



Registration of a Charge

Company name: **CONNECT AIRWAYS LIMITED**

Company number: **11732177**

Received for Electronic Filing: **01/03/2019**



X80AZM0P

Details of Charge

Date of creation: **21/02/2019**

Charge code: **1173 2177 0003**

Persons entitled: **GLAS TRUST CORPORATION LIMITED**

Brief description:

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **MORGAN, LEWIS & BOCKIUS UK LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 11732177

Charge code: 1173 2177 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 21st February 2019 and created by CONNECT AIRWAYS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 1st March 2019 .

Given at Companies House, Cardiff on 4th March 2019

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



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

Dated 21 February 2019

EXECUTION VERSION

Connect Airways Limited

and

GLAS Trust Corporation Limited

**FIRST RANKING CHARGE OVER SHARES
IN
PROPIUS HOLDINGS LTD.**

**Note: Cayman Islands stamp duty will be payable if this document is executed in,
brought to or produced before a court of the Cayman Islands**

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This First Ranking Charge is made on 21 February 2019

BETWEEN:

- 1 **Connect Airways Limited**, a company incorporated in England with number 11732177, the registered office of 4 Cork Street, 1st Floor, London, United Kingdom, W1S 3LB (**Chargor**); and
- 2 **GLAS Trust Corporation Limited**, a company incorporated in England and Wales with registered number 07927175, the registered office of which is at 45 Ludgate Hill, London EC4M 7JU, (**Security Agent**), which expression shall include its successors, assigns and transferees.

RECITALS:

- A Pursuant to the Facility Agreement (as defined below), the Lenders (as defined in the Facility Agreement) have agreed to make certain credit facilities available to the Borrowers (as defined in the Facility Agreement) subject to the terms and conditions set out in the Facility Agreement.
- B The Chargor is the registered holder of the Initial Shares (as defined below).
- C It is a condition precedent of the Facility Agreement that the Chargor enters into this Charge which is executed by the Chargor in consideration of the Lenders making such credit facilities available to the Borrowers pursuant to the Facility Agreement.
- D It is intended that this Charge takes effect as a deed notwithstanding that any party may only execute this Charge under hand.

It is agreed as follows:

1 Definitions and interpretation

- 1.1 In this Charge, words and expressions shall, except where the context otherwise requires, have the meanings given to them in the Facility Agreement, provided that, in the event of any conflict between the meaning of any term as defined in the Facility Agreement and any term as defined in this Charge, the definitions in the Facility Agreement shall prevail.
- 1.2 In this Charge, the following words and expressions shall, except where the context otherwise requires, have the following meanings:

Authorised Officer means any officer duly and effectively designated in writing by any party hereto or to any other Finance Document as having been authorised by such party to execute and deliver the Facility Agreement, this Charge, any of the other Finance Documents to which it is or will be a party, or any other notice, agreement, document, certificate or instrument contemplated under the Facility Agreement, this Charge, or any other Finance Document;

Charge means this share charge;

Charged Property means the property and rights of the Chargor which are the subject of any security created or purported to be created by this Charge;

Charged Shares means the Initial Shares and all and any other stocks, shares, warrants and other securities of any kind (including loan capital) of the Company now or at any time in the future held by or beneficially owned by the Chargor or in which the Chargor has any interest (including any equity of redemption);

Company means Propius Holdings Ltd., an exempted company incorporated under the laws of the Cayman Islands with registered number 272996 and having its registered office at Maples Corporate Services Limited, PO Box 309, Ugland House, South Church Street, George Town, Cayman Islands;

Competition Divestment Date means the date on which (if ever) the Chargor divests its shares in Flybe Limited (a company incorporated in England and Wales with company number 02769768) and Flybe.com Limited (a company incorporated in England and Wales with company number 04252085) pursuant to a requirement of the European Commission under the EC Merger Regulation or if the European Commission requires any security granted pursuant to this Charge to be released then such date;

Derivative Assets means all certificates or other evidence of title to any of the Charged Shares now and from time to time hereafter deposited with the Security Agent and all rights, benefits and advantages including:

- (a) all dividends or other distributions (whether in cash, securities or other property), interest and other income paid or payable in relation to any Charged Shares; and
- (b) all shares, securities, rights, monies or other property whether certificated or uncertificated, accruing, offered or issued at any time by way of redemption, conversion, exchange, substitution, preference, option, bonus issue or otherwise in respect of any Charged Shares (including but not limited to proceeds of sale);

attributable to any of the Charged Shares or any Derivative Assets previously described;

Event of Default means any breach of any provision of this Charge or any Event of Default as defined in the Facility Agreement;

Facility Agreement means the first ranking facility agreement dated on or around the date of this Charge between, among others, Flybe Limited (a company incorporated in England and Wales with company number 02769768) as borrower, certain of its affiliates as guarantors, DLP Holdings S.à r.l. (a company incorporated in Luxembourg, registered with the Luxembourg Trade and Companies Register under number B228825) and Virgin

Atlantic Airways Limited (a company incorporated in England and Wales with company number 01600117) as original lenders and Global Loan Agency Services Limited (a company incorporated in England and Wales with company number 08318601) as agent and the Security Agent (as amended, restated, novated, modified, supplemented and/or replaced however fundamentally from time to time).

Finance Document has the meaning set out in the Facility Agreement;

Finance Parties has the meaning set out in the Facility Agreement;

Initial Shares means the securities listed in Schedule 1 all of which are registered in the name of the Chargor;

Intercreditor Agreement has the meaning set out in the Facility Agreement;

Obligor has the meaning set out in the Facility Agreement;

Receiver has the meaning given to it in clause 9;

Second Ranking Security means:

- (a) the second ranking Cayman Islands law charge over shares dated on or about the date hereof by the Chargor in respect of its shares in the Company in favour of the Security Agent; and
- (b) the second ranking English law debenture dated on or about the date hereof by the Chargor in favour of the Security Agent;

Secured Obligations means all present and future obligations, whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever, of each Obligor to the Finance Parties under the Finance Documents;

Security Interest means any mortgage, charge, pledge, lien, assignment, encumbrance, hypothecation, title retention, security interest, trust arrangement or any other agreement or arrangement which has the effect of creating security; and

Security Period means the period commencing on the date hereof and ending on the date upon which the Security Agent has determined that all of the Secured Obligations have been irrevocably paid, performed and/or discharged in full.

1.3 In the interpretation of this Charge, the following provisions apply save where the context requires otherwise:

- (a) references to any person, including, but not limited to, the Security Agent, the Finance Parties, the Obligors and the Company shall include its successors, assignees and transferees and, in the case of the Security Agent, any person from

time to time appointed as Security Agent or Security Agents in accordance with the Finance Documents. References to the Chargor include its successors, permitted assignees and permitted transferees, if any;

- (b) where references are made to the Security Agent holding title to or having possession or control of the Charged Property or any part thereof, such references shall include any person holding title to or having possession or control of the Charged Property or any part thereof for or on behalf of the Security Agent, whether as trustee or in some other capacity;
- (c) **assets** includes present and future properties, revenues and rights of every description;
- (d) any reference to this Charge or to any agreement or document referred to in this Charge shall be construed as a reference to such agreement or document as amended, varied, modified, supplemented, restated, novated or replaced from time to time;
- (e) except where the context otherwise requires, words denoting the singular include the plural and vice versa, words denoting a gender include every gender and references to persons include bodies corporate and unincorporate;
- (f) references to **constitutional documents** of an entity shall include, without limitation, the certificate(s) of incorporation or establishment, the memorandum and articles of association and, where the entity is the trustee of a trust, the trust instrument constituting the relevant trust;
- (g) any reference to 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 of any regulatory, self-regulatory or other authority or organisation;
- (h) an Event of Default is **continuing** if it has not been waived in writing;
- (i) the word **may** shall be construed as permissive and the word **shall** shall be construed as imperative;
- (j) any phrase introduced by the terms **including, include, in particular** or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms;
- (k) clause headings and the index are inserted for convenience only and shall not affect the construction of this Charge;
- (l) references to statutes are, unless otherwise specified, references to statutes of the Cayman Islands (and such reference shall be taken to be to the short title applicable to such statute) and include any statutory amendment, modification, consolidation or re-enactment thereof for the time being in force;

- (m) references to recitals, clauses and Schedules are, unless the context otherwise requires, references to recitals and clauses hereof and Schedules hereto and references to sub-clauses are, unless otherwise stated, references to the sub-clause of the clause in which the reference appears; and
- (n) the recitals and the Schedules form part of this Charge and shall have the same force and effect as if they were expressly set out in the body of this Charge and any reference to this Charge shall include the recitals and the Schedules.

1.4 This Charge is a Finance Document.

1.5 This Charge is subject to the Intercreditor Agreement.

1.6 If there is a conflict between the provisions of this Charge and the provisions of another Security Document to which the Chargor is party in relation to a specific asset of the Chargor, the Security Document governed by the laws of the jurisdiction in which such asset is located shall prevail. In such circumstances, the Chargor shall not be in breach of any representation or undertaking in this Charge if it has complied with the corresponding representation or undertaking in such local law Security Document.

1.7 If the Competition Divestment Date occurs, this Charge shall terminate and shall have no further effect on and from such date.

2 Covenant to pay

The Chargor, as primary obligor and not merely as surety, hereby covenants with the Security Agent on demand to pay, perform and/or discharge each of the Secured Obligations in the manner and at the time provided for in the Finance Documents.

3 Charge

3.1 The Chargor as sole legal and beneficial owner of the Charged Shares hereby charges by way of first fixed charge as continuing security for the full and punctual payment and discharge of the Secured Obligations, all its right, title, interest and benefit present and future in, to and under the Charged Shares and the Derivative Assets (with the intent that the security so constituted shall extend to all beneficial interests of the Chargor in the Charged Property and any proceeds of sale or other realisation of the Charged Property or any part of it) and to the extent not effectively charged under this clause 3.1, assigns, and agrees to assign, absolutely by way of security to the Security Agent all its rights, present and future, actual or contingent, relating to any of the Charged Property.

3.2 Subject to clauses 3.3 and 3.4, on (i) the irrevocable and unconditional payment or discharge by or on behalf of the Chargor of the Secured Obligations in full and provided no Finance Party is under any further obligation (whether actual or contingent) to provide any further advance or facilities to any Obligor under any Finance Document or (ii) if the Competition Divestment Date occurs, the Security Agent shall, at the written request and sole cost of the Chargor, release this Charge.

3.3 Any receipt, release or discharge of any security created by this Charge or of any liability arising under this Charge or any other Finance Document may be given by an Authorised

Officer of the Security Agent in accordance with the provisions of this Charge or any other Finance Document and shall not release or discharge the Chargor from any liability to the Security Agent for the same or any other monies which may exist independently of this Charge or any other Finance Document. Where such receipt, release or discharge relates to only part of the Secured Obligations such receipt, release or discharge shall not prejudice or affect any other part thereof nor any of the rights and remedies of the Security Agent hereunder or under any other Finance Document nor any of the obligations of the Chargor under this Charge or any other Finance Document.

- 3.4 Any release, discharge or settlement between the Chargor and the Security Agent shall be conditional upon no security, disposition or payment to the Security Agent or any other person being void, set aside or ordered to be refunded or reduced pursuant to any provision, enactment or law relating to bankruptcy, liquidation, administration or insolvency or for any other reason whatsoever and if such condition is not fulfilled:

- (a) the liability of the Chargor shall continue as if the security, disposition or payment had not occurred; and
- (b) the Security Agent shall be entitled to enforce this Charge as if such release, discharge or settlement had not occurred.

4 Delivery of documents

- 4.1 The Chargor shall deliver, or cause to be delivered, to the Security Agent as soon as reasonably practicable after the date hereof:

- (a) all share certificates (if any) representing the Initial Shares (or written confirmation from the Company that it has not issued any share certificate), a certified copy of the register of directors and officers of the Company and a certified copy of the register of members of the Company showing the Chargor as the registered owner of the Initial Shares and including the following notation on the register of members of the Company:

"All of the shares registered in the name of Connect Airways Limited are charged in favour of GLAS Trust Corporation Limited as security agent pursuant to a first ranking share charge dated [●] February 2019, as amended, varied, modified, supplemented, restated or novated or replaced from time to time.";

- (b) an executed but undated share transfer form in respect of the Initial Shares in the form set out in Schedule 2 to this Charge and any other documents which on the date hereof are requested by the Security Agent in order to enable the Security Agent or its nominee or nominees to be registered as the owner or otherwise obtain legal title to the Initial Shares;
- (c) executed but undated letters of resignation, together with executed and dated letters of authority from each of the directors (and alternate directors, if any) of the Company in the forms set out in Parts I and II of Schedule 3 to this Charge;
- (d) an executed and dated notice of charge from the Chargor to the Company in the form set out in Part I of Schedule 4 to this Charge, together with an executed and

dated letter of confirmation from the Company evidencing its receipt of such notice and acknowledgement of the terms thereof in the form set out in Part II of Schedule 4 to this Charge;

- (e) an executed and dated irrevocable proxy made in respect of the Initial Shares in favour of the Security Agent in the form set out in Schedule 5 to this Charge;
- (f) a certified copy of the special resolution passed by the Company amending the Company's articles of association in the manner set out in Schedule 6 to this Charge; and
- (g) an executed irrevocable letter of instructions from the Company to its registered office provider in the form set out in Schedule 7 to this Charge.

4.2 To the extent not delivered pursuant to clause 4.1, the Chargor shall, for as long as any Secured Obligations remain outstanding, immediately and from time to time deposit with the Security Agent:

- (a) executed but undated share transfer forms in respect of all Charged Shares other than the Initial Shares in the form set out in Schedule 2 to this Charge as and when any further shares in the Company are acquired by, or issued to, the Chargor and any other documents requested by the Security Agent in order to enable the Security Agent or its nominee or nominees to be registered as the owner or otherwise obtain legal title to such further shares;
- (b) all original share certificates (if any) and any other documents of title relating to the Charged Shares (which, for the avoidance of doubt, includes all share certificates and other documents of title relating to any shares in the Company acquired by, or issued to, the Chargor after the date of this Charge) or confirmation from the Company that it has not issued any such certificates;
- (c) executed and undated letters of resignation, together with executed and dated letters of authority from each newly appointed director (or alternate director, if any) of the Company in the form set out in Schedule 3 to this Charge;
- (d) an executed and dated notice of charge from the Chargor to the Company in the form set out in Part I of Schedule 4 to this Charge in respect of any shares in the Company acquired by, or issued to, the Chargor after the date of this Charge, together with an executed and dated letter of confirmation from the Company evidencing its receipt of such notice and acknowledgement of the terms thereof in the form set out in Part II of Schedule 4 to this Charge;
- (e) an executed and dated irrevocable proxy made respect of any shares in the Company acquired by or issued to the Chargor after the date of this Charge; in favour of the Security Agent in the form set out in Schedule 5 to this Charge; and
- (f) a certified copy of the register of members of the Company showing the Chargor as the registered owner of any shares in the Company acquired by or issued to the Chargor after the date of this Charge.

- 4.3 The Chargor shall as soon as reasonably practicable after the date hereof make all filings and registrations that are necessary or desirable in any jurisdiction (including, without limitation, its jurisdiction of incorporation or formation) to ensure that this Charge is, and will at all times until the Secured Obligations have been paid or discharged in full, be a valid and enforceable first priority Security Interest in the Charged Property.

5 Covenants by the Chargor

Negative Covenants

- 5.1 The Chargor covenants and undertakes that, for so long as any Secured Obligations remain outstanding, it shall not, without the prior written consent of the Security Agent:

- (a) permit in any way, except as set out in this Charge, sell or otherwise dispose of, create or permit to subsist any Security Interest (other than the Second Ranking Security) over the Charged Property or any part thereof or agree to any extent to sell, dispose of or encumber the Charged Property or any part thereof;
- (b) negotiate, settle or waive any claim for loss, damage or other compensation affecting the Charged Property or any part thereof;
- (c) do, or cause or permit to be done, anything which may adversely affect:
 - (i) the Charged Property and the Security Interests created hereunder, or the value of any of them; or
 - (ii) the rights or interests of the Security Agent hereunder including, without limitation, the ability of the Security Agent to exercise its rights and remedies hereunder and to preserve or enforce the security created hereunder;
- (d) permit any person other than the Chargor, the Security Agent or the Security Agent's nominee or nominees to be registered as, or become the holder of any of the Charged Property;
- (e) except for the passing of the special resolution set out in Schedule 6, vote in favour of any resolution to merge or consolidate with another company or amend, modify or change the memorandum and articles of association of the Company;
- (f) permit the register of members of the Company to be maintained by a registered office provider other than the person to whom the letter of instructions in Schedule 7 has been given (unless the Chargor has executed and delivered a new letter of instruction substantially in the form of Schedule 7 to the new registered office provider);
- (g) take or accept any Security Interest from the Company or, in relation to the Secured Obligations, from any third party;
- (h) unless directed in writing to do so by the Security Agent prove in a liquidation or winding up of the Company until all the Secured Obligations are paid and

discharged in full and if directed so to prove by the Security Agent (or if the Chargor otherwise receives any payment or other benefit in breach of this sub-clause or sub-clause 5.1(g) the Chargor shall hold all monies received by it on trust for the Security Agent to satisfy the Secured Obligations;

- (i) until all of the Secured Obligations have been paid and discharged in full, it shall not claim payment whether directly or by set-off, lien, counterclaim or otherwise of any amount which may be or has become due to the Chargor by the Company;
- (j) change its name; or
- (k) purchase, redeem, otherwise acquire, cancel, sub-divide, amalgamate, reclassify or otherwise restructure any of the Charged Property.

Positive covenants

5.2 The Chargor covenants and undertakes with the Security Agent that, for so long as any Secured Obligations remain outstanding, it shall:

- (a) procure that there shall be no increase or reduction in the number of authorised or issued shares of the Company, no change in the registered office provider of the Company and no change to the register of members of the Company, in each case, without the prior written consent of the Security Agent;
- (b) ensure that it shall remain the sole legal and beneficial owner of the Charged Property free from any Security Interest except as created by or expressly permitted under this Charge, the Second Ranking Security or any other Finance Document;
- (c) promptly pay (and fully indemnify the Security Agent on demand against) all calls, instalments and other payments which may be made or become due in respect of the Charged Property and in the event that the Chargor fails to make such payments, the Security Agent may, but shall not be obliged to, make such payments on behalf of the Chargor, in which event any sums so paid shall be secured hereby, and shall be reimbursed by the Chargor on demand;
- (d) promptly forward to the Security Agent all notices, reports, accounts and other documents relating to the Charged Property which it may receive from time to time (including all notices of meetings of the shareholders of the Company and all proposed written resolutions of the shareholders of the Company);
- (e) at any time following the occurrence of an Event of Default which is continuing, it shall exercise all voting and other rights and powers which may at any time be exercisable by the holder of the Charged Property as the Security Agent may in its absolute discretion direct;
- (f) procure that the Company shall not create or agree or attempt to agree to create or permit to subsist any Security Interest upon the whole or any part of its assets, except as permitted by the Second Ranking Security or the Finance Documents;

- (g) procure that the Company shall not issue any replacement share certificates in respect of any of the Charged Shares without the prior written consent of the Security Agent;
- (h) supply to the Security Agent, promptly upon receipt of written request, such information regarding the Charged Property and the Chargor's financial condition, business and operations as the Security Agent may reasonably request;
- (i) notify the Security Agent of any Event of Default (and the steps, if any, being taken to remedy it) immediately upon becoming aware of its occurrence; and
- (j) do everything in its power to prevent any person other than the Security Agent from becoming entitled to claim any right over the Charged Property or any part thereof; and

5.3 The covenants and undertakings given in clause 5 are continuing covenants and undertakings throughout the Security Period.

6 Representations and warranties

6.1 The Chargor hereby represents and warrants to the Security Agent that:

- (a) each of the Chargor and the Company is a body corporate duly incorporated and validly existing under the laws of the jurisdiction of its incorporation and all corporate and other action required to authorise the execution and delivery of this Charge and the creation and perfection of the security intended to be created pursuant to clause 3 has been duly taken;
- (b) subject to the Legal Reservations, this Charge constitutes the legal, valid and binding obligations of the Chargor, enforceable against the Chargor in accordance with its terms;
- (c) the entry into this Charge by the Chargor and the performance by it of its obligations thereunder will not conflict with:
 - (i) any law or regulation applicable to it or to the Company; or
 - (ii) its or the Company's constitutional documents; or
 - (iii) any agreement or instrument entered into or binding upon the Chargor or any of its assets or the Company;
- (d) the Chargor has obtained all governmental and other consents, authorisations or permissions necessary for it:
 - (i) to enter into this Charge and perform its obligations hereunder; and
 - (ii) to enable it to create the Security Interests pursuant to this Charge and to ensure that such Security Interests have the priority and ranking that they are expressed to have;

- (e) the Chargor is able to pay its debts as they fall due and will not become unable to do so as a consequence of entering into this Charge;
- (f) the Chargor is not insolvent or bankrupt under the laws of any jurisdiction and has not, in any jurisdiction, commenced or, as far as it is aware, had commenced against it any proceedings or other actions for or indicative of insolvency or bankruptcy;
- (g) no corporate action, legal proceedings or other procedure or step has been taken in relation to:
 - (i) the suspension of payments, a moratorium of any indebtedness, winding-up (whether voluntary or by the courts of the Cayman Islands), liquidation, dissolution, strike off, administration or reorganisation (by way of voluntary arrangement, creditors' arrangement, scheme of arrangement or otherwise) of the Chargor or the Company;
 - (ii) a composition, compromise, assignment or arrangement with any creditor of the Chargor or the Company;
 - (iii) the appointment of a liquidator, provisional liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of the Chargor or the Company or any of its assets or revenues; or
 - (iv) enforcement of any Security Interests over any assets of the Chargor or the Company,

and no analogous procedure or step has been taken in any jurisdiction in respect of the Chargor or the Company;

- (h) this Charge creates a first priority Security Interest in the Charged Property under the laws of the Cayman Islands in favour of the Security Agent, which is perfected under the laws of the Cayman Islands;
- (i) no Event of Default has occurred or will occur as a consequence of it entering into this Charge and creating the security hereunder;
- (j) the Chargor is the sole legal and beneficial owner of and has good title to and rights in the Initial Shares free of all Security Interests, encumbrances, trusts, equities and claims whatsoever (subject only to the rights granted in favour of the Security Agent by this Charge) and all of the Initial Shares are validly issued and fully paid up;
- (k) the Initial Shares have been validly issued, are fully paid and constitute the entire issued share capital of the Company and no other person has or is entitled to any conditional or unconditional option, warrant or other right to subscribe for, purchase or otherwise acquire or become registered holder of any issued or unissued shares in the share capital of the Company, or any such interest in those shares or in the share capital of the Company. The share certificates representing

the Initial Shares as delivered to the Security Agent pursuant to clause 4 of this Charge are the only share certificates relating to the Initial Shares;

- (l) the Charged Property is not subject to any options, warrants, pre-emption or similar rights and free from all Security Interests and rights of set-off other than those created under this Charge in favour of the Security Agent;
- (m) except for this Charge and the Second Ranking Security, no Security Interest exists on or over the Charged Property
- (n) the Chargor has not granted any power of attorney in respect of the exercise of any rights or powers in connection with the Charged Property, other than to the Security Agent;
- (o) subject to the passing of the special resolution set out in Schedule 6, the articles of association of the Company do not permit the directors of the Company from time to time to refuse to register a transfer of title to the Charged Property for the purposes of creating or enforcing the security created hereunder; and
- (p) the Chargor acknowledges and agrees that the Security Agent holds the benefit of this Charge on behalf of the Finance Parties and that the Finance Parties have relied on these representations in connection with entry into the Finance Documents.

6.2 The representations and warranties in clause 6.1 are given on the date hereof and repeated on each day of the Security Period.

7 Rights in respect of Charged Property

Voting and other rights

7.1 Notwithstanding the provisions of clause 3, until the occurrence of an Event of Default which is continuing, the Chargor (or its agent) is hereby authorised by the Security Agent to exercise any voting rights in respect of the Charged Property (and, where title to the Charged Property has been assigned, transferred or otherwise made over to the Security Agent, the Security Agent shall, at the request, cost and expense of the Chargor, execute such forms of proxy as are reasonably required to allow the Chargor to exercise such rights) provided that the Chargor shall not, save with the prior written consent of the Security Agent take or permit any action pursuant to such authorisation:

- (a) that does not comply with the Chargor's memorandum and articles of association or the Finance Documents;
- (b) to amend the memorandum or articles of association of the Company (other than as contemplated by this Charge);
- (c) that will, or could reasonably be foreseen to, have a material adverse effect on the value of the Charged Property; or

- (d) that jeopardises, impairs or prejudices the rights or interests of the Security Agent or any security created hereunder.

7.2 At any time following the occurrence of an Event of Default which is continuing:

- (a) the Security Agent shall be solely and exclusively entitled to exercise all voting rights and other rights attaching to the Charged Property or any part thereof and shall be entitled to exercise such rights in such manner as the Security Agent may in its absolute discretion determine;
- (b) the Chargor shall not be authorised to, and shall not, give instructions or exercise any rights in respect of the Charged Property; and
- (c) where the assignment or transfer of the Charged Property has not been effected, the Chargor shall forthwith exercise all voting or other rights in respect thereof in such manner as the Security Agent shall direct from time to time and, in the absence of such directions, only with the object of enhancing or preserving the Charged Property and its value.

7.3 The Security Agent may, in such manner as it shall determine, exercise, or cause to be exercised, or refrain from exercising, any voting or other rights which it may have pursuant to this clause 7 and it shall not be liable for any such exercise or failure to exercise such rights.

Dividends

7.4 Prior to the occurrence of an Event of Default which is continuing:

- (a) all dividends or other income or distributions arising in respect of the Charged Property (in this clause, **dividends**) shall be receivable by the Chargor, which may retain such dividends for its own benefit, and such dividends shall be released from the security created hereunder; and
- (b) the Security Agent shall, to the extent that dividends are received by it, account to the Chargor for such dividends after deducting its costs and expenses for doing so.

7.5 Following the occurrence of an Event of Default which is continuing:

- (a) all dividends shall be receivable by the Security Agent, which shall apply the same against the Secured Obligations; and
- (b) the Chargor shall, to the extent that dividends are received by it, account to the Security Agent for such dividends and, pending delivery, shall hold such dividends on trust for the Security Agent.

7.6 The provisions of clause 7.5 are without prejudice to the right of the Security Agent to credit monies received, recovered or realised to a separate suspense account pursuant to clause 19 of this Charge.

General

- 7.7 The Security Agent shall not have any duty to ensure that any dividends, interest or other moneys and assets receivable in respect of the Charged Property are duly and punctually paid, received or collected as and when the same become due and payable or to ensure that the correct amounts (if any) are paid or received on or in respect of the Charged Property.
- 7.8 Following the occurrence of an Event of Default which is continuing, the Chargor authorises the Security Agent to arrange at any time for the Charged Property or any part thereof to be registered in the name of the Security Agent (or its nominee) and thereupon to be held as so registered subject to this Charge and agrees to reimburse the Security Agent for any costs and expenses arising in connection with such registration.

8 Enforcement

- 8.1 The security created by this Charge shall become immediately enforceable upon and at any time after the service of a notice under clause 20.18 (Acceleration) of the Facility Agreement.
- 8.2 The Chargor shall forthwith following the occurrence of an Event of Default which is continuing sign, seal, execute, deliver and complete all transfers, renunciations, proxies, mandates, assignments, deeds and documents and do all acts and things which the Security Agent may, in its absolute discretion, at any time and from time to time specify for enabling or assisting the Security Agent:
- (a) to perfect or improve its title to and security over the Charged Property;
 - (b) to vest the Charged Property in the Security Agent or its nominee or nominees;
 - (c) to procure that the Security Agent or its nominee or nominees is registered in the register of members of the Company in respect of the Charged Shares;
 - (d) to exercise (or enable its nominee or nominees to exercise) any rights or powers attaching to the Charged Property;
 - (e) to sell or dispose of the Charged Property; and/or
 - (f) otherwise to enforce any of the rights of the Security Agent under or in connection with this Charge.
- 8.3 At any time after the security created by or pursuant to this Charge has become enforceable, the Security Agent may, without notice to or further consent or concurrence by, the Chargor and without prior authorisation from any court, and at all times without prejudice to any other right or remedy available hereunder or under applicable law, in its absolute discretion:
- (a) take possession of, collect and get in the Charged Property or any part thereof or otherwise exercise in relation to the Charged Property or any part thereof all of the

rights of an absolute owner and, for that purpose, to take such proceedings as may seem to it to be expedient;

- (b) sell, assign, exchange, transfer, grant options over or otherwise dispose of the Charged Property or any part thereof at such place and in such manner and upon such terms as the Security Agent may deem fit, with power to postpone any such sale or other disposition and in any such case the Security Agent may exercise any and all rights attaching to the Charged Property as the Security Agent in its absolute discretion may determine and without being answerable for any loss occasioned by such sale or resulting from postponement thereof or the exercise of such rights and thereupon the Security Agent shall have the right to deliver, assign and transfer in accordance therewith the Charged Property so sold, transferred, granted options over or otherwise disposed of including by way of changing the ownership of the Charged Shares as shown on the register of members of the Company;
- (c) date, deliver and present to the Company or any other person, including the Company's registered office provider, any undated documents provided to it pursuant to clause 4 or any other provision of this Charge, including to remove the then existing directors (and alternate directors, if any) (with or without cause) of the Company, to appoint such persons as directors of the Company as it shall deem appropriate and to take all steps to register and perfect the transfer of the Charged Shares to the Security Agent or its nominee or nominees, including by completing any undated blank share transfer forms by inserting in such share transfer forms the date and the name of the transferee;
- (d) exercise all voting rights and/or consensual powers relating to the Charged Property or any part thereof and exercise such rights and powers in such manner as the Security Agent may think fit;
- (e) receive and retain all dividends, distributions, interest or other moneys or assets accruing on or in respect of the Charged Property or any part thereof, such dividends, distributions interest or other moneys or assets to be held by the Security Agent, as additional security mortgaged and charged under and subject to the terms of this Charge and any such dividends, distributions, interest and other moneys or assets received by the Chargor after such time shall be held in trust by the Chargor for the Security Agent and be paid or transferred to the Security Agent on demand;
- (f) raise or borrow money and grant security therefore over the Charged Property (either in priority to the Charge or otherwise);
- (g) 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 Chargor or relating to the Charged Property;
- (h) bring, prosecute, enforce, defend and abandon actions, suits and proceedings in relation to the Charged Property;

- (i) redeem any security (whether or not having priority to this Charge) over the Charged Property and to settle the accounts of any person with an interest in the Charged Property;
- (j) exercise and do (or permit the Chargor or any nominee of the Chargor to exercise and do) all such rights and things as the Security Agent would be capable of exercising or doing if it were the absolute beneficial owner of the Charged Property;
- (k) do anything else it may think fit for the realisation of the Charged Property or incidental to the exercise of any of the rights conferred on the Security Agent under or by virtue of any document to which the Chargor is party;
- (l) exercise all rights and remedies afforded to it under this Charge and applicable law;
- (m) appoint attorneys or accountants or other professionally qualified person to assist it in the performance of its rights and remedies;
- (n) bring or defend any action or other legal proceedings in the name of and on behalf of the Chargor in respect of the Charged Property;
- (o) do all acts and execute in the name and on behalf of the Chargor any document or deed in respect of the Charged Property; and
- (p) make any payment which is necessary or incidental to the performance of its functions.

8.4 Nothing done by or on behalf of the Security Agent pursuant to this Charge shall render it liable to account as a mortgagee in possession for any sums.

8.5 The Security Agent may delegate in any manner to any person (including any Receiver) any rights or powers exercisable by the Security Agent under this Charge.

8.6 Neither the Security Agent nor any of its agents, managers, officers, employees, directors, delegates or advisers shall be liable for any claim, demand, liability, loss, damage, cost or expense incurred or arising in connection with the exercise or purported exercise of any rights, powers and discretions hereunder.

8.7 The Chargor waives any right it may have to require the Security Agent to enforce any other security before enforcing the security created by this Charge or to first enforce any rights against or claim payment from any other person before claiming from the Chargor under this Charge.

9 Receiver

9.1 At any time after the security created by or pursuant to this Charge has become enforceable the Security Agent may by writing, without notice to or further consent or concurrence by the Chargor appoint one or more person or persons as the Security Agent thinks fit to be a receiver (**Receiver**) in relation to the Charged Property. Where the

Security Agent appoints two or more persons as Receiver, the Receivers may act jointly or severally.

- 9.2 The Receiver may without notice to or further consent or concurrence by the Chargor or the Company, take such action in relation to the enforcement of this Charge including, without limitation, to sell, charge or otherwise dispose of the Charged Property, to exercise any powers, discretion, voting or other rights or entitlements in relation to the Charged Property and generally to carry out any other action which he may in his sole discretion deem necessary in relation to the enforcement of this Charge.
- 9.3 The Security Agent may from time to time determine the remuneration of the Receiver.
- 9.4 The Receiver shall have, in addition to the other powers set-out in this Charge and all powers confirmed on it by law, the following powers:
- (a) power to exercise all rights of the Security Agent under or pursuant to this Charge including all voting and other rights attaching to the Charged Property;
 - (b) power to make any arrangement or compromise on behalf of the Chargor in respect of the Charged Property;
 - (c) power to appoint managers, officers and agents for the above purposes at such remuneration as the Receiver may (acting reasonably) determine;
 - (d) power to rank and claim in the insolvency or liquidation of the Company and to receive dividends and to accede to agreements for the creditors of the Company;
 - (e) power to present or defend a petition for the winding up of the Company; and
 - (f) power to do all other things incidental to the exercise of the foregoing powers.
- 9.5 The Receiver shall be the agent of the Chargor and the Chargor alone shall be responsible for his acts and defaults and shall be liable on any contracts made, entered into or adopted by the Receiver. The Security Agent shall not be liable for the Receiver's acts, omissions, negligence or default, nor be liable on contracts entered into or adopted by the Receiver.
- 9.6 The Security Agent may remove a Receiver in respect of all or any of the Charged Property of which he is the Receiver and after the Receiver has vacated office or ceased to act in respect of any of the Charged Property, appoint a replacement Receiver over all or any of the Charged Property in respect of which the previous Receiver shall have ceased to act.

10 Further assurance and power of attorney

- 10.1 The Chargor shall, at any time and from time to time, upon the written request of the Security Agent promptly do any and all such acts and things and execute and deliver all such instruments and any documents (including, without limitation, any replacement or supplemental security agreements) as the Security Agent may consider necessary or

desirable for creating, perfecting, protecting, maintaining or enforcing its security or rights under this Charge or the laws of the Cayman Islands.

10.2 The Chargor hereby irrevocably and by way of security for the payment of the Secured Obligations and the performance of its obligations under this Charge, the Facility Agreement and the Finance Documents appoints the Security Agent and each and every person to whom the Security Agent from time to time has delegated the exercise of the power of attorney conferred by this clause to be its true and lawful attorney or attorneys (with full power to appoint substitutes and to sub-delegate) on behalf of the Chargor and in the Chargor's own name or otherwise, at any time and from time to time, to sign, execute, seal, deliver, acknowledge, file, register and perfect any and all assurances, documents, instruments, agreements, certificates and consents whatsoever and to do any and all such acts and things in relation to any matters dealt with in this Charge and/or which the Security Agent may deem necessary or desirable for creating, perfecting, protecting, maintaining or enforcing the security contemplated hereunder, giving full effect to this Charge or for securing, protecting or exercising the rights of the Security Agent hereunder or under the Law, including without limitation:

- (a) completing, dating, executing and/or delivering any share transfer forms and/or notices in respect of the Charged Property;
- (b) exercising any voting or other rights in respect of the Charged Property; and
- (c) taking any action which the Chargor is required to take pursuant to this Charge.

10.3 The Chargor hereby covenants with the Security Agent to ratify and confirm any lawful exercise or purported exercise of the power of attorney referred to in this clause.

10.4 All sums expended by the Security Agent under this clause shall be recoverable from the Chargor in accordance with the terms of this Charge.

11 Application of monies

11.1 Any monies received by the Security Agent or any Receiver after this Charge has become enforceable shall be applied in the order of priority set out in Clause 15 (*Application of Proceeds*) of the Intercreditor Agreement.

11.2 Neither the Security Agent nor the Receiver shall be liable for any loss or damage occasioned by:

- (a) any sale or disposal of the Charged Property or an interest in the Charged Property; or
- (b) arising out of the exercise, or failure to exercise, any of its powers under this Charge; or
- (c) any neglect or default to pay any instalment or accept any offer or notify the Chargor of any such neglect or default; or
- (d) any other loss of whatever nature in connection with the Charged Property.

12 Protection of purchasers

No purchaser or other person dealing with the Security Agent or its delegate shall be bound to see or inquire whether the right of the Security Agent to exercise any of its powers has arisen or become exercisable or be concerned with notice to the contrary, or be concerned to see whether the delegation by the Security Agent pursuant to the terms of this Charge shall have lapsed for any reason or been revoked.

13 Preservation of security

Continuing Security

13.1 The security created pursuant to this Charge shall take effect as a continuing security for the payment or performance of all or any part of the Secured Obligations and shall be independent of and in addition to and it shall not be prejudiced or be affected by and shall not affect or prejudice any other security now or hereafter held by the Security Agent in respect of the payment or performance of all or any part of the Secured Obligations.

13.2 The security, and the rights, obligations and liabilities, created pursuant to this Charge (including, without limitation, the rights, powers and remedies conferred upon the Security Agent) shall not be in any way discharged, impaired or otherwise affected by:

- (a) any partial or intermediate payment or performance of the Secured Obligations;
- (b) any of the Secured Obligations or any other security taken in respect of the Secured Obligations being or becoming wholly or partially illegal, invalid, unenforceable or ineffective in any respect;
- (c) any amendment to, or any variation, waiver or release of, any of the Secured Obligations or any other security taken in respect of the Secured Obligations or any amendment to, restatement of, or supplement to the Facility Agreement or any other Finance Document (including, without limitation, any amendment the effect of which is to change the nature or amount of any facilities made available thereunder or to change the nature or extent of any obligations thereunder);
- (d) any variation, extension, discharge, compromise, dealing with, exchange or renewal of any right or remedy which Security Agent may now or hereafter have from or against any person in respect of any obligations of the Chargor under the Finance Documents or any other document or any other person;
- (e) any act or omission by the Security Agent in taking up, creating, attaching, perfecting or enforcing any security, indemnity or guarantee from or against the Chargor or any other person;
- (f) any defect in, termination, amendment, variation, novation or supplement of or to any of the Finance Documents or to any document pursuant to which obligations are due by the Chargor or any other person to the Security Agent;
- (g) any grant of time, indulgence, waiver or concession given to the Chargor or any other person;

- (h) any of the insolvency, bankruptcy, liquidation, administration, winding-up, incapacity, limitation, disability, the discharge by operation of law, and any change in the constitution, name and style of any party to any of the Finance Documents or any other person;
- (i) any release, invalidity, illegality, unenforceability, irregularity or frustration of any actual or purported obligation of the Chargor or any other person in respect of any of the Finance Documents or any other document;
- (j) any claim or enforcement of payment from any of the other parties to the Finance Documents or any other person; or
- (k) any act or omission which would have discharged or affected the liability of the Chargor or by anything done or omitted by any person which but for this provision might operate to exonerate or discharge the Chargor or otherwise reduce or extinguish its liability under this Charge or any of the rights, powers or remedies conferred upon the Security Agent by this Charge or by law,

whether any such event or circumstance occurs with or without the Security Agent's knowledge or consent.

- 13.3 The Security Agent is not obliged, before exercising any of the rights, powers or remedies it may have pursuant to this Charge or by law, to make any demand of, or take action or file any claim or proof in respect of, any person other than the Chargor or to enforce any other security in respect of the Finance Documents.
- 13.4 If the Charged Property or any part thereof is released from the Security Interest created hereunder in reliance upon a payment or other performance or discharge which is subsequently avoided or set aside for any reason whatsoever (including, without limitation, in connection with the insolvency or bankruptcy of the Chargor), the obligations and liabilities of the Chargor under this Charge, and the rights of the Security Agent under this Charge, shall continue as if such payment and release had not occurred.

Continuation of accounts

- 13.5 If the Security Agent receives notice of any subsequent mortgage, charge, assignment, or other disposition affecting any account opened with the Security Agent by the Chargor, or any part thereof or interest therein, the Security Agent may open a new account for the Chargor. If the Security Agent does not open a new account then unless the Security Agent gives express written notice to the contrary to the Chargor it shall nevertheless be treated as if it had done so at the time when it received such notice and as from that time all payments made by or on behalf of the Chargor to the Security Agent shall be credited or be treated as having been credited to the new account and shall not operate to reduce the amount due from the Chargor to the Security Agent at the time when it received notice.

No competing interest

- 13.6 Until the Secured Obligations have been unconditionally and irrevocably satisfied and discharged in full to the satisfaction of the Security Agent, the Chargor shall not by virtue

of any payment made hereunder on account of the Secured Obligations or by virtue of any enforcement by the Security Agent of its rights under, or the security constituted by, this Charge or any Finance Document or by virtue of any relationship between or transaction involving the Chargor and/or the Company (whether such relationship or transaction shall constitute the Chargor a creditor of the Company, a guarantor of the obligations of the Company or in part subrogated to the rights of others against the Company or otherwise howsoever and whether or not such relationship or transaction shall be related to, or in connection with, the subject matter of this Charge):

- (a) exercise any rights of subrogation against the Company or any other person in relation to any rights, security or moneys held or received or receivable by the Security Agent or any person under or in connection with the Charged Property;
- (b) exercise any right of contribution from any co-surety liable in respect of such moneys and liabilities under any other guarantee, security or agreement;
- (c) exercise any right of set off or counterclaim against the Company or any such co-surety;
- (d) receive, claim or have the benefit of any payment, distribution, security or indemnity from the Company or any such co-surety; or
- (e) unless so directed by the Security Agent (when the Chargor will prove in accordance with such directions), claim as a creditor of the Company or any such co-surety in competition with the Security Agent.

- 13.7 The Chargor shall hold in trust for the Security Agent and forthwith pay or transfer (as appropriate) to the Security Agent any such payment (including an amount equal to any such set-off), distribution or benefit of such security, indemnity or claim in fact received by it.

14 Currency

- 14.1 For the purpose of, or pending the discharge of, any of the Secured Obligations the Security Agent may, in its sole discretion, convert any moneys received, recovered or realised in any currency under this Charge (including the proceeds of any previous conversion under this clause) from their existing currency of denomination into any other currency at such rate or rates of exchange and at such time as the Security Agent thinks fit. The Chargor shall pay for all costs and expenses incurred by the Security Agent in connection with any moneys converted in accordance with this clause.
- 14.2 No payment to the Security Agent (whether under any judgment or court order or otherwise) shall discharge the Secured Obligations in respect of which it was made unless and until the Security Agent shall have received payment in full in the currency in which such Secured Obligations were incurred and, to the extent that the amount of any such payment shall on actual conversion into such currency fall short of such Secured Obligations expressed in that currency, the Security Agent shall have a further separate cause of action against the Chargor and shall be entitled to enforce this Charge to recover the amount of the shortfall.

15 Security Agent

The parties hereby acknowledge and agree that the Security Agent holds the benefit of this Charge (and any other security created in its favour pursuant to this Charge) on trust for and on behalf of the Finance Parties in its capacity as security agent and trustee under and pursuant to the terms of the Facility Agreement. The Security Agent holds the benefit of this Charge on trust for the Secured Parties in accordance with clause 24.19 (*Trustee provisions*) of the Facility Agreement and the rights, duties and indemnities of the Security Agent as set out in the Facility Agreement shall apply to this Charge as if they were set out in this Charge. The retirement of the person for the time being acting as Security Agent and the appointment of any successor security agent shall be effected in the manner provided for in the Facility Agreement.

16 Fees, costs and expenses

- 16.1 The Chargor shall promptly on demand pay the Security Agent the amount of all costs and expenses (including, without limitation, legal fees) incurred by the Security Agent and/or its nominees and agents in connection with the negotiation, preparation and/or execution of this Charge, the creation, perfection, preservation and/or enforcement of any of the Security Agent's rights under this Charge, or the exercise or purported exercise of any of the Security Agent's powers arising pursuant to this Charge.
- 16.2 All such fees, costs and expenses shall be reimbursed by the Chargor with interest accrued thereon in accordance with the provisions of clause 9.3 (*Default Interest*) of the Facility Agreement.

17 Indemnity

The Chargor shall indemnify and keep indemnified the Security Agent and/or its nominees and agents on demand against each and every loss, action, claim, expense, cost and/or liability which may be incurred by the Security Agent and/or its nominees and agents in connection with or relating to the creation, perfection, preservation and/or enforcement of any of the Security Agent's rights under this Charge, the exercise or purported exercise of any of the Security Agent's powers pursuant to this Charge (including pursuant to the power of attorney herein), or any breach by the Chargor of its obligations hereunder.

18 Set-off

The Security Agent may set off any matured obligation due from the Chargor to any Finance Party under the Finance Documents against any matured obligation owed by any Finance Party to the Chargor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Security Agent may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

19 Suspense account

Monies received, recovered or realised by the Security Agent under this Charge may, at the discretion of the Security Agent, be credited to a separate or suspense account for so long as the Security Agent may think fit without any intermediate obligation on the part of

the Security Agent to apply the same in or towards payment, performance or discharge of the Secured Obligations.

20 Illegality

If at any time one or more of the provisions of this Charge becomes invalid, illegal or unenforceable in any respect, that provision shall be severed from the remainder and the validity, legality and enforceability of the remaining provisions of this Charge shall not be affected or impaired in any way.

21 Certificate of Security Agent

Any certification or determination by the Security Agent of a rate or amount under this Charge is, in the absence of manifest error, conclusive evidence of the matter to which it relates, including without limitation, the amount of the Secured Obligations and its reasonable costs and expenses incurred in enforcing this Charge (or any rights hereunder).

22 Amalgamation and consolidation

The rights and benefits of the Security Agent under this Charge shall remain valid and binding for all purposes notwithstanding any change, amalgamation, consolidation or otherwise which may be made in the constitution of the Security Agent and shall be available to such entity as shall carry on the business of the Security Agent for the time being.

23 Amendment and waiver

23.1 This Charge shall remain in full force and effect notwithstanding any amendments or variations from time to time of the Facility Agreement or any other Finance Document.

23.2 No variation, amendment or waiver of this Charge shall be valid unless in writing and signed by or on behalf of the parties hereto.

24 Assignment

24.1 The Security Agent may grant a participation in or make an assignment or transfer or otherwise dispose of, the whole or any part of its rights and benefits under this Charge. For the purpose of any such participation, assignment, transfer or disposal, the Security Agent may disclose information about the Chargor and the financial condition of the Chargor as may have been made available to the Security Agent by the Chargor or which is otherwise publicly available.

24.2 The Chargor shall not assign or transfer all or any part of its rights, benefits and/or obligations under this Charge.

25 Liability of Chargor

Where the Chargor consists of more than one person, the liability of each such person shall be joint and several and every agreement, undertaking or covenant contained in this Charge shall be construed accordingly.

26 Entire agreement

This Charge, the Facility Agreement and the other Finance Documents constitute the entire agreement and understanding of the parties and supersede any previous agreement between the parties relating to the subject matter of this Charge.

27 Partial invalidity

If at any time any one or more of the provisions of this Charge is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction neither the legality, validity or enforceability of the remaining provisions of this Charge nor the legality, validity or enforceability of such provision under the law of any other jurisdiction shall be in any way affected or impaired as a result.

28 Notices

- 28.1 The provisions set out in clause 31 (*Notices*) of the Facility Agreement will have effect as if set out in this Charge.

29 Miscellaneous

- 29.1 All sums payable by the Chargor under this Charge shall be paid without any set-off, counterclaim, withholding or deduction whatsoever unless required by law in which event the Chargor will simultaneously with making the relevant payment under this Charge pay to the Security Agent such additional amount as will result in the receipt by the Security Agent of the full amount which would otherwise have been receivable and will supply the Security Agent promptly with evidence satisfactory to the Security Agent that the Chargor has accounted to the relevant authority for the sum withheld or deducted.
- 29.2 No delay or omission on the part of the Security Agent in exercising any right, power or remedy under this Charge shall impair that right, power or remedy or operate as or be taken to be a waiver of it nor shall any single, partial or defective exercise of any such right, power or remedy preclude any other or further exercise under this Charge of that or any other right, power or remedy.
- 29.3 The Security Agent's rights powers and remedies under this Charge are cumulative and are not, nor are they to be construed as, exclusive of any rights, powers or remedies provided by law or otherwise and may be exercised from time to time and as often as the Security Agent deems expedient.
- 29.4 The parties hereby agree that each agent, manager, officer, employee, director, delegate or advisor of the Security Agent who is not a party to this Charge (**Third Party**) has the express right to enforce the contractual terms of this Charge pursuant to the terms of The Contracts (Rights of Third Parties) Law, 2014. Notwithstanding any term of this Charge,

the consent of or notice to any Third Party shall not be required for any termination, rescission or agreement to any variation, waiver, assignment, novation, release or settlement under this Charge at any time.

- 29.5 The Chargor shall at all times maintain an agent for service of process in the Cayman Islands. Such agent shall be Propius Limited of c/o Maples Corporate Services Limited, PO Box 309, Ugland House, South Church Street, George Town, Cayman Islands and any writ, judgment or other notice of legal process shall be sufficiently served on the Chargor if delivered to such agent at its address set out above. The Chargor undertakes not to revoke the authority of the above agent and if, for any reason, such agent no longer serves as agent of the Chargor to receive service of process the Chargor shall promptly appoint another such agent and advise the Security Agent of the new agent's name and address for service.

30 Counterparts

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

31 Law and jurisdiction

- 31.1 This Charge is governed by, and shall be construed in accordance with, the laws of the Cayman Islands.
- 31.2 The Chargor irrevocably agrees for the exclusive benefit of the Security Agent that the courts of the Cayman Islands shall have jurisdiction to hear and determine any suit, action or proceeding and to settle any dispute which may arise out of or in connection with this Charge and for such purposes irrevocably submits to the jurisdiction of such courts.
- 31.3 Nothing contained in this clause shall limit the right of the Security Agent to take proceedings which may arise out of or in connection with this Charge in any other court of competent jurisdiction nor shall the taking of any such proceedings in one or more jurisdictions preclude the taking of proceedings in any other jurisdiction whether concurrently or not (unless precluded by applicable law).

The parties have duly executed this Charge as a deed on the date set out at the beginning of this Charge.

Signed as a deed by Connect Airways Limited



LUCIEN FARRELL

Print name

DIRECTOR

Title / Capacity

in the presence of:



Signature of witness

James Mead

Print name

SOLICITOR

Title

Signed as a deed by GLAS Trust Corporation Limited

[Redacted Signature]

Print name

[Redacted Signature]

Iva Bardhi
Transaction Manager

Title / Capacity

in the presence of

[Redacted Signature]

Signature of Witness

Rachel Walker

Print name

LEGAL ASSISTANT

Title

SCHEDULE 1

Initial Shares

13,404 A shares of \$1.00 each of the Company, 13,404 B shares of \$1.00 each of the Company and 13,404 C shares of \$1.00 each of the Company (being the entire issued share capital of the Company), an exempted company incorporated under the laws of the Cayman Islands with registered number 272996 and having its registered office at Maples Corporate Services Limited, PO Box 309, Ugland House, South Church Street, George Town, Cayman Islands.

SCHEDULE 2

Share Transfer

Propius Holdings Ltd. (Company)

Share Transfer

The undersigned, Connect Airways Limited, (**Transferor**), for value received, does hereby transfer to _____ (**Transferee**), all the shares standing in its name in the Company to hold the same unto the said Transferee, subject to the Memorandum and Articles of Association of the Company.

Signed by the Transferor

Print name

Title / Capacity

in the presence of

Signature of witness

Print name

Title

Signed by the Transferee

Print name

Title / Capacity

in the presence of

Signature of witness

Print name _____

Title _____

Dated this _____ day of _____ 20____

SCHEDULE 3

Part I - Letter of Resignation

To:
Propius Holdings Ltd.
c/o Maples Corporate Services Limited
PO Box 309, Ugland House, South Church Street, George Town, Cayman Islands

Dear Sirs

Letter of Resignation

I hereby resign as [a director] [an alternate director] of Propius Holdings Ltd. (**Company**) and confirm that I have no claims against the Company for loss of office, arrears of pay or otherwise howsoever, but to the extent that I may have any such claim, I hereby irrevocably waive the same.

This resignation is to be effective as at the date hereof.

Yours faithfully

[Director] [Alternate Director]

Part II - Letter of Authority

[Date]

To: GLAS Trust Corporation Limited

Dear Sirs

First Ranking Share Charge dated [●] 2019 between Connect Airways Limited as Chargor and GLAS Trust Corporation Limited as Security Agent in respect of shares in Propius Holdings Ltd. (Share Charge)

Capitalised words and expressions used in this letter which are not expressly defined herein have the meanings ascribed to them in the Share Charge.

I refer to my executed but undated letter of resignation as [a director] [an alternate director] of Propius Holdings Ltd. (**Company**) provided under the terms of the Share Charge.

I hereby authorise you, in your absolute discretion, to date, deliver, and give full effect to and otherwise complete the attached undated letter of resignation referred to above (**Letter of Resignation**) following the occurrence of an Event of Default which is continuing.

I hereby authorise you, following the occurrence of an Event of Default which is continuing, to send the attached Letter of Resignation to the Company's registered office, and hereby agree to and acknowledge the termination of my directorship of the Company thereby, without compensation for loss of office, arrears of pay or otherwise.

I confirm that you may delegate the authority conferred by this letter to any of your successors and assigns as Security Agent in relation to the Share Charge.

Yours faithfully

[Name of Director/Alternate Director]

SCHEDULE 4

Part I - Notice of Charge

To: Propius Holdings Ltd.

[Date]

Dear Sirs

Re: Notice of Share Charge

We hereby notify you that pursuant to a First Ranking Share Charge dated [date] (**Share Charge**) between Connect Airways Limited (**Chargor**) and GLAS Trust Corporation Limited (**Security Agent**), the Chargor has granted the Security Agent a first fixed charge over all of the shares standing in its name in Propius Holdings Ltd. (the **Company**) and all and any other shares, warrants, and other securities of any kind (including loan capital) of the Company now or at any time in the future beneficially owned by the Chargor or in which the Chargor has any interest (including any equity of redemption) and at any time after the Security Agent notifies you that an Event of Default (as defined in the Share Charge) has occurred, you may take such steps as may be required to register the Security Agent or its nominee or nominees as the registered holder of the shares pursuant to the Share Charge.

Please sign the enclosed acknowledgement confirming receipt of this notice.

Yours faithfully

for and on behalf of
Connect Airways Limited

Part II - Acknowledgement

To:

Connect Airways Limited

GLAS Trust Corporation Limited

Dear Sirs

Propius Holdings Ltd. (the Company)

We refer to the first ranking share charge entered into between Connect Airways Limited (**Chargor**) and GLAS Trust Corporation Limited (**Security Agent**) dated [●] 2019 (**Share Charge**) in respect of shares of the Company whereby, inter alia, the Chargor granted a Security Interest over the Charged Property in favour of the Security Agent.

Capitalised words and expressions used in this letter which are not expressly defined herein have the meanings ascribed to them in the Share Charge.

The Company acknowledges receipt of the foregoing notice and confirms and undertakes that:

- 1 at any time following the occurrence of an Event of Default which is continuing, written notification having been received by the Company from the Security Agent, in accordance with the articles of association of the Company, it will register in the Company's register of members any and all transfers of the Charged Property to the Security Agent (or its nominee) submitted to the Company by the Security Agent;
- 2 it shall not relocate its registered office without the prior written consent of the Security Agent;
- 3 it shall not issue any further shares or options or otherwise deal with any unissued shares in the Company without the prior written consent of the Security Agent;
- 4 at the same time any notice of any meeting of the shareholders of the Company or any proposed written resolutions of the shareholders of the Company is sent to any shareholder in accordance with the articles of association of the Company, the Company shall also send a copy of any such notice to the Security Agent;
- 5 other than any notice in respect of the Second Ranking Security (and for the avoidance of doubt we confirm that notice in respect of the Second Ranking Security was received by us after we had received notice in respect of the Share Charge) it has received no notice of any Security Interest over the Charged Property other than the foregoing notice; and
- 6 the existence of the Share Charge has been noted in the Company's register of members and the Company's register of members will at all times be maintained in the Cayman Islands.

IN WITNESS whereof this acknowledgement has been duly executed as a deed.

Signed by Propius Holdings Ltd.

Print name

Title / Capacity

in the presence of

Signature of witness

Print name

Title

SCHEDULE 5

Irrevocable Proxy

Propius Holdings Ltd. (Company)

The undersigned, Connect Airways Limited (**Chargor**) being the legal owner of all of the shares (**Shares**) in the share capital of the Company, hereby makes, constitutes and appoints GLAS Trust Corporation Limited as security agent (**Attorney**) as the true and lawful attorney and proxy of the undersigned with full power to appoint a nominee or nominees to act hereunder from time to time and to vote the Shares at all general meetings of shareholders or stockholders of the Company with the same force and effect as the undersigned might or could do and to requisition and convene a meeting or meetings of the shareholders of the Company for the purpose of appointing or confirming the appointment of new directors of the Company and such other matters as may in the opinion of the Attorney be necessary, advisable or desirable for the purpose of implementing the Share Charge referred to below and the undersigned hereby ratifies and confirms all that the Attorney or its nominee or nominees shall do or cause to be done by virtue hereof.

The Shares have been charged to the Attorney pursuant to a First Ranking Share Charge dated [●] 2019 between the Chargor and the Attorney (**Share Charge**).

This power and proxy is given to secure a proprietary interest of the donee of the power and is irrevocable and shall remain irrevocable as long as the Share Charge is in force.

This power and proxy is governed by, and shall be construed in accordance with, the laws of the Cayman Islands.

IN WITNESS whereof this instrument has been duly executed on [●] 2019 as a deed.

Signed by Connect Airways Limited

.....
Print name

.....
Title / Capacity

.....
in the presence of

.....
Signature of witness

.....
Print name

Title

SCHEDULE 6

Shareholders' Resolution

Propius Holdings Ltd. (the Company)

Written Resolution of the Sole Shareholder (the **Shareholder**) dated [●] 2019

The undersigned, being the sole shareholder of the Company, hereby resolves as SPECIAL RESOLUTIONS that the articles of association of the Company be and they are hereby amended in the following manner:

- 1 By inserting the following new definitions in Article [], each in the appropriate alphabetical position:

First Ranking Security Agent means the security agent appointed pursuant to the First Ranking Share Charge;

First Ranking Share Charge means the first ranking equitable share charge by Connect Airways Limited of all the shares in the Company registered in its name (and certain derivative rights) in favour of the First Ranking Security Agent;

Second Ranking Security Agent means the security agent appointed pursuant to the Second Ranking Share Charge;

Second Ranking Share Charge means the second ranking equitable share charge by Connect Airways Limited of all the shares in the Company registered in its name (and certain derivative rights) in favour of the Second Ranking Security Agent;

Security Interest means any mortgage, charge or other security interest in shares in the Company in favour of a Security Agent pursuant to a Share Charge, which is notified to the Company in writing by or on behalf of the Shareholder granting such mortgage, charge or other security interest;

Security Agent means the First Ranking Security Agent or the Second Ranking Security Agent;

Share Charges means the First Ranking Share Charge and the Second Ranking Share Charge;

- 2 By adding a new Article [], immediately after Article [], as follows:

"No shares which are subject to any Security Interest may be redeemed or repurchased by, or surrendered to, the Company."

- 3 By adding the following sentence at the end of Article []:

"The Company shall at no time have any liens on any shares (or amounts payable thereon) which are subject to a Security Interest."

- 4 By adding the following sentence at the end of Article []:

"The Directors shall not make any calls in respect of any shares that are subject to a Security Interest."

- 5 By adding a new Article [], immediately after Article [], as follows:

"Notwithstanding the foregoing, the provisions of these Articles as to forfeiture shall not apply to any shares which are subject to a Security Interest."

- 6 By adding the following to the end of Article []:

"Notwithstanding anything to the contrary contained within these Articles:

until the unconditional discharge and release of the First Ranking Share Charge, the Directors shall not register a transfer of any shares which are subject to a Security Interest without the prior written consent of the First Ranking Security Agent, and the Directors shall register any transfer in favour of the First Ranking Security Agent or any person whom the First Ranking Security Agent nominates pursuant to the First Ranking Share Charge as the holder of any shares subject to such Security Interest upon the enforcement of such Security Interest. Furthermore, no transferor of any shares (or proposed transferor of shares) to the First Ranking Security Agent (or its nominee or nominees) nor the First Ranking Security Agent (or its nominee or nominees) shall be required to offer the shares (which are or are to be the subject of any transfer aforesaid) to the Shareholders (or to any of the Shareholders), and no such Shareholder shall have any right under the Articles or otherwise howsoever to require such shares to be transferred to them whether for consideration or not; and

notwithstanding the above provision, following the unconditional discharge and release of the First Ranking Share Charge, the Directors shall not register a transfer of any shares which are subject to a Security Interest without the prior written consent of the Second Ranking Security Agent, and the Directors shall register any transfer in favour of the Second Ranking Security Agent or any person whom the Second Ranking Security Agent nominates pursuant to the Second Ranking Share Charge as the holder of any shares subject to such Security Interest upon the enforcement of such Security Interest. Furthermore, no transferor of any shares (or proposed transferor of shares) to the Second Ranking Security Agent (or its nominee or nominees) nor the Second Ranking Security Agent (or its nominee or nominees) shall be required to offer the shares (which are or are to be the subject of any transfer aforesaid) to the Shareholders (or to any of the Shareholders), and no such Shareholder shall have any right under the Articles or otherwise howsoever to require such shares to be transferred to them whether for consideration or not."

- 7 By adding the following proviso to the end of Article []:

"and further provided that at no time shall the Directors suspend the registration of the transfers of any shares that are subject to a Security Interest."

- 8 By adding the following to the end of Article []:

"An appointment of a proxy by a Shareholder in favour of any person to whom that Shareholder has granted a Security Interest over shares may be expressed to be

irrevocable (an **Irrevocable Proxy**) and no Irrevocable Proxy shall be revoked without the prior written consent of the person appointed as proxy under such Irrevocable Proxy for so long as any obligation secured by the Security Interest in favour of such person remains outstanding. Notwithstanding any provision contained in these Articles to the contrary, an Irrevocable Proxy shall not require the approval of the Directors as to its form and for the avoidance of doubt, where a Shareholder has appointed a person to be his proxy pursuant to an Irrevocable Proxy such Shareholder shall not be entitled to vote such shares personally or by any subsequently appointed proxy."

9 By adding the following sentence at the end of Article []:

"Notwithstanding the previous sentence of this Article [], the Company shall recognise the Security Interests created by the Share Charge."

Connect Airways Limited

By:

Title:

SCHEDULE 7

Instructions to Registered Office provider

Maples Corporate Services Limited
PO Box 309, Ugland House, South Church Street, George Town, Cayman Islands

_____ 2019

Dear Sirs

Propius Holdings Ltd. (Company): Instructions to Registered Office Provider

We hereby notify you that pursuant to the first ranking equitable share charge entered into between Connect Airways Limited (**Chargor**) and GLAS Trust Corporation Limited (**Security Agent**) dated [●] 2019 (**Share Charge**), the Chargor has granted a security interest in favour of the Security Agent over all the shares standing in its name in the Company and all other shares in the Company from time to time legally or beneficially owned by the Chargor in the Company (**Shares**).

We refer to the registered office agreement between Maples Corporate Services Limited and the Company (**Agreement**) and hereby agree that the Agreement shall be deemed to be amended by the following:

At any time after the Security Agent notifies you in writing that an Event of Default (as defined in the Share Charge) has occurred and is continuing, you are hereby authorised and entitled to rely upon the instructions of the Security Agent to register the Security Agent or its nominee(s) (as the Security Agent may direct) as the registered holder of the Shares pursuant to the Share Charge and to otherwise comply with any directions or instructions from the Security Agent in relation thereto. Such authorisation and entitlement to rely upon the instructions of the Security Agent shall terminate upon the unconditional discharge and release of the Share Charge and notification of the same to you in writing by the Security Agent. Notwithstanding the foregoing you have no responsibility to make any enquiry as to whether an Event of Default has occurred and is continuing and for the purpose of this Instruction you may rely without enquiry upon notice given to you by the Security Agent if sent to your offices for the attention of Finance CSG (by email to FinanceCGS@maples.com). We confirm that you will not be liable to us for any loss or damage arising from actions taken by you pursuant to this Instruction.

We instruct you to make an annotation of the existence of the Share Charge and the security interests created thereby in the Company's register of members. Such annotation shall only be removed following a release of the security interests created by the Share Charge and notification of the same to you in writing by the Security Agent.

Please confirm by countersigning below that you agree to such amendment of the Agreement.

Yours faithfully

Propius Holdings Ltd.
Acknowledged and agreed

Maples Corporate Services Limited