended to be created by this Assignment or on its ability to realise the security created thereby, provided that, this paragraph (b) will not apply, on the basis of Applicable Law as at the date of this Assignment, with respect to the absence of perfection of the assignment of Insurances as a consequence of the agreement not to serve Notices of Assignment (Insurances) as outlined in this clause 7.3.
- 7.4 Should the insurers and/or brokers through whom all or any part of the Insurances are effected at any time change the Borrower shall ensure that the Security Agent is promptly informed of such change (provided that, the Borrower shall only be obliged to inform the Security Agent of a change in the insurers to the extent it is informed of the same)
- 7.5 The Borrower hereby undertakes to give notice of the assignment pursuant to clause 4.1 in respect of any Requisition Compensation to any relevant Government Entity reasonably requested by the Security Agent, and in such form as the Security Agent may reasonably require, upon any Compulsory Acquisition of the Relevant Facility Engines and shall use reasonable endeavours to obtain the countersignature by or on behalf of the relevant Government Entity of each such notice by way of acknowledgement of receipt of such notice.

8 Power of Attorney

For the purpose of securing the interest of the Security Agent in the Assigned Property and the performance of the Secured Obligations, the Borrower hereby irrevocably appoints and constitutes the Security Agent as the Borrower's true and lawful attorney with full power (in the name of the Borrower or otherwise) to ask, require, demand, receive, compound and give good discharge for any and all moneys and claims for moneys due and to become due under or arising out of the property hereby assigned, to endorse any cheque or other instrument or orders in connection therewith and to file any

claims or take any action or institute any proceedings which the Security Agent may deem to be necessary or advisable and otherwise to do any and all things which the Borrower itself could do in relation to the Assigned Property, Provided that such power shall only be exercisable by the Security Agent if and for so long as there shall have occurred an Enforcement Event but the exercise of such power by the Security Agent shall not put any person dealing with the Security Agent upon enquiry as to whether an Enforcement Event has occurred nor shall any person be in any way affected by notice that no Enforcement Event has occurred and the exercise by the Security Agent of such power shall be conclusive evidence of its right to exercise the same.

9 Further Assurance and Other Matters

9.1 The Borrower further undertakes that at any time and from time to time upon the request of the Security Agent it will at its own expense execute, perfect, do, and (if required) register every such further assurance, document, act or thing which the Security Agent may reasonably specify with a view to:

9.1.1 perfecting or giving effect to any assignment or security created or intended to be created by this Assignment; or

9.1.2 facilitating the exercise, or the proposed exercise, of any of the Security Agent's powers following the occurrence of an Enforcement Event.

10 Security

10.1 This Assignment and the security created hereby shall be held by the Security Agent as a continuing security for the payment, discharge and performance of the Secured Obligations, and the securities, covenants and provisions contained in this Assignment shall remain in force as continuing securities to the Security Agent notwithstanding any settlement of account or any other act, event or matter whatsoever, except the release by the Security Agent in accordance with clause 4.2 of the security created by this Assignment and the reassignment of the Assigned Property to the Borrower or such other person as the Borrower may direct. The security so created shall not be satisfied by any intermediate payment or satisfaction of any part of the Secured Obligations, shall be in addition to, and shall not in any way be prejudiced or affected by, any collateral or other security now or hereafter held by the Security Agent for all or any part of the Secured Obligations. Every power and remedy given to the Security Agent hereunder shall be in addition to, and not a limitation of, any and every other power or remedy vested in the Security Agent, and all the powers so vested in the Security Agent may be exercised from time to time and as often as the Security Agent may deem expedient. No delay or omission of the Security Agent in the exercise of any right or power vested in it hereunder shall impair such right or power or be construed as a waiver of or an acquiescence in any default by the Borrower.

10.2 The Security Agent shall have all the powers conferred on mortgagees by Section 101 of the Law of Property Act, 1925. Sections 93 and 103 of the Law of Property Act, 1925 shall not apply to this Assignment.

11 Enforcement of Security

11.1 When, and at any time after, an Enforcement Event occurs, the Security Agent shall be entitled, without further notice, immediately to put into force and exercise all the powers and remedies possessed by it according to law as assignee by way of security of the Assigned Property as and when it may see fit, and in particular:

11.1.1 to recover and collect, pursuant to all powers, remedies, rights and privileges of the Borrower with respect to the Assigned Property, and to give a good receipt therefor on behalf of the Borrower;

- 11.1.2 to take over or institute all such proceedings in connection with all or any of the Assigned Property as the Security Agent, in its absolute discretion thinks fit, and to discharge, compound, release or compromise all or any of the Assigned Property or claims in respect thereof;
- 11.1.3 to take possession of and/or, subject to the terms of the Relevant Documents restricting assignment thereof, to sell all or any of the Assigned Property, by public auction or private contract, at any place in the world, with or without advertisement or notice to the Borrower, for cash or on credit and otherwise and upon such terms as the Security Agent in its absolute discretion may determine;
- 11.1.4 to set-off any monies comprised in the Assigned Property against such or any of the Secured Obligations; and
- 11.1.5 to implement any contracts included in the Assigned Property, or to agree with any other party thereto to determine the same on such terms and conditions as the Security Agent and such party may agree.

12 Protection of Third Parties

No purchaser or other person dealing with the Security Agent or with its attorneys or agents shall be concerned to enquire (a) whether any power exercised by it or him has become exercisable, (b) whether any money remains due on the security hereby created, (c) as to the propriety or regularity of any of his, its or their actions, or (d) as to the application of any money paid to him, it or them. In the absence of bad faith on the part of such purchaser or other person, such dealings shall be deemed so far as regards the safety and protection of such purchaser or other person to be within the powers hereby conferred and to be valid accordingly. The remedy of the Borrower in respect of any impropriety or irregularity whatever in the exercise of such powers shall be in damages only.

13 Failure to Exercise

Neither the Security Agent nor any of the other Beneficiaries shall be liable in respect of any loss or damage which arises out of the exercise, or the attempted or purported exercise in good faith of, or the failure to exercise, any of its powers, unless such loss or damage is caused by its or his gross negligence, fraud or wilful default.

14 Delegation

- 14.1 The Security Agent may, at the expense of the Borrower at any time(s):-
 - 14.1.1 delegate to any person(s) all or any of its rights, powers and discretions hereunder on such terms (including power to sub-delegate) as the Security Agent sees fit; and
 - 14.1.2 employ agents, managers, employees, advisers and others on such terms as the Security Agent sees fit for any of the purposes set out herein.

15 Indemnity

- 15.1 The Borrower will indemnify the Security Agent in respect of all liabilities and expenses reasonably incurred by it in good faith in the exercise of any rights, powers or discretions vested in it pursuant hereto except to the extent sustained or incurred as a result of gross negligence, wilful misconduct or fraud.
- 15.2 Without prejudice to the Security Agent's duties at law, the Security Agent shall not be liable for any losses arising in connection with the exercise of any of its rights, powers and discretions in good faith hereunder (unless such losses are caused by its gross negligence, fraud or wilful default) and, in particular (without limitation) the Security Agent

shall not be liable to account as Security Agent in possession or for anything except actual receipts.

16 Notices

Save as otherwise expressly provided in this Assignment, every notice, request, demand or other communication under this Assignment shall be given in the same manner as is provided in clause 7 (*Notices*) of the Intercreditor Agreement.

17 Law, Jurisdiction and Other Provisions

- 17.1 This Assignment and any non-contractual obligations connected with it shall be governed by, and construed in accordance with, English law.
- 17.2 The courts of England shall have jurisdiction to determine any claim arising out of or in connection with this Assignment any non-contractual obligations connected with it.
- 17.3 This Assignment may be entered into in the form of two or more counterparts, each executed by one or more of the parties, and provided all the parties shall so execute this Assignment, each of the executed counterparts, when duly exchanged or delivered, shall be deemed to be an original but, taken together, they shall constitute one instrument.
- 17.4 Each of the provisions of this Assignment are severable and distinct from the others and if at any time one or more of such provisions is or becomes invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions of this Assignment shall not in any way be affected or impaired thereby.
- 17.5 All certificates, instruments and other documents to be delivered under or supplied in connection with this Assignment or the Relevant Documents or the Insurances shall be in the English language or shall be accompanied by a certified English translation upon which the recipient shall be entitled to rely.
- 17.6 A person who is not a party to this Assignment has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Assignment.

IN WITNESS whereof the parties hereto have caused this Assignment to be duly executed, in the case of the Borrower as its Deed, the day and year first above written.

Schedule 1
Notice and Acknowledgement of Lease Assignment

[●] 2018

To: Rolls-Royce Leasing Limited (RRL)

From: Omega Leasing (No.9) Limited (the Borrower)
Alpha Leasing (No.9) Limited (the Guarantor)
U.S. Bank National Association (the Security Agent)

We refer to the engine lease agreements (the **Leases**) dated the dates set out in the column headed "Lease Date" in the attached schedule entered into between the Borrower, the Guarantor and RRL as the lessee, whereby the Borrower and the Guarantor agreed to lease and RRL agreed to take on lease for the period and upon the terms and conditions therein mentioned the four (4) civil aircraft engines more particularly described in the attached schedule (the **Engines**).

We hereby give you notice that:

1 By:

- (a) a second assignment (the **Second Borrower Assignment**) of even date herewith between the Borrower as borrower and the Security Agent, acting through its office at 300 Delaware Avenue, 9th Floor, Wilmington, Delaware 19801, USA, the Borrower as borrower has assigned to the Security Agent all its rights, title and interest in and to, inter alia, the Collateral (as defined in the Second Borrower Assignment, receipt of a copy of which is hereby acknowledged by RRL) which includes the Leases;
- (b) a second assignment (the **Second Guarantor Assignment**) of even date herewith between the Guarantor and the Security Agent, the Guarantor as borrower has assigned to the Security Agent all of its rights, title and interest in and to, inter alia, the Collateral (as defined in the Second Guarantor Assignment, receipt of a copy of which is hereby acknowledged by RRL) which includes the Leases,

and until such time as RRL receives an Enforcement Notice from the Security Agent as referred to in paragraph 3(a) below, all moneys payable by RRL to the Borrower under the Lease shall continue to be payable to the Borrower in accordance with the provisions regulating payment thereof contained in the Lease and and, if and whenever the Security Agent gives such an Enforcement Notice to RRL, RRL is hereby irrevocably authorised and instructed to pay all monies payable to the Borrower under the Lease to the Security Agent's account at such bank and account as the Security Agent may from time to time direct;

- 2 by signing the acknowledgement below RRL acknowledges that RRL will not challenge the effectiveness of the Second Borrower Assignment and/or the Second Guarantor Assignment to confer on the Security Agent all of the Borrower's and the Guarantor's rights, title and interest in and to the Collateral; and
- 3 In consideration of payment to RRL of US\$1, receipt of which RRL acknowledges by signing below, RRL hereby agrees as follows:
 - (a) if the Security Agent issues to RRL a notice (the **Enforcement Notice**) that its rights as assignee under the Second Borrower Assignment have become enforceable, RRL shall thereafter perform, observe and comply with all RRL's undertakings and obligations under the Lease in the Security Agent's favour and

for the Security Agent's benefit as if the Security Agent were named therein as lessor;

- (b) from the date of issue of any Enforcement Notice, RRL shall not recognise the exercise by the Borrower or Guarantor of any of the Borrower's or Guarantor's rights and powers under the Leases unless and until requested to do so by the Security Agent;
 - (c) from the date of receipt of an Enforcement Notice and until notified by the Security Agent to the contrary, RRL shall pay to the Security Agent at the account described in paragraph 1 above or such other account as the Security Agent may nominate, all moneys from time to time payable by RRL to the Borrower and/or the Guarantor under the Leases;
 - (d) RRL confirms its agreement to the provisions of the Assignments;
 - (e) the Security Agent shall have the benefit of clauses 11.2 (*General Indemnity*) and 11.3 (*Tax Indemnity*) of the Master Long Term Lease Terms (as defined in the Leases) and RRL agrees that RRL is bound by the terms of such clauses, as though the same were set out herein in full (*mutatis mutandis*); and
 - (f) the Security Agent shall not have any liability to RRL for the performance of any of the Borrower's or Guarantor's obligations under the Leases; and
- 4 for the purposes of the Leases, The Royal Bank of Scotland PLC and U.S. Bank National Association are the Facility Agents, U.S. Bank National Association is the Security Agent, SMBC Leasing & Finance Inc., London Branch, Lombard North Central Plc and the Purchasers (as defined in the Note Purchase Agreement) are Banks (as such terms are defined in the Leases).

This notice and the instructions herein contained are irrevocable.

Terms and expressions defined or referred to in the Second Borrower Assignment (whether incorporated by reference to another document or otherwise) shall (unless otherwise defined herein) have the same meanings when used herein.

Please acknowledge receipt of this notice to the Security Agent and the Borrower, by signing the acknowledgement below and delivering it to the Security Agent.

Yours faithfully

OMEGA LEASING (NO.9) LIMITED

By:

Name:

Title:

U.S. BANK NATIONAL ASSOCIATION

By:

Name:

Title:

ALPHA LEASING (NO.9) LIMITED

By:

Name:

Title:

We hereby acknowledge and agree to the above

ROLLS-ROYCE LEASING LIMITED

By:

Name:

Title:

Schedule of Engines and Leases

ESN	Variant	Configuration	Configuration Standard	Build Date	Lease Date
91173	970-84	Maximum	FW57238	October 2010	2 July 2012, as amended by a lease amendment agreement dated 22 November 2016
91247	970-84	Maximum	FW57238	December 2011	24 June 2012, as amended by a lease amendment agreement dated 22 November 2016
91249	970-84	Maximum	FW57238	January 2012	23 June 2012, as amended by a lease amendment agreement dated 22 November 2016
91270	970-84	Maximum	FW57238	April 2012	24 June 2012, as amended by a lease amendment agreement dated 22 November 2016

Schedule 2
Notice and Acknowledgement of Assignment of New RR Guarantee

To: Rolls-Royce plc (Rolls-Royce)

From: Omega Leasing (No.9) Limited (the Borrower)

 Alpha Leasing (No.9) Limited (the Guarantor)

 U.S. Bank National Association (the Security Agent)

[●] 2018

Dear Sirs

The Borrower and the Guarantor hereby gives Rolls-Royce notice that pursuant to:

- (a) a second assignment of even date herewith (the **Second Borrower Assignment**), between the Borrower and the Security Agent, the Borrower has assigned to the Security Agent all of the Borrower's right, title and interest in and to, inter alia, the Collateral (as defined in the Second Borrower Assignment, receipt of a copy of which is hereby acknowledged by Rolls-Royce);
- (b) a second assignment of even date herewith (the **Second Guarantor Assignment**), between the Guarantor and the Security Agent, the Guarantor has assigned to the Security Agent all of the Guarantor's right, title and interest in and to, inter alia, the Collateral (as defined in the Second Borrower Assignment, receipt of a copy of which is hereby acknowledged by Rolls-Royce),

which both include the second guarantee entered into between Rolls-Royce, the Guarantor and the Borrower (as amended from time to time, the **New RR Guarantee**), in respect of amounts, whether of rental or otherwise, due and payable by Rolls-Royce Leasing Limited (RRL) under the lease agreements entered into between the Borrower, the Guarantor and (in each case) RRL (as amended from time to time, the **Leases**) dated with the dates, in respect of the civil aircraft engine, more particularly described in the attached schedule (the **Engines**).

Terms and expressions defined or referred to in the Second Borrower Assignment and the Second Guarantor Assignment (whether incorporated by reference to another document or otherwise) shall (unless otherwise defined herein) have the same meanings when used herein.

Until such time as Rolls-Royce receives an Enforcement Notice from the Security Agent as referred to in paragraph 1 below, all moneys payable by Rolls-Royce under the New RR Guarantee shall continue to be payable to the Borrower and/or the Guarantor in accordance with the provisions regulating payment thereof contained in the New RR Guarantee, if and whenever the Security Agent gives such an Enforcement Notice to Rolls-Royce, thereafter all monies that may be payable by Rolls-Royce under the New RR Guarantee shall be paid to the Security Agent's account at such bank and account as the Security Agent may from time to time direct (or at such other place as the Security Agent may from time to time direct) unless and until the Security Agent otherwise directs, whereupon Rolls-Royce is irrevocably authorised and required to comply with the Security Agent's directions.

By signing the acknowledgement below Rolls-Royce acknowledges that Rolls-Royce will not challenge the effectiveness of the Second Borrower Assignment and/or the Second Guarantor Security Assignment to confer on the Security Agent all of the Borrower's and the Guarantor's rights, title and interest under the New RR Guarantee.

In consideration of payment to Rolls Royce of US\$1, receipt of which Rolls-Royce hereby acknowledges by signing below, Rolls-Royce hereby agrees as follows:

- 1 if the Security Agent issues to Rolls-Royce a notice (the **Enforcement Notice**) that its rights as Security Agent under the Assignments have become enforceable, Rolls-Royce shall thereafter (a) perform, observe and comply with all Rolls-Royce's undertakings and obligations under the New RR Guarantee in the Security Agent's favour and for the Security Agent's benefit as if the Security Agent were named therein in the Borrower and the Guarantor's place and (b) if the Security Agent so requests, enter into a guarantee with the Security Agent or the Security Agent's nominee on terms identical (mutatis mutandis) to the terms of the New RR Guarantee;
- 2 after issue of any Enforcement Notice, Rolls-Royce shall not recognise the exercise by the Borrower or the Guarantor of any of the Borrower's or the Guarantor's rights and powers under the New RR Guarantee unless and until requested to do so by the Security Agent; and
- 3 from the date of receipt of an Enforcement Notice, Rolls-Royce agrees that Rolls-Royce shall pay to the Security Agent at the account described in the second paragraph above or such other account as the Security Agent may nominate, all moneys from time to time payable under the New RR Guarantee.

This notice and the instructions herein contained are irrevocable

Please acknowledge receipt of this notice, to the Security Agent, the Borrower and the Guarantor, by signing the acknowledgement below and delivering it to the Security Agent.

Yours faithfully

OMEGA LEASING (NO.9) LIMITED

By:

Name:

Title:

U.S. BANK NATIONAL ASSOCIATION

By:

Name:

Title:

We hereby acknowledge and agree to the above

ALPHA LEASING (NO.9) LIMITED

By:

Name:

Title:

ROLLS-ROYCE PLC

By:

Name:

Title:

Schedule of Engines and Leases

ESN	Variant	Configuration	Configuration Standard	Build Date	Lease Date
91173	970-84	Maximum	FW57238	October 2010	2 July 2012, as amended by a lease amendment agreement dated 22 November 2016
91247	970-84	Maximum	FW57238	December 2011	24 June 2012, as amended by a lease amendment agreement dated 22 November 2016
91249	970-84	Maximum	FW57238	January 2012	23 June 2012, as amended by a lease amendment agreement dated 22 November 2016
91270	970-84	Maximum	FW57238	April 2012	24 June 2012, as amended by a lease amendment agreement dated 22 November 2016

Schedule 3
Notice of Assignment of Insurances

To: [brokers on behalf of participating insurers and reinsurers]

Dated _____

**Rolls-Royce Trent 970-84 civil aircraft engine with engine serial numbers 91173, 91247, 91249
and 91270 or any substitute engine thereof (the Engines)**

- 1 Rolls-Royce Leasing Limited (RRL), Omega Leasing (No. 9) Limited (the **Borrower**), Alpha Leasing (No. 9) Limited (the **Guarantor**) and U.S. Bank National Association, as security agent for and on behalf of itself and certain other parties (the **Security Agent**) hereby give you notice that pursuant to:
 - (a) a security assignment dated [●] 2018 (the **Second Borrower Security Assignment**) (a copy of which is hereby provided), between the Borrower and the Security Agent, the Borrower has assigned absolutely by way of security to the Security Agent all of its rights, title, benefit and interest (present and future, actual and contingent) in, to, under and pursuant to, amongst other things, (a) the proceeds of any and all policies and contracts of insurance (other than liability insurance and reinsurance with respect thereto) taken out or in existence from time to time in respect of, or in relation to, the Engines or any part thereof (more particularly described below), and (b) all claims under, and the right to make all claims under, any and all contracts or policies of insurance (other than liability insurance and reinsurance with respect thereto) required to be maintained by RRL pursuant to the Leases in respect of, or in relation to, the Engines or any part thereof (for the avoidance of doubt, this is only an assignment of the benefits and proceeds of the insurances and does not amount to an assignment of the policies themselves) (the **Insurances**); and.
 - (b) a security assignment dated [●] 2018 (the **Second Guarantor Security Assignment**) (a copy of which is hereby provided), between the Guarantor and the Security Agent, the Guarantor has assigned absolutely by way of security to the Security Agent all of its rights, title, benefit and interest (present and future, actual and contingent) in, to, under and pursuant to, amongst other things, the Insurances.
- 2 Neither the Borrower, the Guarantor, nor the Security Agent have any operational interest in the Engines.
- 3 Where settlement of any claim (in respect of All Risks insurance and War Risks insurance) on the basis of a Total Loss of any of the Engines is to be made to or to the order of the Contract Party(ies), the Contract Party(ies) and RRL have agreed that payment shall be made to RRL.
- 4 Subject to the provision of the AVN87[B]/[C] endorsement contained in the policies, the proceeds of such insurances in respect of any loss other than a Total Loss shall be paid in accordance with the provisions of the Amended Leases unless the Amended Leases have been terminated and the Security Agent shall otherwise have given you notice that its enforcement rights under the Second Borrower Security Assignment and/or the Second Guarantor Security Assignment have become exercisable, in which event all such proceeds shall be paid to the Security Agent or its designee.
- 5 For the purposes of the foregoing paragraphs, the term **Contract Party(ies)** shall have the same meaning ascribed to such term in the latest certificate of insurance issued by you in respect of the insurances for the Engine, or, if different, those persons from time to time notified to you in writing by the Borrower or the Security Agent.
- 6 Terms and expressions defined or referred to in the Second Borrower Security Assignment and the Second Guarantor Security Assignment (whether incorporated by reference to another

document or otherwise) shall (unless otherwise defined herein) have the same meanings when used herein.

**Signature Page
Notice of Assignment of Insurances**

Signed:

.....
For and on behalf of
**OMEGA LEASING (NO.9)
LIMITED**

.....
For and on behalf of
ROLLS-ROYCE LEASING LIMITED

.....
For and on behalf of
**ALPHA LEASING (NO.9)
LIMITED**

.....
For and on behalf of
**U.S. BANK NATIONAL
ASSOCIATION**
as Security Agent

We hereby acknowledge receipt of the above Notice of Assignment of Insurances (**Notice of Assignment**) and confirm that we have not previously received any notice of any other assignment of the interest of RRL or the Borrower in the insurances referred to in the Notice of Assignment other than pursuant to a borrower security assignment dated 22 November 2016 executed by the Borrower in favour of the Security Agent and a guarantor security assignment dated 22 November 2016 executed by the Guarantor in favour of the Security Agent.

It is acknowledged for the benefit of the Contract Party(ies) that any and all proceeds of All Risks insurance and War Risks insurance in respect of the engine referred to in the Notice of Assignment shall be paid in accordance with paragraphs 3 and 4 of the Notice of Assignment.

.....
For and on behalf of:
[●]

Execution Page

Second Borrower Security Assignment

Borrower

SIGNED as a DEED and DELIVERED

by

for and on behalf of

OMEGA LEASING (NO.9) LIMITED

in the presence of:

)
)
)
)
)
)

.....

.....
Witness

Name:

Address:

Occupation:

Security Agent

SIGNED

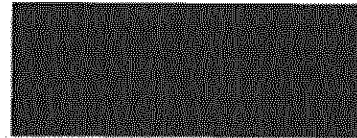
by

for and on behalf of

U.S. BANK NATIONAL ASSOCIATION

its duly authorised signatory

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Authorised Signatory