



Registration of a Charge

Company name: **BEECH E90 LIMITED**

Company number: **12229396**

Received for Electronic Filing: **07/05/2020**



X94J8AOX

Details of Charge

Date of creation: **29/04/2020**

Charge code: **1222 9396 0001**

Persons entitled: **STEPHEN TURLEY**

Brief description: **ALL RIGHT, TITLE AND INTEREST THE CHARGOR HAS IN THE TWO BEEHCRAFT KING AIR E90 AIRCRAFT WITH MANUFACTURER SERIAL NUMBERS LW-235 AND LW-188, AS MORE PARTICULARLY DETAILED IN THE SPECIFICATIONS ATTACHED BELOW TO THIS SCHEDULE 1, EACH AS MODIFIED PURSUANT TO THE MODIFICATION AGREEMENTS (FOR MORE DETAILS PLEASE REFER TO THE INSTRUMENT).**

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: **WALKER MORRIS LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 12229396

Charge code: 1222 9396 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 29th April 2020 and created by BEECH E90 LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 7th May 2020 .

Given at Companies House, Cardiff on 11th May 2020

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



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

DATED 29 APRIL 2020

BEECH E90 LIMITED (1)

and

STEPHEN TURLEY (2)

DEBENTURE (WITH AIRCRAFT MORTGAGE)

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THIS DEBENTURE is made on 29 APRIL 2020

BETWEEN:

- (1) BEECH E90 LIMITED (company number: ~~012229396~~) whose registered office is at Gamston Airfield, Gamston, Retford, Nottinghamshire, England, DN22 0QL (the **Chargor**); and
- (2) STEPHEN TURLEY of [REDACTED] (the **Chargee**).

IT IS AGREED:

1 INTERPRETATION

1.1 In this Debenture:

Charged Assets means all assets, rights and property of the **Chargor** the subject of any security created hereby or pursuant hereto and each and every item included therein or part or parts thereof;

Cape Town Convention means the Convention on International Interests in Mobile Equipment opened for signature on 16 November 2001 at Cape Town, South Africa and the Protocol to the Convention on Matters Specific to Aircraft Equipment opened for signature on 16 November 2001 at Cape Town, South Africa.

Cape Town UK Regulations means the International Interests in Aircraft Equipment (Cape Town Convention) Regulations 2015 by which the Cape Town Convention has been implemented in the United Kingdom.

Consolidated Text means the Consolidated Text of the Cape Town Convention referred to in, and as set out in the Attachment to, Resolution No. 1 adopted by the Diplomatic Conference held at Cape Town at which the Convention and the Protocol were opened for signature.

DEA Receivable means:

- (i) The sum of £800,000 originally advanced by DEA Holdings Limited to DEA Aviation Limited (**Aviation**), the benefit of which was assigned to the **Chargor** on 30 September 2019; and

- (ii) All sums due owing or incurred by Aviation to the Chargor under or in connection with a loan agreement dated on or about the date of this Debenture;

Financial Collateral has the meaning given to that expression in the Financial Collateral Regulations;

Financial Collateral Regulations means the Financial Collateral Arrangements (No.2) Regulations 2003;

Insurances means all contracts and policies of insurance of whatever nature which are from time to time taken out by or on behalf of the Chargor or (to the extent of such interest) in which the Chargor has an interest;

Intellectual Property Rights means all know-how, patents, trade marks, service marks, registered designs, business names, topographical or similar rights, copyrights, unregistered design rights and other intellectual property whether registered or not or monopoly rights and any interests (including by way of licence) in any of the foregoing (in each case whether registered or not and including all applications for the same);

Charged Properties means those of the Charged Assets referred to in clauses 3.1.1 and 3.1.2 hereof and each and every part or parts thereof;

Material Contracts means those contracts described in schedule 2 and or otherwise designated as a "Material Contract" by Chargor and the Chargee;

Mortgaged Aircraft means those assets described in schedule 1;

Receiver means an administrative receiver (as defined by section 29(2) of the Insolvency Act 1986) or a receiver and/or manager appointed by the Chargee hereunder;

Secured Liabilities means all monies obligations and liabilities covenanted to be paid by the Chargor to the Chargee pursuant to clause 2 of this Debenture;

Security Financial Collateral Arrangement has the meaning given to that expression in the Financial Collateral Regulations; and

VAT means value added tax.

1.2 In this Debenture:

- 1.2.1 the Chargee shall be construed so as to include an assignee or successor in title or any person who, under the laws of its jurisdiction of incorporation or domicile has assumed the rights and obligations of such party or to which under such laws the same have been transferred;
- 1.2.2 the term **including** shall be construed as meaning **including without limitation**;
- 1.2.3 the singular shall include the plural and vice versa;
- 1.2.4 each of its provisions is distinct and severable from the others and if at any time one or more of such provisions is or becomes illegal, invalid or unenforceable the validity, legality and enforceability of the remaining provisions hereof shall not be in any way affected or impaired thereby;
- 1.2.5 save where the contrary is indicated, any reference in this Debenture to a statute or statutory provision shall be construed as a reference to such statute or statutory provision as the same may be amended or re-enacted and to all instruments, orders, plans, regulations, bye-laws, permissions and directions made at any time thereunder;
- 1.2.6 where a party to this Debenture agrees to indemnify another party against any claim or liability in connection with any matter, the expression claim or liability (or other similar reference) shall be deemed to include all actions, proceedings, liabilities, outgoings, costs (on a full and unqualified indemnity basis and including any VAT thereon), claims, demands, damages, losses and expenses whatsoever directly or indirectly relating to or arising out of the subject matter under consideration; and
- 1.2.7 clause and schedule headings are for ease of reference only.

2 MONIES SECURED

The Chargor covenants with the Chargee that it will on demand pay and discharge to the Chargee:

- 2.1 all monies and liabilities whether principal, interest or otherwise which now are or, at any time after the date of this Debenture, may become due, owing or incurred to the Chargee by the Chargor either alone or jointly with any other person or company on any account whether current or otherwise and in whatever currency denominated and

all other liabilities whatsoever of the Chargor to the Chargee whether actual or contingent and whether as principal debtor, guarantor, surety or otherwise;

- 2.2 all costs, charges, expenses and other sums whatsoever (including without prejudice to the generality of the foregoing any legal and other professional costs, charges and expenses including VAT thereon) on a full and unqualified indemnity basis howsoever incurred or to be incurred by the Chargee or by or through any receiver, attorney, delegate, sub-delegate, substitute or agent of the Chargee or the Chargor (including without limitation the remuneration of any of them) for any of the purposes referred to in this Debenture or otherwise howsoever in relation to the Charged Assets and all other costs, charges and expenses (whether in respect of litigation or not) incurred or to be incurred in the negotiation, preparation, completion, protection, realisation, enforcement of, or the collection or recovery of any monies from time to time owing under such security (or any security collateral or supplemental thereto) or in insuring, inspecting, repairing, maintaining, completing, managing, letting, realising or exercising any other power, authority or discretion in relation to the Charged Assets;
- 2.3 interest on each of the foregoing calculated day by day from demand until full discharge (as well after as before judgment) at 2 per cent above the base rate from time to time in force of Lloyds Bank plc and, in respect of the sums specified in clause 2.1, interest shall accrue and be payable as from the dates on which the same are incurred or become due without the necessity for any demand being made for payment thereof.

3 CHARGING PROVISIONS

- 3.1 The Chargor with full title guarantee and as a continuing security for the payment of all the Secured Liabilities charges:
- 3.1.1 by way of the legal mortgage all interests or estates in any freehold or leasehold properties belonging to the Chargor at the date hereof;
- 3.1.2 by way of specific equitable charge all estates or interests in any freehold or leasehold properties (except the properties referred to in clause 3.1.1 above) at any time after the date of this Debenture belonging to or charged to the Chargor and/or the proceeds of sale of those estates or interests together with all buildings, fixtures (including trade fixtures) and fixed plant and machinery at any time on those estates or interests;

3.1.3 by way of a first fixed charge, the DEA Receivable (and the proceeds thereof) and the benefit of all rights relating thereto including (without prejudice to the generality of the foregoing) negotiable instruments, legal and equitable charges, reservation of proprietary rights, rights of tracing and unpaid vendors' liens and similar and associated rights;

3.1.4 by way of first fixed mortgage by assignment (subject always to reassignment upon redemption):

(a) all plant and machinery, vehicles, computers and other equipment of the Chargor both present and future and all spare parts, replacements, modifications and additions to or for the same and the full benefit of all warranties and maintenance contracts in relation thereto but excluding any stock in trade of the Chargor;

(b) all of the Chargor's right title and interest from time to time in the Mortgaged Aircraft and all spare parts, replacements, modifications and additions (subject to clause 3.2 below) to or for the same and the full benefit of all warranties and maintenance contracts in relation thereto but excluding any stock in trade of the Chargor;

the security expressed to be created by clause 3.1.4(b) in respect of the Mortgaged Aircraft is intended to be and shall constitute an international interest over the Mortgaged Aircraft in favour of the Chargee for the purposes of the Cape Town Convention and the Cape Town UK Regulations;

3.1.5 by way of first fixed charge:

(a) all stocks, shares, securities or other interests (together with all rights in respect of them or incidental to them) whether marketable or otherwise now or at any time belonging to the Chargor;

(b) the full benefit of all present and future Insurances held by or for the benefit of the Chargor and all proceeds thereof and all bonuses and other monies, benefits and advantages that may be or become payable or accrue thereunder or under any substituted policy and all the right title and interest whatsoever of the Chargor therein together with all rights and remedies relating thereto;

(c) all its present and future Intellectual Property Rights;

- (d) the benefit of all or any licences presently held or acquired after the date of this Debenture by the Chargor in connection with its business or the use of any of the Charged Assets and the right to recover and receive all compensation which may at any time become payable to it in respect thereof;
- (e) any beneficial interest claim or entitlement of the Chargor in any pension fund;
- (f) the goodwill and the uncalled capital of the Chargor both present and future;
- (g) all of its Material Contracts and the benefit of any guarantee or security for the performance thereof; and
- (h) all amounts realised upon the enforcement or execution of any order of the court in favour of the Chargor under sections 212, 213, 214, 238, 239, 244 and 423 of the Insolvency Act 1986.

3.1.6 by way of floating charge all the Charged Assets not effectively otherwise mortgaged, charged or assigned by this clause 3, (including, without limitation, any immovable property of the Company in Scotland and any Charged Assets in Scotland falling within any of the types mentioned in sub-clause 3.1.2 to 3.1.5 inclusive).

3.2 Any engine, part or other piece of equipment at any time removed from the Mortgaged Aircraft shall remain subject to the security created by this Debenture until such time as a replacement shall have become subject to the security created by this Debenture at which time such engine, part or other replacement piece of equipment shall be automatically released from the security created by this Debenture. If a replacement for any engine, part or other item of equipment which has been removed from the Mortgaged Aircraft, such replacement shall thereupon, and without the need for any further act, become subject to the security created by this Debenture. Each party agrees and undertakes (at the reasonable cost and expense of the Chargor) that it shall promptly and duly execute and deliver such further documents as may be necessary, from time to time, in order to carry out and effect the intent and purpose of this clause 3.2.

3.3

3.3.1 The Chargor shall not, without the prior written consent of the Chargee:

- (a) create or permit to exist any mortgage, debenture, charge, pledge, lien or other interest (whether express or arising by operation of law) on or affecting the Charged Assets ranking in priority to or pari passu with any charge created by this Debenture;
- (b) sell, assign, factor, mortgage, charge or otherwise dispose of any of the Charged Assets charged by clause 3.1.3 save in accordance with clause 4.7 or deal with any of them otherwise than in accordance with clause 4.7;
- (c) sell, transfer or otherwise dispose of the whole or any material part of its undertaking, property or assets otherwise than (in the case only of those Charged Assets charged by clause 3.1.6 of this Debenture but not by any other provision hereof) in the ordinary course of getting in and realising the same; or
- (d) make an application for or give notice for the appointment of an administrator.

3.3.2 None of the foregoing prohibitions in this clause 3.3 shall be construed as limiting any powers exercisable by any Receiver appointed under this Debenture as the agent of the Chargor or by any administrator appointed under this Debenture.

3.4 The Chargee may at any time by written notice to the Chargor convert the floating charge comprised in clause 3.1.6 into a fixed charge as regards any of the property, assets and rights of the Chargor present and future not subject to a fixed charge under this Debenture. Following such a notice the Chargor shall not dispose of any such Charged Assets which are included in the notice without the prior written consent of the Chargee and the Chargee may appoint a Receiver thereof and/or an administrator.

3.5 The floating charge comprised in clause 3.1.6 will, without notice from the Chargee, automatically be converted into a fixed charge as regards any of the property, assets and rights of the Chargor present and future not subject to a fixed charge under this Debenture with immediate effect:

- 3.5.1 in respect of any Charged Assets which become subject to a fixed charge or floating charge in favour of any other person; or
 - 3.5.2 (but only in respect of the Charged Asset or Charged Assets concerned) if and when person levies or notifies the Chargor that it intends to levy any distress execution, sequestration or other process against any of the Charged Assets; or
 - 3.5.3 if and when the Chargor shall cease to carry on business or to be a going concern; or
 - 3.5.4 if any of the Secured Liabilities become due and outstanding prior to their stated maturity.
- 3.6 Service of a notice by the Chargee pursuant to clause 3.4 in relation to any class of the Charged Assets shall not be construed as a waiver or abandonment of the Chargee's right to serve similar notices in respect of any other class of the Charged Assets or of any other of the rights of the Chargee under this Debenture.
- 3.7 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 (incorporated by Schedule 16 to the Enterprise Act 2002) shall apply to any floating charge created pursuant to this Debenture.
- 3.8 The floating charge created by this Debenture may not be converted into a fixed charge solely by reason of:
- 3.8.1 the obtaining of a moratorium; or
 - 3.8.2 anything done with a view to obtaining a moratorium;
- under the Insolvency Act 2000.

4 COVENANTS OF THE BORROWER

The Chargor hereby covenants with the Chargee that the Chargor:

- 4.1 shall keep the Charged Properties and all fixtures now or for the time being on the Charged Properties in good and substantial repair and condition and all plant and machinery now or for the time being on the Charged Properties in good working order;

- 4.2 shall carry on the conduct, and procure that its subsidiaries (so long as they respectively carry on business) carry on the conduct, of its (or as the case may be their) affairs in a proper and efficient manner and shall not, save with the prior written consent of the Chargee, make any substantial alteration in the nature of such affairs and shall keep and procure that its subsidiaries keep proper books and records and permit the Chargee and any persons authorised by the Chargee to have access to and to inspect the same;
- 4.3 shall keep such of the Charged Assets as are insurable insured in the joint names of the Chargor and the Chargee or if this is not possible, the Chargor having used all reasonable endeavours to procure the same, with the interest of the Chargee endorsed or noted on the policies in such manner as the Chargee may require against loss or damage by fire and such other risks as the Chargee shall from time to time require to the full reinstatement value thereof (together with additional amounts estimated as sufficient to cover architects' and surveyors' fees and the costs of demolition site clearance and shoring up (including VAT)) or as the Chargee may decide with such insurance office or underwriters as may from time to time be approved by the Chargee in writing and the Chargor shall maintain such other insurances as are normally maintained by a prudent company carrying on a similar business;
- 4.4 shall punctually pay all premiums and other monies necessary for keeping the insurances mentioned in clause 4.3 in force and, on demand, lodge the policies and receipts for such payments with the Chargee. Upon default of the same the Chargee may (but shall not be obliged to) take out or renew such insurances in such sums as the Chargee may think expedient and all monies expended by the Chargee under this clause 4.4 shall be deemed to be properly paid by the Chargee;
- 4.5 shall apply all monies which may at any time be received or receivable under any insurances (whether effected by the Chargor or the Chargee and whether or not effected in pursuance to the covenants in this clause) in replacing, restoring or reinstating the Charged Assets in respect of which the monies were received or, if so required by the Chargee, towards the discharge of the monies secured by this Debenture;
- 4.6 shall duly and punctually pay all rates, rents, taxes and other outgoings or sums payable out of or in respect of the properties referred to in clauses 3.1.1 and 3.1.2;
- 4.7 shall, in relation to the DEA Receivable:
- 4.7.1 give notice to the counterparty thereto of the Chargor's security interest therein in the form set out in Schedule 3 to this Debenture; and

- 4.7.2 (if called upon to do so by the Chargee) execute a legal assignment of such book and other debts to the Chargee in such terms as the Chargee may require and take such other steps as the Chargee may require to perfect such legal assignment.
- 4.8 shall inform the Chargee immediately of receipt of any notice received from any person giving notice of an intention to appoint or apply for the appointment of an administrator;
- 4.9 shall in relation to the Mortgaged Aircraft:
- 4.9.1 keep, or procure that they are kept, the same in good and substantial repair and condition and in good working order and condition and renew, service and overhaul the same as necessary and comply with all relevant legal requirements necessary for the operation thereof and not suffer the same to deteriorate in condition or value (otherwise than in the normal course of operation);
- 4.9.2 in the event of any defect in the title, satisfactory quality, fitness for purpose, condition or failure to correspond with the description of the same or any parts or equipment supplied for incorporation therein or attachment thereto (whether such terms are contractual or statutory) and notwithstanding the provisions of clause 3.1.4(a) prosecute diligently all claims available to the Chargor in respect of such defect or failure against the supplier, manufacturer or other person liable in respect thereof;
- 4.9.3 maintain, or procure the maintenance of, all log books, manuals, technical data, certificates of airworthiness and other materials and documents as are required by specific contracts, normal trade practice or by law to be maintained on or with respect thereto and upon reasonable demand to deliver the same to the Chargee;
- 4.9.4 ensure that all persons having any interest in any premises at which any of the same (or any documents of title thereto) are kept (whether such interest arises as lessor, lessee, mortgagee or otherwise) waives, in a form satisfactory to the Chargee, any right they may have to distrain upon or against the same;

- 4.9.5 not make any replacements, modifications, renewals or additions thereto without the prior consent of the Chargee (such consent not to be unreasonably withheld or delayed) save for (1) any task/mission specific equipment, whether owned by the Chargor or a third party, that is fitted to and removed from either aircraft by the Chargor or its agents from time to time in the ordinary course of its activities (such as, but not limited to, cameras, radar equipment and data-link units) which is not a permanent fixture on such aircraft; or (2) any accessory, instrument or other item of equipment which is temporarily installed on such aircraft and which does not affect the structure or airworthiness thereof in any way.
- 4.9.6 ensure that any replacements, modifications, renewals and additions to the same are the absolute property of the Chargor free of all liens, charges or other encumbrances (save for in the case of such task/mission specific equipment or temporary additions as more particularly described in clause 4.9.5);
- 4.9.7 if so reasonably required by the Chargee, affix thereto or to any part thereof such stickers, notices or other forms of wording of reasonable size and type in a readily visible position as the Chargee may require to the effect that the Chargee has an interest in the same as mortgagee and that the Chargor cannot dispose of them or of any interest in them without the prior consent of the Chargee; and
- 4.9.8 not enter into any leasing, chartering or hiring agreement or similar which has the effect of leasing, chartering or otherwise hiring out the use of either or both of the Aircraft to any other party without the prior written consent of the Chargee (not to be unreasonably withheld or delayed),
- 4.10 shall in relation to the Material Contracts:
 - 4.10.1 observe and perform all its obligations under the Material Contracts;
 - 4.10.2 not terminate or amend any Material Contract without the prior consent of the Chargee;
 - 4.10.3 enforce the obligations of each other party to the Material Contracts;
 - 4.10.4 notify the Chargee of any material breach of any Material Contract by any party to that Material Contract; and

- 4.10.5 give notice to the counterparty thereto of the Chargor's security interest therein in the form set out in Schedule 4 to this Debenture and shall use all reasonable endeavours to procure the acknowledgement by the counterparty of such notices,
- 4.11 shall furnish to the Chargee, its agents, representatives and employees from time to time such financial statements, information, valuations and certificates regarding the assets and liabilities, financial condition, business and affairs of the Chargor and/or its subsidiaries as the Chargee may require;
- 4.12 shall at any time if called upon to so do by the Chargee immediately deliver to the Chargee the certificates or other documents of title relating to all or any of the stocks, shares, securities or other interest referred to in clause 3.1.5(a) and execute all such transfers and other documents as may be necessary to enable the Chargee or its nominees to be registered as the owners of or otherwise to obtain good legal title to the same;
- 4.13 shall notify the Chargee of any proposal or contract made by the Chargor for the acquisition by the Chargor of any freehold or leasehold property and in the case of any such property, the title to which (either before or after the acquisition of the property) is registered under the Land Registration Acts, shall notify the Chargee of the title number(s) of the property and, contemporaneously with the making of the application to H M Land Registry for the registration of the Chargors as the Registered Proprietor of the Property, shall request the Chief Land Registrar to enter a notice of this Debenture on the Charges Register of the title numbers of such property;
- 4.14 shall (subject to the rights of any prior mortgagee) deposit with the Chargee the deeds and documents of title relating to any such property as is referred to in clause 3.1.2 upon its acquisition by the Chargor, and to any other equitably charged property, and shall at any time, if called upon to do so by the Chargee, execute over all or any part of such property a charge by way of legal mortgage in favour of the Chargee in such form as the Chargee may require and in the case of any leasehold property shall use its best endeavours to obtain any requisite consent for a charge by way of legal mortgage from the lessor;
- 4.15 shall promptly inform the Chargee of any event or of the receipt of any notice which may affect the title of the Chargor to the Charged Properties or any fixtures on the Charged Properties or which may affect its ability to carry on its business or the security created by this Debenture;

- 4.16 shall allow the Chargee, or its agents with or without surveyors, workmen and others at all reasonable times to enter or inspect the Charged Property and any plant, machinery and other effects used for the purposes of or in connection with the Chargor's business to view the state of repair of the Charged Property and to carry out at the Chargor's expense any repairs to the Charged Property which the Chargee considers necessary (without becoming liable as a mortgagee in possession) and all monies expended by the Chargee under this clause 4.16 shall be deemed to be properly paid by the Chargee;
- 4.17 shall (where the Chargor is tenant) comply with any tenant's covenants under any lease under which the whole or any part of the Charged Properties are held and shall not agree any rent review under any such lease without the written consent of the Chargee or do any act or thing whereby the said lease or leases may become liable to forfeiture or otherwise be determined;
- 4.18 shall (where the Chargor is landlord) comply with any landlord's covenants under any lease, underlease, tenancy, agreement for lease, licence or agreement to which the Charged Properties are now or may become subject and shall duly and efficiently implement any provision for review in any such lease, underlease, tenancy or agreement and shall not agree any such review without the written consent of the Chargee;
- 4.19 shall (where the Chargor is landlord) enforce the due observation and performance of all tenant's obligations under any lease, underlease, tenancy, agreement for lease, licence or agreement to which the Charged Properties are or may become subject and neither waive, release or vary or agree to waive, release or vary any of the terms of any such lease, underlease, tenancy, agreement for lease, licence or agreement nor exercise any power to determine or extend the same nor grant any consents or licences under any such lease, underlease, tenancy, agreement for lease, licence or agreement without the prior consent in writing of the Chargee;
- 4.20 shall in relation to the Charged Properties comply with all obligations under any present or future statute, regulation, order or instrument or under any bye-law, regulation or requirement of any competent authority or planning permissions or other approvals, licences or consents and produce to the Chargee within seven days of receipt every notice, order or proposal given or made by any competent authority and either comply with the same or make such objections and representations against the same as the Chargee may reasonably require or approve;

- 4.21 shall not sever or permit to be severed (save as authorised in this Debenture) or permitted from the Charged Properties any fixtures and/or fittings now or subsequently affixed to or placed upon the Charged Properties except for the purpose of replacing them with others of equal or greater value and any such replacements shall be subject to the security created by this Debenture;
- 4.22 shall not, without the prior consent in writing of the Chargee, exercise any of the powers of leasing or agreeing to lease vested in or conferred on mortgagors by common law or by statute or create or suffer to be created a tenancy of any description of the Charged Properties or confer upon any person any contractual licence, right or interest to occupy the whole or any part of the said property or accept or agree to accept a surrender of any lease, underlease, tenancy, licence or agreement;
- 4.23 shall at the request of the Chargee call up (and not call up without the prior consent in writing of the Chargee) any uncalled capital both present and future and any monies received from the calling up of capital shall if required by the Chargee be applied in or towards the discharge of the Secured Liabilities;
- 4.24 not without the prior written consent of the Chargee exercise any option, election or discretion to charge VAT or transfer the right to recover any VAT or levy VAT or to treat supplies made by it as taxable supplies for the purposes of VAT provided that if the Chargee so requires the Chargor shall exercise any option, election or discretion which may now or hereafter be available to it to charge VAT or to treat supplies made by it as taxable supplies for the purposes of VAT;

and in the case of default by the Chargor in the performance of any of the foregoing covenants the Chargee may (but shall not be obliged to) do whatever may be necessary to make good such default and all sums expended by the Chargee in that behalf shall be reimbursed by the Chargor to the Chargee on demand and until so reimbursed by the Chargor shall be added to the Secured Liabilities and bear interest accordingly and the Chargee may effect insurances in such amounts and against such risks as the Chargee shall decide irrespective of whether the Chargor is in default in the manner described in clause 4.4 of this Debenture.

5 POWER OF SALE AND STATUTORY POWERS

- 5.1 For the purposes of all powers implied by statute the Secured Liabilities shall be deemed to have become due and payable on the date of this Debenture and the Chargee may exercise the statutory power of sale conferred on mortgagees by the Law of Property Act 1925 free from the restrictions imposed by section 103 of that Act shall not apply to the charges hereby created.
- 5.2 Immediately upon the Chargee making demand upon the Chargor for payment and discharge in accordance with the provisions of this Debenture the monies secured by this Debenture shall be deemed to have become due within the meaning of section 101 of the Law of Property Act 1925 and this security shall immediately become enforceable and the power of sale and other powers conferred by the said section 101 as varied or extended by this Debenture and all other powers conferred upon the Chargee by this Debenture shall be immediately exercisable.
- 5.3 The statutory powers of leasing conferred on the Chargee shall be extended so as to authorise the Chargee to lease and make agreements for leases at a premium or otherwise and accept surrenders of leases and grant options as the Chargee shall consider expedient and without the need to comply with any of the provisions of sections 99 and 100 of the Law of Property Act 1925 and for the purposes of sections 99 and 100 of that Act the expression 'mortgagor' shall include any encumbrancer deriving title under the original mortgage and sections 99 (18) and 100 (12) of that Act shall not apply.
- 5.4 The Chargee shall, so far as it is lawful to do so, be entitled to consolidate all or any of the securities created by or pursuant to this Debenture with any other securities whether in existence now or created after the date of this Debenture and accordingly the restriction upon the right of consolidating mortgage securities contained in section 93(1) of the Law of Property Act 1925 shall not apply to this Debenture.
- 5.5 Section 109 of the Law of Property Act 1925 shall not apply to this Debenture.

6 APPOINTMENT OF RECEIVER AND ADMINISTRATOR

6.1 The Chargee may at any time after the Chargee has demanded payment of the Secured Liabilities or the floating charge comprised in clause 3.1.6 has crystallised pursuant to the provisions of this Debenture or if the Chargor so requests the Chargee in writing (whether or not the Chargee has entered into or taken possession of the Charged Assets) by writing appoint any person or persons (including a manager or official of the Chargee) to be:

6.1.1 a Receiver or Receivers of all or any of the Charged Assets in accordance with and to the extent permitted by applicable laws upon such terms as to remuneration and otherwise as the Chargee may from time to time think fit and may similarly remove any Receiver and appoint another in his stead and any Receiver so appointed shall be the agent of the Chargor for all purposes and the Chargor shall be solely responsible for his contracts, engagements, acts, defaults, omissions and losses and for liabilities incurred by him for his misconduct and for his remuneration provided always that the Chargee may not appoint an administrative receiver over the Charged Assets if the Chargee is prohibited from doing so by section 72A of the Insolvency Act 1986 and no exception to the prohibition on appointing an administrative receiver applies; and

6.1.2 an administrator of the Company in accordance with and to the extent permitted by any applicable laws.

6.2 Any Receiver appointed by the Chargee shall have all of the rights, powers and discretions set out in clause 6.3 below in addition to those conferred on it by any law, this includes:

6.2.1 in the case of an administrative receiver (if and to the extent that the appointment thereof is permitted by any applicable law), all the rights, powers and discretions conferred on an administrative receiver specified in Schedule 1 of the Insolvency Act 1986; and

6.2.2 otherwise, all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the Law of Property Act 1925 and the Insolvency Act 1986.

- 6.3 In addition, a Receiver shall (without limitation) have the following rights, powers and discretions, namely:
- 6.3.1 all the rights, powers and discretions conferred on an administrative receiver specified in Schedule 1 of the Insolvency Act 1986 (whether or not he is in fact an administrative receiver);
 - 6.3.2 to enter upon, take possession of, collect and get in the Charged Assets and for that purpose to make or to require the directors of the Chargor to make calls upon the holders of the Chargor's share capital in respect of any such capital of the Chargor which remains uncalled and to enforce payment of calls so made and any previous unpaid calls by taking proceedings in the name of the Chargor or his own name;
 - 6.3.3 to carry on, manage or concur in carrying on or managing the business of the Chargor as he may think fit including (without limitation) power to perform, repudiate, rescind or vary any contract or agreement to which the Chargor is a party;
 - 6.3.4 to carry out, continue or complete the development of any of the Charged Properties or any other development in relation to which the Chargor may from time to time be engaged in such manner as the Receiver may from time to time think fit and to carry out, continue, vary, repudiate, terminate or otherwise act in relation to any contract for or in connection with any such development and in particular and by way of addition to but without prejudice to the generality of the foregoing to agree to any restriction, alteration or extension of the works covered by any such contract and to employ, engage or dismiss the services of any builder or other contractor or professional adviser involved in or to be involved in such development or the improvement repair or construction thereof;
 - 6.3.5 for the purpose of exercising any of the powers, authorities and discretions conferred on him by or pursuant to these presents and/or defraying any costs, charges, losses or expenses (including his remuneration) which shall be incurred by him in the exercise thereof or for any other purpose to make advances or to raise or borrow money either unsecured or secured on the Charged Assets in priority to, *pari passu* with or subsequent to the security hereby constituted or otherwise and at such rate or rates of interest and generally on such terms and conditions as the Receiver may think fit;

- 6.3.6 to sell or concur in selling or exchanging the Charged Assets or any of them and to grant or concur in granting leases, tenancies, licences and rights of user for any term and to grant or concur in granting renewals and surrenders or accept or concur in accepting surrenders of any leases or tenancies at or for such consideration, rents and premiums and upon such terms and conditions (including provisions for the review of rent and the granting of long leases at a premium with or without a rent reserved) as the Receiver shall in his absolute discretion think fit and without prejudice to the generality of the foregoing he may do any of the aforementioned things for a consideration consisting 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 he may think fit, and to carry into effect and complete any such transaction by executing any deeds or documents as may be necessary or appropriate in the name of or on behalf of the Chargor. Sales of property may be by public auction, tender or private treaty with or without advertisement and in such lot or lots as the Receiver may in his absolute discretion think fit. Fixtures and/or plant and machinery may (where legally possible) be severed and sold separately from the property containing them without the consent of the Chargor;
- 6.3.7 to promote the formation of a subsidiary company and/or companies of the Chargor with a view to such subsidiary company and or companies purchasing, leasing, licensing or otherwise acquiring an interest in all or any of the assets of the Chargor;
- 6.3.8 to make allowances to and arrangements with any lessees, tenants or other persons from whom any rents and profits may be receivable (including the granting of any licences and reviewing rent in accordance with the terms of and varying the provisions of any leases affecting the Charged Properties) and to distrain for any unpaid rent;
- 6.3.9 to make and effect all such repairs, structural and other alterations, improvements, additions and developments in or to the Charged Properties as he may consider fit and to purchase or otherwise acquire any materials, articles or things and do anything else in connection with the Charged Properties which the Receiver may think desirable for the purpose of making productive or increasing the letting or market value of the Charged Properties or protecting the security constituted by this Debenture;

- 6.3.10 to arrange for or provide all the services (including without prejudice to the generality of the foregoing the lighting, heating and cleansing) which may be deemed proper for the efficient use or management of the Charged Properties;
- 6.3.11 to effect and renew insurances;
- 6.3.12 to redeem any prior encumbrance and to settle and approve the accounts of the encumbrancer and accounts so settled and approved shall be conclusive and binding on the Chargor and the money so paid shall be a receivership expense;
- 6.3.13 to exercise or permit the Chargor or any nominees of the Chargor to exercise any powers or rights incidental to the ownership of the Charged Assets in such manner as he may think fit and in particular (as regards shares, stock and securities) any voting rights conferred by the same and (as regards securities) any rights of enforcing the same by foreclosure, sale or otherwise;
- 6.3.14 to 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 in any way to the Charged Assets;
- 6.3.15 to bring, prosecute, enforce, defend and abandon all such actions, suits and proceedings in relation to the Charged Assets as may seem to him to be expedient;
- 6.3.16 to take or defend proceedings in the name of the Chargor including proceedings for the compulsory winding up of the Chargor and proceedings for directions under section 35(1) of the Insolvency Act 1986;
- 6.3.17 to appoint, hire and employ and to remunerate agents, servants, attendants, workmen and others on such terms and generally in such manner as he shall think fit either in connection with any exercise by him of any of the foregoing powers or otherwise for any purpose connected with the Charged Assets and to discharge any person so appointed, hired or employed;
- 6.3.18 in respect of the Mortgaged Aircraft:

- (a) to apply to any authority in any country in which the Mortgaged Aircraft or any part thereof are located for an enforcement and attachment order in respect of such Mortgaged Aircraft;
- (b) to apply to any court of competent authority for an order for foreclosure absolute so as to vest all the Chargor's right, title and interest in the Mortgaged Aircraft in the Chargee absolutely, including, for the avoidance of doubt, any relief or remedy provided for under Article 20 of the Consolidated Text (including as incorporated into English law pursuant to Regulation 25 of the Cape Town UK Regulations) or any other objective or preventative relief or measure;
- (c) to take possession of the Mortgaged Aircraft whether actually or constructively and/or otherwise to take control of the Mortgaged Aircraft wherever the Mortgaged Aircraft may be and cause the Chargor or any other person in possession of the Mortgaged Aircraft immediately upon demand, to surrender the Mortgaged Aircraft to the Chargee without legal process and to enter upon any land or premises where the Mortgaged Aircraft may be located without being liable to the Chargor or any other person for or by reason of such entry or by reason of, or in connection with, any other action by the Chargee under this clause 7.1(c) including, if applicable, under any registered IDERA (as that expression is defined in the Cape Town Convention) in accordance with the Cape Town Convention, including as incorporated into English law pursuant to the Cape Town UK Regulations; and
- (d) to sell, call in, collect and convert into money the Mortgaged Aircraft with all such powers in that respect as are conferred by law and by way of extension thereof such sale, calling in, collection and conversion may be made by public or private contract at any place in the world with or without advertisement or notice to the Chargor and for such consideration as the Chargee shall in its reasonable opinion deem fair in all the circumstances, whether the same shall consist of cash or shares or debentures in some other company or companies or other property of whatsoever nature or partly of one and partly of some other species of consideration and whether such consideration shall be presently payable or by instalments or at some future date and whether such deferred or future payments shall be secured or not and in all other

respects and manner and for any other consideration as the Chargee shall think fit and without being liable to account for any loss of or deficiency in such consideration and so that the Chargee shall have power in its absolute discretion to postpone any such sale or to proceed to a forced sale without being liable for any loss resulting therefrom, and for the purposes of this clause 6.3.18(d) the Chargee may (in its sole discretion) by written notice appoint the Chargor its non-exclusive agent to sell the Mortgaged Aircraft on terms satisfactory to the Chargee;

6.3.19 to do all such other acts and things as he may consider necessary or desirable for the realisation of any of the Charged Assets or incidental or conducive to any of the matters, powers or authorities conferred on a receiver under or by virtue of these presents and to exercise in relation to the Charged Assets all such powers and authorities and do all such things as he would be capable of exercising if he were the absolute beneficial owner of the same;

6.3.20 any appointment over part only of the Charged Assets will not preclude the Chargee from making any subsequent appointment of a Receiver over any part of the Charged Assets over which an appointment has not previously been made by it;

and it is agreed and declared that the powers conferred upon any such Receiver may be exercised by him either in his own name or in the name of the Chargor (in the case of joint receivers such powers being exercised jointly or severally).

6.4 The Chargee is not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything else done with a view to obtaining a moratorium) by or in respect of the Chargor under the Insolvency Act 2000 except with leave of the court.

6.5 In making any disposal of the Charged Assets in exercise of their respective powers the Receiver or the Chargee may accept or dispose of as and by way of consideration cash, shares, loan capital or other property, assets or obligations including consideration fluctuating to or dependant on profit or turnover and consideration the amount whereof is to be determined by any third party and any contract for such disposal may contain conditions excluding or restricting the personal liability of the Receiver or the Chargee.

7 APPROPRIATION

7.1 All monies received by the Chargee or any Receiver appointed by it pursuant to this Debenture shall after the security constituted by this Debenture shall have become enforceable subject to the repayment of any claims having priority to the security complied in this Debenture and save insofar as otherwise directed by the Chargee be applied in the following order (but without prejudice to the right of the Chargee to recover any shortfall from the Chargor):

7.1.1 in payment of all proper costs, charges and expenses of and incidental to the appointment of the Receiver the exercise of all or any of his powers including his remuneration and all outgoings properly paid by the Receiver and liabilities incurred by him as a result of such exercise;

7.1.2 in or towards payment or discharge to the Chargee of the Secured Liabilities in such order and in such proportions as the Chargee may from time to time require including to any suspense or impersonal account to be so held for so long as the Chargee shall think fit pending application in or towards the discharge of the Secured Liabilities; and

7.1.3 the surplus (if any) shall be paid to the Chargor or such other person or entity as may be entitled thereto.

7.2 To the extent that the Charged Assets constitute Financial Collateral and this Debenture and the obligations of the Chargor under it constitute a Security Financial Collateral Arrangement, the Chargee shall have the right, at any time after the security constituted by this Debenture has become enforceable, to appropriate all or any of those Charged Assets in or towards the payment and/or discharge of the Secured Liabilities. The value of any Charged Assets appropriated in accordance with this clause shall be the price of those Charged Assets at the time the right of appropriation is exercised as listed on any recognised market index, or determined by such other method as the Chargee may select (including independent valuation). The Chargor agrees that the methods of valuation provided for in this clause are commercially reasonable for the purposes of the Financial Collateral Regulations.

8 ADDITIONAL POWERS OF THE CHARGEES

- 8.1 All or any of the powers, authorities and discretions which are conferred by this Debenture either expressly or impliedly upon a Receiver of the Charged Assets may be exercised by the Chargee in relation to the Charged Assets without first appointing a Receiver of the Charged Assets or notwithstanding the appointment of a Receiver of the Charged Assets.
- 8.2 The powers conferred by this Debenture in relation to the Charged Assets on the Chargee or on any Receiver of the Charged Assets shall be in addition to and not in substitution for the powers conferred on mortgagees or receivers under any legislation and where there is any ambiguity or conflict between the powers contained in any legislation and those conferred by this Debenture as aforesaid then the terms of this Debenture shall prevail.
- 8.3 The Chargee may at any time and from time to time delegate by power of attorney or in any other manner to any person, firm or company or fluctuating body of persons all or any of the powers, authorities and discretions which are for the time being exercisable by the Chargee under this Debenture or under any legislation in relation to the Charged Assets and any such delegation may be made upon such terms and conditions (including power to sub-delegate) and subject to such regulations as the Chargee may think fit and the Chargee shall not be in any way liable or responsible to the Chargor for any loss or damage arising from any act, default, omission or misconduct on the part of any such delegate (or sub-delegate).

9 LIABILITY OF CHARGEES IN POSSESSION

- 9.1 If the Chargee or any Receiver or any such delegate (or sub-delegate) as aforesaid shall enter into possession of the Charged Assets or any of them the Chargee may from time to time at pleasure go out of such possession.
- 9.2 The Chargee shall not in any circumstances either by reason of any entry by it into or taking by it of possession of the Charged Assets or for any other reason whatsoever and whether as mortgagee in possession or on any other basis whatsoever be liable to account to the Chargor for anything except the Chargee's own actual receipts or be liable to the Chargor for any loss or damage arising from any realisation by the Chargee of the Charged Assets or from any act, default or omission of the Chargee in relation to the Charged Assets or from any exercise or non-exercise by the Chargee of any power, authority or discretion conferred upon it in relation to the Charged Assets by or

pursuant to this Debenture or by any legislation unless such loss or damage shall be caused by the Chargee's own fraud.

- 9.3 If and insofar as the Chargee incurs any liability to any other person, firm, company or authority or suffers any loss or damage, or any claim, action or proceeding is brought against the Chargee by any other person, firm, company or authority directly or indirectly as a result of exercising its right under or in respect of clause 9.1 the Chargor shall indemnify the Chargee against any such liability or claim and the Chargor's obligations under or in respect of this clause 9.3 shall be included within the Secured Liabilities and form part thereof.
- 9.4 All the provisions of clause 9.2 shall apply in respect of the liability of any Receiver of the Charged Assets and in respect of the liability of any such delegate (or sub-delegate) as aforesaid in all respects as though every reference in that clause to the Chargee were instead a reference to such Receiver or (as the case may be) to such delegate (or sub-delegate).

10 FURTHER DOCUMENTATION

- 10.1 The Chargor shall execute and do all such assurances, acts and things as the Chargee may reasonably require for perfecting or protecting the security created over the Charged Assets pursuant to this Debenture or for facilitating the realisation of the Charged Assets and the exercise of all powers, authorities and discretions vested in the Chargee or in any Receiver of the Charged Assets or in any such delegate (or sub-delegate) as aforesaid and shall in particular execute all mortgages, charges, transfers, conveyances, assignments and assurances of the Charged Assets whether to the Chargee or to its nominees and give all notices, orders and directions which the Chargee may think expedient.
- 10.2 Without prejudice to the generality of clause 10.1 the Chargor will, immediately at the request of the Chargee, execute a legal mortgage, charge or assignment over all or any of the Charged Assets subject to or intended to be subject to any security hereby created in favour of the Chargee (whether fixed or floating) in such form as the Chargee may require, including but not limited to circumstances where there is a change of the state of registration of the Mortgaged Aircraft.

- 10.3 If at any time any security created by this Debenture becomes registerable as an International Interest under the Cape Town Convention (including as incorporated into English law pursuant to the Cape Town UK Regulations), including following any Change in Law (as that expression is defined in the Cape Town Convention) in the jurisdiction in which the Chargor is situated for the purposes of the Cape Town Convention, the Chargor will co-operate with the Chargee and will take all actions as may be reasonably requested of it by the Chargee for the purposes of effecting the registration of any such International Interest on the International Registry, in priority to all other registrable interests, and shall do (or authorise) all such acts and execute (or authorise the execution of) all such documents as may be necessary to perfect and preserve such priority filings and to ensure that the Chargee, as a creditor and charge for the purposes of the Cape Town Convention, will (to the extent permitted by applicable law) receive the benefit of all the rights, powers and remedies permitted by the Cape Town Convention (including as incorporated into English law pursuant to the Cape Town UK Regulations).
- 10.4 The Chargee may at any time after the security hereby constituted has become enforceable redeem any prior mortgage, charge or other encumbrance against the Charged Assets or procure the transfer thereof to themselves and may settle and pass the accounts of the prior mortgagee, chargee or encumbrancer and any accounts so settled and passed shall be conclusive and binding on the Chargor and all principal moneys, interest, costs, charges and expenses of and incidental to such redemption and transfer shall be paid by the Chargor to the Chargee on demand.

11 ATTORNEY

- 11.1 The Chargor by way of security and in order more fully to secure performance of its obligations under this Debenture now irrevocably appoints the Chargee and every Receiver of the Charged Assets and every administrator appointed under or by virtue of this Debenture and every such delegate (or sub-delegate) as aforesaid to be its attorney and every administrator and on its behalf and in its name or otherwise to execute and do all such assurances, acts and things which the Chargor ought to do under the covenants and provisions contained in these presents including (without prejudice to the generality of the foregoing) to make any demand upon or to give any receipt to any person by whom any such debt as is referred to in clause 3.1.3 is for the time being owing and to execute and deliver any such transfers, charges and other documents as are referred to in this Debenture 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 these presents or by any

legislation on the Chargee or any such Receiver, administrator, delegate or sub-delegate and (without prejudice to the generality of the foregoing) to execute and deliver and otherwise perfect any deed, assurance, agreement, instrument or act which it or he may deem proper in or for the purpose of exercising any of such powers, authorities and discretions.

- 11.2 The Chargor hereby ratifies and confirms and agrees to ratify and confirm whatever any such attorney as is mentioned in this clause 11 shall do or purport to do in the exercise or purported exercise of all or any of the powers, authorities and discretions referred to in this clause 11.

12 PROTECTION FOR THIRD PARTY PURCHASERS

- 12.1 No person dealing with the Chargee or with any Receiver of the Charged Assets or any part thereof or with any such delegate or sub-delegate as aforesaid shall be concerned to enquire whether any event has happened upon which any of the powers, authorities and discretions conferred by or pursuant to these presents in relation to the Charged Assets are or may be exercisable by the Chargee or by any such Receiver, delegate or sub-delegate or otherwise as to the propriety or regularity of acts purporting or intended to be in exercise of any such powers and all the protection to purchasers contained in sections 104 and 107 of the Law of Property Act 1925 shall apply to any person purchasing from or dealing with the Chargee or any such Receiver, delegate or sub-delegate in like manner as if the statutory powers of sale and of appointing a Receiver in relation to the Charged Assets had not been varied or extended by the terms of this Debenture.
- 12.2 In addition to all other protection afforded by law any person dealing with the Chargee or any Receiver or any delegate (or sub-delegate) as aforesaid shall be entitled and bound to assume without enquiry that some monies are owing on the security hereof and have become payable.

13 CONTINUING SECURITY

- 13.1 The security created by or pursuant to this Debenture shall be:
- 13.1.1 a continuing security for the Secured Liabilities and shall not be considered as satisfied or discharged by any intermediate payment or settlement of the whole or any part of the Secured Liabilities or any other matter or thing whatsoever; and

- 13.1.2 in addition to and independent of and shall not operate so as to prejudice or affect or merge in any other security which the Chargee may hold at any time for the Secured Liabilities or any other obligations whatsoever and shall not be affected by any release, reassignment or discharge of such other security.
- 13.2 Any release or discharge of the security created by or pursuant to this Debenture or of any of the Secured Liabilities shall not release or discharge the Chargor from any liability to the Chargee for the same or any other monies which may exist independently of this Debenture.
- 13.3 Neither the security created by or pursuant to this Debenture nor any remedy of the Chargee in respect thereof shall be prejudiced by:
 - 13.3.1 any unenforceability or invalidity of any other agreement or document; or
 - 13.3.2 any time or indulgence or any other act or thing granted to the Chargor or any other person or any other act or thing which but for this clause 13.3 would or might prejudice the security created by or pursuant to this Deed or the right of the Chargee to any such remedy.

14 WAIVER OF DEFENCES

- 14.1 The liability of the Chargor under this Debenture will not be affected by any act, omission, circumstance, matter or thing which but for this provision would release or prejudice any of its obligations hereunder or prejudice or diminish such obligations in whole or in part including without limitation and whether or not known to the Chargor or the Chargee or by:
 - 14.1.1 any time or waiver granted to or composition with the Chargor or any other person; or
 - 14.1.2 the taking, variation, compromise, exchange, renewal or release or refusal or neglect to perfect, take up or enforce any rights against or security over assets of the Chargor or any other person or any non-presentment or non-observance of any formality or other requirement in respect of any instruments or any failure to realise the full value of any other security; or
 - 14.1.3 any incapacity or lack of powers, authority or legal personality of or dissolution or change in the members or status of the Chargor or any other person; or

14.1.4 any unenforceability, illegality or invalidity of any obligations of any person hereunder to the intent that the Chargor's obligations under this Debenture shall remain in full force and this Debenture shall be construed accordingly as if there were no unenforceability, illegality or invalidity.

14.2 The Chargee shall not be concerned to see or investigate the powers or authorities of any of the Chargor or its officers or agents and moneys obtained or Secured Liabilities incurred in purported exercise of such powers or authorities or by any person purporting to be the Chargor shall be deemed to form a part of the Secured Liabilities and 'Secured Liabilities' shall be construed accordingly.

14.3 In any proceedings taken in the jurisdiction of incorporation of the Chargor in relation to the Mortgage Chattels pursuant to this Debenture, the Chargor agrees that (in accordance with Article 57 of the Consolidated Text, as incorporated into English law pursuant to Regulation 46 of the Cape Town UK Regulations) it will not be entitled to claim for itself or any of its assets (including the Mortgaged Aircraft) immunity from suit, execution, attachment or other legal process in such jurisdiction.

15 AVOIDANCE OF PAYMENTS

Any settlement, discharge or release between the Chargor and the Chargee or any Receiver shall be conditional upon no security or payment to such parties by the Chargor or any other person on the Chargor's behalf being avoided or reduced by virtue of any provisions or enactments relating to bankruptcy, insolvency or liquidation for the time being in force and in the event of such security or payment being so avoided or reduced the Chargee or any Receiver shall be entitled to recover the value or amount of such security or payment from the Chargor and from the security created by or pursuant to this Debenture subsequently as if such settlement discharge or release had not occurred.

16 CHARGEES' POWERS

Until all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full the Chargee shall be entitled at its discretion to:

16.1 refrain from applying or enforcing any other guarantee, obligation, security, money or rights held by it 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 the Chargor shall not be entitled to the benefit of the same; and

- 16.2 hold in a suspense account any monies received from the Chargor or an account of the Chargor's liability in respect of the Secured Liabilities giving credit to the Chargor for any interest earned in respect of such suspense account.

17 SET-OFF AND COMBINATION OF ACCOUNTS

Without prejudice to any rights the Chargee may have in law or in equity the Chargor authorises the Chargee to apply any sum from time to time owed by the Chargee to the Chargor (and whether or not any such sum is at that time due for payment) in satisfaction of the Secured Liabilities. The Chargee shall not be obliged to exercise any right given to it by this clause.

18 ASSIGNMENT

- 18.1 The Chargee shall have a full and unfettered right to assign the whole or any part of the benefit of this Debenture and the expression the 'Chargee' wherever used herein shall be deemed to include such assignees and other successors whether immediate or derivative of the Chargee who shall be entitled to enforce and proceed upon this Debenture in the same manner as if named herein and the Chargee shall be entitled to impart any information concerning the Chargor to any such assignee or other successor or proposed assignee or successor.
- 18.2 The Chargor may not assign any of its rights or transfer any of its rights or obligations under this Debenture.

19 THIRD PARTY RIGHTS

A person who is not a party to this Debenture has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Debenture but this does not affect any right or remedy of a third party which exists or is available apart from that Act (including, without limitation, any right or remedy arising by virtue of an assignment of the benefit of this Debenture or any part of this Debenture which is permitted in accordance with its terms).

20 VARIATION

The Chargee may in its discretion grant time or other indulgence or make any other arrangement variation or release with any person or persons (whether or not party hereto and whether or not such person or persons is or are jointly and/or severally liable with the Chargor) in respect of any of the monies and other amounts hereby secured or of any other security therefor without prejudice either to this security or to the liability of the Chargor for the Secured Liabilities.

21 BENEFIT OF CHARGE

This Debenture shall remain enforceable valid and binding for all purposes notwithstanding any change in the name of the Chargee or its absorption of or by or its amalgamation or consolidation with any other company or other body or any change in the constitution of the Chargee its successors or assigns or the company by which the business of the Chargee may from time to time be carried on and shall be available to such successors assigns or company carrying on that business for the time being.

22 COUNTERPARTS

This Debenture may be executed in any number of counterparts and all of such counterparts shall together be deemed to constitute one and the same instrument.

23 NOTICES

23.1 Any notice or demand by the Chargee shall be in writing signed by any official of the Chargee and may be served by delivering the same to the Chargor or by first class letter post addressed to the Chargor at the address last known to the Chargee or to the registered office of the Chargor.

23.2 A notice or demand by the Chargee by post shall be deemed served 24 hours after posting.

23.3 A notice or demand by the Chargee delivered by hand to the Chargor shall be deemed served at the time of delivery.

24 GOVERNING LAW

This Debenture, and any non-contractual obligations arising out of or in connection with it, shall be governed by and construed in accordance with English Law and the parties hereto hereby submit to the non-exclusive jurisdiction of the Supreme Court of England but without prejudice to the right of the Chargee to pursue its remedies in any other jurisdiction it thinks fit.

25 NOTIFICATION OF CHARGE

25.1 The Chargor consents to the Chargee applying to the Land Registrar on form RX1 (or such other equivalent form as the Land Registry may require) for a restriction to be entered onto the Proprietorship Register of the Scheduled Property in the form of the restriction set out below

"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 a charged dated [date] in favour of [Chargee] referred to in the charges register"

and the Chargor shall do whatever acts or things as may be required in order to procure the entry of such restriction onto the Proprietorship Register of the Scheduled Property.

- 25.2 The Chargor consents to the Chargee applying to the Land Registry on form RX1 (or such equivalent form as the Land Registry may require) for a restriction to be entered onto the Proprietorship Register of any freehold or leasehold property now or in the future vested in the Chargor and charged to the Chargee (including any estates or interest in any freehold or leasehold property) which does not form part of the Scheduled Property in the form of the restriction set out below

"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 a charge dated [date] in favour of [Chargee] referred to in the charges register"

and the Chargor shall do whatever acts or things as may be required in order to procure the entry of such restriction onto the Proprietorship Register of the Scheduled Property.

IN WITNESS OF WHICH the Chargor has executed this Debenture as a deed and delivered it and the duly authorised representative of the Chargee has signed it in each case on the date first above written.

SCHEDULE 1 – THE MORTGAGED AIRCRAFT

All right, title and interest the Chargor has in the two Beechcraft King Air E90 aircraft with manufacturer serial numbers LW-235 and LW-188, as more particularly detailed in the specifications attached below to this Schedule 1, each as modified pursuant to the modification agreements copies of which are attached below to this Schedule 1.

For the purposes of this Schedule 1 each aircraft shall include any and all appliances, spare parts, instruments, accessories, seats and other equipment or any assembled component, furnishing, appliance, module, accessory, instrument or other item of equipment (including any spare part) of whatever nature from time to time installed on or attached to such aircraft, title to which remains vested in the Chargor.

Specifications

Year	1977	Manufacturer	BEECHCRAFT
Model	KING AIR E90	Condition	Used
Serial Number	LW-235	Total Time	10417
Engine 1 Hot Section Time	1064	Flight Rules	IFR
Number of Seats	8	Registration #	N211SG
Based at	KDUA	Total Landings	9423
Fuel Capacity	3,176 lb	Complete Logs	Yes
Engine 1 Manufacturer	PRATT & WHITNEY	Engine 1 Model	PT6A-28
Engine 1 Serial Number	PCE-51352	Engine 1 Time	2854
Engine 1 Time Since	SOH	Engine 1 Cycles	2495
Engine 1 Notes	10417 TT Since New 9423 Cycles Since New	Engine 2 Manufacturer	PRATT & WHITNEY
Engine 2 Serial Number	PCE-51360	Engine 2 Model	PT6A-28
Engine 2 Time Since	SOH	Engine 2 Time	2854
Engine 2 Hot Section Time	1064	Engine 2 Cycles	2495
		Engine 2 Notes	10417 TT Since New 9423 Cycles Since New
Prop 1 Manufacturer	MCCAULEY	Prop 2 Manufacturer	MCCAULEY
Prop 1 Model	4HFR34C762	Prop 2 Model	4HFR34C762
Number of Blades	4	Prop 1 Overhaul Time	333
Prop 2 Overhaul Time	333	Prop Specs	Overhauled March 1, 2017 Autofeather equipped
Avionics Packaging	Garmin	WAAS	Yes
LPV	Yes	Avionics/Radios	PS Engineering PMA-8000B audio panel Garmin GNS-530W nav/com (w/ TAWS) Garmin GNS-430W nav/comm Garmin GTX-328 transponder Avidyne Ex-500 MFD RDR 2000 VP radar (displays on EX500) Sperry SPZ 200A autopilot Propeller auto feather and sync Cleveland Wheels and brakes Flushing potty Lead Acid battery Rosen sun visors Cockpit and aft relief tubes Cabin window polarizers New, 3/2012. Overall Matterhorn White w/ black, gold, and burgundy accents
Oxygen System	22 cu ft	Additional Equipment	Passenger Aft
Year Painted	2011	Exterior	
Year Interior	2012	Configuration	
Lavatory	Yes	Lavatory Configuration	
Interior	4 place club in tan leather, dual tables, forward and aft dividers, belted lav, G & D tinted side windows.		

Specifications

Year	1976	Manufacturer	BEECHCRAFT
Model	KING AIR E90	Condition	Used
Serial Number	LW-188	Total Time	8739
Flight Rules	IFR	Number of Seats	8
ADS-B Equipped	Yes	Airframe	N428V 1976 Beechcraft King Air E90
Avionics/Radios	Garmin GTN 725 (GPS/MFD w/WAAS), Garmin GNC 420 GPS/Com (Non-WAAS), Garmin GTX 345 txpd ADS-B Compliant Garmin GTX 335 txpd ADS-B Compliant S-TEC 65 Autopilot/Yaw Damper, Collins Series 85, Dual VHF-20A COMS, Dual VIR-30 NAVS, Dual TDR-90 Transponders, Dual 332C-10 RMI's, DME-42, Dual Audio Control Panels, Garmin GDL 69 Weather Downlink (Displays on GTN 725), PS Engineering PM1000 Cockpit Intercom System, Encoding Altimeter w/ Altitude Alerter, ALT-50a Radio Altimeter, RDR-2000 Color Radar (Displays on GTN 725) Maintenance Status Propeller Overhauls (Left & Right) complied with 2/9/2017 by Golden State Propellers, San Luis Obispo, CA. Airframe Phase 1 & 2 Inspection complied with 7/25/2017 at Mather Aviation, Van Nuys, CA. Airframe Phase 3 - 4 Inspection complied with 8/1/2018 at Mather Aviation, Van Nuys, CA. 15-year Wing Bolt Replacement and 1000-hour spar inspection performed 7/2014 - next due 7/2029 and 9514 hours respectively.	Engine Notes	Left: Pratt & Whitney PT6A-28 (3600 Hour TBO); S/N: PCE-PG0163; TSNEW: 2673.5; TSHOT: 1214.6 by Dallas Airmotive 7/2007 Right: Pratt & Whitney PT6A-28 (3600 Hour TBO); S/N: PCE-S1066; TSNEW: 8735.5; TSMOH: 1,537.5 by Pratt & Whitney, Bridgeport WV 5/2005 Freon Air Conditioning, FIKI (Wing and Tail De-Ice Boots), Prop Sync, Frakes Exhaust Stacks, Raisbeck Dual Aft Body Strakes, Yaw Damper 474 gallons total fuel, (2) 41 gallon Aux. Tanks Refinished July 2005 by Legacy, Yukon, OK 1214.6 Refinished July 2005 by Legacy, Yukon OK. Four seats aft in club configuration, Sand Leather with a side facing storage seat opposite the cabin door with belted potty in rear baggage area. Aircraft also comes with a 4-place belted divan (currently installed). Forward and aft bulkheads finished in wood laminates, trimmed in matching Sand leather. 38 oz. 100% wool carpets and lower side panels with Oyster upper side panels and headliner.
Inspection Status		Additional Equipment	
		Exterior	
		Engine 1 Hot Section Time	
		Interior	



**Proposal
For Avionics Modification on
Textron E90
To
Install Garmin / STec Autopilot and Avionics
Beech E90 LW 188 & 235**

**For
DEA**

**Valid Until December, 31, 2019
Quote # AVI 10212019 Rev 6**

Dwight D. Eisenhower National Airport (KICT)
2010 Airport Road, Wichita, Kansas P.O. Box 9248, Wichita, KS, 67277-0248
316.943.3246 or 800.835.0083 Fax 316.943-2484
www.yinglingaviation.com

Installation Description:

Avionics description: Existing Avionics wiring will be stripped from aircraft where practical. New instrument panels or new overlays will be installed. Circuit breaker panel will be refurbished to reflect changes made. 2 ea. GDU 1060s will be installed in pilot and copilot instrument panel with 1 GTN 750 on the left side of the center panel and a GTN 650 installed on the right side of center panel. Autopilot control head will be install directly below the GTN 750. The altitude and VS AP functions will be available on the GDU1060. GTX 345 and 335 in a remote location and controlled by both GTNs. The ADS-B / TCAS 1 information will be available on both GDU 1060 and the GTN 750/650. GWX 75 will be installed in the nose of the aircraft and displayed on both GDU1060s and GTN750. Taws B will be unlocked on both GDU 1060s. Shadin fuel flow components will be installed to provide GTNs with performance information. Aircraft will retain current radar altimeter, this will be displayed on GDUs if compatible. Luma Technologies LED caution panel and gear position system will be installed. The luma tech. warning panel will have 15 annunciators that are spare, and be a three row unit instead of a 2 row unit. The only Autopilot system that promises to be available in the time frame requested is the STec DFCS3100 and is what is quoted. The expected STC completion is Mid December 2019. The audio system will be the GMA 35C 6 place system, it will be interfaced to the existing audio warning system and all Avionics that require audio connections. The #2 GTN will be installed as #1 to facilitate failure of the audio panel conditions. Four ICS only positions will be install in the cabin at locations to be determined by customer. Aircraft will receive fresh IFR certification before delivery.

Item	LW188	LW235
Equipment, STCs, and parts	\$149,718.00	\$149,718.00
Labor	\$62,060.00	\$62,060.00
Shop supplies	\$5,500.00	\$5,500.00
Avionics Base Total	\$217,278.00	\$217,278.00
Option 1 Fuel flow	\$5,492.50	\$5,492.50
Option 2 LED Warning Panels	\$16,975.00	\$16,975.00
Option 3 STec DFCS 3100 Autopilot	\$50,000.00	\$50,000.00
All options total	\$240,000.00	\$240,000.00

Note: Equipment lead Time on Stec approval for the 3100 DFCS is Mid December 2019 Shipping of kits to start late February to early March.

Equipment Lead time	12 WEEKS
Aircraft Down Time estimated	6 WEEKS

Special Conditions:

Deposit must be received on or before 12/15/19 to secure parts pricing.

Accepted By _____ Date _____
This quote is subject to Yingling Aviation's Current terms and Conditions.

Intial _____



QUOTE PREPARED FOR:

DEA AVIATION LTD


FOR

INSTALLATION OF AVCON SINGLE
CAMERA PORT PROVISIONS PORT ON 2x
KING AIR E90 MODEL AIRCRAFT FOR
SPECIAL MISSION OPERATION

IR Date: June 11, 2019

REV. DATE: October 10,
2019

Quote Prepared By: Kalifa Diémé

A solid black rectangular box used to redact the signature of the person who prepared the quote.

REF: KD190048E

A solid black rectangular box used to redact additional information related to the reference number.



Mr. Gerald CJ Cooper
CEO | Accountable Manager
DEA Aviation Ltd

Re: Request for quotation, Single Camera Port Provisions on 2x King Air E90 using Avcon FAA STC SA1726CE.

Dear Gerald,

Avcon Industries, Inc. is pleased to provide DEA Aviation Ltd with the following quote, as requested in your recent email.

BACKGROUND

Avcon has been in business for approximately 50 years, supplying the aircraft industry with a variety of structural and special mission support modifications designed to enhance the performance or utility of pressurized turbine powered business aircraft. Avcon currently owns over 280 FAA approved STCs, including a large number designed specifically for King Air model aircraft.

INSTALLATION OF AVCON SINGLE CAMERA PORT MODIFICATION AND ASSOCIATED PROVISIONS

Under this quote, Avcon will install structural and electrical provisions for Single Camera Port Provisions on 2x King Air E90 using Avcon FAA/EASA STC SA1726CE. The associated provisions installations will be FAA approved DER 8110s. The complete modification including the STCs used will be captured per FAA form 337 as needed.

NOTES:

- This is a quote based on Avcon's understanding of the DEA Aviation Ltd requirements. Any changes to the DEA Aviation Ltd request, or additional work requested by DEA Aviation Ltd will be billed on a time and material basis.
- Prices are normally for structural and electrical provisions only, and do not include accommodation of any interferences such as cameras, mission equipment, etc., which interferences are the responsibility of DEA Aviation Ltd, unless specifically outlined below.
- **TBD*** refers to cost of Fuel, other components of the modification, any aircraft repairs, any additional work added (with the approval of DEA Aviation Ltd).





SINGLE CAMERA PORT PROVISIONS ON 2x KING AIR E90
MODEL AIRCRAFT

REF: KD190048E

2019 PRICE DESCRIPTIONS
AIRCRAFT #1 USING GSM 4000/ Mk3 f100 MM

SCOPE OF WORK		ACTION BY WHO?	CONFIRMED AS COMPLYING WITH OS TENDER SPEC - SCHEDULE 3 (OS EQUIPMENT SPECIFICATION)?	AVCON QUOTE (USD)	DISCOUNTED PRICES
1	ENGINE PRESERVATION	AVCON INDUSTRIES	N/A	USD 3,750	NA
2	REMOVE AND REINSTALL INTERIOR FOR CAMERA MODIFICATION	AVCON INDUSTRIES	N/A	USD 4,950	NA
3	INSTALL SINGLE CAMERA PROVISIONS PER STC SAI726CE THAT INCLUDE FOD DOORS WITH UNCOATED OPTICAL GLASS WITH GLASS ANTI-ICE (OR DEFOGGER) SYSTEM ON KING AIR E90. S-BSL-7/A5 WILL BE THE MATERIAL USED FOR THE UNCOATED OPTICAL GLASSES.	AVCON INDUSTRIES	AVCON TO CONFIRM WHAT PROVISIONS WILL SATISFY THE 100MM LENS MEETING THE FIELD OF VIEW LIMITATIONS (I.E. MOUNT LIMITS WITHOUT FOV CUTOFF) IN ACCORDANCE WITH THE OS TENDER SPEC - SCHEDULE 3 (OS EQUIPMENT SPECIFICATION)? AVCON COMPLIANCE: BASED ON SOMAG'S RESPONSE AVCON RECEIVED FROM DEA, WE SHOULD BE FINE WITH THE CURRENT ANALYSIS. THE ASSUMPTION WAS THAT THE MOUNT WOULD NOT MOVE IN THE UNPOWERED (LOWERED) POSITION. THE POSSIBILITY OF MOVEMENT AT THE WORKING HEIGHT WILL MAKE NO DIFFERENCE SINCE THE SPACER HEIGHT IS SET TO ALLOW SUCH MOVEMENT. THE CONCERN HAD BEEN IF THERE WAS ANY MOVEMENT IN THE LOWERED POSITION. SINCE THAT IS NOT THE CASE, THERE SHOULD BE NO ISSUE.	USD 298,335	NA
4	FABRICATE AND INSTALL OPTICAL GLASS DEFOG PROVISIONS, AND ELECTRICALLY OPERATED FOD DOORS WITH CONTROLS MOUNTED IN FLIGHT DECK.	AVCON INDUSTRIES	AVCON TO CONFIRM THAT YOUR SCOPE OF WORK FOR THE OPTICAL GLASS WILL FULFIL THE REQUIREMENTS AS SPECIFIED IN THE OS TENDER SPEC - SCHEDULE 3 (OS EQUIPMENT SPECIFICATION)? AVCON COMPLIANCE: BK-7 IS NO LONGER IN PRODUCTION; THE MATERIAL OF THE OPTICAL GLASSES AVCON USES NOW IS S-BSL-7/A5 WHICH IS THE EQUIVALENT OF BK-7. DEA'S CLIENT IS AWARE AND IS CHECKING THAT IT MEETS THEIR REQUIREMENTS. WILL REVERT BACK ONCE CONFIRMED.	INCLUDED	NA



SINGLE CAMERA PORT PROVISIONS ON 2x KING AIR E90
MODEL AIRCRAFT

REF: KD190048E

5	PROCURE AND INSTALL UNCOATED OPTICAL GLASS, TO MAINTAIN CABIN PRESSURIZATION.	PROCURE UNCOATED OPTICAL GLASS	AVCON INDUSTRIES	AVCON TO CONFIRM THAT YOUR SCOPE OF WORK FOR THE OPTICAL GLASS WILL FULFIL THE REQUIREMENTS AS SPECIFIED IN THE OS TENDER SPEC - SCHEDULE 3 (OS EQUIPMENT SPECIFICATION)?	INCLUDED	NA
		INSTALL UNCOATED OPTICAL GLASS	AVCON INDUSTRIES	AVCON COMPLIANCE: BK-7 IS NO LONGER IN PRODUCTION. THE MATERIAL OF THE OPTICAL GLASSES AVCON USES NOW IS S-BSL-7AS WHICH IS THE EQUIVALENT OF BK-7. DEAS CLIENT IS AWARE AND IS CHECKING THAT IT MEETS THEIR REQUIREMENTS. WILL REVERT BACK ONCE CONFIRMED AVCON TO CONFIRM THAT YOUR SCOPE OF WORK FOR THE COATING WILL FULFIL THE REQUIREMENTS AS SPECIFIED IN THE OS TENDER SPEC - SCHEDULE 3 (OS EQUIPMENT SPECIFICATION)?		
6	ANTI-REFLECTIVE COATING OF OPTICAL GLASS IN ACCORDANCE WITH OS TENDER SPEC - SCHEDULE 3 (OS EQUIPMENT SPECIFICATION)	ANTI-REFLECTIVE COATING OF OPTICAL GLASS IN ACCORDANCE WITH OS TENDER SPEC - SCHEDULE 3 (OS EQUIPMENT SPECIFICATION)	AVCON INDUSTRIES	AVCON COMPLIANCE: THE OPTICAL GLASS WILL HAVE DUAL SIDE COATING GRADE RYN-B. SPECIFICATION: AR AVG <0.5% BETWEEN 400NM TO 900NM ON BOTH SIDES. DEAS CLIENT IS AWARE AND IS CHECKING THAT IT MEETS THEIR REQUIREMENTS. WILL REVERT BACK ONCE CONFIRMED	USD 22,000	NA
7*	PROVIDE ONE (1) MOUNTING PROVISIONS FOR CFE GSM 4000 MOUNT FOR INSTALLATION OF CFE ULTRACAM EAGLE MK3 F100MM	PROVIDE ONE (1) MOUNTING PROVISIONS FOR CFE GSM 4000 MOUNT	AVCON INDUSTRIES	AVCON TO CONFIRM WHAT PROVISIONS WILL SATISFY THE 100MM LENS MEETING THE FIELD OF VIEW LIMITATIONS (I.E. MOUNT LIMITS WITHOUT FOV CUTOFF) IN ACCORDANCE WITH THE OS TENDER SPEC - SCHEDULE 3 (OS EQUIPMENT SPECIFICATION)? AVCON COMPLIANCE: BASED ON SOMAGS RESPONSE AVCON RECEIVED FROM IDEA, WE SHOULD BE FINE WITH THE CURRENT ANALYSIS. THE ASSUMPTION WAS THAT THE MOUNT WOULD NOT MOVE IN THE UNPOWERED (LOWERED) POSITION. THE POSSIBILITY OF MOVEMENT AT THE WORKING HEIGHT WILL MAKE NO DIFFERENCE SINCE THE SPACER HEIGHT IS SET TO ALLOW SUCH MOVEMENT. THE CONCERN HAD BEEN IF THERE WAS ANY MOVEMENT IN THE LOWERED POSITION, SINCE THAT IS NOT THE CASE, THERE SHOULD BE NO ISSUE.	USD 18,335	NA
		CONFIRM COMPATIBILITY WITH INSTALLATION OF CFE ULTRACAM EAGLE MK3 F100MM	AVCON INDUSTRIES			



SINGLE CAMERA PORT PROVISIONS ON 2X KING AIR E90
MODEL AIRCRAFT

REF: KD190048E

8	SINGLE CUSTOM MISSION ELECTRICAL PROVISIONS THIS INCLUDES A MISSION ELECTRICAL PROVISIONS OF 28VDC, UP TO 150AMP USING SAME ARCHITECTURE AS KA 350 F1-470 (60/50/35AMP PROVISIONS) DEPENDING ON EXISTING AIRCRAFT SYSTEM, MISSION POWER SYSTEM WITH AUTO LOADSHED, DESIGN, MANUFACTURE AND INSTALL POWER INTERFACE PANEL ON SIDEWALL NEXT CAMERA PORT. AVCON WILL PROVIDE A SIDEWALL PANEL WITH CONNECTORS, AVCON WILL DEFINE AND PROVIDE THESE CONNECTORS AND MATTING CONNECTORS AS WELL.	SINGLE CUSTOM MISSION ELECTRICAL PROVISIONS	AVCON INDUSTRIES	AVCON TO CONFIRM THAT YOU HAVE MODELLED, CHECKED AND ARE SATISFIED THAT THE SINGLE CUSTOM MISSION ELECTRICAL PROVISIONS PROVIDED BY AVCON WILL BE IN ACCORDANCE WITH THE OS TENDER SPEC - SCHEDULE 3 (OS EQUIPMENT SPECIFICATION)? AVCON COMPLIANCE: AVCON AGREES WITH THIS PROVISION. UNDERSTOOD, THANKS	USD 30,320	-USD 4,548
		MISSION ELECTRICAL PROVISIONS OF 28VDC	AVCON INDUSTRIES			
		UP TO 150AMP USING SAME ARCHITECTURE AS B350 (60/50/35AMP PROVISIONS) DEPENDING ON EXISTING AIRCRAFT SYSTEM	AVCON INDUSTRIES			
		MISSION POWER SYSTEM WITH AUTO LOADSHED	AVCON INDUSTRIES			
		DESIGN POWER INTERFACE PANEL ON SIDEWALL NEXT CAMERA PORT	AVCON INDUSTRIES			
		MANUFACTURE POWER INTERFACE PANEL ON SIDEWALL NEXT CAMERA PORT	AVCON INDUSTRIES	N/A		
		INSTALL POWER INTERFACE PANEL ON SIDEWALL NEXT CAMERA PORT	AVCON INDUSTRIES			
9	RELOCATE AIRCRAFT ANTENNAS, AS REQUIRED, TO SUPPORT THE INSTALL OF THE CAMERA WELLS.	RELOCATE AIRCRAFT ANTENNAS, AS REQUIRED, TO SUPPORT THE INSTALL OF THE CAMERA WELLS.	AVCON INDUSTRIES	N/A	USD 24,435	NA



SINGLE CAMERA PORT PROVISIONS ON 2x KING AIR E90
MODEL AIRCRAFT

REF: KDI90048E

10	INSTALL 1 CFE GPS (GNSS/GLONASS, TRIMBLE AV39 FOR MK3 F100) ANTENNA THAT MOUNT DIRECTLY OVER CENTER OF CAMERA WELL. CABLING FROM ANTENNA TO SIDEWALL INTERFACE PANEL SHALL BE INSTALLED.	INSTALL 1 CFE GPS (GNSS/GLONASS, TRIMBLE AV39 FOR MK3 F100) ANTENNA THAT MOUNT DIRECTLY OVER CENTER OF CAMERA WELL	AVCON INDUSTRIES	AVCON TO CONFIRM THAT YOU HAVE MODELLED, CHECKED AND ARE SATISFIED THAT THE CFE GPS ANTENNA INSTALLATION PROVIDED BY AVCON WILL BE IN ACCORDANCE WITH THE OS TENDER SPEC - SCHEDULE 3 (OS EQUIPMENT SPECIFICATION)?	USD 7,270	NA
		INSTALL CABLING FROM ANTENNA TO SIDEWALL INTERFACE PANEL.	AVCON INDUSTRIES	AVCON COMPLIANCE: AVCON AGREES WITH THIS PROVISION UNDERSTOOD, THANKS		
11	BELLY INSTALLATION OF CFE FORWARD LOOKING CAMERA PROVISION WITH INSTALLATION AND WIRING TO SIDEWALL. DISCONNECT OF AIRCRAFT AND INSTALL WIRING THROUGH SAME SIDEWALL TO ENABLE CFE FORWARD LOOKING CAMERA TO FEED TO A MONITOR. AVCON WILL PROVIDE AND INSTALL CABLES FROM SIDEWALL DISCONNECT TO CFE MONITOR.	INSTALLATION OF CFE FORWARD LOOKING CAMERA PROVISIONS	AVCON INDUSTRIES	DEA AVIATION TO CONFIRM THAT THE CFE FORWARD LOOKING CAMERA PROVISIONS OF ATTACHMENT CMXHD-SERIES-CAMERA-FLYER-1 WILL BE IN ACCORDANCE WITH THE OS TENDER SPEC - SCHEDULE 3 (OS EQUIPMENT SPECIFICATION), DEA AVIATION TO CONFIRM MONITOR SPEC.		
		INSTALLATION OF MONITOR ON CONSOLE	AVCON INDUSTRIES	AVCON COMPLIANCE: THE INSTALLATION OF CAMERA MUST BE DONE BY AVCON TO AVOID THE DESIGN OF A COVER PLATE. AGREED. TO CONFIRM, THE CAMERA IS THE CMXHD-SERIES-CAMERA-FLYER-1. WHEN IN YOUR PROGRAMME WILL YOU NEED THIS CAMERA PROVIDED FOR INSTALLATION?	USD 17,500	NA
		INSTALL CFE CAMERA INCLUDING ELECTRICAL WIRING	AVCON AND DEA			
12	POST MODIFICATION GROUND AND FLIGHT TESTING UP TO 1/2 HOUR. PRICE INCLUDES PILOT AND GROUND SUPPORT, BUT DOES NOT INCLUDE FUEL, MAINTENANCE OR CONSUMABLES.	INSTALL WIRING THROUGH SAME SIDEWALL TO ENABLE CFE FORWARD LOOKING CAMERA TO FEED TO A MONITOR (MONITOR PROCURED AND INSTALLED BY DEA POST-MOD). THE MONITOR WELL USE IS HERE	AVCON INDUSTRIES	CONFIRMED BY DEAS CLIENT		
		POST MODIFICATION GROUND TESTING	AVCON INDUSTRIES			
		POST MODIFICATION FLIGHT TESTING	AVCON INDUSTRIES	N/A	INCLUDED	NA



SINGLE CAMERA PORT PROVISIONS ON 2x KING AIR E90
MODEL AIRCRAFT

REF: KD190048E

13	FABRICATION AND INSTALLATION KING AIR 90 SIMPLE MISSION CONSOLE. NO KEYBOARD WILL BE USED. PRICE INCLUDES PAINT OF CONSOLE TO MATCH INTERIOR.	FABRICATION OF KING AIR 90 SIMPLE MISSION CONSOLE	AVCON INDUSTRIES	COLOR: TBD	USD 25,345	-USD 3,802
	INSTALLATION OF KING AIR 90 SIMPLE MISSION CONSOLE	AVCON INDUSTRIES				
14	COMPLETE INSTALLATION AND CONNECTION TO SIDEWALL. DISCONNECT OF CTE TRUE BLUE TA202 SERIES' USB CHARGING PORTS ON THE MISSION CONSOLE.	INSTALLATION OF TRUE BLUE TA202 SERIES' USB CHARGING PORTS, AS PART OF THE CONSOLE	AVCON INDUSTRIES	N/A	USD 4,500	NA
		INSTALLATION OF TA202 SERIES' CHROME FACEPLATE, AS PART OF THE CONSOLE	AVCON INDUSTRIES			
15	ADDITIONAL DESIGN REQUIREMENT FOR A LIFTING MECHANISM TO REPOSITION THE GSM4000 GYRO MOUNT AND UCE F100 CAMERA WHEN THE GSM4000 IS IN THE UNPOWERED AND LOWERED POSITION.	DESIGN OF A LIFTING MECHANISM TO REPOSITION THE GSM4000 GYRO MOUNT AND UCE F100 CAMERA WHEN GSM4000 IS IN THE UNPOWERED AND LOWERED POSITION	AVCON INDUSTRIES	<ul style="list-style-type: none">• THE SPACER HEIGHT FOR THIS IS BASED ON THE OPERATIONAL PITCH AND ROLL LIMIT OF 5.0 DEGREES. THE SPACER HEIGHT IS 63MM.• THIS WOULD REQUIRE BOTH PITCH AND ROLL LIMITS OF THE MOUNT TO BE SET AT +/- 5 DEGREES.• WITH PITCH LIMITED TO 5 DEGREES, THERE WILL BE NO INTERFERENCE.• AS SHOWN, WITH ROLL LIMITED TO 5 DEGREES, THE AVAILABLE ROLL RANGE WITH NO INTERFERENCE IS JUST RIGHT ON 5 DEGREES. WITHOUT THE ADDITIONAL LIFT MECHANISM, THE FOV WILL BE LIMITED TO 2 DEGREES ON ROLL. NOTE: BUMPERS WOULD BE REMOVED FROM THE LENS CONE.	USD 64,010	NA
		FABRICATION OF A LIFTING MECHANISM	AVCON INDUSTRIES			
			INSTALLATION OF A LIFTING MECHANISM			
16	PROJECT MANAGEMENT AND LIAISON.	AVCON INDUSTRIES	N/A		USD 16,300	-USD 8,150
17	AIRCRAFT #1, TOTAL MODS COST				USD 537,050	-USD 16,500
18	AIRCRAFT #1, TOTAL MODS COST INCLUDING DISCOUNT				USD 520,550	NA

MODIFICATIONS COST FOR AIRCRAFT #1 AND #2

AIRCRAFT #1 & #2, TOTAL MODS COST AND DISCOUNT TOTAL AMOUNT	USD 1,041,100	NA
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FINANCIAL REQUIREMENTS:

Avcon requires deposits and milestone payments during the modification process. Following are the requirements for this project:

First Initial Deposit	25% of the Total Project Order when Contract is signed (This allows AVCON to begin with ordering of material and begin manufacturing of machined parts.
Mid-Point Payment:	25% of Total Projected Order when halfway of aircraft modification completed.
Completion:	Remaining Balance, including any additional work requested by DEA Aviation Ltd, is due upon completion and prior to delivery.

TERMS AND CONDITIONS:

This quote is based on the Avcon understanding of the DEA Aviation Ltd request, and may be adjusted after receiving a detailed DEA Aviation Ltd request. This quote supersedes previous quotes, and is valid through November 8, 2019. Any additional work requested by DEA Aviation Ltd will be billed on a time & material basis per the Avcon Standard Terms & Conditions, and will affect the delivery schedule of the aircraft. A copy of the 2019 Avcon Standard Terms & Conditions is included below.

COMPLETION TIME:

- Avcon requires a contract and initial deposit when the contract is signed.
- The estimated completion time for Single Camera Port modification each aircraft is 12-14 weeks with modification starting Mid-December with normal force majeure exceptions.
- The second aircraft modification will start two (2) weeks after the first aircraft modification started.
- The completion time may increase depending on availability and/or lead times of purchased mission equipment, and installation schedules by outside suppliers.

CONCLUSION:

Avcon sincerely appreciates the opportunity to bid on this project. Our company has the experience to support this project. Please review the attached information, and let me know if you have any questions or concerns.

DEA Aviation Ltd

Signed By: [REDACTED]

AVCON Industries, Inc.

Signed By: [REDACTED]

Kalifa A. Diémé

Date:

10TH OCTOBER 2019

Date:

OCTOBER 10TH, 2019

SCHEDULE 2 – THE MATERIAL CONTRACTS

1. United States of America trust agreement dated 26 November 2019 in respect of Beech E-90 aircraft, serial number LW-235, made between the Chargor and Aerospace Trust Management LLC Trustee.
2. United States of America trust agreement dated 26 November 2019 in respect of Beech E-90 aircraft, serial number LW-188, made between the Chargor and Aerospace Trust Management LLC Trustee.
3. The aircraft modification agreement dated on or about the date of this Debenture, made between the Chargor and DEA Aviation Limited.
4. Any leasing, chartering or hiring agreement or similar entered into by the Chargor which has the effect of leasing, chartering or otherwise hiring out the use of either or both of the Aircraft to any other party.

SCHEDULE 3 – NOTICE OF ASSIGNMENT – DEA RECEIVABLE

Notice of Assignment

To: [Counterparty]

Copy: [Chargee]

[Date]

Dear Sirs

Debenture (the Debenture) dated [date] between Beech E90 Limited (the Chargor) and Stephen Turley (the Lender) in respect of (1) the sum of £800,000 originally advanced by DEA Holdings Limited to DEA Aviation Limited (Aviation), the benefit of which was assigned to the Chargor on 30 September 2019; and (2) all sums due owing or incurred by Aviation to the Chargor under or in connection with a loan agreement dated on or about the date of the Debenture; (*the "Receivable"*)

We refer to the Receivable due to the Chargor from you.

On and with effect from the date of this notice the Chargor assigned to the Chargee all its rights, title, interest and benefits in and to the Receivable.

All future correspondence, dealings, deliveries and payments in respect of the Receivable should be made to the Chargee whose details are as follows:

Mr Stephen Turley, The Little Grange, Market Rasen Road, Welton Hill, Lincoln, LN2 3RA

With payments to be made to such bank account as the Chargee confirms from time to time.

Please acknowledge this notice by signing and returning the attached acknowledgement to the Chargee and the Chargor.

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

Yours faithfully

(Authorised signatory)

For [Chargor]

Acknowledgement of Notice of Assignment

To: [Chargee]

Copy: [Chargor]

[Date]

Dear Sirs

Debenture (the Debenture) dated [date] between Beech E90 Limited (the Chargor) and Stephen Turley (the Lender) in respect of (1) the sum of £800,000 originally advanced by DEA Holdings Limited to DEA Aviation Limited (Aviation), the benefit of which was assigned to the Chargor on 30 September 2019; and (2) all sums due owing or incurred by Aviation to the Chargor under or in connection with a loan agreement dated on or about the date of the Debenture (*the "Receivable"*)

We acknowledge receipt of the notice of assignment from the Chargor and dated [] (the Notice) and confirm that:

- (1) we have not received notice of the interest of any third party in the Receivable (as defined in the Notice); and
- (2) we have not claimed or exercised and have no outstanding rights to claim or exercise any security interest, set-off rights, counterclaim or otherwise relating to the Receivable.

We acknowledge and agree that following the assignment described in the Notice, the Chargee shall be entitled to all the Chargor's rights, title, interest and benefits in and to the Receivable.

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

Yours faithfully

(Authorised signatory)

[Counterparty]

SCHEDULE 4 – NOTICE OF ASSIGNMENT - MATERIAL CONTRACTS

To: [Counterparty]

Copy: [Chargee]

[Date]

Dear Sirs

Debenture (the Debenture) dated [date] between [Chargor] (the Chargor) and [Chargee] (the Lender) in respect of [*insert description of relevant material contract*] (the “Material Contract[s]”)

This letter constitutes notice to you that under the Debenture, the Chargor has assigned by way of security in favour of [●] all of its rights in respect of the Material Contract(s).

We confirm that:

- (a) the Chargor will remain liable under [the]/[each] Material Contract to perform all the obligations assumed by it under [the]/[that] Material Contract; and
- (b) none of the Chargee, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of [the]/[any] Material Contract.

The Chargor will also remain entitled to exercise all of its rights under [the]/[each] Material Contract and you should continue to give notice under [the]/[each] Material Contract to the Chargor, unless and until you receive notice from the Chargee to the contrary stating that all of its rights will be exercisable by, and notices must be given to, the Chargee or as it directs.

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

Please send to the Chargee at [●] with a copy to ourselves the attached acknowledgement confirming your agreement to the above and giving the further undertakings set out in the acknowledgement.

We acknowledge that you may comply with the instructions in this letter without any further permission from us or the Chargor and without any enquiry by you as to the justification for or validity of any request, notice or instruction.

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

Yours faithfully

(Authorised signatory)

For [Chargor]

Acknowledgement of Counterparty

To: [Chargee]

Copy: [Chargor]

[Date]

Dear Sirs

Debenture (the Debenture) dated [date] between [Chargor] (the Chargor) and [Chargee] (the Lender) in respect of [insert description of relevant material contract] (the “Material Contract[s]”)

We confirm receipt from [●] (the “Chargor”) of a notice dated [●] of an assignment on the terms of the Debenture of all of the Chargor’s rights in respect of the Material Contract(s).

We confirm that we:

- (a) accept the instructions contained in the notice and agree to comply with the notice; and
- (b) have not received notice of the interest of any third party in [any of] the Material Contract[s].

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

Yours faithfully

(Authorised signatory)

[Counterparty]

EXECUTED and DELIVERED as a DEED)

By BEECH E90 LIMITED)

acting by, *Simon Banks-Cooper* Director,)

(Director)

in the presence of:)

Name:
(IN BLOCK CAPITALS):

LESLEY BANKS-COOPER

Address:

Signature:

Occupation:

SIGNED by)

STEPHEN TURLEY)

DISCHARGE

THE CHARGEES hereby acknowledges that Beech E90 Limited has paid to the Chargee all monies secured by the within written Debenture which security is accordingly discharged.

IN WITNESS OF WHICH this discharge has been duly executed as a Deed this [] day
of [].