



Registration of a Charge

Company name: **PIONEER IV LIMITED**

Company number: **10921159**



X6XP71HN

Received for Electronic Filing: **15/01/2018**

Details of Charge

Date of creation: **04/01/2018**

Charge code: **1092 1159 0002**

Persons entitled: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., ACTING IN ITS CAPACITY AS NOTES COLLATERAL AGENT.**

Brief description: **LAND - SEE CLAUSE 2.1.1(A) OF THE AGREEMENT, WHICH CREATES A LEGAL MORTGAGE OVER ALL THE PROPERTY (IF ANY) NOW BELONGING TO THE CHARGOR AND SPECIFIED IN SCHEDULE 2 OF THE AGREEMENT, AND ALL MATERIAL INTERESTS IN ANY FREEHOLD PROPERTY NOW OR IN THE FUTURE BELONGING TO THE CHARGOR. TO THE EXTENT NOT CHARGED BY WAY OF LEGAL MORTGAGE, SEE CLAUSE 2.1.1(B)(I) OF THE AGREEMENT, WHICH CREATES A FIXED CHARGE OVER ALL INTERESTS IN ANY FREEHOLD PROPERTY NOW OR IN THE FUTURE BELONGING TO THE CHARGOR. INTELLECTUAL PROPERTY - SEE CLAUSE 2.1.1(B)(VI) OF THE AGREEMENT, WHICH CREATES A FIXED CHARGE OVER INTELLECTUAL PROPERTY (AS DEFINED IN THE AGREEMENT) INCLUDING BUT NOT LIMITED TO THE SPECIFIED INTELLECTUAL PROPERTY OWNED BY THE CHARGOR (INCLUDING ANY REVENUES OR OTHER INCOME ARISING THEREUNDER AND ANY CLAIMS FOR DAMAGES ARISING WITH RESPECT THERETO, WHETHER BY REASON OF INFRINGEMENT OR OTHERWISE HOWSOEVER).**

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **CLIFFORD CHANCE LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 10921159

Charge code: 1092 1159 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 4th January 2018 and created by PIONEER IV LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 15th January 2018 .

Given at Companies House, Cardiff on 17th January 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

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

CLIFFORD CHANCE LLP

CONFIDENTIAL

EXECUTION VERSION

Dated 4 JANUARY 2018

PATTONAIR GROUP LIMITED
(and others as Chargors)

and

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.
(as Notes Collateral Agent)

NOTES DEBENTURE

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Debenture

Dated 4 JANUARY 2018
~~December 2017~~

Between

- (1) **Pattonair Group Limited** registered in England with number 07525301 (the **Company**);
- (2) **The Affiliates** of the Company listed in Schedule 1 (*The Chargors*) (together with the Company and each person which becomes a party to this Deed by executing a Deed of Accession, each a **Chargor** and together the **Chargors**); and
- (3) **The Bank of New York Mellon Trust Company, N.A.**, a national banking association organised under the laws of the United States of America as collateral agent for the Secured Creditors (in such capacity, together with its successors and assigns in such capacity, the **Notes Collateral Agent**).

Recitals

- A The Chargors enter into this Deed to secure the repayment and satisfaction of the Secured Liabilities.
- B The Chargors and the Notes Collateral Agent intend that this document take effect as a deed notwithstanding that it may be executed under hand.

It is agreed:

1 Interpretation

1.1 Definitions

Book Debts means:

- (a) all book and other debts in existence from time to time (including, without limitation, any sums whatsoever owed by banks or similar institutions) both present and future, actual or contingent, due, owing to or which may become due, owing to or purchased or otherwise acquired by any **Chargor**; and
- (b) the benefit of all rights whatsoever relating to the debts referred to in (a) above including, without limitation, any related agreements, documents, rights and remedies (including, without limitation, negotiable or non-negotiable instruments, guarantees, indemnities, legal and equitable charges, reservation of proprietary rights, rights of tracing, unpaid vendor's liens and all similar connected or related rights and assets).

Charged Accounts means the bank accounts of the Chargors specified in Schedule 5 and all other accounts that are not excluded from the Collateral pursuant to the ABL Documents.

Dangerous Substance means any substance of whatever kind and form and in whatever combination capable of causing harm to any lifeform or the environment.

Deed of Accession means a deed of accession substantially in the form set out in Schedule 6.

Enforcement Event has the meaning given to that term in the Agreed Security Principles set out at schedule 1.01 of the Indenture and as defined in any Permitted Additional Pari Passu Obligations Agreement.

Environmental Law means all laws, regulations, directives, statutes and any guidance, circular or regulations issued thereunder, subordinate legislation, common law, equity, all

other international, national and local laws and all judgments, orders, instructions or awards of any court or competent authority concerning the protection of or compensation for damage to human health, the environment, or the condition, of any work place or the generation, dealing with, or disposal of any Dangerous Substance.

Environmental Licence means any consent, approval, authorisation, exemption, licence, order, permission, condition, recording, registration, variation, modification or transfer required by any Environmental Law.

Environmental Proceedings means any written claim or demand or any criminal, civil, judicial, regulatory or administrative proceedings, suit or action or other enforcement process brought or taken under any Environmental Laws (including without limitation any written claim or demand etc in respect of any Remedial Works) or any matter which would be the subject of any such written claim or demand etc but where liability has been admitted or otherwise settled or agreed.

Equipment means (save to the extent that any such items form part of such Chargor's stock in trade or are subject to any restrictions on charging or require the consent of any third party) all present and future plant, equipment, machinery, computers and computer hardware and software (whether owned or licensed), vehicles, tools, furniture and fixtures and all attachments, accessories owned by any Chargor and which are material to its business and property (other than Fixtures) now or in future relating to it or used in connection with it and replacements and substitutions for it wherever located.

Excluded Assets means:

- (a) the interest in any accounts, contracts, permits, licenses, accounts receivable, general intangibles (other than any equity interests), leasehold interests, payment intangibles, chattel paper, letter of credit rights and promissory notes if the grant of a security interest or lien therein is prohibited as a matter of law, rule or regulation or under the terms of such accounts, contract, permit, license, account receivable, general intangibles (other than any equity interests), leasehold interest, payment intangible, chattel paper, letter of credit or promissory note, in each case (i) after giving effect to applicable law (including without limitation Section 9-406, 9-407, 9-408 or 9-409 of the Uniform Commercial Code as in effect in New York) or (ii) unless any consent or waiver has been obtained that would permit the Notes Collateral Agent's security interest or lien notwithstanding the prohibition or restriction on the pledge of such contract, lease, permit, license, license agreement or other agreement);
- (b) assets sold to a person (who is not a Grantor) in compliance with the Senior Secured Note Documents;
- (c) assets owned by a Guarantor after the release of the guarantee of such Guarantor pursuant to the Senior Secured Note Documents;
- (d) equity interests in any person other than wholly owned subsidiaries to the extent a pledge thereof is not permitted by the terms of such subsidiary's organizational or joint venture document;
- (e) payroll accounts and withholding tax payments related thereto and other employee wage and benefits payments and accrued and unpaid employee compensation payments (including salaries, wages, benefits and expense reimbursements, 401(k) and other retirement plans and employee benefits payments, including rabbi trusts for deferred compensation and health care benefits payments), trust accounts, escrow accounts, and other accounts holding funds for the benefit of third parties (other than any Grantor);
- (f) any segregated deposits that constitute a Permitted Lien and are prohibited from being subject to other Liens;

- (g) capital stock of Subsidiaries engaged in securitization transactions to the extent any applicable document does not permit the pledge;
- (h) property and assets released as permitted by the Senior Secured Note Documents or the Intercreditor Agreement; and
- (i) any Excluded Land.

Excluded Land means:

- (a) any freehold property owned by a Chargor at the date of this Deed;
- (b) any leasehold property owned by a Chargor; and
- (a) any freehold property acquired by a Chargor after the date of this Deed, provided that the value (as determined by the purchase price) of such freehold property in the context of the business of the Group as a whole acquired by a Chargor does not exceed US\$5,000,000 (or its equivalent in any other currencies) in aggregate at any time.

Fixtures means all fixtures and fittings (including, without limitation, those of trade) and fixed plant and machinery on the Mortgaged Property.

Group Shares means all shares specified in Schedule 4 or in the Schedule to any Deed of Accession or, when used in relation to a particular Chargor, such of those shares as are specified against its name in Schedule 4 or in the Schedule to any Deed of Accession, together in each case with all other stocks, shares, debentures, bonds, warrants, coupons or other comparable securities and investments now or in the future owned by any or (when used in relation to a particular Chargor) that Chargor from time to time.

Indenture means the indenture dated 31 October 2017 between, among others, Pioneer Holding LLC as issuer, Pioneer Finance Corporation as co-issuer and The Bank of New York Mellon Trust Company, N.A. as trustee and notes collateral agent as amended and/or restated from time to time.

Indenture Obligations means all principal, premium, make-whole, debts, interest, penalties, fees, expenses, indemnifications, damages and other Obligations whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising (including any interest, fees and other amount which, but for the filing of a petition in bankruptcy with respect to any Grantor, would have accrued on any Indenture Obligation, whether or not such interest, fees or other amount is an allowed claim under applicable law) under any of the Senior Secured Notes Documents.

Insurances means all contracts and policies of insurance (other than those contracts and/or policies that are subject to a Restriction) taken out by a Chargor or in which any Chargor has a beneficial interest (to the extent of that interest), but excluding any third party liability or public liability insurance or any directors' and officers' insurance.

Intellectual Property means, save to the extent any such Intellectual Property is subject to a Restriction, all subsisting patents and subsisting rights of a similar nature held in any part of the world, applications for patents and such rights, divisions and continuations of such applications for patents, registered and unregistered trademarks, registered designs, utility models (in each case for their full period and all extensions and renewals of them), applications for any of them and the right to apply for any of them in any part of the world, inventions, confidential information, Know-how, business names, trade names, brand names, copyright and rights in the nature of copyright, design rights and get-up and any similar rights existing in any country; and the benefit (subject to the burden) of any and all agreements, arrangements and licences in connection with any of the foregoing including but not limited to the Specified Intellectual Property.

Intercreditor Agreement means the intercreditor agreement dated on or about the date of this Deed between the Wells Fargo Capital Finance (UK) Limited as revolving loan agent and Bank of New York Mellon Trust Company, N.A. in its capacity as Notes Agent (and acknowledged by, amongst others, the Chargors).

Know-how means all the body of knowledge, technical experience, expertise and skills, technical processes, secret processes, formulae and technical information held by any Chargor and relating to its business, which is not in the public domain.

Legal Reservations means:

- (a) The principle that equitable remedies may be granted or refused at the discretion of a court and the limitation of validity or enforcement by laws relating to bankruptcy, insolvency, liquidation, reorganisation and other laws generally affecting the rights of creditors and similar principles, rights, defences or limitations under the laws of any applicable jurisdiction;
- (b) The time barring of claims under applicable limitation laws (including the Limitation Acts), the possibility that a court may strike out a provision of a contract for rescission or oppression, undue influence or similar reason, the possibility that an undertaking to assume liability for or indemnify a person against a non-payment of UK stamp duty may be void and defences of acquiescence, set-off or counterclaim and similar principles, rights, defences or limitations under the laws of any applicable jurisdiction;
- (c) The principle that in certain circumstances Liens granted by way of fixed charge purported to be constituted by an assignment may be re-characterised as a floating charge;
- (d) The principle that any provision for the payment of compensation or additional or default interest imposed pursuant to any relevant agreement may be held to be unenforceable on the grounds that it is a penalty and thus void;
- (e) The principle that an English court may not give effect to a provision dealing with the cost of litigation (including an indemnity for legal costs) where the litigation is unsuccessful or the court itself has made an order for costs;
- (f) Any consequences of granting Liens in relation to a lease or other agreement which prohibits the granting of Liens over it or requires the consent of a landlord or other third party to such Liens;
- (g) The principle that the legality, validity, binding nature or enforceability of any Liens under a Security Document which is not governed by the laws of the jurisdiction where the asset or assets purported to be secured under that Security Document are situated may be flawed;
- (h) Similar principles, rights and defences under the laws of any regulatory jurisdiction; and
- (i) Any other matters which are set out as qualifications or reservations as to matters of law of general application in any legal opinion addressed to any of the Initial Purchasers and delivered in connection with the Senior Secured Note Documents.

Major Receivable means a Book Debt which is not a Rolls Royce Book Debt and which is for an amount of £100,000 or more.

Minor Receivable means a Book Debt which is not a Rolls Royce Book Debt and which is for an amount less than £100,000.

Mortgaged Property means any freehold property (including the Premises) the subject of the legal mortgage created by this Deed which is material in the context of the business of the Group as a whole.

Notes Priority Collateral has the meaning given in the Intercreditor Agreement.

Perfection Requirements means the making or procuring of all filings, recordings, enrolments, endorsements, registrations, notarisations, notifications, stampings and any payments associated with the foregoing.

Permitted Additional Pari Passu Obligations has the meaning given to that term in the Indenture and shall include all interest, fees and other amount which, but for the filing of a petition in bankruptcy with respect to any Grantor, would have accrued on any Permitted Additional Pari Passu Obligations, whether or not such interest, fees or other amount is an allowed claim under applicable law. Any obligations designated as Permitted Additional Pari Passu Obligations under the Security Agreement shall also be deemed as Permitted Additional Pari Passu Obligations for the purposes of this Debenture.

Permitted Additional Pari Passu Obligations Agreement means the Indenture and any credit agreement or other agreement under which any Permitted Additional Pari Passu Obligations are incurred.

Permitted Lien means any Lien which any Chargor is permitted to create or maintain under the terms of the Senior Secured Note Documents and which is not prohibited by the terms of any Permitted Additional Pari Passu Obligations Agreement.

Premises means any building on the Mortgaged Property.

Receiver means any individual or individuals (who may be an employee or employees of the Notes Collateral Agent) for the time being and from time to time appointed by the Notes Collateral Agent to be a receiver or receivers (and, where more than one individual is appointed jointly, they shall have the power to act severally, unless the Notes Collateral Agent shall specify to the contrary in their appointment) under this Deed and, where the context shall admit, any individual or individuals for the time being and from time to time so appointed in substitution, provided always that all such individuals shall be qualified under the Insolvency Act 1986 to act as a receiver of the property of any company with respect to which he is appointed or as an administrative receiver of any such company.

Regulations means the Financial Collateral Arrangements (No 2) Regulations 2003 (S.I. 2003/3226) or equivalent legislation in any applicable jurisdiction bringing into effect Directive 2002/47/EC on financial collateral arrangements, and Regulation means any of them.

Related Rights means, in relation to the Group Shares, all dividends and other distributions paid or payable after today's date on all or any of the Group Shares and all stocks, shares, securities (and the dividends or interest on them), rights or money accruing or offered at any time by way of redemption, bonus, preference, option rights or otherwise to or in respect of any of the Group Shares or in substitution or exchange for any of the Group Shares.

Remedial Works means:

- (a) any investigation, inspection, sampling or monitoring works; or
- (b) any works, steps or measures to treat, abate, remove, remedy, contain, control, manage or ameliorate the presence or actual or potential effect of any Dangerous Substance or any harm to the environment or human health or pollution of the environment.

Restriction means, in relation to any asset of a Chargor, any legal requirement, contract, lease, license or other third party arrangement which may prevent or condition that asset from being charged, would give a third party the right to terminate or otherwise amend any rights,

benefits and/or obligations with respect to any member of the Group in respect of those assets or require any member of the Group to take any action materially adverse to its interests.

Revolving Loan Priority Collateral has the meaning given in the Intercreditor Agreement.

Secured Creditors means Holders of the Notes, the Trustee, the Notes Collateral Agent and any holders of, or trustees, collateral agents or other representatives including any Receiver with respect to, Permitted Additional Pari Passu Obligations.

Security Agreement means the New York law governed security agreement dated 31 October 2017 between *inter alios* Pioneer Holding, LLC, Pioneer Finance Corporation and the Notes Collateral Agent.

Rolls Royce Book Debts means all Book Debts payable by a Rolls Royce Counterparty.

Secured Liabilities means the Indenture Obligations and the Permitted Additional Pari Passu Obligations.

Security Assets means all assets of each Chargor that are the subject of any security created by this Deed (and includes the Mortgaged Property).

Security Period means the period beginning on the date of this Deed and ending on the date on which the Secured Liabilities have been irrevocably and unconditionally satisfied in full. If any amount paid by any Chargor and/or in connection with the satisfaction of the Secured Liabilities is capable of being avoided or otherwise set aside on the liquidation or administration of such Chargor, then that amount shall not be considered to have been irrevocably paid for the purpose of this Deed.

Security Shares means the Group Shares and the Related Rights and, in the case of any Chargor, means such of the Group Shares as are held by it at the relevant time, together with all Related Rights in respect of such Group Shares.

Specified Intellectual Property means the registered Intellectual Property (if any) specified in Schedule 7 or in the Schedule to any Deed of Accession.

Trustee means The Bank of New York Mellon Trust Company, N.A. or any successor trustee under the Indenture.

1.2 Construction

1.2.1 Any reference in this Deed to:

- (a) **assets** includes present and future properties, revenues and rights of every description;
- (b) an **authorisation** means an authorisation, consent, approval, licence, resolution, filing or registration;
- (c) **indebtedness** includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
- (d) a **person** includes any person, firm, company, corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) or two or more of the foregoing;
- (e) a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;

- (f) a **receiver** includes any receiver, manager and, if the Notes Collateral Agent is permitted by law to appoint an administrative receiver, includes an administrative receiver;
- (g) a **Senior Secured Note Document** or any other agreement or instrument is a reference to that Senior Secured Note Document or other agreement or instrument as amended or novated from time to time;
- (h) a provision of law is a reference to that provision as amended or re-enacted;
- (i) words importing the singular shall include the plural and vice versa;
- (j) a charge or mortgage of any freehold property includes all Premises and Fixtures on that property, the proceeds of sale of any part of that property, and the benefit of any covenants for title (or any monies paid or payable in respect of them) given or entered into by any predecessor in title in respect of that property;
- (k) any party or person includes any permitted successor, transferee or assignee.

1.2.2 Clause and Schedule headings are for ease of reference only.

1.2.3 A Default (including an Event of Default) is **continuing** if it has not been remedied or waived.

1.2.4 Capitalised terms defined in the Indenture have the same meaning when used in this Deed unless the context requires otherwise.

1.2.5 If at any time the Company is the only Chargor the references in this Deed to **Chargors** shall, while such circumstance is continuing, be construed accordingly.

1.2.6 The terms of the other Senior Secured Note Documents and the Permitted Additional Pari Passu Obligations Agreements, and of any side letters between the parties to this Deed in relation to the Senior Secured Note Documents and the Permitted Additional Pari Passu Obligations Agreements are incorporated in this Deed to the extent required for any purported disposition of the Security Assets contained in this Deed to be a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.2.7 Each of the charges in Clause 2 over each category of the assets, each asset and each sub-category of each asset specified in such clause shall be read and construed separately, as though each such category, asset and sub-category were charged independently and separately of each other and shall apply to both present and future assets.

1.3 Intercreditor Agreement

This Deed is entered into subject to the terms of the Intercreditor Agreement. In the event of any inconsistency between the terms of this Deed and the provisions of the Intercreditor Agreement, the provisions of the Intercreditor Agreement shall prevail.

1.4 Third Party Rights

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

1.4.2 Notwithstanding any term of this Deed, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.

1.4.3 Any Secured Creditor that is not a Party may enforce and enjoy the benefit of any Clause which expressly confers rights on it, subject to clause 1.4.2 above and the provisions of Contracts (Rights of Third Parties) Act 1999.

1.5 Deposit of documents

Each Chargor covenants that:

- (a) in respect of Notes Priority Collateral, at the times and in accordance with the terms of this Deed; and
- (b) in respect of Revolving Loan Priority Collateral, as soon as reasonably practicable after the Discharge of Revolving Loan Debt has occurred and at all times during the Security Period following the Discharge of Revolving Loan Debt as soon as reasonably practicable after it receives them,

it shall deposit with the Notes Collateral Agent, in respect of or in connection with the Security Assets all deeds, certificates and other documents required to be deposited with the Notes Collateral Agent in relation to the relevant Security Assets under this Deed, all of which will be held by the Notes Collateral Agent at the expense and risk of the relevant Chargor.

2 Fixed Security

2.1.1 Each Chargor charges in favour of the Notes Collateral Agent as security for the payment of the Secured Liabilities:

- (a) by way of legal mortgage all the property (if any) now belonging to it and specified in Schedule 2 and all other material interests in any freehold property now or in the future belonging to it; and
- (b) by way of fixed charge:
 - (i) (to the extent that they are not charged by way of legal mortgage pursuant to Clause 2.1.1(a)) all interests in any freehold property now or in the future belonging to it;
 - (ii) all Equipment now or in the future belonging to it and its interest in any such Equipment in its possession now or in the future but excluding any such Equipment which is not owned by such Chargor;
 - (iii) all of its benefits, claims and returns of premiums in respect of the Insurances;
 - (iv) its goodwill and its uncalled capital both present and future;
 - (v) its rights under any hedging arrangements;
 - (vi) Intellectual Property owned by such Chargor including any revenues or other income arising thereunder and any claims for damages arising with respect thereto (whether by reason of infringement or otherwise howsoever);
- (c) by way of mortgage or, to the extent that this Deed does not take effect as a mortgage, by way of fixed charge Group Shares held now or in the future by it and/or any nominee on its behalf; and
- (d) by way of mortgage or to the extent that this Deed does not take effect as a mortgage, by way of fixed charge all the Related Rights accruing to all or any of the Group Shares held now or in the future by it and/or any nominee on its behalf,

PROVIDED THAT:

- (i) until an Enforcement Event, all dividends and other distributions paid or payable as referred to in paragraph (d) above may be paid directly to the relevant Chargor (in which case the Notes Collateral Agent or its nominee shall execute any necessary dividend mandate) and, if paid directly to the

Notes Collateral Agent or its nominee shall be paid promptly by it to the relevant Chargor; and

- (ii) until an Enforcement Event, all voting rights attaching to the relevant Group Shares may be exercised by the relevant Chargor or, where the shares have been registered in the name of the Notes Collateral Agent or its nominee, as the relevant Chargor may direct in writing, and the Notes Collateral Agent and any nominee of the Notes Collateral Agent in whose name such Group Shares are registered shall execute a form of proxy or other document reasonably required in order for the relevant Chargor to do so (such form to be in form and substance satisfactory to the Notes Collateral Agent).
- (e) by way of assignment or, to the extent that this Deed does not take effect as an assignment, by way of fixed charge all of its present and future rights, title and interest in and to:
 - (i) the Rolls Royce Book Debts, both uncollected and collected and the proceeds of the same owing to any Chargor;
 - (ii) all rights, securities and guarantees of whatsoever nature enjoyed or held by it in relation to anything in sub-paragraph 2.1.1(e)(i);
 - (iii) the Major Receivables, both uncollected and collected and the proceeds of the same owing to any Chargor;
 - (iv) all rights, securities and guarantees of whatsoever nature enjoyed or held by it in relation to anything in sub-paragraph 2.1.1(e)(iii);
 - (v) the Minor Receivables, both uncollected and collected and the proceeds of the same owing to any Chargor; and
 - (vi) all rights, securities and guarantees of whatsoever nature enjoyed or held by it in relation to anything in sub-paragraph 2.1.1(e)(v).

3 Floating Charge

3.1 Creation

Each Chargor charges by way of floating charge all its assets not otherwise effectively mortgaged or charged by way of fixed mortgage or charge under Clause 2 (*Fixed Security*).

3.2 Conversion by notice

The Notes Collateral Agent may by written notice to any Chargor convert the floating charge created by this Deed into a fixed charge in relation to all or any of such Chargor's assets specified in the notice if:

- (a) the Notes Collateral Agent has reasonable grounds for considering those assets, which are material in the context of the business as a whole, to be in jeopardy, by legal process or otherwise; or
- (b) an Enforcement Event has occurred.

3.3 No waiver

The giving by the Notes Collateral Agent of a notice pursuant to Clause 3.2 in relation to any class of any Chargor's assets, rights and property shall not be construed as a waiver or abandonment of the Notes Collateral Agent's rights to give other similar notices in respect of any other class of assets.

3.4 Insolvency Act 1986

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by Clause 3.1.

4 Nature of Security created

4.1.1 Subject in all cases to the Legal Reservations and any Permitted Lien, the Liens created under this Deed are created:

- (a) as a continuing security to secure the payment and discharge of the Secured Liabilities;
- (b) (except in the case of assets which are the subject of a legal mortgage under this Deed) over all present and future assets of the kind described which are owned by any Chargor and, to the extent that it does not own those assets, shall extend to any right or interest which it may have in them;
- (c) in favour of the Notes Collateral Agent as trustee for the Secured Creditors; and
- (d) with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

4.1.2 The Notes Collateral Agent holds the benefit of this Deed on trust for the Secured Creditors.

5 Excluded Assets

5.1.1 There shall be excluded from the charges created by Clause 2 (*Fixed Security*) any Excluded Asset of each Chargor.

5.1.2 No Chargor shall, have any obligation to investigate title, review documentation (including in relation to leases, trade receivables or inventory) or review registers, provide surveys or other insurance, environmental or other due diligence or diligence of any potentially applicable Restriction, or to identify, satisfy or remove any such Restriction, in each case prior to, or as a condition of, entering into this Deed or at any time thereafter.

5.1.3 If a consent or waiver must be obtained or a condition be satisfied (including as a result of any Restriction) in order for any Excluded Asset to be subject to the charges created by Clause 2 (*Fixed Security*), the relevant Chargor shall use commercially reasonable endeavours to obtain consent to granting security over such assets to the extent such asset is material and provided that the relevant Chargor determines that such endeavours will not involve placing commercial relationships with third parties in jeopardy, such commercially reasonable endeavours shall only be exercised for a reasonable period of time given the circumstances from such date as the Notes Collateral Agent reasonably requests such Chargor to do so (but in no event shall such time period be greater than thirty (30) Business Days, following which such commercially reasonable endeavours shall be deemed to have been used.

5.1.4 On the waiver or consent being obtained, or the condition being satisfied, the relevant Excluded Asset shall become a Security Asset which is mortgaged or charged (as appropriate) under Clause 2 (*Fixed Security*) of this Deed.

6 Representations and Warranties

6.1 Making of representations

Each Chargor makes the representations and warranties set out in this Clause 6 to the Notes Collateral Agent and the other Secured Creditors on the date of this Deed.

6.2 Title

Subject in each case to the Legal Reservations and the Perfection Requirements, the Chargors are the sole legal and beneficial owners of the Security Assets free of any Lien or third party interest of any kind (other than pursuant to or as permitted by the Senior Secured Note Documents).

6.3 Environmental Matters

Save as disclosed in writing by the relevant Chargor to the Notes Collateral Agent, each Chargor has at all times complied in all material respects with all applicable Environmental Law including the obtaining of and compliance with all requisite Environmental Licences (as varied or modified from time to time), in each case in relation to any Mortgaged Property:

- (a) as far as such Chargor is aware, no Dangerous Substance has been present, used, disposed of or otherwise dealt with at, on, in, from or under any Mortgaged Property or any Premises while within any Chargor's ownership, occupation or control in circumstances which are likely to result in any Environmental Proceedings;
- (b) as far as such Chargor is aware, no Dangerous Substance is present at, in, on or under or migrating onto or from any Mortgaged Property in circumstances which are likely to give rise to Environmental Proceedings;
- (c) no Chargor is involved in any material Environmental Proceedings and no Chargor is aware of any circumstances which are likely to give rise to such Environmental Proceedings, in each case in relation to any Mortgaged Property; and
- (d) as far as such Chargor is aware, no circumstances exist which will result in any Chargor having any requisite Environmental Licence revoked or modified or varied in a material manner in relation to any Mortgaged Property.

6.4 Mortgaged Property

- 6.4.1 The Chargor named as owner in respect of any Mortgaged Property is the legal and beneficial owner of such Mortgaged Property.
- 6.4.2 Other than as notified in writing to the Notes Collateral Agent, the Mortgaged Property is free from any agreement for lease, licence, tenancy, overriding lease or other occupational arrangement or overriding interest.
- 6.4.3 As far as each Chargor is aware and save as disclosed in writing by the relevant Chargor to the Notes Collateral Agent, there subsists no breach of any law or regulation which would affect materially the value of the Mortgaged Property.
- 6.4.4 There are no covenants, agreements, stipulations, reservations, conditions, interests, rights or other matters whatsoever which would have a material adverse effect on the Mortgaged Property so far as the Chargors are aware.
- 6.4.5 The Mortgaged Property is free from any financial encumbrance of whatsoever nature other than Permitted Liens.
- 6.4.6 Save as disclosed in writing by the relevant Chargor to the Notes Collateral Agent, no Chargor has received any notice of any material adverse claim, nor has any acknowledgement been given in respect of the ownership of the Mortgaged Property, or any interest in it.

6.5 Security

Subject to the Legal Reservations and Perfection Requirements, this Deed creates the various forms of security it purports to create and is not liable to be avoided or otherwise set aside on the liquidation or administration of any Chargor.

6.6 Security Shares

- 6.6.1 Subject to the Perfection Requirements, each Chargor is the sole beneficial owner of its Security Shares and, save where such Security Shares have been registered in the name of the Notes Collateral Agent or its nominee pursuant to this Deed and/or its nominee, is the absolute legal owner of such Security Shares subject to any disposal permitted by the Senior Secured Note Documents or the Permitted Additional Pari Passu Obligations Agreements.
- 6.6.2 Subject to the Perfection Requirements, the Group Shares are fully paid and non-assessable and neither the Group Shares nor the Related Rights are subject to any options to purchase or similar rights of any person which would adversely affect the interests of the Secured Creditors.

6.7 Specified Intellectual Property

- 6.7.1 The details of the Specified Intellectual Property appearing or referred to in Schedule 7:
- (a) are true, accurate, and complete in all material respects; and
 - (b) no Chargor is the owner of any material interest in any other registered Intellectual Property which is not identified in that Schedule other than registered Intellectual Property which has been notified to the Notes Collateral Agent in writing and equivalent security has been granted by the relevant Chargor over such Intellectual Property within 15 days of such notification.
- 6.7.2 The Chargors are the sole legal and beneficial owners of any Specified Intellectual Property referred to in Clause 6.7.1 and, as far as the Chargor is aware, there are no (i) Liens, nor (ii) any options, rights of pre-emption, licences, agreements or other third party interests of any nature, affecting any such Specified Intellectual Property, other than those which are specifically identified in Schedule 7.
- 6.7.3 As far as each Chargor is aware and save as disclosed in writing by the relevant Chargor to the Notes Collateral Agent, nothing has been done or has been omitted to be done by or with the consent of the Chargors whereby any person (including any relevant registrar or other applicable authority) might reasonably be expected successfully (i) to seek cancellation or rectification or any other modification of any registration of or application for registration, in any jurisdiction, of any Specified Intellectual Property which is registered or subject to an application for registration in such jurisdiction, or (ii) to challenge the legality or validity of any such registration or application.
- 6.7.4 Save as disclosed in writing by the relevant Chargor to the Notes Collateral Agent, no Chargor is aware of any circumstances which would entitle a third party to a licence, permission, consent or assignment of, or in respect of, any Specified Intellectual Property or other Intellectual Property right.
- 6.7.5 Save as disclosed in writing by the relevant Chargor to the Notes Collateral Agent, no Chargor is aware of any actions, claims or allegations against any third party alleging infringement of any Specified Intellectual Property excluding where any such actions, claims or allegations are frivolous or vexatious, nor of any facts, matters or circumstances which could reasonably be expected to give rise to any such action, claim or allegation.
- 6.7.6 Save as disclosed in writing by the relevant Chargor to the Notes Collateral Agent, no Chargor is aware of any pending or anticipated actions, claims, counter-claims, applications or allegations impugning the validity or enforceability of any Specified Intellectual Property or its ownership of it excluding where any such actions, claims or allegations are frivolous or vexatious, nor of any facts, matters or circumstances which could reasonably be expected to give rise to any such action, claim, counter-claim, application or allegation.
- 6.7.7 Save as disclosed in writing by the relevant Chargor to the Notes Collateral Agent, as far as each Chargor is aware, no Chargor has done or omitted to do any act in relation to any

Specified Intellectual Property which has resulted in any material breach or infringement of any third party's intellectual property rights.

7 Undertakings

7.1 Duration

The undertakings in this Clause 7 shall remain in force throughout the Security Period and are given by each Chargor.

7.2 General

7.2.1 Restrictions on dealings: No Chargor shall:

- (a) create or permit to subsist any Lien over any Security Asset other than a Lien which is a Permitted Lien; or
- (b) sell, transfer or otherwise dispose of any Security Asset, except for the disposal in the ordinary course of trade of any Security Asset subject to the floating charge created by Clause 3.1 or except as expressly provided for under the Senior Secured Note Documents.

7.3 Property

7.3.1 Environmental matters: Each Chargor shall:

- (a) as soon as reasonably practicable inform the Notes Collateral Agent:
 - (i) of any actual Environmental Proceedings or of any potential material Environmental Proceedings involving it in relation to any Mortgaged Property; and
 - (ii) upon receipt, of any communication of whatsoever nature, whether specific or general and whether from a third party or competent regulatory authority, served on it concerning any alleged breach of any Environmental Law or non-compliance with any Environmental Licence, in each case in relation to a Mortgaged Property and which, if substantiated, could have a material adverse effect upon its financial position or upon its ability to perform its obligations under this Deed;
- (b) as soon as reasonably practicable inform the Notes Collateral Agent if it becomes aware that any of the Mortgaged Property or any other property owned or occupied by any Chargor is likely to be entered on any register relating to (a) land use or (b) to Remedial Works affecting land and waters (including, without limitation, registers to be held by any competent regulatory authority under section 78R of the Environmental Protection Act 1990 or section 190 of the Water Resources Act 1991);
- (c) as soon as reasonably practicable inform the Notes Collateral Agent if it becomes aware of the presence of any Dangerous Substance in, on, at or under or migrating onto or from any Mortgaged Property or other property owned or occupied by any Chargor or of any other circumstance, event or incident which is likely to give rise to any Environmental Proceedings; and
- (d) as soon as reasonably practicable inform the Notes Collateral Agent of any actual or proposed variation, modification or revocation of any requisite Environmental Licence held by such Chargor and of any refusal to grant or transfer to the Chargor any Environmental Licence required by it in relation to a Mortgaged Property.

7.3.2 Future Acquisitions and Legal Mortgage:

- (a) Each Chargor shall:
 - (i) upon the request of the Notes Collateral Agent (such request to be limited to one per year) or within 10 Business Days of an acquisition, notify the Notes Collateral Agent of the acquisition by it of any freehold property which is not Excluded Land (and for the purposes of this Clause 7.3.2 the date of exchange of contracts for such an acquisition shall be deemed the date of acquisition); and
 - (ii) within 120 days of the date of an acquisition of the kind referred to in clause 7.3.2(a)(i), at its cost, execute and deliver to the Notes Collateral Agent a legal mortgage (on terms no more onerous than the terms of this Deed) in favour of the Notes Collateral Agent of any freehold of the kind referred to in clause 7.3.2(a)(i) above.
- (b) The provisions of this Clause 7.3.2 shall not apply to Excluded Land.

7.3.3 Covenant compliance: Each Chargor shall:

- (a) perform all material terms on its part contained in any agreement to which the Mortgaged Property is subject; and
- (b) properly perform any material covenants and material stipulations of whatsoever nature affecting the Mortgaged Property.

7.3.4 Notices: Within 10 Business Days after the receipt by a Chargor of any material application, requirement, order or notice served or given by any public, local or other authority relating to any Mortgaged Property, such Chargor shall:

- (a) deliver a copy to the Notes Collateral Agent; and
- (b) inform the Notes Collateral Agent of any steps taken or proposed to be taken by way of compliance.

7.3.5 Power to Remedy: In case of default by any Chargor in performing any material obligation or other material covenant affecting the Mortgaged Property where such default would have a materially adverse effect on the valuation of the Mortgaged Property, each Chargor shall (following reasonable notice having been given by the Notes Collateral Agent to the Chargor and the Chargor having been afforded a reasonable opportunity to remedy the default or provide evidence to the Notes Collateral Agent of any dispute relating to an alleged default) permit the Notes Collateral Agent or its agents and contractors:

- (a) to enter on the Mortgaged Property;
- (b) to comply with or object to any notice served on any Chargor relating to the Mortgaged Property; and
- (c) to take any action the Notes Collateral Agent may reasonably consider expedient to prevent or remedy any breach of any such term or to comply with or object to any such notice,

provided that nothing in this Clause 7.3.5 (or otherwise in this Deed) shall entitle the Notes Collateral Agent or its agents and contractors to any action (including any Remedial Works) relating to any notice served under or breach of any Environmental Law (including without limitation Part II A of the Environmental Protection Act 1990).

7.4 Security Shares

7.4.1 Each Chargor shall deposit with the Notes Collateral Agent or as the Notes Collateral Agent may direct all bearer instruments and share certificates in relation to such Group Shares as

are owned by it or in which it has or acquires an interest and their Related Rights and shall execute and deliver to the Notes Collateral Agent all such share transfers in order to, on an Enforcement Event, enable the Notes Collateral Agent or its nominees to be registered as the owner or otherwise to obtain a legal title to the same and, without limiting the generality of the foregoing, shall deliver to the Notes Collateral Agent as soon as reasonably practicable after the date of this Deed or the relevant Deed of Accession (unless it has already taken such action) executed (and, if required to be stamped, pre-stamped) share transfers for all such Group Shares in favour of the Notes Collateral Agent and/or its nominee(s) as transferees or, if the Notes Collateral Agent so directs, with the transferee left blank and, following an Enforcement Event, shall procure that all such share transfers are at the request of the Notes Collateral Agent promptly registered by the relevant company and that share certificates in the name of the Notes Collateral Agent and/or such nominee(s) in respect of all Group Shares are promptly delivered to the Notes Collateral Agent.

- 7.4.2 The Notes Collateral Agent and its nominee may, following an Enforcement Event, exercise or refrain from exercising (in the name of each Chargor, the registered holder or otherwise and without any further consent or authority from each Chargor and irrespective of any direction given by any Chargor) in respect of the Security Shares any voting rights and any powers or rights under the terms of the Security Shares or otherwise which may be exercised by the person or persons in whose name or names the Security Shares are registered or who is the holder thereof, including, without limitation, all the powers given to trustees by Section 10(3) and (4) of the Trustee Act 1925 as amended by Section 9 of the Trustee Investments Act 1961 in respect of securities or property subject to a trust PROVIDED THAT at all times prior to an Enforcement Event each Chargor may and shall continue to exercise any and all voting rights with respect to the Group Shares subject always to the terms of this Deed. No Chargor shall without the previous consent in writing of the Notes Collateral Agent exercise the voting rights attached to any of the Group Shares in favour of resolutions having the effect of changing the terms of the Group Shares (or any class of them) or any Related Rights in any way which would materially adversely affect the interests of the Secured Creditors. Each Chargor hereby irrevocably appoints the Notes Collateral Agent or its nominees its proxy to exercise (following an Enforcement Event and as provided in or permitted by this Deed) all voting rights so long as the Group Shares belonging to it remain registered in its name.
- 7.4.3 Each Chargor during the continuance of this security will promptly following their due date make all payments which may become due and payable in respect of any of the Security Shares and, in the event of its failure to make any such payment, the Notes Collateral Agent may if it thinks fit make such payment on behalf of each Chargor. Any sums so paid by the Notes Collateral Agent shall be repayable by the relevant Chargor to the Notes Collateral Agent on demand and pending such repayment shall constitute part of the Secured Liabilities.
- 7.4.4 It is expressly agreed that, notwithstanding anything to the contrary contained in this Deed, each Chargor shall remain liable to observe and perform all of the conditions and obligations assumed by it in respect of the Security Shares and the Notes Collateral Agent shall not be under any obligation or liability by reason of or arising out of the security over the Security Shares conferred by this Deed. The Notes Collateral Agent shall not be required in any manner to perform or fulfil any obligation of any Chargor in respect of the Security Shares, or to make any payment, or to receive any enquiry as to the nature or sufficiency of any payment received by them, or to present or file any claim or take any other action to collect or enforce the payment of any amount to which they may have been or to which they may be entitled under this Deed at any time or times.
- 7.4.5 On an Enforcement Event and at any time thereafter the Notes Collateral Agent shall be entitled to put into force and exercise immediately as and when it may see fit any and every power possessed by the Notes Collateral Agent by virtue of the security over the Security Shares conferred by this Deed or available to a secured creditor (so that Sections 93 and 103 of the Law of Property Act 1925 shall not apply to this security) and in particular (without limitation):
- (a) to sell all or any of the Security Shares in any manner permitted by law upon such terms as the Notes Collateral Agent shall in its absolute discretion determine;

- (b) to collect, recover or compromise and give a good discharge for any monies payable to any Chargor in respect of the Security Shares or in connection therewith; and
 - (c) to act generally in relation to the Security Shares in such manner as the Notes Collateral Agent acting reasonably shall determine.
- 7.4.6 Promptly following conversion of any of the Group Shares from certificated to uncertificated form, and on the creation or conversion of any other securities which are for the time being comprised in the Security Shares in or into uncertificated form, each Chargor shall give such instructions or directions as the Notes Collateral Agent may reasonably require in order to protect or preserve its security.
- 7.4.7 Each Chargor shall, as soon as reasonably practicable after receipt of any certificate or other document evidencing any entitlement to further Security Shares, deposit it with the Notes Collateral Agent together with such share transfer forms in blank and other documents as the Notes Collateral Agent may reasonably require.

7.5 Opening of Accounts and Collection of Receivables

- 7.5.1 The Chargors shall maintain the Charged Accounts and execute all deeds and documents and do all other acts and things reasonably required by the Notes Collateral Agent in connection with them and the Chargors shall maintain such accounts until the security constituted by this Deed has been discharged.
- 7.5.2 Promptly following the execution of this Deed or Deed of Accession (as applicable), each Chargor shall serve notice upon the bank at which each Charged Account is held in substantially the form set out in Schedule 3.
- 7.5.3 Until the security constituted by this Deed is discharged, no Chargor shall maintain any bank accounts which are not Charged Accounts.

7.6 Intellectual Property

- 7.6.1 Without prejudice to Clause 15, each Chargor shall at its own expense execute any document and do all assurances acts and things as the Notes Collateral Agent may reasonably require to procure that the security created by this Deed is recorded as soon as possible by the Notes Collateral Agent in either (i) each register in each jurisdiction in which any Specified Intellectual Property is registered, or (ii) the relevant supranational registry.
- 7.6.2 Without prejudice to Clause 15, if after the date of this Deed, any Chargor (i) proposes to apply to register any Specified Intellectual Property in any register in which it is not already identified as being registered in or (ii) proposes to apply to register any Intellectual Property right not existing on the date of this Deed, such Chargor shall notify the Notes Collateral Agent and, if the Notes Collateral Agent so requires and promptly notifies the Chargor, such Chargor shall ensure that application is made for the security created by this Deed to be recorded, and that any such security is recorded, at the same time as the application or registration (as the case may be) of such Intellectual Property.
- 7.6.3 Each Chargor shall use its reasonable endeavours to procure any third party consents which may be necessary to complete or to perfect the security intended to be created over the Intellectual Property pursuant to this Deed.
- 7.6.4 Subject to clause 7.6.7(b) below, each Chargor will make such registrations and pay such fees, renewal fees, registration taxes and similar amounts as are necessary to keep the Specified Intellectual Property in force.
- 7.6.5 Each Chargor will take such steps as are reasonably practicable to maintain and preserve its interests in its Specified Intellectual Property including applying to register any interests therein in any relevant register.

- 7.6.6 Each Chargor will promptly notify the Notes Collateral Agent in writing upon becoming aware of any circumstances which would make any of the representations in Clause 6.7 incorrect or misleading in any material respect if those representations were then to be repeated.
- 7.6.7 No Chargor will, without the prior written consent of the Notes Collateral Agent or as otherwise permitted under any of the Senior Secured Note Documents:
- (a) sell, transfer, license or otherwise dispose of any Specified Intellectual Property;
 - (b) permit any Specified Intellectual Property which is registered or subject to an application for registration to be abandoned or cancelled, to lapse or to be liable to any claim for abandonment for non-use or otherwise, unless such Specified Intellectual Property is no longer material to the business of the relevant Chargor, in which case it should be allowed to lapse.

7.7 Equipment

- 7.7.1 Each Chargor will promptly pay all taxes, fees, licence duties, registration charges, insurance premiums and other outgoings in respect of the Premises and the Equipment.
- 7.7.2 Each Chargor will obtain all material authorisations from time to time required for the use and operation of the Equipment and not to do or permit to be done any act or omission whereby the Equipment or the use of it would contravene regulations for the time being in force.
- 7.7.3 To the extent such loss, theft, material damage or destruction would be materially prejudicial to the interests of the Secured Creditors, each Chargor will, as soon as reasonably practicable, notify the Notes Collateral Agent of any loss, theft, material damage or destruction to the Equipment.
- 7.7.4 If an Event of Default has occurred and is continuing immediately upon request of the Notes Collateral Agent, each Chargor will give the Notes Collateral Agent such information concerning the location, condition, use and operation of the Equipment as the Notes Collateral Agent may reasonably require and to permit any persons designated by the Notes Collateral Agent during normal business hours to inspect and examine the Equipment and the records maintained in connection with it provided that each Chargor is given reasonable prior notice of such inspection.

8 When Security becomes Enforceable

The security constituted by this Deed shall become immediately enforceable and the power of sale and other powers conferred by section 101 of the Law of Property Act 1925, as varied or amended by this Deed, shall be immediately exercisable upon and at any time after an Enforcement Event after which the Notes Collateral Agent may (as instructed by the Trustee or by the holders of a majority in aggregate principal amount of the then outstanding Secured Liabilities) enforce all or any part of the security in any manner (as instructed by the Trustee or by the holders of a majority in aggregate principal amount of the then outstanding Secured Liabilities) in accordance with the Indenture and the Intercreditor Agreement.

9 Enforcement of Security

9.1 General

- 9.1.1 For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due on the date of this Deed but such powers shall only be exercisable on and from an Enforcement Event.
- 9.1.2 Section 103 of the Law of Property Act 1925 (restricting the power of sale) and section 93 of the Law of Property Act 1925 (restricting the right of consolidation) do not apply to the security constituted by this Deed.

- 9.1.3 The statutory powers of leasing conferred on the Notes Collateral Agent are extended so that, without the need to comply with any provision of section 99 or 100 of the Law of Property Act 1925, the Notes Collateral Agent is empowered to lease, make agreements for leases, accept surrenders of leases and grant options as the Notes Collateral Agent may think fit.

9.2 Agent of the Chargors

For all purposes each Receiver is deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Law of Property Act 1925. Every Receiver shall be the agent of the Chargor in respect of which he was appointed unless and until a liquidator shall be appointed of that Chargor, whereafter such Receiver shall act as principal but shall not become the agent of the Notes Collateral Agent. That Chargor alone shall be responsible for the Receiver's contracts, engagements, commissions, omissions, defaults and losses and for liabilities incurred by him. The Notes Collateral Agent shall not incur any liability of whatsoever nature (either to the Chargors or to any other person) by reason of the Notes Collateral Agent making his appointment as a Receiver or for any other reason, other than as a result of the Notes Collateral Agent or Receiver's gross negligence or wilful misconduct.

9.3 Mortgagee in Possession - No Liability

Neither the Notes Collateral Agent nor any Receiver or manager will be liable, by reason of entering into possession of a Security Asset, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might otherwise be liable, other than as a result of the Notes Collateral Agent or Receiver's gross negligence or wilful misconduct.

9.4 Privileges

Each Receiver and the Notes Collateral Agent is entitled to all the rights, powers, privileges and immunities conferred by the Law of Property Act 1925 on mortgagees and receivers when such receivers have been duly appointed under that Act, except that section 103 of that Act does not apply.

9.5 Protection of third parties

No person (including a purchaser) dealing with the Notes Collateral Agent or a Receiver or its or his agents need enquire:

- (a) whether the Secured Liabilities have become payable; or
- (b) whether any power purported to be exercised has become exercisable; or
- (c) whether any money remains due; or
- (d) how any money paid to the Notes Collateral Agent or to the Receiver is to be applied.

9.6 Contingencies

If the security constituted by this Deed is enforced at a time when no amount is due under the Senior Secured Note Documents but at a time when amounts may or will become due, the Notes Collateral Agent may pay the proceeds of any recoveries effected by it into a suspense account.

9.7 Redemption of prior Mortgages

At any time after the occurrence of an Enforcement Event, the Notes Collateral Agent or any Receiver may, in the case of the Notes Collateral Agent at the sole cost of the Chargors (payable to the Notes Collateral Agent on demand) and in the case of a Receiver as an expense of the Receiver's receivership:

- (a) redeem any interest by way of security for the time being and from time to time ranking in point of security in priority to any of the security constituted by this Deed; and/or
- (b) (in the case of a redemption by the Notes Collateral Agent) procure the transfer of that interest by way of security to itself; and/or
- (c) settle and pass the accounts of any prior mortgagee, chargee or encumbrancer which once so settled and passed shall be conclusive and binding on the Chargor.

9.8 Financial Collateral

- 9.8.1 At any time after an Enforcement Event, the Notes Collateral Agent or any Receiver may to the extent that any Security Asset constitutes Financial Collateral, as defined in the Regulations, appropriate it and transfer the title in and to it to the Notes Collateral Agent or its nominee insofar as not already transferred, subject to paragraphs (1) and (2) of Regulation 18.
- 9.8.2 The Notes Collateral Agent shall promptly attribute a value to the appropriated financial security as determined (i) by reference to the relevant public quoted index reflecting the right to effect an immediate sale thereof on a recognised stock exchange at such price on such date of valuation (if applicable) or (ii) by a fair valuation opinion provided by an independent reputable internationally recognised third party professional firm of advisors and, in any event, attributed in a commercially reasonable manner.
- 9.8.3 Where the Notes Collateral Agent exercises its rights of appropriation and the value of the financial collateral appropriated in accordance with this Clause 9.7.3 differs from the amount of the Security Asset, either:
 - (a) the Notes Collateral Agent must account to the relevant Chargor promptly upon the determination of such value for the amount by which the value of the appropriated financial collateral exceeds the Security Asset; or
 - (b) the relevant Chargor will remain liable to the Notes Collateral Agent for any amount whereby the value of the appropriated financial collateral is less than the Security Asset.

10 Receiver

10.1 Appointment of Receiver

At any time after the occurrence of an Enforcement Event, or, at any time if so requested by any Chargor in writing, the Notes Collateral Agent may (but shall not be obliged) without further notice (and whether or not the relevant Chargor shall have been accorded sufficient or any time in which to satisfy any relevant indebtedness) from time to time, and notwithstanding that, if such be the case, one or more than one Receiver shall have been appointed in respect of all or any of the Security Assets pursuant to this Clause 10.1 and not removed from such Security Assets, appoint in writing, under the hand of any manager of the Notes Collateral Agent, a Receiver of the Security Assets or any of them and, where so requested by a Chargor, whether or not those Security Assets shall belong to that Chargor.

10.2 Relationship with the Notes Collateral Agent

To the fullest extent permitted by law, any right, power or discretion conferred by this Deed (be it express or implied) upon a Receiver of any Security Assets may, after the occurrence of an Enforcement Event, be exercised by the Notes Collateral Agent in relation to any Security Asset either:

- (a) without first appointing a Receiver; or
- (b) notwithstanding the appointment of a Receiver.

10.3 Removal

The Notes Collateral Agent may by writing under its hand (subject to Section 45 of the Insolvency Act 1986 (any requirement for an order of the court in the case of an administrative receiver)):

- (a) remove any Receiver appointed by it; and
- (b) whenever it deems it necessary or desirable, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

10.4 Remuneration

The Notes Collateral Agent may, from time to time, fix the remuneration of any Receiver and direct payment of the same out of monies accruing to him in the exercise of his powers, authorities and discretions by or pursuant to this Deed, but the Chargor in respect of which any Receiver shall have been appointed shall alone be liable for the payment of that remuneration.

11 Powers of Receiver

11.1 General

- 11.1.1 In addition to those conferred by the Law of Property Act 1925 on any receiver appointed under that Act, each Receiver has, and is entitled to exercise, all of the rights, powers and discretions set out in this Deed. The powers, authorities and discretions conferred by or pursuant to this Deed in relation to the Security Assets on the Notes Collateral Agent or any Receiver shall be in addition to, and not in substitution for, the powers conferred on mortgagees or receivers under the Law of Property Act 1925, and, where there is any ambiguity or conflict between the powers, authorities and discretions contained in that Act and those conferred by or pursuant to this Deed, the terms of this Deed shall prevail.
- 11.1.2 If there is more than one Receiver holding office at the same time, unless the document appointing him states otherwise, each Receiver may exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receivers.
- 11.1.3 A Receiver who is an administrative receiver of a Chargor has all the rights, powers and discretions of an administrative receiver under the Insolvency Act 1986.
- 11.1.4 A Receiver may, in the name of the relevant Chargor if he so wishes:
 - (a) do all other acts and things which he may consider necessary or desirable for realising any Security Asset or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed; and
 - (b) do and exercise in relation to any Security Asset all the powers, authorities and things which he would be capable of exercising as if he were its absolute beneficial owner.

11.2 Borrow and Lend Money

A Receiver may raise and borrow money (either unsecured or on the security of any Security Asset, either in priority to, pari passu with, or subsequent to, the security constituted by this Deed or otherwise) and may lend money either with or without security in the case of either borrowing or lending money on any other terms and for whatever purpose which he thinks fit. No person lending that money need enquire as to the propriety or purpose of the exercise of that power or to check the application of any money so raised or borrowed.

11.3 Carry on Business

A Receiver may carry on, manage or concur in the carrying on or managing of, the business

for the time being and from time to time of the relevant Chargor in such manner as he may think fit, including, without limitation, power to perform, repudiate, rescind, compromise, amend or vary any contract, instrument or agreement to which the relevant Chargor shall for the time being and from time to time be a party.

11.4 Compromise

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of the relevant Chargor or relating in any way to any Security Asset.

11.5 Employees

Either in connection with any exercise by the Receiver of his powers by or pursuant to this Deed or otherwise for any purpose connected with any of the Security Assets, a Receiver may appoint and discharge managers, officers, agents, accountants, servants, workmen and others upon such terms as to remuneration or otherwise as he may think proper.

11.6 Leases

A Receiver may grant, or concur in the grant of, any leases or licences of any Security Asset for any term on any terms which he thinks fit (including, without limitation, at a rent or fee with or without a premium) and may accept a surrender of any lease or licence of any Security Asset on any terms which he thinks fit (including, without limitation, the payment of money to a lessee or licensee on a surrender).

11.7 Legal actions

A Receiver may bring, prosecute, enforce, defend and abandon all actions, suits and proceedings to the relevant Chargor or its Security Assets as he thinks fit.

11.8 Possession

A Receiver may take immediate possession of, get in, and/or collect the Security Assets of the Chargor and, for that purpose, to enter upon its property or any other premises at which its Security Assets are for the time being and from time to time located and sever, dismantle or remove the same or any fixtures for the time being and from time to time therefrom without being liable for any loss or damage thereby occasioned.

11.9 Protection of Assets

A Receiver may, in each case as he may think fit:

- (a) make and effect, and concur in the making and effecting of, all repairs, maintenance, decoration, provision of all services (including, without limitation, lighting, heating and cleansing) structural and other alterations, improvements, additions and development in or to the Security Assets and do anything else in connection with the Security Assets which he may think fit or which he may deem proper for the efficient use or management of the Security Assets, as well as for the protection as for the improvement of the Security Assets or for the protection of the security hereby constituted;
- (b) commence and/or complete any building operations on the Mortgaged Property or other Security Asset;
- (c) apply for and maintain any planning permission, building regulation, approval or any other permission, consent or licence in relation to the Security Assets; and
- (d) effect and maintain insurances in respect of the Security Assets.

11.10 Receipts

A Receiver may give valid receipts for all monies and execute all deeds or documents (including, without limitation, with full power to convey any assets sold in the name of the relevant Chargor) as may be necessary or appropriate in the name of, or on behalf of the relevant Chargor for the purpose of exercising any of the powers, authorities and discretions conferred on the Receiver by or pursuant to this Deed and to use the name of the relevant Chargor for all or any of such powers, authorities and discretions, for which purpose the relevant Chargor hereby irrevocably appoints every such Receiver to be its attorney.

11.11 Sale of assets

A Receiver may sell, exchange, convert into money and realise any Security Asset by public auction, tender or private treaty in any manner and on any terms and with or without such advertisement and in such lot or lots and together or separately as the Receiver thinks fit. The consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over such period as the Receiver thinks fit. Fixtures may be severed and sold separately from the property containing them without the consent of the Chargor.

11.12 Subsidiaries

A Receiver may promote the formation of a or purchase a newly formed, or concur in the promotion of the formation of a or purchase a newly formed, subsidiary and/or subsidiaries of any Chargor with a view to the same purchasing, leasing, licensing or otherwise acquiring all or any of the assets of that Chargor and the Receiver may sell, lease, license or otherwise dispose all or any of the assets of that Chargor to such subsidiary or subsidiaries on such terms as he shall think fit.

11.13 Exercise of Rights

A Receiver may exercise or permit the relevant Chargor or any nominee of the relevant Chargor to exercise any powers or rights incidental to the ownership of its Security Assets in such manner as the Receiver may think fit and, in particular (as regards any shares, stock or other securities for the time being and from time to time included in its Security Assets), any rights for the time being and from time to time attached thereto.

11.14 Uncalled capital

A Receiver may call up all or any portion of any uncalled capital of a Chargor.

11.15 Professional advice

A Receiver may appoint a solicitor or accountant or other professionally qualified person to advise or assist it in the exercise of any of the powers, authorities and discretions by or pursuant to these presents or otherwise for any purpose connected with its Security Assets, and may discharge any such person.

11.16 Seal

A Receiver may use a Chargor's seal.

11.17 Intellectual Property

A Receiver may in respect of any Intellectual Property:

- (a) make such registrations and pay such fees, renewal fees, registration taxes and similar amounts as he thinks fit to keep such Intellectual Property in force;

- (b) take such steps as he thinks fit (including, without limitation, the institution of legal proceedings and the incurring of advertising expenditure) to police such Intellectual Property in any territory and to prevent third parties infringing it and otherwise to maintain and preserve its value; and
- (c) if he thinks fit, abandon or cancel such Intellectual Property or permit its registration (or application for registration) in any jurisdiction to lapse or to permit it to become liable to a claim for abandonment for non-use or otherwise.

12 Application of Proceeds

Any monies received by the Notes Collateral Agent or any Receiver after this Deed has become enforceable shall be applied in the order and manner specified at section 20 of the Security Agreement.

13 Expenses and Indemnity

- 13.1.1 Promptly following any written demand by the Notes Collateral Agent, each Chargor shall pay all other costs and expenses (including legal fees, stamp or registration taxes, losses from currency exchanges and VAT) incurred from time to time in connection with the enforcement of or preservation of rights under this Deed by each Secured Creditor, or any Receiver, attorney, manager, agent or other person appointed by the Notes Collateral Agent under this Deed or by statute, and keep each of them indemnified against any failure or delay in paying the same.
- 13.1.2 This Clause 13 shall survive the termination or discharge of this Deed and the resignation or removal of the Notes Collateral Agent for any reason whatsoever.

14 Delegation

The Notes Collateral Agent and any Receiver may, for the time being and from time to time, delegate by power of attorney or in any other manner (including, without limitation, under the hand of any manager of the Notes Collateral Agent) to any person any right, power or discretion exercisable by the Notes Collateral Agent or such Receiver (as the case may be) under this Deed. Any such delegation may be made upon the terms (including, without limitation, power to sub-delegate) and subject to any regulations which the Notes Collateral Agent or such Receiver (as the case may be) may think fit. Neither the Notes Collateral Agent nor any Receiver will be in any way liable or responsible to any Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any such delegate or sub-delegate or in any way liable or responsible for supervising or monitoring the performance of such delegate or sub-delegate.

15 Further Assurances

15.1 General

Subject to the Agreed Security Principles, each Chargor shall, at its own expense, execute and do all such acts, deeds and things (including, without limitation, payment of all stamp duties and registration fees) the Notes Collateral Agent or a Receiver may require for:

- (a) perfecting or protecting the security intended to be created by this Deed over any Security Asset; and
- (b) after the occurrence of an Enforcement Event, facilitating the realisation of any Security Asset or the exercise of any right, power or discretion exercisable, by the Notes Collateral Agent or any Receiver in respect of any Security Asset, including, without limitation, the execution of any transfer, conveyance, assignment or assurance of any property whether to the Notes Collateral Agent or to its nominees, and the giving of any notice, order or direction and the making of any registration, which in any such case, the Notes Collateral Agent may think necessary and in each case in a

manner which is consistent with the remaining provisions of this Deed and, in the case of any document required to be executed under this Clause 15.1, containing clauses corresponding to and which are on terms no more onerous than the provisions of this Deed.

15.2 Further Subsidiaries

Each Chargor undertakes to ensure that each company which satisfies the criteria set out in paragraphs (a), (b) or (c) of section 4.16 (*Future Guarantees*) of the Indenture after the date of this Deed shall as soon as reasonably practicable, and in any case within the timeframe required by section 4.16 (*Future Guarantees*) of the Indenture, execute a Deed of Accession in substantially the form set out in Schedule 6 (subject to such amendments as may be required in accordance with the Agreed Security Principles) and such company shall on the date which such Deed of Accession is executed by it become a party to this Deed in the capacity of a Chargor and this Deed shall be read and construed for all purposes as if such company had been an original party to this Deed as a Chargor (but for the avoidance of doubt the security created by such company shall be created on the date of the Deed of Accession).

- 15.2.1 The Notes Collateral Agent may specify any amendments or changes to the form or manner in which any such new Chargor gives such security (including an acceptance of a limit on the liability of such new Chargor) which in the opinion of the Notes Collateral Agent is necessary in order that such security may lawfully be given.
- 15.2.2 The Company shall procure that all registrations or other steps necessary to perfect any security created by a Deed of Accession are completed as soon as is practicable after its execution and in any event within any applicable time limit.
- 15.2.3 Each Chargor (other than the Company) by its execution of this Deed or any Deed of Accession, irrevocably appoints the Company to execute on its behalf any Deed of Accession without further reference to or the consent of such Chargor and such Chargor shall be bound by any such Deed of Accession as if it had itself executed such Deed of Accession.

16 Power of Attorney

Each Chargor, by way of security, irrevocably and severally appoints the Notes Collateral Agent, each Receiver and any of their delegates or sub-delegates to be its attorney and on its behalf and in its name or otherwise to, following an Enforcement Event, execute and do all such acts, deeds and things which such Chargor is obliged to take under this Deed and generally, on its behalf and in its name, to exercise all or any of the powers, authorities and discretions conferred by or pursuant to this Deed on the Notes Collateral Agent or any Receiver. Each Chargor hereby ratifies and confirms and agrees to ratify and confirm whatever any attorney does or purports to do pursuant to its appointment under this Clause 16.

17 Continuing Security

17.1 Additional Security

The security constituted by this Deed is in addition to and is not in any way prejudiced by any other security now or subsequently held by the Notes Collateral Agent or the Secured Creditors for any of the Secured Liabilities.

17.2 Continuing Security

The security constituted by this Deed is continuing and will extend to the ultimate balance of all the Secured Liabilities, regardless of any intermediate payment or discharge in whole or in part.

17.3 Reinstatement

If any payment by a Chargor or any discharge given by any Secured Creditor (whether in respect of the obligations of any Grantor or any security for those obligations or otherwise) is avoided or reduced as a result of insolvency or any similar event:

- (a) the liability of each Chargor shall continue as if the payment, discharge, avoidance or reduction had not occurred; and
- (b) the Secured Creditors shall be entitled to recover the value or amount of that security or payment from each Chargor, as if the payment, discharge, avoidance or reduction had not occurred.

17.4 Waiver of defences

The obligations of each Chargor under this Deed will not be affected by an act, omission, matter or thing which, but for this Clause 17.4, would reduce, release or prejudice any of its obligations under this Deed (without limitation and whether or not known to it or any Secured Creditor) including:

- (a) any time, waiver or consent granted to, or composition with, any Grantor or other person;
- (b) the release of any other Grantor or any other person under the terms of any composition or arrangement with any creditor of any Grantor or any other person;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Grantor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (d) any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (e) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of a Grantor or any other person;
- (f) any amendment (however fundamental) or replacement of a Senior Secured Note Document, Permitted Additional Pari Passu Obligations Agreement or any other document or security;
- (g) any unenforceability, illegality or invalidity of any obligation of any person under any Senior Secured Note Document, Permitted Additional Pari Passu Obligations Agreement or any other document or security; or
- (h) any insolvency or similar proceedings.

17.5 Chargor intent

Without prejudice to the generality of Clause 17.4, each Chargor expressly confirms that it intends that the security created by this Deed shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Senior Secured Note Documents or Permitted Additional Pari Passu Obligations Agreements and/or amount made available under any of the Senior Secured Note Documents or Permitted Additional Pari Passu Obligations Agreements.

17.6 Immediate recourse

Each Chargor waives any right it may have of first requiring any Secured Creditor (or any

trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before enforcing the security constituted by this Deed. This waiver applies irrespective of any law or any provision of a Senior Secured Note Document or Permitted Additional Pari Passu Obligations Agreement to the contrary.

17.7 Appropriations

Until all the Secured Liabilities have been irrevocably paid in full, the Secured Creditors (or any trustee or agent on their behalf) may:

- (a) refrain from applying or enforcing any other monies, security or rights held or received by the Notes Collateral Agent (or any trustee or agent on its behalf) in respect of the Secured Liabilities, or apply and enforce the same in such manner and order as it sees fit (whether against the Secured Liabilities or otherwise) and no Chargor shall be entitled to the benefit of the same; and
- (b) hold in an interest-bearing suspense account any monies received from any Chargor or on account of any Chargor's liability in respect of the Secured Liabilities.

17.8 Deferral of Chargors' rights

Until all the Secured Liabilities have been irrevocably paid in full and unless the Notes Collateral Agent otherwise directs, no Chargor will exercise any rights which it may have by reason of performance by it of its obligations under the Senior Secured Note Documents or Permitted Additional Pari Passu Obligations Agreements:

- (a) to be indemnified by a Grantor;
- (b) to claim any contribution from any other guarantor of any Grantor's obligations under the Senior Secured Note Documents;
- (c) to claim as a creditor in any insolvency of a Grantor in competition with any Secured Creditor; and/or
- (d) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any of the Secured Creditors' rights under the Senior Secured Note Documents or of any other guarantee or security taken pursuant to, or in connection with, the Senior Secured Note Documents by the Secured Creditors.

18 Miscellaneous

18.1 Continuing security

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

18.2 Covenant to pay

Each Chargor shall pay or discharge the Secured Liabilities in the manner provided for in any document creating or evidencing the Secured Liabilities and/or otherwise as agreed from time to time.

18.3 H.M. Land Registry

- (a) Subject to paragraph (b) below, each Chargor shall, following the date of the relevant legal mortgage entered into pursuant to clause 7.3.2(a)(ii), apply to the Chief Land Registrar for a registration in the following terms to be entered on the Register of Title relating to any property registered at H.M. Land Registry in its name and against which a legal mortgage may be registered pursuant to this Deed:

- (i) a restriction in the following terms:

"No disposition of the registered estate by the proprietor of the registered estate, or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated [●] in favour of The Bank of New York Mellon Trust Company, N.A. referred to in the charges register or their conveyancer"; and

- (ii) a notice that the Initial Purchasers are under an obligation to make further funds available on the terms and subject to the conditions of the Senior Secured Note Documents.

- (b) The Notes Collateral Agent hereby acknowledges and agrees that it will not seek to register (or procure that a Chargor registers) the charges created by this Deed over Excluded Land with the Land Registry or the Central Land Charges Registry or any other land registry.

18.4 New Accounts

If any Secured Creditor receives, or is deemed to be affected by, notice, whether actual or constructive, of any subsequent charge or other interest affecting any Security Asset and/or the proceeds of sale of any Security Asset, such Secured Creditor may open a new account for any Chargor. If the relevant Secured Creditor does not open a new account, it shall nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice. As from that time all payments made to such Secured Creditor will be credited or be treated as having been credited to the new account and will not operate to reduce any amount for which this Deed is security.

18.5 Tacking

Each Initial Purchaser (by the Notes Collateral Agent's execution of this Deed) covenants with each Chargor that it shall perform its obligations under any document creating or evidencing the Secured Liabilities.

18.6 Invalidity

If, at any time, any provision of this Deed is or becomes invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions will not in any way be affected or impaired.

19 Release

19.1 Expiry of Security Period

Release of the Security Assets from the security constituted by this Deed shall be subject to and carried out in accordance with the terms of the Intercreditor Agreement provided that all fees and expenses including any legal fees shall be at the cost of the Chargors.

19.2 Permitted Disposals

On a disposal of any Security Asset which is permitted under the Senior Secured Note Documents, the Notes Collateral Agent shall (at the cost of the relevant Chargor) execute a release of that Security Asset and/or reassign the benefit of the relevant Security Asset to the relevant Chargor.

20 Rights and Remedies

The rights of the Secured Creditors under this Deed are cumulative, may be exercised as often as considered appropriate and are in addition to the general law. Such rights (whether

arising hereunder or under the general law) shall not be capable of being waived or varied otherwise than by an express waiver or variation in writing and, in particular, any failure to exercise or delay in exercising any of such rights shall not operate as a waiver or variation of that or any other such right, any defective or partial exercise of any such rights shall not preclude any other or further exercise of that or any other such right, and no act or course of conduct or negotiation by any Secured Creditor or on its behalf shall in any way preclude it from exercising any such right or constitute a suspension or any variation of any such right.

21 Rights of the Notes Collateral Agent

21.1 Rights of the Notes Collateral Agent cumulative

The Notes Collateral Agent executes this Deed in the exercise of the powers and authority conferred and vested in it under the Indenture and the Intercreditor Agreement for and on behalf of the Secured Creditors for whom it acts. It will exercise its powers and authority under this Deed in the manner provided for in the Indenture and the Intercreditor Agreement and, in so acting, the Notes Collateral Agent shall (without prejudice to any other protections, immunities, rights, powers, authorisations, indemnities and benefits conferred on it under this Deed or any of the other Senior Secured Note Documents) have the protections, immunities, rights, powers, authorisations, indemnities and benefits conferred on it under and by the Indenture, the Intercreditor Agreement and the other Senior Secured Note Documents.

21.2 No fiduciary duties to Chargor

The Notes Collateral Agent shall not owe any fiduciary duties to the Chargor or any of its directors, employees, agents or affiliates.

21.3 Notes Collateral Agent not responsible for Perfection Requirements

The Notes Collateral Agent shall not be responsible for the satisfaction of any Perfection Requirements or the adequacy, sufficiency or validity, priority, maintenance, continuation of any security or the accuracy of any required filings.

22 Notices

22.1 Delivery and Receipt

22.1.1 Any communications to be made under or in connection with this Deed shall be made in writing, may be made by letter or facsimile and shall be deemed to be given as follows:

(a) if by way of letter, when it has been left at the relevant address or two Business Days after being deposited in the post with postage prepaid in an envelope addressed to it at that address; and

(b) if by facsimile, when received in legible form,

save that any notice delivered or received on a non-Business Day or after business hours shall be deemed to be given on the next Business Day at the place of delivery or receipt.

22.1.2 Any communication or document made or delivered to the Company in accordance with this Clause 22.1.2 will be deemed to have been made or delivered to each of the Chargors.

22.2 Addresses

22.2.1 The Company's and each other Chargor's address and facsimile number for notices are such as the Company may notify to the Notes Collateral Agent by not less than five Business Days' notice.

22.2.2 The Notes Collateral Agent's address and facsimile number for notices are:

Address: 2 N. LaSalle Street, Suite 7000, Chicago, IL, 60602

For the attention of: Corporate Trust Administration

or such as the Notes Collateral Agent may notify to the Company by not less than five Business Days' notice.

23 Governing Law and Jurisdiction

23.1 Governing Law

This Deed is governed by English law.

23.2 Jurisdiction

- 23.2.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed) (a **Dispute**).
- 23.2.2 The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary.
- 23.2.3 This Clause 23.2 is for the benefit of the Secured Creditors only. As a result, no Secured Creditor shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, a Secured Creditor may take concurrent proceedings in any number of jurisdictions.

23.3 Amendments

- 23.3.1 No amendment of any provision of this Deed shall be effective unless the same shall be in writing and signed by the Notes Collateral Agent with any consent of Secured Creditors required by the Indenture or hereunder and each Permitted Additional Pari Passu Obligations Agreement and each Grantor to which such amendment applies.

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

Schedule 1– The Chargors

Name of Chorgor	Registration number (or equivalent, if any)
Pattonair Group Limited	07525301
Pattonair (Derby) Limited	03872238
Pattonair Limited	00974964
Pattonair UK Limited	07603042
Pattonair Europe Limited	07621385
Orchard House Limited	01644786
Pattonair Properties Limited	05901146
Pioneer IV Limited	10921159
Pioneer V Limited	10998173
Pattonair Holdings Limited	07525433
Quicksilver Midco Limited	07525408
Quicksilver Dollar Loanco Limited	07703661
Quicksilver Euro Loanco Limited	07703694
Pattonair (Wolverhampton) Limited	05538859
Aviation Supplies Co. Limited	02630697

Schedule 2– Mortgaged Property

None at the date of this Deed

Schedule 3– Form of Notice and Acknowledgment to Account Banks

Charged Account Notice

[On Headed Notepaper of relevant Chargor]

[Date]

[Bank]

[Branch]

Attention: []

Dear Sirs,

We hereby give you notice that pursuant to a Debenture dated ●, we have charged to The Bank of New York Mellon Trust Company, N.A. as Notes Collateral Agent for itself and others (the **Notes Collateral Agent**) by way of second ranking floating charge all our rights, title, interest and benefit in and to the following account(s) held with yourselves and all amounts standing to the credit of such account from time to time:

Account No. ●, sort code ●●-●●-●●

Account No. ●, sort code ●●-●●-●●

[Repeat as necessary]

Please acknowledge receipt of this letter by promptly returning a copy of your account operating letter on your own headed notepaper, to The Bank of New York Mellon Trust Company, N.A. at 2 N. LaSalle Street, Suite 7000, Chicago, IL, 60602, Attention: Corporate Trust Administration.

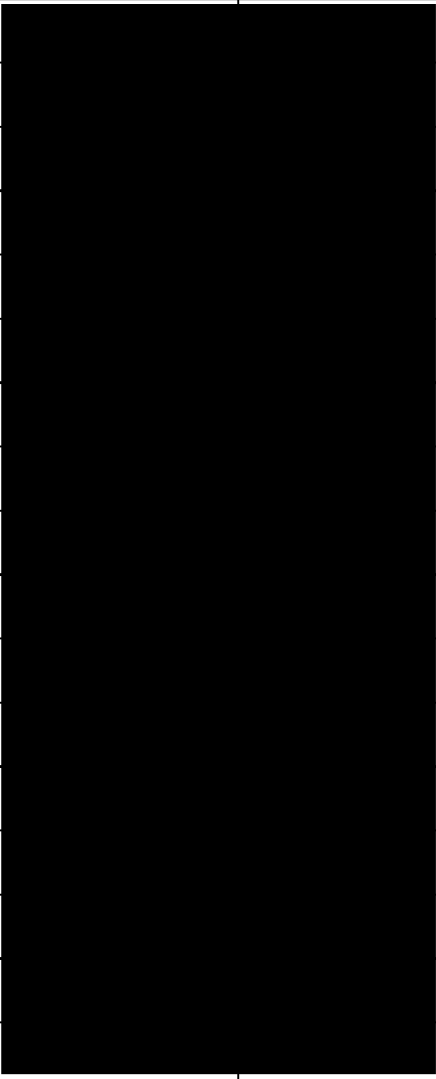
Yours faithfully

.....
for and on behalf of
[the relevant Chargor]

Schedule 4 – Group Shares

Chargor	Company in which Shares are held	Type of Share	Number of Shares	Value of each Share
Orchard House Limited	Pattonair Limited	7% Preference	39,000	£1
Orchard House Limited	Pattonair Limited	Ordinary	39,000	£1
Pattonair UK Limited	Pattonair Properties Limited	Ordinary	2	£1
Pattonair UK Limited	Pattonair (Derby) Limited	Ordinary	2	£1
Pattonair UK Limited	Orchard House Limited	Ordinary	140,000	£1
Pattonair Group Limited	Pattonair UK Limited	Ordinary	1,931,922	£1
Pattonair Group Limited	Pattonair Europe Limited	Ordinary	2	£1
Pioneer IV Limited	Pioneer V Limited	Ordinary	1	£1
Pioneer IV Limited	Pattonair Holdings Limited	A Ordinary	1,600,000	£0.01
Pioneer IV Limited	Pattonair Holdings Limited	B1 Ordinary	399,956	£0.20
Pioneer IV Limited	Pattonair Holdings Limited	B2 Ordinary	44	£0.20
Pattonair Holdings Limited	Quicksilver Midco Limited	Ordinary	2,040,607	£1
Quicksilver Midco Limited	Pattonair Group Limited	Ordinary	77,013,373	£1
Pattonair Group Limited	Quicksilver Dollar Loanco Limited	Ordinary	7,926,004	£1
Pattonair Group Limited	Quicksilver Euro Loanco Limited	Ordinary	6,453,839	£1
Pattonair UK Limited	Pattonair (Wolverhampton) Limited	Ordinary	2	£1
Pattonair Limited	Aviation Supplies Co. Limited	Ordinary	2	£1
Pattonair Limited	Aviation Supplies Co. Limited	Preference	500,000	£0.10

Schedule 5 – Charged Accounts

Chargor	Bank	Account Number	Sort Code
Pattonair (Derby) Limited	Lloyds Bank plc		
Pattonair (Derby) Limited	Lloyds Bank plc		
Pattonair (Derby) Limited	Lloyds Bank plc		
Pattonair (Derby) Limited	Lloyds Bank plc		
Pattonair (Derby) Limited	Lloyds Bank plc		
Pattonair (Derby) Limited	Lloyds Bank plc		
Pattonair (Derby) Limited	Lloyds Bank plc		
Pattonair (Derby) Limited	Lloyds Bank plc		
Pattonair Limited	Lloyds Bank plc		
Pattonair Limited	Lloyds Bank plc		
Pattonair Limited	Lloyds Bank plc		
Pattonair Limited	Lloyds Bank plc		
Pattonair Limited	Lloyds Bank plc		
Pattonair Limited	Lloyds Bank plc		
Pattonair Group Limited	Lloyds Bank plc		
Pattonair Group Limited	Lloyds Bank plc		
Pattonair Group Limited	Lloyds Bank plc		
Quicksilver Midco Limited	Lloyds Bank plc		

Schedule 6 – Deed of Accession

Deed of Accession

Dated

Between

- (1) **● Limited** (the **New Chargor**) [registered in England with number ** whose registered office is at **][a corporation organised and existing under the laws of ** whose principal place of business is at **][of **];
- (2) ** (**Company**) [registered in England with number ** whose registered office is at **] [for itself and as agent for and on behalf of each of the other Chargors presently party to the Debenture (as defined below)]; and
- (3) **The Bank of New York Mellon Trust Company, N.A.** a national banking association organised under the laws of the United States of America as trustee for the Secured Creditors (the **Notes Collateral Agent**).

Recitals

- A The Company entered into a deed of debenture dated ● (as supplemented and amended from time to time, the **Debenture**) in favour of the Notes Collateral Agent.
- B The New Chargor has at the request of the Company and after giving due consideration to the terms and conditions of the Senior Secured Note Documents and the Debenture and satisfying itself that there are reasonable grounds for believing that the entry into this Deed by it will be of benefit to it, decided in good faith and for the purpose of carrying on its business to enter into this Deed and thereby become a Chargor under the Debenture.
- C The Chargors and the Notes Collateral Agent intend that this document take effect as a deed notwithstanding that it may be executed under hand.

It is agreed:

- 1 Terms defined in the Debenture have the same meaning when used in this Deed.
- 2 The New Chargor agrees to become a party to and bound by the terms of the Debenture as a Chargor with immediate effect and so that the Debenture shall be read and construed for all purposes as if the New Chargor had been an original party to the Debenture in the capacity of Chargor (but so that the security created consequent on such accession shall be created on the date of this Deed).
- 3 The New Chargor undertakes to be bound by all of the covenants and agreements in the Debenture which are expressed to be binding on a Chargor.
- 4 The New Chargor grants to the Notes Collateral Agent the assignments, charges, mortgages and other Liens described in the Debenture as being granted, created or made by Chargors under the Debenture to the intent that its assignments, charges, mortgages and other Liens shall be effective and binding upon it and its property and assets and shall not in any way be avoided, discharged or released or otherwise adversely affected by any ineffectiveness or invalidity of the Debenture or of any other party's execution of the Debenture or any other Deed of Accession, or by any avoidance, invalidity, discharge or release of any guarantee, assignment or charge contained in the Debenture or in any other Deed of Accession.
- 5 The Debenture and this Deed shall be read and construed as one to the extent and so that references in the Debenture to:

- (a) this Deed and similar phrases shall be deemed to include this Deed;
 - (b) Schedule 2 shall be deemed to include a reference to Part I of the Schedule to this Deed;
 - (c) Schedule 4 shall be deemed to include a reference to Part II of the Schedule to this Deed;
 - (d) Schedule 5 shall be deemed to include a reference to Part III of the Schedule to this Deed; and
 - (e) Schedule 7 shall be deemed to include a reference to Part IV of the Schedule to this Deed.
- 6 The parties agree that the bank accounts of the New Chargor specified in Part III of the Schedule to this Deed shall be designated as Charged Accounts for the purposes of the Debenture.
- 7 The Company, for itself and as agent for and on behalf of the other Chargors under the Debenture, agrees and consents to all of the matters provided for in this Deed.
- 8 Without limiting the generality of the other provisions of this Deed and the Debenture, pursuant to the terms of this Deed and the Debenture, the New Chargor as security for the payment and performance of the Secured Liabilities, and in the manner specified in Clause 2 of the Debenture charges in favour of the Notes Collateral Agent:
- (a) by way of legal mortgage all of the freehold property (if any) (other than Excluded Land) now belonging to it brief descriptions of which are specified in Part I of the Schedule to this Deed;
 - (b) by way of mortgage or, to the extent that this Deed does not take effect as a mortgage, by way of fixed charge all of the stocks, shares and other securities (if any) brief descriptions of which are specified in Part II of the Schedule to this Deed (which shall from today's date form part of the Group Shares for the purposes of the Debenture);
 - (c) charges to the Notes Collateral Agent by way of fixed charge its registered Intellectual Property (if any) specified in Part IV of the Schedule to this Deed (which shall from today's date form part of the Specified Intellectual Property of the Chargors for the purposes of the Debenture).
- 9 This Deed is governed by English law.

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

SCHEDULE

Part I – Real Property

[Insert details of any real property owned by the New Chargor]

Part II – Group Shares

[Insert details of all Group Shares of the New Chargor]

Part III – Charged Accounts

[Insert details of all Charged Accounts of the New Chargor]

Part IV – Specified Intellectual Property

[Insert details of any registered Intellectual Property owned by the New Chargor]

SIGNATORIES
[to the Deed of Accession]

The New Chargor

Executed as a deed by)
●)
a director in the presence of:)

Signature of witness:

Name of witness:

Address

.....

The Company

[for itself and as agent for the other
Chargors party to the Debenture]

Executed as a deed by)
●)
a director in the presence of:)

Signature of witness:

Name of witness:

Address

.....

The Notes Collateral Agent

The Bank of New York Mellon Trust Company, N.A.

By:

Schedule 7 – Specified Intellectual Property

Name of Chargor	Trademark
Pattonair Group Limited	PATTONAIR [word]
Pattonair Group Limited	AKRIVIS [word]

Signatories

The Company

Executed as a deed by
Pattonair Group Limited
a director in the presence of:

)
)
)



Signature of witness:



Name of witness:

JOE ROBERTSON

Address

ALLOT BUSINESS PARK
DERBY DE24 8UJ

The Other Chargors

Executed as a deed by
Pattonair (Derby) Limited
a director in the presence of:

)
)
)



Signature of witness:



Name of witness:

JOE ROBERTSON

Address

ALLOT BUSINESS PARK
DERBY DE24 8UJ

Executed as a deed by
Pattonair Limited
a director in the presence of:

)
)
)



Signature of witness:



Name of witness:

JOE ROBERTSON

Address

ALLOT BUSINESS PARK
DERBY DE24 8UJ

Executed as a deed by)
Pattonair UK Limited)
a director in the presence of:)



Signature of witness:



Name of witness:

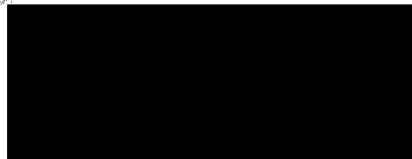
ZOE ROBERTSON

Address

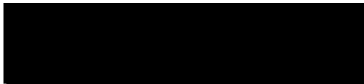
ASLOT BUSINESS PARK

DERRY DELA RY

Executed as a deed by)
Pattonair Europe Limited)
a director in the presence of:)



Signature of witness:



Name of witness:

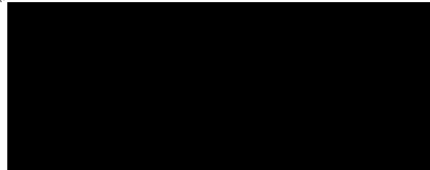
ZOE ROBERTSON

Address

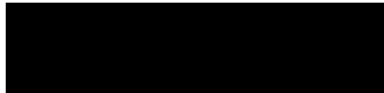
ASLOT BUSINESS PARK

DERRY DELA RY

Executed as a deed by)
Orchard House Limited)
a director in the presence of:)



Signature of witness:



Name of witness:

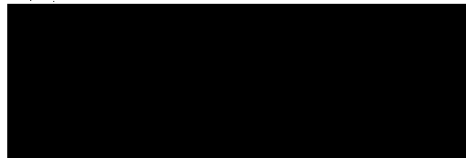
ZOE ROBERTSON

Address

ASLOT BUSINESS PARK

DERRY DELA RY

Executed as a deed by)
Pattonair Properties Limited)
a director in the presence of:)



Signature of witness:



Name of witness:

ZOE ROBERTSON

Address

ASLOT BUSINESS PARK

DERRY DELA RY

Executed as a deed by
Pioneer IV Limited
a director in the presence of:

)
)
)

Mary Ann Sigler

la

Signature of witness:

Name of witness:

Address

Stacy L. Mengel
360 N. Crescent Dr.
Beverly Hills CA 90210

Executed as a deed by
Pioneer V Limited
a director in the presence of:

)
)
)

Mary Ann Sigler

la

Signature of witness:

Name of witness:

Address

Stacy L. Mengel
360 N. Crescent Dr.
Beverly Hills CA 90210

Executed as a deed by
Pattonair Holdings Limited
a director in the presence of:

)
)
)

Signature of witness:

Name of witness:

Address

.....
.....
.....

Executed as a deed by)
Pioneer IV Limited)
a director in the presence of:)

Signature of witness:

Name of witness:

Address

.....

Executed as a deed by)
Pioneer V Limited)
a director in the presence of:)

Signature of witness:

Name of witness:

Address

.....

Executed as a deed by)
Pattonair Holdings Limited)
a director in the presence of:)

Signature of witness:

Name of witness: JOE ROBERTSON

Address ALLOT BUSINESS PARK

DERBY DE21 5UJ

Executed as a deed by)

Quicksilver Midco Limited)
a director in the presence of:)

Signature of witness:

Name of witness:

Address

ZOE ROBERTSON
ALLOT BUSINESS PARK
DERBY DE24 8YJ

Executed as a deed by)
Quicksilver Dollar Loanco Limited)
a director in the presence of:)

Signature of witness:

Name of witness:

Address

ZOE ROBERTSON
ALLOT BUSINESS PARK
DERBY DE24 8YJ

Executed as a deed by)
Quicksilver Euro Loanco Limited)
a director in the presence of:)

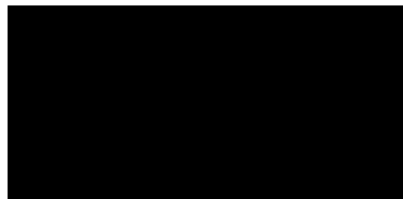
Signature of witness:

Name of witness:

Address

ZOE ROBERTSON
ALLOT BUSINESS PARK
DERBY DE24 8YJ

Executed as a deed by)
Pattonair (Wolverhampton) Limited)
a director in the presence of:)



Signature of witness:



Name of witness:

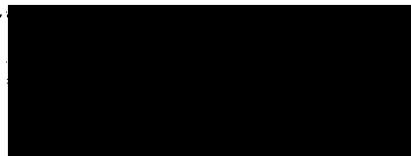
ZOE ROBERTSON

Address

1100T BLUNVEN PARK

DERRY DE24 7UJ

Executed as a deed by)
Aviation Supplies Co. Limited)
a director in the presence of:)



Signature of witness:



Name of witness:

ZOE ROBERTSON

Address

1100T BLUNVEN PARK

DERRY DE24 7UJ

The Notes Collateral Agent

The Bank of New York Mellon Trust Company, N.A.

By its authorised signatory:

Name:



Title:

VICE PRESIDENT