



**Registration of a Charge**

Company name: **VIRGIN ATLANTIC AIRWAYS LIMITED**

Company number: **01600117**



X9DKVNUB

Received for Electronic Filing: **14/09/2020**

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**Details of Charge**

Date of creation: **04/09/2020**

Charge code: **0160 0117 0195**

Persons entitled: **AIRBUS FINANCIAL SERVICES LIMITED AS SECURITY TRUSTEE**

Brief description: **THE ROLLS-ROYCE TRENT XWB-97 ENGINE WITH SERIAL NUMBER 26097.**

**Contains fixed charge(s).**

**Contains negative pledge.**

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**Authentication of Form**

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

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**Authentication of Instrument**

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

Certified by:

**CLIFFORD CHANCE LLP**



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

Company number: 1600117

Charge code: 0160 0117 0195

The Registrar of Companies for England and Wales hereby certifies that a charge dated 4th September 2020 and created by VIRGIN ATLANTIC AIRWAYS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 14th September 2020 .

Given at Companies House, Cardiff on 15th September 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 4 SEPTEMBER 2020

VIRGIN ATLANTIC AIRWAYS LIMITED  
AS BORROWER

AND

AIRBUS FINANCIAL SERVICES LIMITED  
AS SECURITY TRUSTEE

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ENGLISH LAW ENGINE MORTGAGE AND  
SECURITY AGREEMENT  
IN RESPECT OF ONE (1) ROLLS ROYCE TRENT  
XWB-97 ENGINE WITH SERIAL NO. 26097

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**THIS ENGINE MORTGAGE AND SECURITY AGREEMENT** is made by way of deed  
on 4 September 2020

**BY:**

- (1) **VIRGIN ATLANTIC AIRWAYS LIMITED**, a corporation organised and existing under the laws of the United Kingdom with its registered office and principal place of business at The VHQ, Fleming Way, Crawley, West Sussex RH10 9DF, England (the "**Borrower**") in favour of:
- (2) **AIRBUS FINANCIAL SERVICES LIMITED**, a company incorporated under the laws of Ireland having its registered office at 5th Floor, 6 George's Dock, IFSC, Dublin 1, D01 K5C7, Ireland, as security trustee for each of the Secured Parties on the terms and conditions set out in the Facility Agreement (the "**Security Trustee**", which expression shall include any person for the time being appointed as security trustee or as an additional security trustee for the purpose of and in accordance with the Facility Agreement).

**THIS DEED WITNESSES** as follows:

**1. DEFINITIONS AND INTERPRETATION**

**1.1 Terms defined**

In this Engine Mortgage and Security Agreement:

**"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.

**"Engine"** means:

- (a) the Rolls-Royce Trent XWB-97 engine with serial number 26097;
- (b) insofar as the same belong to the Borrower, any and all appliances, instruments or accessories or other equipment or Parts of whatever nature from time to time

relating to the Engine referred to in (a) above whether or not installed on or attached to such engine;

- (c) insofar as the same belong to the Borrower, all substitutions, replacements or renewals from time to time made on or to any item referred to in (b) above in accordance with the terms of the Facility Agreement and the requirements of Clause 3.3 (*Replacement Parts*) of this Engine Mortgage and Security Agreement; and
- (d) the Engine Documents and Records.

**"Engine Proceeds"** means any monies, proceeds, assets, rights or other amounts, property or interests arising from or in connection with any sale, transfer, exchange or other disposition of the Engine or title thereto (or any part or interest thereof or therein), whether in accordance with the Transaction Documents or otherwise, or in respect of any conversion or other loss of, or other any interference with, the Engine or title thereto (or any part or interest thereof or therein) or any act or omission causing loss or damage to the Engine or title thereto (or any part or interest thereof or therein), whether by way of compensation or damages for such conversion, loss, interference, act or omission or otherwise.

**"Engine Property"** means all of the present and future right, title and interest of the Borrower in and to the Engine and any and all Engine Proceeds.

**"Facility Agreement"** means the facility agreement dated 4 September 2020 between the Borrower as borrower, Airbus Financial Services Limited as agent, the Security Trustee as security trustee and the financial institutions named therein as original lenders.

**"Parts"** means any appliance, accessory, instrument, navigational and communications equipment, furnishing, module, component, and other parts and equipment of whatever nature (other than a complete Engine), that may from time to time be incorporated or installed in or attached to the Engine, title to which is vested in the Borrower (and **"Part"** shall mean any one of them).

## 1.2 Terms defined in Facility Agreement

Unless defined in this Engine Mortgage and Security Agreement, or the context otherwise requires, a term defined in the Facility Agreement has the same meaning in this Engine Mortgage and Security Agreement, and in any notice given under or in connection with this Engine Mortgage and Security Agreement.

## 1.3 Construction and Interpretation

The rules of construction and interpretation set out in clause 1.1 (*Definitions*) of the Facility Agreement will apply to this Engine Mortgage and Security Agreement, and to

any notice given under or in connection with this Engine Mortgage and Security Agreement.

#### **1.4 Application of provisions in Facility Agreement**

Clauses 1.4 (*Third party rights*), 17 (*Costs and Expenses*), 39 (*Notices*), 40 (*Calculations and Certificates*), 41 (*Partial invalidity*), 42 (*Remedies and Waivers*) and 43 (*Amendments and Waivers*) of the Facility Agreement are deemed to form part of this Engine Mortgage and Security Agreement as if expressly incorporated into it and as if all references in those clauses to the Facility Agreement were references to this Engine Mortgage and Security Agreement.

#### **1.5 Present and future property**

A reference in this Engine Mortgage and Security Agreement to the Engine Property includes, unless the contrary intention appears, any and all present and future Engine Property.

#### **1.6 Clawback**

Notwithstanding Clause 18 (*Release of Security*), if the Security Trustee considers that any amount paid or credited to any Secured Party is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws, the liability of the Borrower under this Engine Mortgage and Security Agreement and the other Transaction Documents and the security constituted by this Engine Mortgage and Security Agreement will continue and such amount will not be considered to have been irrevocably discharged.

### **2. COVENANT TO PAY**

The Borrower covenants with the Security Trustee to pay, discharge and satisfy the Secured Obligations in full in accordance with their respective terms and to indemnify each of the Secured Parties against any Losses arising from any breach or failure to pay, discharge and satisfy any of the Secured Obligations in accordance with their respective terms.

### **3. SECURITY**

#### **3.1 Charge; international interest**

With effect from execution and delivery of this Engine Mortgage and Security Agreement, the Borrower, with full title guarantee and to the fullest extent possible under any applicable law, charges by way of first priority fixed charge, in favour of the Security Trustee (as security trustee for the Secured Parties), all of its right, title and interest, present and future, in and to the Engine Property as a continuing security for the payment, performance and discharge in full of the Secured Obligations. The

security interest expressed to be created by this Clause 3.1 is intended to be and shall constitute an international interest over the Engine (the "**Aircraft Object**") in favour of the Security Trustee (as security trustee for the Secured Parties) as creditor and chargee for the purposes of the Cape Town Convention and the Cape Town UK Regulations.

### **3.2 Mortgage**

- (a) With effect from the date hereof, the Borrower, with full title guarantee and to the fullest extent possible under any applicable law, mortgages by way of first priority legal mortgage in favour of the Security Trustee (as security trustee for the Secured Parties) all of its right, title and interest, present and future, in and to such Aircraft Object and any Engine Proceeds arising from or in connection with such Aircraft Object as a continuing security for the payment, performance and discharge in full of the Secured Obligations.
- (b) The Borrower hereby confirms at the time of execution of this Engine Mortgage and Security Agreement the Aircraft Object was located in England or in English airspace.

### **3.3 Replacement Parts**

- (a) If, in accordance with the Facility Agreement, a replacement Part has been substituted for a Part and has become the property of the Borrower, then such replacement Part shall thereupon without the need for any further act become subject to the security created by this Engine Mortgage and Security Agreement.
- (b) Any Part at any time removed from the Engine (whether or not thereafter installed on or attached to any other aircraft, airframe or engine) shall remain subject to the security created by this Engine Mortgage and Security Agreement until such time as a replacement Part has been substituted for such Part in accordance with Clause 3.3(a) and has become the property of the Borrower and subject to the security created by this Engine Mortgage and Security Agreement, whereupon such original Part shall be released from the security created by this Engine Mortgage and Security Agreement.

## **4. PROVISIONS AS TO SECURITY**

### **4.1 Negative pledge and restriction on dealings**

The Borrower will not at any time during the Security Period create or permit to subsist any Security (other than any Security created in favour of the Security Trustee under or pursuant to the Security Documents or any other Permitted Security), over all or any part of the Engine Property or dispose of or otherwise deal with (or authorise any disposition of or dealing with) any part of the Engine Property.

## **5. FURTHER ASSURANCE**

### **5.1 Further assurance**

- (a) The covenant set out in section 2(1)(b) of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to include the obligations set out in paragraph (b) below and in paragraph 3 (*Undertakings*) of Schedule 1 (*Cape Town Convention*).
- (b) The Borrower shall promptly, at its own cost, do all such acts and execute all such documents (including assignments, transfers, mortgages, charges, notarisations, registrations, notices and instructions) as the Security Trustee may reasonably specify (and in such form as the Security Trustee may reasonably require) in favour of the Security Trustee or its nominee(s):
  - (i) to create, perfect and/or protect the security created or intended to be created over or in respect of the Engine Property (which may include the execution by the Borrower of a mortgage, charge or assignment over all or any of the assets constituting, or intended to constitute, the Engine Property) or for the exercise of any of the rights, powers and remedies of the Security Trustee provided by or pursuant to this Engine Mortgage and Security Agreement or by law;
  - (ii) to confer on the Security Trustee security over any asset constituting, or intended to constitute, Engine Property located in any jurisdiction outside England and Wales equivalent or similar to the security conferred or intended to be conferred by or pursuant to this Engine Mortgage and Security Agreement; and/or
  - (iii) upon or at any time after the security created by or pursuant to this Engine Mortgage and Security Agreement has become enforceable in accordance with Clause 7.1 (*Enforcement*) to facilitate enforcement against and/or the realisation of the Engine Property.

### **5.2 Necessary Action**

The Borrower shall take all such action as is available to it (including making all filings and registrations) as may be necessary or as may reasonably be requested by the Security Trustee for the purpose of the creation, perfection, protection or maintenance of any security conferred or intended to be conferred on the Security Trustee by or pursuant to this Engine Mortgage and Security Agreement.

### **5.3 Borrower's Continuing Obligations**

For the avoidance of doubt, and notwithstanding the security created under Clause 3 (*Security*) or any other terms of this Engine Mortgage and Security Agreement:

- (a) the Borrower shall remain liable under the Transaction Documents to which it is a party to perform all its obligations;
- (b) the Security Trustee shall not be under any further obligation or liability under the Transaction Documents by reason of this Engine Mortgage and Security Agreement or anything arising out of, or in connection with, it; and
- (c) the Security Trustee shall not be under any obligation of any kind:
  - (i) to assume, perform or fulfil any obligation of the Borrower in, under or pursuant to the Transaction Documents or be under any liability whatsoever as a result of any failure of the Borrower to perform any of its obligations;
  - (ii) (except as otherwise provided in the Transaction Documents) to enforce against any of the parties thereto any term or condition of the Transaction Documents or to enforce any rights and benefits under this Engine Mortgage and Security Agreement or to which the Security Trustee may at any time be entitled; and/or
  - (iii) to make any enquiries as to the nature or sufficiency of any payment received or to make any claim or to take any action to collect all or any of the Engine Property.

## 6. CAPE TOWN CONVENTION

- (a) The Borrower makes the representations and warranties set out in paragraph 2 (*Representations*) of Schedule 1 (*Cape Town Convention*) to the Security Trustee on the date of this Engine Mortgage and Security Agreement.
- (b) The Borrower gives the undertakings set out in paragraph 3 (*Undertakings*) of Schedule 1 (*Cape Town Convention*) to the Security Trustee for the duration of the Security Period.
- (c) The Borrower and the Security Trustee agree and acknowledge as set out in paragraph 4 (*Agreement and Acknowledgement*) of Schedule 1 (*Cape Town Convention*).

## 7. ENFORCEMENT OF SECURITY

### 7.1 Enforcement

Upon or at any time after the occurrence of an Enforcement Event the security created by or pursuant to this Engine Mortgage and Security Agreement shall be immediately enforceable and the Security Trustee may, without any requirement to give notice to the Borrower or to obtain prior authorisation from any court, in its absolute discretion:

- (a) enforce all or any part of that security (at the times, in the manner and on the terms it thinks fit) and appropriate, take possession or control of and hold, deal with, realise or dispose of all or any part of the Engine Property (at the time, in the manner and on the terms it thinks fit (including, without limitation, whether for cash or non-cash consideration), and in particular (but without limitation):
- (i) apply to any court, tribunal, agency or authority in the State of Registration or any jurisdiction in which the Engine Property or any part thereof is registered or located for any judgment, award, order, relief or other measure in respect of the Engine Property or any part thereof 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;
  - (ii) apply to any aviation, airport, customs or other agency or authority in the State of Registration or any jurisdiction in which the Engine or any part thereof is registered or located for custody, storage, protection or export of, or otherwise in relation to, the Engine or any part thereof, including, if applicable, under a registered IDERA in accordance with the Cape Town Convention, including as incorporated into English law pursuant to the Cape Town UK Regulations;
  - (iii) take possession or control of the Engine Property or any part thereof and, for that purpose, lawfully enter upon any land or building where the Engine or any part thereof is or is reasonably thought to be situated, without liability to the Borrower for or by reason of such entry;
  - (iv) sell, call in, collect and convert into money the Engine Property or any part thereof 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 for such consideration as the Security Trustee shall deem fit, whether the same shall consist of cash, shares, debentures or other property of whatsoever nature (or partly of one and partly of some other species of consideration) and whether the same 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 as the Security Trustee shall think fit, in all cases without being liable to account for any loss or deficiency in such consideration or other terms;
  - (v) lease, charter or license for use or otherwise deal with the Engine or any part thereof for such terms, at such rent or other income or consideration and generally in such manner and upon such conditions and terms as the Security Trustee shall think fit;

- (vi) sell, dispose of or otherwise deal with, or appoint (but without any obligation to do so) by notice the Borrower or any other person as its agent (on an exclusive or a non-exclusive basis as the Security Trustee deems fit) to sell, dispose of or otherwise deal with the Engine Property or any part thereof on terms satisfactory to the Security Trustee;
  - (vii) store, service, repair, overhaul and maintain (or procure the storage, service, repair, overhaul and maintenance of) the Engine or any part thereof in such manner on such terms and by such other persons as the Security Trustee shall think fit;
  - (viii) insure the Engine or any part thereof against loss or damage or third party liability in such sums, on such terms and with such interest as the Security Trustee shall think fit;
  - (ix) inspect and value the Engine or any part thereof or procure the inspection and valuation of the Engine or any part thereof by any other person;
  - (x) register the Engine or any part thereof in a state of registration or jurisdiction satisfactory to the Security Trustee and apply for a certificate of airworthiness (if available) and any other necessary authorisations and licences as the Security Trustee considers appropriate;
  - (xi) settle, arrange, compromise, conduct, bring, take, defend, submit to arbitration and discontinue any account, claim, question, dispute, action, suit or proceeding whatsoever (and whether civil or criminal) which may arise in relation to or in connection with the Engine Property or any part thereof or in any way relating to this Engine Mortgage and Security Agreement and execute any release, settlement, discharge as other agreement or document in relation thereto;
  - (xii) appoint any person or persons as agent or contractor as otherwise (on an exclusive or a non-exclusive basis) as the Security Trustee thinks fit and on such terms as the Security Trustee thinks fit for or in relation to any of the powers or purposes referred to in any of paragraphs (i) to (xi) above;
  - (xiii) to execute and do all such acts, deeds, documents and things as the Security Trustee may consider necessary or proper form in relation to any of the powers, or purposes referred to in paragraphs (i) to (xi) above;
- (b) whether or not it has appointed a Receiver, exercise all or any of the powers, authorisations and discretions conferred by the Law of Property Act 1925 (as varied or extended by this Engine Mortgage and Security Agreement) on

mortgagees and by this Engine Mortgage and Security Agreement on any Receiver or otherwise conferred by law on mortgagees or Receivers; and

- (c) without limiting, and in addition to, the powers conferred upon the Security Trustee by this Engine Mortgage and Security Agreement, exercise in respect of the Engine Property or any part thereof any and all rights, powers, remedies, privileges or discretions conferred from time to time by the laws of England, the State of Registration, any jurisdiction where the Engine Property or any part thereof is located or situated or any other applicable jurisdiction upon mortgagees or holders of security in respect of property such as the Engine Property or any part thereof.

## 7.2 Sale of Engine Property

- (a) The Borrower hereby agrees that if, in exercising its rights set out in Clause 7.1 (*Enforcement*), the Security Trustee sells the Engine or any part thereof, such sale may be way of public auction or private contract, on such terms, at such place(s) and at such time(s) as the Security Trustee decides and the Security Trustee shall not be obliged to seek advice on the sale process. Any such sale will be without any warranty or representation as to title or condition of the Engine or part thereof, which in each case shall be sold on an as-is where-is basis.
- (b) The Borrower accepts that a sale after an Enforcement Event may result in a distress value being paid (i.e. substantially less than a price which might be achieved in an open and unrestricted market, between a willing seller and buyer) and accepts the risk of such sale not achieving full and best value.
- (c) If the Security Trustee decides on a private sale it shall obtain an independent third party valuation from a recognised aircraft appraiser (such valuation taking into account the distress noted above). If the Security Trustee decides on a sale by auction, then no valuation shall be required and **provided that** such auction is advertised in at least one reputable industry publication no less than thirty (30) days prior to such auction, the Security Trustee will have discharged its duties to advertise the sale of the Engine or such part thereof properly and the Borrower will not contest the validity of any sale consummated at such auction (whether such sale is to the Security Trustee or any Secured Party, any Affiliate of the Security Trustee or any Secured Party or any third party).
- (d) Any Secured Party (or its Affiliate) may buy the Engine or any part thereof at public auction or by private sale provided that if any Secured Party (or its Affiliate) is to buy the Engine or any part thereof by way of private sale, then the price to be paid must not be less than the valuation obtained in accordance with Clause 7.2(c).

- (e) The Security Trustee may sell the Engine, whether or not any maintenance or modification is taking place in respect thereof at the time of such sale, provided that the Security Trustee provides a description of such maintenance or modification.

## **8. EXTENSION OF POWERS AND RIGHT OF APPROPRIATION**

### **8.1 Extension of power of sale**

The power of sale or other disposal conferred on the Security Trustee and on any Receiver by this Engine Mortgage and Security Agreement shall operate as a variation and extension of the statutory power of sale under section 101 of the Law of Property Act 1925 and such power shall arise (and the Secured Obligations shall be deemed due and payable for that purpose) on execution of this Engine Mortgage and Security Agreement.

### **8.2 Restrictions**

The restrictions contained in sections 93 and 103 of the Law of Property Act 1925 shall not apply to this Engine Mortgage and Security Agreement or to the exercise by the Security Trustee of its right to consolidate all or any of the security created by or pursuant to this Engine Mortgage and Security Agreement with any other security in existence at any time or to its power of sale (or to any other equivalent power), which powers may be exercised by the Security Trustee without notice to the Borrower upon or at any time after the security created by or pursuant to this Engine Mortgage and Security Agreement becomes enforceable in accordance with Clause 7.1 (*Enforcement*).

### **8.3 Statutory powers**

The powers conferred by this Engine Mortgage and Security Agreement on the Security Trustee are in addition to and not in substitution for the powers conferred on mortgagees and mortgagees in possession under the Law of Property Act 1925 or the Insolvency Act 1986 or otherwise by law and, in the case of any conflict between the powers contained in either the Law of Property Act 1925 or the Insolvency Act 1986 and those conferred by this Engine Mortgage and Security Agreement, the terms of this Engine Mortgage and Security Agreement will prevail.

## **9. APPOINTMENT OF RECEIVER**

### **9.1 Appointment and removal**

Upon or at any time after the security related any or pursuant to this Engine Mortgage and Security Agreement become enforceable in accordance with Clause 7.1 (*Enforcement*), the Security Trustee may by deed or otherwise (acting through an

authorised officer of the Security Trustee), without prior notice to the Borrower or any other person:

- (a) appoint one or more persons to be a Receiver of the whole or any part of the Engine Property; or
- (b) appoint two or more Receivers of separate parts of the Engine Property; or
- (c) remove (so far as it is lawfully able) any Receiver so appointed; or
- (d) appoint another person(s) as an additional or replacement Receiver(s).

## **9.2 Capacity of Receivers**

Each person appointed to be a Receiver pursuant to Clause 9.1 (*Appointment and removal*) shall be:

- (a) entitled to act individually or together with any other person appointed or substituted as Receiver;
- (b) for all purposes the agent of the Borrower and the Borrower shall be solely liable and responsible for any Receiver's acts, omissions, defaults and liabilities and for the payment of his remuneration, costs, charges and expenses and no Receiver shall at any time act as agent of the Security Trustee and the Security Trustee shall not be liable or responsible for any Receiver's acts, omissions, defaults or liabilities or for the payment of his remuneration, costs, charges or expenses or otherwise;
- (c) entitled to remuneration for his services at a rate to be fixed by the Security Trustee from time to time (without being limited to the maximum rate specified by the Law of Property Act 1925), and such remuneration shall be payable by the Borrower, the amount of which may be debited by the Security Trustee to any account of the Borrower but shall be, in any event, secured on the Engine Property under this Engine Mortgage and Security Agreement;
- (d) solely for the purpose of and in the proper exercise of his powers, entitled to make any payment and incur any expenditure which the Security Trustee is by this Engine Mortgage and Security Agreement expressly or impliedly authorised to make or incur and any expenses incurred by any Receiver in the proper exercise of any of his powers may be paid or retained by him out of any moneys coming into his hands as receiver or may be paid by the Security Trustee, in which case they shall be treated as expenses properly incurred by the Security Trustee; and
- (e) in the exercise of his powers, authorities and discretions, required to conform with the directions from time to time made and given by the Security Trustee

and, without limiting the foregoing, the Security Trustee may from time to time determine what funds any Receiver shall be at liberty to keep in hand with a view to the performance of his duties as receiver and may at any time require security to be given for the due performance of the Receiver's duties as receiver, at the cost of the Borrower.

### **9.3 Statutory powers of appointment**

The powers of appointment of a Receiver shall be in addition to all statutory and other powers of appointment of the Security Trustee under the Law of Property Act 1925 (as extended by this Engine Mortgage and Security Agreement) or otherwise and such powers shall remain exercisable from time to time by the Security Trustee in respect of all or any part of the Engine Property.

## **10. POWERS OF RECEIVERS**

Every Receiver shall (subject to any restrictions in the instrument appointing him but notwithstanding any winding-up or dissolution of the Borrower) have and be entitled to exercise, in relation to all or any part of the Engine Property (and any assets of the Borrower which, when got in, would be Engine Property) in respect of which he was appointed, and as varied and extended by the provisions of this Engine Mortgage and Security Agreement (in the name of or on behalf of the Borrower or in his own name and, in each case, at the cost of the Borrower):

- (a) all the powers conferred by the Law of Property Act 1925 on mortgagors and on mortgagees in possession and on receivers appointed under that Act;
- (b) all the powers of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver);
- (c) all the powers and rights of an absolute owner and power to do or omit to do anything which the Borrower itself could do or omit to do;
- (d) any or all of the rights, remedies, powers and discretions given to the Security Trustee under this Engine Mortgage and Security Agreement or by law and generally shall be entitled to the same protections and to exercise the same rights, remedies, powers and discretions given to the Security Trustee under this Engine Mortgage and Security Agreement or by laws;
- (e) the power to delegate (either generally or specifically) the powers, authorities and discretions conferred on him by this Engine Mortgage and Security Agreement or any of the Transaction Documents (including the power of attorney) on such terms and conditions as he shall see fit, which delegation shall not preclude either the subsequent exercise, any subsequent delegation or any revocation of such power, authority or discretion by any Receiver himself; and

- (f) the power to do all acts and things (including bringing or defending proceedings in the name or on behalf of the Borrower) which seem to the Receiver to be incidental or conducive to:
  - (i) any of the functions, powers, rights, remedies, authorities or discretions conferred on or vested in him;
  - (ii) the exercise of any rights, powers, remedies and discretions of the Security Trustee provided by or pursuant to this Engine Mortgage and Security Agreement (including, without limitation, the particular powers set out in Clause 7.1 (*Enforcement*)) or by law (including realisation of all or any part of the assets in respect of which that Receiver was appointed); or
  - (iii) bringing to his hands any assets of the Borrower forming part of, or which when got in would be, Engine Property.

## **11. APPLICATION OF MONEYS**

All moneys received or recovered and any non-cash recoveries made or received by the Security Trustee or any Receiver pursuant to this Engine Mortgage and Security Agreement or the rights, powers, remedies and discretions conferred by it shall (subject to the claims of any person having prior rights thereto and by way of variation of the provisions of the Law of Property Act 1925) be applied first in the payment of discharging all Losses and Expenses owing to the Security Trustee, any Receiver or any Delegate under the Transaction Documents and thereafter shall be applied by the Security Trustee (notwithstanding any purported appropriation by the Borrower) in accordance with clause 38 (*Application of Proceeds*) of the Facility Agreement.

## **12. PROTECTION OF PURCHASERS**

### **12.1 Consideration**

The receipt of the Security Trustee or any Receiver shall be conclusive discharge to a purchaser and, in making any sale or other disposition of any of the Engine Property or in making any acquisition, the Security Trustee or any Receiver may do so for such consideration (whether cash or non-cash), in such manner and on such terms as it thinks fit.

### **12.2 Protection of purchasers**

No purchaser or other person dealing with the Security Trustee or any Receiver shall be bound to inquire whether the right of the Security Trustee or such Receiver to exercise any of its powers has arisen or become exercisable or be concerned with the manner of application of any purchase moneys or with any propriety or regularity on the part of the Security Trustee or such Receiver in such dealings.

### 13. POWER OF ATTORNEY

#### 13.1 Appointment and powers

The Borrower by way of security for the performance of its obligations under this Engine Mortgage and Security Agreement, and the Transaction Documents and of the Secured Obligations irrevocably appoints the Security Trustee and any Receiver severally to be its attorney and in its name, on its behalf and as its act and deed to execute, deliver and perfect all documents and do all things which the attorney may consider to be required or desirable for:

- (a) carrying out any obligation imposed on the Borrower by this Engine Mortgage and Security Agreement or any other Transaction Document, or any other agreement binding on the Borrower (including the execution and delivery of any deed, charge, assignment or other security and any transfer of the Engine Property and perfecting or protecting the security created or intended to be created in respect of the Engine Property); and
- (b) enabling the Security Trustee and any Receiver to exercise, or delegate the exercise of, any of the rights, powers, remedies and discretions and authorities conferred on them by or pursuant to this Engine Mortgage and Security Agreement or by law (including, without limitation, the exercise of any right of a legal or beneficial owner of the Engine Property),

**provided that** the Security Trustee and any Receiver shall not exercise the authority conferred on them in this Clause 13.1 unless the security created by or pursuant to this Engine Mortgage and Security Agreement has become enforceable in accordance with Clause 7.1 (*Enforcement*).

#### 13.2 Ratification

The Borrower shall ratify and confirm all acts and things done and all documents executed by any attorney in the exercise or purported exercise of all or any of his powers (including the exercise of any right of a legal or beneficial owner of the Engine Property).

### 14. EFFECTIVENESS OF SECURITY

#### 14.1 Continuing security

- (a) The security created by or pursuant to this Engine Mortgage and Security Agreement shall remain in full force and effect as a continuing security for the Secured Obligations unless and until discharged by the Security Trustee in writing.

- (b) No part of the security from time to time created by or pursuant to this Engine Mortgage and Security Agreement will be satisfied or discharged by any intermediate payment, discharge or satisfaction of the whole or any part of the Secured Obligations.

#### **14.2 Cumulative rights**

The security created by or pursuant to this Engine Mortgage and Security Agreement shall be cumulative, in addition to and independent of other Security which the Security Trustee or any Secured Party may at any time hold for any of the Secured Obligations or any other obligations or any rights, powers, remedies and discretions provided by law and shall operate as an independent security notwithstanding any receipt, release or discharge endorsed on or given in respect of or under any such other security. No prior security held by the Security Trustee (whether in its capacity as security trustee or otherwise) or any of the other Secured Parties over the whole or any part of the Engine Property shall merge into the security constituted by this Engine Mortgage and Security Agreement.

#### **14.3 No prejudice**

The security and the rights, powers, remedies and discretions of the Security Trustee created by or pursuant to this Engine Mortgage and Security Agreement or by law shall not be prejudiced by any unenforceability or invalidity of any other agreement or document or by any time or indulgence granted to the Borrower or any other person, by the Security Trustee (whether in its capacity as security trustee or otherwise) or any of the other Secured Parties, or by any variation of the terms of the trust upon which the Security Trustee holds the security or by any other act, omission or thing which might otherwise prejudice that security or those rights, powers, remedies and discretions of the Security Trustee.

#### **14.4 Remedies and waivers**

No failure on the part of the Security Trustee to exercise, nor any delay on its part in exercising, any right, power, remedy or discretion under this Engine Mortgage and Security Agreement, shall operate as a waiver of that right, power, remedy or discretion or constitute an election to affirm this Engine Mortgage and Security Agreement. No election to affirm this Engine Mortgage and Security Agreement on the part of the Security Trustee shall be effective unless it is in writing. The rights, powers, remedies and discretions provided in this Engine Mortgage and Security Agreement are cumulative and not exclusive of any provided by law. No single or partial exercise of any right, power, remedy or discretion shall preclude any further or other exercise of that or any other right, power, remedy or discretion.

#### **14.5 No liability**

None of the Security Trustee, its nominee(s) nor any Receiver shall be liable

- (a) to account as a mortgagee or mortgagee in possession; or
- (b) for any loss arising by reason of taking any action permitted by this Engine Mortgage and Security Agreement or any realisation of any of the Engine Property or any act, omission, neglect or default in connection with the Engine Property or any part thereof or taking possession of or realising all or any part of the Engine Property,

except in the case of gross negligence or wilful default upon its part for which a mortgagee in possession might be notice as such.

#### **14.6 Partial invalidity**

If, at any time, any provision of this Engine Mortgage and Security Agreement is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Engine Mortgage and Security Agreement nor of such provision under the laws of any other jurisdiction shall in any way be affected or impaired thereby and, if any part of the security intended to be created by or pursuant to this Engine Mortgage and Security Agreement is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of the security.

#### **14.7 Waiver of defences**

The obligations of, and the security created by, the Borrower under this Engine Mortgage and Security Agreement and the rights, remedies, powers and discretions provided by this Engine Mortgage and Security Agreement will not be affected by any act, omission, matter or thing which, but for this Clause 14.7, would reduce, release or prejudice any of its obligations under, or the security created by, this Engine Mortgage and Security Agreement and whether or not known to the Borrower or any Secured Party, including:

- (a) any time, waiver or consent granted to, or composition with, the Borrower or any Other Obligor or other person;
- (b) the release of the Borrower or any Other Obligor or any other person under the terms of any composition or arrangement with any creditor or the Borrower or other person;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, the Borrower or any Other Obligor or other person or any non-presentment or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;

- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of, the Borrower or any Other Obligor or any other person;
- (e) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case however fundamental and of whatsoever nature, and whether or not more onerous) or replacement of a Transaction Document or any other document or security or any of the Secured Obligation (including, without limitation, any change in the purpose of, any extension of, or any variation or increase in any facility or amount made available under any facility or the addition of any new facility under any Transaction Document or other document and any amendment, variation, waiver or release of any of the Secured Obligations);
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Transaction Document or any other document or security or any of the Secured Obligations; and
- (g) any insolvency or similar proceedings.

#### **14.8 Borrower intent**

Without prejudice to the generality of Clause 14.7 (*Waiver of defences*), the Borrower expressly confirms that it intends that the Security created under this Engine Mortgage and Security Agreement and the rights, powers, remedies and discretions arising thereunder, shall extend from time to time to any (however fundamental and of whatsoever nature, and whether or not more onerous) variation, increase, extension or addition of or to any of the Transaction Documents and/or any facility or amount made available under any of the Transaction Documents for the purposes of or in connection with any of the following: acquisitions of any nature; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

#### **14.9 Immediate recourse**

The Borrower waives any right it may have of first requiring the Security Trustee or any Secured Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any other person before claiming from the Borrower under this Engine Mortgage and Security Agreement and the other Transaction Documents. This waiver applies irrespective of any law or any provision of this Engine Mortgage and Security Agreement or any other Transaction Documents to the contrary.

#### 14.10 Deferral of rights

Until the end of the Security Period, the Borrower will not exercise any rights which it may have by reason of performance by it any of its obligations under this Engine Mortgage and Security Agreement or any other Transaction Documents:

- (a) to be indemnified by any Other Obligor;
- (b) to claim any contribution from any guarantor of its or any Other Obligor's obligations under this Engine Mortgage and Security Agreement or any other Transaction Documents;
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any right of the Secured Parties under this Engine Mortgage and Security Agreement or any other Transaction Documents or of any other guarantee or security taken pursuant to, or in connection with, this Engine Mortgage and Security Agreement or any other Transaction Document by any Secured Party;
- (d) to bring legal or other proceedings for an order requiring any Other Obligor to make any payment, or perform any obligation, in respect of which any Other Obligor has given a guarantee, undertaking or indemnity under any Transaction Document;
- (e) to exercise any right of set-off against any Other Obligor; or
- (f) to claim or prove as a creditor of any Other Obligor in competition with any Secured Party,

If the Borrower receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution on trust for the Security Trustee to the extent necessary to enable all amounts which may be or become payable to any Secured Party by the Borrower or any Other Obligor under or in connection with any of the Transaction Documents or any of the Other Transaction Documents to be repaid in full and shall promptly pay or transfer the same to the Security Trustee or as the Security Trustee may direct for application in accordance with Clause 11 (*Application of Moneys*).

#### 15. PRIOR SECURITY INTERESTS

- (a) In the event of any action, proceeding or step being taken to exercise any powers or remedies conferred by any prior ranking security against any part of the Engine Property or in case of exercise by the Security Trustee or any Receiver of any power of sale under this Engine Mortgage and Security Agreement, the Security Trustee may redeem such prior security or procure the transfer thereof to itself.

- (b) The Security Trustee may settle and agree the accounts of the prior security and any accounts so settled and agreed will be conclusive and binding on the Borrower.
- (c) All principal monies, interest, costs, charges and expenses of and incidental to any redemption or transfer will be paid by the Borrower to the Security Trustee on demand together with accrued interest thereon as well after as before judgment at the rate from time to time applicable to unpaid sums specified in the Facility Agreement from the time or respective times of the same having been paid or incurred until payment thereof (as well after as before judgment).

#### **16. SUBSEQUENT SECURITY INTERESTS**

If the Security Trustee (whether acting in its capacity as Security Trustee or otherwise) or any of the other Secured Parties at any time receives or is deemed to have received notice of any subsequent security, assignment, transfer or other interest affecting the Engine Property or any part of the Engine Property which is prohibited by the terms of any Transaction Document, all payments thereafter by or on behalf of the Borrower to the Security Trustee (whether acting in its capacity as Security Trustee or otherwise) or any other Secured Party will be credited or treated as having been credited to a new account of the Borrower and not as having been applied in reduction of the Secured Obligations at the time that notice was received.

#### **17. SUSPENSE ACCOUNTS**

All monies received, recovered or realised by the Security Trustee under this Engine Mortgage and Security Agreement (including the proceeds of any conversion of currency) may in the discretion of the Security Trustee be credited to any interest bearing suspense or impersonal account(s) maintained with a bank, building society, financial institution or other person as it considers appropriate (including itself) for so long as it may think fit (the interest being credited to the relevant account) pending their application from time to time at the Security Trustee's discretion, in or towards the discharge of any of the Secured Obligations and, save as provided herein, no party will be entitled to withdraw any amount at any time standing to the credit of any suspense or impersonal account referred to above.

#### **18. RELEASE OF SECURITY**

Upon the end of the Security Period, the Security Trustee shall, at the request and cost of the Borrower, release and cancel the security constituted by this Engine Mortgage

and Security Agreement, and without recourse to, or any representation or warranty by, the Security Trustee or any of its nominees.

**19. SET-OFF**

The Borrower authorises the Security Trustee (but the Security Trustee shall not be obliged to exercise such right), upon or at any time after the security created by or pursuant to this Engine Mortgage and Security Agreement has become enforceable in accordance with Clause 7.1 (*Enforcement*), to set off against the Secured Obligations any amount or other obligation (contingent or otherwise) owing by the Security Trustee or any Secured Party to the Borrower and apply any credit balance to which the Borrower is entitled on any account with the Security Trustee in accordance with Clause 11 (*Application of Moneys*) (notwithstanding any specified maturity of any deposit standing to the credit of any such account).

**20. ASSIGNMENT**

**20.1 No assignments or transfers by Borrower**

The Borrower may not assign any of its rights or transfer any of its rights or obligations under this Engine Mortgage and Security Agreement.

**20.2 Assignments by the Security Trustee**

The Security Trustee may assign all or any of its rights under this Engine Mortgage and Security Agreement. The Security Trustee shall be entitled to disclose such information concerning the Borrower and this Engine Mortgage and Security Agreement as the Security Trustee considers appropriate to any actual or proposed direct or indirect successor or to any person to whom information may be required to be disclosed by any applicable law.

**20.3 Successors**

This Engine Mortgage and Security Agreement shall remain in effect despite any amalgamation or merger (however effected) relating to the Security Trustee. References to the Security Trustee shall include (i) any assignee or successor in title of the Security Trustee, (ii) any entity into which the Security Trustee is merged or converted or with which it may be consolidated, (iii) any legal entity resulting from any merger, conversion or consolidation to which such Security Trustee is a party and (iv) any other person who, under the laws of its jurisdiction of incorporation or domicile, has assumed the rights and obligations of the Security Trustee under this Engine Mortgage and Security Agreement or to which, under such laws, those rights and obligations have been transferred (such person described in (i) to (iv) being a successor to the Security Trustee for all purposes under the Transaction Documents).

## **21. DISCRETION AND DELEGATION**

### **21.1 Discretion**

Any liberty or any right, power, remedy or discretion which may be exercised or any determination which may be made under this Engine Mortgage and Security Agreement by the Security Trustee or any Receiver may, subject to the terms and conditions of the Facility Agreement, be exercised or made in its absolute and unfettered discretion without any obligation to give reasons.

### **21.2 Delegation**

Each of the Security Trustee and any Receiver shall have full power to delegate (either generally or specifically) the authorities, rights, powers, remedies and discretions conferred on it by this Engine Mortgage and Security Agreement (including the power of attorney) on such terms and conditions as it shall see fit which delegation shall not preclude either the subsequent exercise, any subsequent delegation or any revocation of such power, authority or discretion by the Security Trustee or the Receiver itself.

## **22. GOVERNING LAW**

This Engine Mortgage and Security Agreement and all non-contractual obligations arising out of or in connection with it governed by English law.

## **23. JURISDICTION**

### **23.1 English Courts**

The courts of England have exclusive jurisdiction to settle any dispute (a "**Dispute**") arising out of, or in connection with this Engine Mortgage and Security Agreement (including a dispute relating to the existence, validity or termination of this Engine Mortgage and Security Agreement or the consequences of its nullity or any non-contractual obligations arising out of or in connection with this Engine Mortgage and Security Agreement).

### **23.2 Convenient Forum**

The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes between them and, accordingly, that they will not argue to the contrary.

### **23.3 Exclusive Jurisdiction**

Notwithstanding Clause 23.1 (*English Courts*), this Clause 23 does not prevent the Security Trustee from taking proceedings relating to a Dispute in any other courts with jurisdiction (including, but not limited to, any court that has jurisdiction under Article 55 of the Consolidated Text, as incorporated into English law pursuant to Regulation

43 of the Cape Town UK Regulations, to grant relief under Article 20 of the Consolidated Text, as incorporated into English law pursuant to Regulation 25 of the Cape Town UK Regulations). To the extent allowed by law, the Security Trustee may take concurrent proceedings in any number of jurisdictions.

#### **23.4 Waiver of Immunity**

In any proceedings taken in the jurisdiction of incorporation of the Borrower in relation to the Engine Property pursuant to this Engine Mortgage and Security Agreement, the Borrower 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 Engine Property) immunity from suit, execution, attachment or other legal process in such jurisdiction.

#### **24. COUNTERPARTS**

- 24.1 This Engine Mortgage and Security Agreement may be executed in any number of counterparts, each of which is an original and all of which together evidence the same agreement.
- 24.2 This Engine Mortgage and Security Agreement shall not come into effect until each party has executed at least one counterpart.

#### **25. CONFLICT**

If there is any conflict between the terms of this Engine Mortgage and Security Agreement and the Facility Agreement, the terms of the Facility Agreement shall prevail.

**THIS ENGINE MORTGAGE AND SECURITY AGREEMENT** has been executed as, and is intended to take effect as, a deed by the Borrower and has been signed by the Security Trustee on the date written on the first page of this Agreement.

**EXECUTION PAGE TO ENGINE MORTGAGE AND SECURITY AGREEMENT**

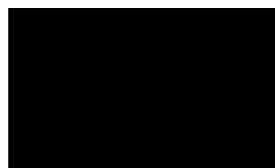
## Borrower

**EXECUTED as a DEED**  
**by VIRGIN ATLANTIC AIRWAYS**  
**LIMITED**  
acting by two directors ~~or~~  
~~a director and the Company Secretary~~

) \_\_\_\_\_  
) \_\_\_\_\_  
) \_\_\_\_\_  
) Director  
) \_\_\_\_\_  
) \_\_\_\_\_  
) \_\_\_\_\_  
) Director/Company/Secretary

Security Trustee

**SIGNED** by )  
**AIRBUS FINANCIAL SERVICES LIMITED** )  
for and on its behalf )  
by its duly authorised )  
attorney )



**James Cottle**  
Managing Director

## **SCHEDULE 1**

### **CAPE TOWN CONVENTION**

#### **1. DEFINITIONS**

In this Schedule 1, in the context of any references to the Cape Town Convention, the following expressions have the respective meanings given to them in Article 1 of the Consolidated Text and in the context of any references to the Cape Town UK Regulations, such expressions have the respective meanings given to them in Regulation 5 of the Cape Town UK Regulations:

aircraft engines

aircraft object

aircraft register

airframe

applicable law

creditor

default

international interest

International Registry

non-consensual right or interest

prospective international interest

prospective sale

sale

security agreement

security interest

State of registry

and the expression "situated" will have the meaning given to it in Article 4 of the Consolidated Text.

## 2. REPRESENTATIONS

The Borrower represents and warrants on the date of this Engine Mortgage and Security Agreement in favour of the Security Trustee, as set out below:

- (a) The Borrower is situated in the United Kingdom for the purposes of Article 3(1) of the Consolidated Text.
- (b) The Engine is an aircraft engine and accordingly an aircraft object for the purposes of Article 10 of the Consolidated Text.
- (c) The Borrower has the power to dispose of the Engine for the purposes of Article 10 of the Consolidated Text.
- (d) This Engine Mortgage and Security Agreement is a security agreement and the security interest constituted by Clause 3.1 (*Charge; international interest*) of this Engine Mortgage and Security Agreement is effective to constitute a valid international interest in favour of the Security Trustee as creditor and chargee over the Engine for the purposes of the Cape Town Convention.
- (e) No international interests or prospective international interests have been registered with the International Registry in relation to the Engine, other than to the extent that:
  - (i) the registrations of such international interests or prospective international interests have been discharged on or before the date hereof to the satisfaction of the Security Trustee; or
  - (ii) the registrations relate to the Transaction Documents or are registrations of which the Security Trustee has knowledge and is content for them to remain.
- (f) No sale or prospective sale has been registered with the International Registry in relation to the Engine, other than to the extent that such registration relates to a sale or prospective sale of the Engine that occurred prior to the sale of such aircraft object to the Borrower.
- (g) No non-consensual right or interest exists in relation to the Engine which, under the laws of the jurisdiction where the Borrower is situated, has priority over the international interest constituted in respect of the relevant Engine, in favour of the Security Trustee as creditor and chargee pursuant to Clause 3.1 (*Charge; international interest*) of this Engine Mortgage and Security Agreement, by virtue of a declaration made by such Borrower jurisdiction in accordance with Article 52 of the Consolidated Text (including as incorporated into English law by Regulation 17 of the Cape Town UK Regulations).

### 3. UNDERTAKINGS

The Borrower undertakes in favour of the Security Trustee that for the duration of the Security Period it shall co-operate with the Security Trustee and will take all actions as may be reasonably requested of it by the Security Trustee for the purposes of effecting the registration of any international interest in relation to the Engine that is constituted from time to time in favour of the Security Trustee as creditor and chargee pursuant to Clause 3.1 (*Charge; international interest*) of this Engine Mortgage and Security Agreement on the International Registry (including any such international interest that is constituted thereunder only following a Change in Law in the jurisdiction in which the Borrower is situated), 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 in order to 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); and

### 4. AGREEMENT AND ACKNOWLEDGEMENT

The Borrower and the Security Trustee each agree and acknowledge as follows:

- (h) the international interest constituted in favour of the Security Trustee as creditor and chargee pursuant to this Engine Mortgage and Security Agreement in respect of the Engines will be registered as an international interest in the International Registry with the consent of each of the Borrower and the Security Trustee;
- (i) each Event of Default shall constitute a default under this Engine Mortgage and Security Agreement for the purposes of Article 17(1) of the Consolidated Text (including as incorporated into English law pursuant to Regulation 18 of the Cape Town UK Regulations);
- (j) without prejudice to any other rights the Security Trustee may have under the Transaction Documents or applicable law, upon the occurrence of an Event of Default and whilst the same is continuing, the Security Trustee will be entitled to exercise the remedies referred to in Articles 12(1), 15(1) and 20(1) (including 20(1)(e)) of the Consolidated Text (including as incorporated into English law pursuant to Regulations 19, 20, 22, 23 and 25 of the Cape Town UK Regulations); and
- (k) to the extent applicable, Article 20(4) of the Consolidated Text will not apply to any exercise of the rights of the Security Trustee under this Engine Mortgage and Security Agreement pursuant to Article 20(1) of the Consolidated Text.