



**Registration of a Charge**

Company name: **VIRGIN ATLANTIC AIRWAYS LIMITED**

Company number: **01600117**



X71L5X63

Received for Electronic Filing: **12/11/2018**

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**Details of Charge**

Date of creation: **07/11/2018**

Charge code: **0160 0117 0175**

Persons entitled: **KDAC AIRCRAFT HOLDING 3 LIMITED**

Brief description: **ASSIGNMENT OF ALL OF THE RIGHT, TITLE AND INTEREST, PRESENT AND FUTURE, TO AND UNDER THE SUBLEASE AS CONTINUING SECURITY FOR THE ASSIGNOR'S SECURED OBLIGATIONS IN RELATION TO THE AIRCRAFT (MSN 432), AS SPECIFIED AND DEFINED IN THE SUBLEASE ASSIGNMENT REGISTERED BY THIS FORM MR01 (THE "SUBLEASE ASSIGNMENT"). FOR MORE DETAILS PLEASE REFER TO THE SUBLEASE ASSIGNMENT.**

**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:

**REISS GUINNESS**



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

Company number: 1600117

Charge code: 0160 0117 0175

The Registrar of Companies for England and Wales hereby certifies that a charge dated 7th November 2018 and created by VIRGIN ATLANTIC AIRWAYS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 12th November 2018 .

Given at Companies House, Cardiff on 14th November 2018

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



**Companies House**



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES

DATED

7 November

2018

VIRGIN ATLANTIC AIRWAYS LIMITED  
as Assignor

- and -

KDAC AIRCRAFT HOLDING 3 LIMITED  
as Assignee

SUBLEASE ASSIGNMENT

- in relation to -

ONE AIRBUS A330-223 AIRCRAFT

Manufacturer's Serial Number 432  
Registration Mark G-VMIK

Save for material redacted pursuant to s859G of the Companies Act 2008,  
I certify that this is a true and complete copy of the original seen by me

Name: MISS GUNION  
Title: Solicitor

Date: 02/11/2018

Hogan Lovells International LLP (Ref: F3ARCE)  
Atlantic House, Holborn Viaduct, London EC1A 2FG



Hogan Lovells International LLP  
Atlantic House, Holborn Viaduct, London EC1A 2FG

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THIS ASSIGNMENT is made as a deed on

7 November 2018

**BETWEEN**

- (1) **Virgin Atlantic Airways Limited**, a company incorporated in England whose registered office is at The VHQ, Fleming Way, Crawley, RH10 9DF, England (the "**Assignor**"); and
- (2) **KDAC Aircraft Holding 3 Limited**, a private limited company incorporated in Ireland whose registered office is 32 Molesworth Street, Dublin 2 Ireland (the "**Assignee**").

**BACKGROUND**

- (A) The Assignee and the Assignor have entered into the Lease under which the Assignee has agreed to lease the Aircraft to the Assignor.
- (B) The Assignor and the Sublessee may enter into one or more Subleases from time to time under which the Assignor has agreed to sublease the Aircraft to the Sublessee.
- (C) The Assignor has agreed to assign to the Assignee its interest in each Sublease as security for its obligations under the Lease.
- (D) The Assignor and the Assignee intend this Assignment to take effect as a deed.

**1. DEFINITIONS AND INTERPRETATION**

**1.1 Definitions**

In this Assignment (including the Recitals), unless the context requires otherwise:

**"Agency"** means any agency, authority, central bank, department, government, legislature, minister, ministry, official, or public or statutory person (whether autonomous or not) of, or of the government of, a state or any political sub-division in or of that state;

**"Aircraft"** means the Airbus A330-223 aircraft with MSN 432 as more specifically defined in the Lease;

the **"Assets"** of any person means all or any part of its business, undertaking, property, assets, revenues (including any right to receive revenues) and uncalled capital;

**"Assigned Property"** means all of the right, title and interest, present and future, of the Assignor in, to and under each Sublease;

this **"Assignment"** means this Assignment as it may from time to time be amended or supplemented;

**"Business Day"** means a day (other than a Saturday or Sunday) on which:

- (a) banks are open for general business in the Assignor's Home Jurisdiction and the Assignee's Home Jurisdiction;
- (b) (in relation to any payment under this Assignment denominated in Dollars, banks are open for general business in New York, Ireland and London; and
- (c) (in relation to any payment under this Assignment denominated in a currency other than Dollars, banks are open for business in the place in which that payment is to be made;

**"Designated Bank Account"** means the Lessor's Account as defined in the Lease;

**"Dollars"** or **"\$"** means the lawful currency of the United States of America;

**"Enforcement Event"** means the termination of the lease of the Aircraft under the Lease;

**"Event of Default"** has the meaning given to such term in the Lease;

**"Home Jurisdiction"** means, in relation to any person, the jurisdiction under the laws of which that person is constituted;

**"Lease"** means the Aircraft Lease Agreement dated 14 December 2017 (as novated) between the Assignee as lessor and the Assignor as lessee in relation to the Aircraft;

**"Lessor Security Interest"** has the meaning given to such term in the Lease;

**"Loss"** includes any loss (including Taxes), cost, expense (including the fees and expenses of professional advisers and any VAT on the fees and expenses), damage, action, claim, proceedings, judgement, sanction, penalty, fine, or other financial liability or financial loss of any kind;

**"LPA"** means the Law of Property Act 1925;

**"Party"** means a party to this Assignment and includes its successors in title, permitted assigns and permitted transferees;

**"Receiver"** means an administrative receiver, receiver and manager or other receiver appointed in respect of the Assigned Property;

**"Secured Obligations"** means all present and future obligations and liabilities (whether actual or contingent and however owed) of the Assignor to the Assignee under each of the Transaction Documents to which the Assignor is a party;

**"Security"** means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect;

**"Sublease"** means the Aircraft Sublease Agreement dated on or about the date of this Assignment between the Assignor as lessor and the Sublessee as lessee in relation to the Aircraft and each other sublease entered into from time to time between the Assignor as lessor and the Sublessee as lessee in relation to the Aircraft;

**"Sublessee"** means Virgin Atlantic International Limited, a company incorporated in England whose registered office is at The VHQ, Fleming Way, Crawley, RH10 9DF, England;

**"Taxes"** means all taxes, imposts, levies, duties, fees or charges in the nature of a tax (including any VAT and any import or export duty) imposed, levied or assessed by any Government Entity, including any interest, fine or penalty payable because they are not paid when due;

**"Transaction Documents"** means this Assignment, the documents defined in the Lease as Transaction Documents and each other document agreed by the Assignor and the Assignee to be a Transaction Document for the purposes of the Lease; and

the **"Winding-up"** of a person also includes the amalgamation, reconstruction, reorganisation, administration, dissolution, liquidation, merger or consolidation of that person, and any equivalent or analogous procedure under the law of any jurisdiction in which that person is incorporated, domiciled or resident or carries on business or has Assets.

## 1.2 Construction

(a) Unless the context requires otherwise, any reference in this Assignment to:

- (i) a person being an "**affiliate**" of another means that that person directly or indirectly controls, is controlled by, or is under common control with, that other person;
  - (ii) an agreement or instrument is a reference to that agreement or instrument as amended or novated;
  - (iii) a "**clause**" or "**Schedule**" is a reference to a clause of, or Schedule to, this Assignment;
  - (iv) a "**consent**" also includes an approval, authorisation, exemption, filing, licence, order, permission, recording or registration (and references to obtaining consents are to be construed accordingly);
  - (v) one person being "**controlled**" by another person means that that other person (whether directly or indirectly and whether by the ownership of share capital, the possession of voting power, contract or otherwise) has the power to appoint and/or remove all or the majority of the members of the board of directors or other governing body of that person or otherwise controls or has the power to control the affairs and policies of that person;
  - (vi) "**law**" includes common, customary or civil law or any constitution, decree, judgment, legislation, order, ordinance, regulation, treaty or other legislative, judicial or administrative measure, requirement or decision (or its interpretation or application) whether or not having the force of law, but if not having the force of law, only if the persons to whom it is intended to apply generally comply with it;
  - (vii) a "**month**" is a reference to a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month, except that if there is no numerically corresponding day in the next month, that period shall end on the last day of that next month;
  - (viii) a party to any Transaction Document includes a reference to that person's successors, permitted assigns and permitted transferees;
  - (ix) a "**person**" includes any individual, company, corporation, firm, partnership, joint venture, association, organisation, trust or Agency (in each case, whether or not having separate legal personality);
  - (x) a provision of any law is a reference to that provision as amended or re-enacted;
  - (xi) a time of day is a reference to London time; and
  - (xii) a word referring to a plural number includes a reference to the singular and *vice versa*.
- (b) The Table of Contents, Clause and Schedule headings are for ease of reference only.

### 1.3 Third party rights

A person who is not a party to this Assignment has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefits of any term of this Assignment.



## **2. UNDERTAKING TO PAY**

The Assignor acknowledges to the Assignee that it is obliged to pay and discharge the Secured Obligations and undertakes to pay and discharge the Secured Obligations when they fall due in accordance with their terms.

## **3. ASSIGNMENT**

### **3.1 Assignment**

- (a) The Assignor assigns to the Assignee absolutely and unconditionally all its interest, both present and future, in the Assigned Property, as continuing security for its obligation to discharge the Secured Obligations.
- (b) Notwithstanding any other provision of this Assignment, the Assignor will be entitled to receive and retain all Rent (as defined in a Sublease) paid to the Assignor pursuant to any Sublease provided that no Enforcement Event has occurred.

### **3.2 Reassignment**

- (a) The Assignee will reassign its interest in the Assigned Property, free and clear of all Lessor Security Interests, to the Assignor when it is asked to do so by the Assignor, provided that it is satisfied that all of the Secured Obligations have been irrevocably and unconditionally discharged, subject to clause 3.3 (*Retention of security*). If the Assignor notifies the Assignee that a Sublease has expired or been terminated in accordance with its terms, then, provided that no Event of Default is then continuing, the interest of the Assignee in the Assigned Property relating to such Sublease shall be automatically reassigned to the Assignor without further act, free and clear of all Lessor Security Interests.
- (b) The Assignee will execute any documents reasonably required by the Assignor to effect the reassignment referred to in paragraph (a) above.
- (c) The reassignment referred to in this clause 3.2 will be at the Assignor's cost and will be effected without recourse to or warranty by the Assignee.

### **3.3 Retention of security**

If the Assignee considers that any amount paid or credited to it under any Transaction Document is capable of being avoided or set aside on the Winding-up of the Assignor or any other person, that amount will not be considered to have been paid for the purposes of determining whether all the Secured Obligations have been irrevocably and unconditionally discharged.

### **3.4 Notices of assignment**

Forthwith upon execution of each Sublease and prior to the delivery of the Aircraft thereunder, the Assignor undertakes that it will execute and deliver to the Sublessee a notice of the assignment effected by this Assignment in the form of Part A of Schedule 1 (*Notification to Sublessee*) and will ensure that the Sublessee executes an acknowledgement of receipt of that notice in the form set out in Part B of Schedule 1 (*Notification to Sublessee*).

## **4. REPRESENTATIONS AND WARRANTIES**

- 4.1 The Assignor makes the representations and warranties set out in, clauses 4.2(a) to (e) (*Lessee's representations and warranties*) of the Lease on the date of this Assignment

and on each date on which a notice of assignment is issued pursuant to clause 3.4 (*Notices of assignment*) as if they were set out in full in this Assignment and as if each reference to 'Transaction Documents' in those clauses were to this Assignment.

- 4.2 The Assignor represents and warrants to the Assignee on the date of this Assignment and on each date on which a notice of assignment is issued pursuant to clause 3.4 (*Notices of assignment*) that the Assigned Property is free and clear from all Security other than as expressly contemplated by the Transaction Documents.

## 5. COVENANTS

- 5.1 The Assignor will not:

- (a) permit any Security to exist over the Assigned Property which is not expressly contemplated by the Transaction Documents; or
- (b) dispose of the Assigned Property (whether by way of sale, lease, assignment, the grant of any Security or otherwise) unless it is expressly permitted to do so by the Transaction Documents;

or attempt to, hold itself out as having any power to, or permit any person to, do any of the above.

- 5.2 Except as expressly permitted by the Transaction Documents, the Assignor will not amend any provision of, or waive any right under, any Sublease in any manner which could adversely affect the rights or interests of the Assignee under this Assignment without the prior written consent of the Assignee.

- 5.3 Provided no Enforcement Event has occurred the Assignor may, except as otherwise provided in a Transaction Document, exercise any rights, discretions or powers conferred on it arising from the Assigned Property.

## 6. ENFORCEMENT OF SECURITY

### 6.1 When security becomes enforceable

- (a) The security constituted by this Assignment will be immediately enforceable when, and at any time after, an Enforcement Event occurs.
- (b) After the security constituted by this Assignment has become enforceable, the Assignee may enforce all or any part of the security constituted by this Assignment in any manner that it sees fit.

### 6.2 Sections 101 and 103 of the LPA

- (a) The statutory power of sale, the power to appoint a receiver and the other statutory powers conferred on mortgagees by section 101 of the LPA, as varied and extended by this Assignment, will arise on the date of this Assignment.
- (b) Section 103 of the LPA (restricting the power of sale) and section 93 of the LPA (restricting the right of consolidation) will not apply to the security constituted by this Assignment.

### 6.3 Enforcement

When, and at any time after, the security constituted by this Assignment becomes enforceable, the Assignee may immediately and without notice exercise all the powers and remedies that it possesses according to law as assignee of the Assigned Property, including the power:

- (a) to apply to any authority in the country in which the Assigned Property is located for an enforcement and attachment order in respect of the Assigned Property or any part of it;
- (b) to apply to any court of competent authority for an order for foreclosure to vest all the Assignor's right, title, and interest in the Assigned Property in the Assignee;
- (c) to take possession of the Assigned Property;
- (d) to recover and collect all sums of money payable in respect of the Assigned Property and to give a good receipt for them on behalf of the Assignor;
- (e) to exercise all of the Assignor's rights in respect of the Assigned Property to the exclusion of the Assignor;
- (f) to take over or institute any proceedings in connection with the Assigned Property that the Assignee may in its absolute discretion think appropriate and to discharge, compound, release or compromise all or any part of the Assigned Property or any claims in respect of it;
- (g) to sell, call in and convert into money the Assigned Property by public auction or private contract, at any place in the world, with or without advertisement or notice to the Assignor with all the powers that are conferred by law and, as an extension of those powers, on the basis that such sale, calling in, collection and conversion may be made for any consideration that the Assignee may deem reasonable, whether payable at the time of the disposal, by instalments or at some future date and whether secured or unsecured and so that the Assignee is not liable to account for any loss of or deficiency in such consideration;
- (h) to settle, arrange, compromise or submit to arbitration any accounts, claims, questions or disputes that may arise in connection with the Assigned Property or in any way relating to this Assignment and to execute releases or other discharges in relation to it;
- (i) to bring, take, defend, compromise, submit to arbitration or discontinue any actions, suits or proceedings whatsoever, civil or criminal, in relation to the Assigned Property; and
- (j) to execute and do any acts, deeds and things that the Assignee may consider necessary or proper in relation to any of the matters referred to in this clause 6.3.

#### **6.4 No liability as mortgagee in possession**

Neither the Assignee nor any Receiver will be liable to account as mortgagee in possession or for any loss or realisation or for any default or omission for which a mortgagee in possession might be liable, as a consequence of its entering into possession of the Assigned Property.

#### **6.5 LPA rights and immunities**

Each Receiver and the Assignee is entitled to all the rights, powers, privileges and immunities conferred by the LPA on mortgagees and receivers when such receivers have been duly appointed under the LPA, except that section 103 of the LPA does not apply.

#### **6.6 Protection of third parties**

No person (including a purchaser) who deals with the Assignee or a Receiver or its or his agents will be concerned to enquire:

- (a) whether the Secured Obligations have become payable; or
- (b) whether any power which the Assignee or the Receiver is purporting to exercise has in fact become exercisable; or
- (c) whether any money remains due under the Transaction Documents; or
- (d) how any money paid to the Assignee or to the Receiver is to be applied.

#### **6.7 Redemption of prior security interests**

- (a) At any time after the security constituted by this Assignment has become enforceable, the Assignee may:
  - (i) redeem any prior Security against any Assigned Property; and/or
  - (ii) procure the transfer of that Security to itself; and/or
  - (iii) settle and pass the accounts of the prior mortgagee, assignee or chargee (and any accounts so settled and passed will be conclusive and binding on the Assignor).
- (b) The Assignor will pay all principal, interest, costs, charges and expenses of and incidental to any such redemption and/or transfer to the Assignee promptly on demand.

### **7. RECEIVER**

#### **7.1 Appointment of Receiver**

The Assignee may, without further notice, appoint any one or more qualified persons by deed or otherwise in writing to be a Receiver of the Assigned Property at any time after the Security constituted by this Assignment has become enforceable or, if the Assignor asks the Assignee in writing to do so, at any other time.

#### **7.2 Removal**

The Assignee may, by written notice, remove any Receiver appointed by it whenever it considers it expedient, and may appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

#### **7.3 Remuneration**

The Assignee may fix the remuneration of any Receiver appointed by it, but that remuneration will be payable by the Assignor alone and will constitute a Secured Obligation under this Assignment.

#### **7.4 Relationship with Assignee**

To the fullest extent permitted by law, any right, power or discretion conferred by this Assignment (either expressly or impliedly) upon a Receiver of the Assigned Property may, after the Security constituted by this Assignment has become enforceable, be exercised by the Assignee in relation to any of the Assigned Property without first appointing a Receiver or notwithstanding the appointment of a Receiver.

## **8. POWERS OF RECEIVER**

### **8.1 General**

Each Receiver:

- (a) has, and is entitled to exercise, all of the rights, powers and discretions set out below in this clause 8 in addition to those conferred by the LPA on any receiver appointed under the LPA;
- (b) will have all the powers given to the Assignee under this Assignment of taking possession of, calling in, collecting, converting into money and selling and dealing with the Assigned Property;
- (c) will have any of the other powers and discretions that are given to the Assignee under this Assignment that the Assignee may from time to time confer on him;
- (d) will be entitled to the same protection that is given to the Assignee under this Assignment;
- (e) may do all other acts and things which he considers desirable or necessary to enable it to realise any of the Assigned Property;
- (f) may exercise in relation to any of the Assigned Property all the powers, authorities and things that:
  - (i) an administrative receiver would be entitled to exercise under Schedule 1 of the Insolvency Act 1986; and
  - (ii) a Receiver would be capable of exercising if he were the absolute beneficial owner of the Assigned Property; and
- (g) may use the name of the Assignor for any of the above purposes.

### **8.2 More than one Receiver**

If more than one Receiver holds office at the same time, each Receiver may exercise all of the powers conferred on a Receiver under this Assignment individually and to the exclusion of any other Receivers, unless the document appointing him states otherwise.

## **9. DELEGATION**

The Assignee may delegate to any person by power of attorney or in any other manner any right, power or discretion exercisable by the Assignee under this Assignment. Any such delegation may be made upon the terms (including power to sub-delegate) and subject to any regulations that the Assignee may consider fit.

## **10. FURTHER ASSURANCE**

The Assignor will take whatever action the Assignee or a Receiver may reasonably require to:

- (a) perfect or protect the security intended to be created by this Assignment over the Assigned Property;
- (b) facilitate the realisation (in accordance with the provisions of this Assignment) of the Assigned Property; and

- (c) facilitate the exercise (in accordance with the provisions of this Assignment) of any right, power or discretion exercisable by the Assignee or any Receiver or by any of its or their delegates or sub-delegates in respect of the Assigned Property,

including:

- (i) executing any transfer, conveyance, assignment, bill of sale or assurance of any property (whether to the Assignee or to its nominees);
- (ii) giving any notice, order or direction; and
- (iii) making any registration,

which the Assignee may think necessary.

## **11. ORDER OF DISTRIBUTIONS**

All amounts received or recovered by the Assignee or any Receiver in exercising its rights under this Assignment will, subject to the rights of any creditors having priority, be applied:

- (a) first, in or towards the payment of all Losses (including the Receiver's remuneration and outgoings) relating to the appointment of any Receiver or the exercise by the Assignee or any Receiver of any of his rights;
- (b) second, in or towards the payment of the Secured Obligations; and
- (c) third, in payment of any surplus to the Assignor or other person entitled to it.

## **12. POWER OF ATTORNEY**

### **12.1 Appointment**

The Assignor, by way of security, irrevocably appoints the Assignee and each Receiver severally to be its attorney (with full power of substitution), on its behalf and in its name or otherwise, at such time and in such manner as the attorney thinks fit:

- (a) to do anything which the Assignor is obliged to do (but has not done) under any Transaction Document or which the attorney may consider necessary or desirable, in each case, to enable the Assignee or Receiver to exercise its rights or powers under this Assignment (including to execute charges over, transfers, conveyances, assignments and assurances of, and other instruments, notices, orders and directions relating to, the Assigned Property); and
- (b) to exercise any of the rights conferred on the Assignee or any Receiver in relation to the Assigned Property under any Transaction Document, the LPA or the Insolvency Act 1986,

provided that the Assignee and each Receiver shall not be entitled to exercise the powers conferred by this clause 12.1 unless an Enforcement Event has occurred.

### **12.2 Ratification**

The Assignor ratifies and confirms and agrees to ratify and confirm anything that any such attorney may do in exercising or purporting to exercise the power of attorney granted in clause 12.1 (*Appointment*).

### **13. SAVING PROVISIONS**

#### **13.1 Continuing security**

Subject to clause 3.2 (*Reassignment*), the security constituted by this Assignment will:

- (a) remain in full force and effect as continuing security;
- (b) not be affected in any way by any settlement of account (whether or not any Secured Obligations remain outstanding) or other matter or thing whatsoever; and
- (c) be in addition to any other Security, guarantee or indemnity now or in the future held by the Assignee or any other person in respect of any of the Secured Obligations.

#### **13.2 Security unaffected**

Without prejudice to the generality of clause 13.1 (*Continuing security*), neither the security constituted by this Assignment nor the Secured Obligations will be affected in any way by:

- (a) any time, indulgence, concession, waiver or consent given to the Assignor, or any other person, whether by the Assignee or any other person;
- (b) any amendment to or change in any Security, guarantee or indemnity (including any Transaction Document), or the terms of any Secured Obligations;
- (c) the making or absence of any demand for payment of any Secured Obligations on the Assignor or any other person, whether by the Assignee or any other person;
- (d) the enforcement or absence of enforcement of any Security, guarantee or indemnity (including any Transaction Document);
- (e) the taking, existence or release of any other Security, guarantee or indemnity;
- (f) the Winding-up of the Assignor or any other person, or any step being taken for any such Winding-up; or
- (g) the illegality, invalidity or unenforceability of, or any defect in, any provision of any agreement or document relating to the Secured Obligations or any Security, guarantee or indemnity (including any Transaction Document) or any of the rights or obligations of any of the parties under or in connection with any such document or any Security, guarantee or indemnity (including any Transaction Document).

#### **13.3 Avoidance of payments**

The Assignor will on demand:

- (a) indemnify the Assignee against any Losses incurred by the Assignee as a result of the Assignee being required for any reason to refund all or part of any amount received or recovered by the Assignee in respect of any of the Secured Obligations, and
- (b) pay to the Assignee, for the account of the Assignee, an amount equal to the amount so refunded by the Assignee.

#### **13.4 Suspense accounts**

Any amount received or recovered by the Assignee or any Receiver in exercising its rights under this Assignment may be credited to an interest bearing suspense account and may be kept there (with any interest earned being credited to that account) until the Assignee is satisfied that all the Secured Obligations have been discharged in full.

#### **13.5 Continuation of accounts**

(a) At any time after:

- (i) the Assignee has received notice (either actual or otherwise) of any subsequent Security affecting the Assigned Property; or
- (ii) the presentation of a petition or the passing of a resolution for the Winding-up of the Assignor;

the Assignee may open a new account in the name of the Assignor.

(b) If the Assignee does not open a new account in the circumstances contemplated by paragraph (a) above, it will nevertheless be treated as if it had done so when the relevant event occurred and no moneys paid into any account, whether new or continuing, after that event shall discharge or reduce the amount recoverable under any Transaction Document.

#### **14. ENFORCEMENT EXPENSES**

The Assignor will pay to the Assignee on demand, all costs, and expenses (including Taxes and legal fees) incurred or payable by the Assignee or any Receiver in relation to the administration, protection, preservation, realisation or enforcement of any right under or in connection with this Assignment.

#### **15. PAYMENTS**

##### **15.1 Demands**

Any demand for payment made by the Assignee will be valid and effective, even if it contains no statement of the relevant Secured Obligations or an inaccurate or incomplete statement of them.

##### **15.2 Payments**

All amounts payable by the Assignor under this Assignment must be paid for value on the due date by banker's telegraphic transfer to the Designated Bank Account.

#### **16. AMBIGUITY, WAIVERS AND DETERMINATIONS**

##### **16.1 Ambiguity**

Where there is any ambiguity or conflict between the rights conferred by law and those conferred by this Assignment, the terms of this Assignment will prevail.

##### **16.2 Exercise of rights**

(a) If the Assignee or any Receiver fails to exercise or delays in exercising any right under this Assignment, that failure or delay will not operate as a waiver of that right.



- (b) Any single or partial exercise of any right will not preclude any other or further exercise of that right or the exercise of any other right.

### **16.3 Determinations**

Any determination by or certificate of the Assignee under this Assignment will, in the absence of manifest error, be *prima facie* evidence of the matters to which it relates.

## **17. FURTHER PROVISIONS**

### **17.1 Nature of assignor's obligations**

All obligations of the Assignor under this Assignment constitute conditions, the time for performance of which will be of the essence (without prejudice to the grace periods specified in clause 20 (*Events of Default*) of the Lease).

### **17.2 Variation**

This Assignment may only be varied by an instrument in writing executed by or on behalf of the Assignor and the Assignee.

### **17.3 Partial invalidity**

If any provision of this Assignment is illegal, invalid or unenforceable under the law of any jurisdiction, this will not affect:

- (a) the legality, validity or enforceability of that provision under the law of any other jurisdiction; nor
- (b) the legality, validity or enforceability of any other provision of this Assignment or of any other Transaction Document.

### **17.4 Counterparts**

This Assignment may be executed in any number of counterparts and this will have the same effect as if the signatures on the counterparts were on a single copy of this Assignment.

## **18. NOTICES**

### **18.1 Communications in writing**

Any communication to be made under or in connection with this Assignment will be made in writing and, unless otherwise stated, may be made by email or courier.

### **18.2 Addresses**

The address and email (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Assignment is:

- (a) in the case of the Assignor:  
  
Virgin Atlantic Airways Limited  
The VHQ  
Fleming Way  
Crawley RH10 9DF  
England

Email: [REDACTED]

For the attention of: Chief Financial Officer and Legal Department

(b) in the case of the Assignee:

KDAC Aircraft Holding 3 Limited  
32 Molesworth Street  
Dublin 2  
Ireland

Email: The Directors

For the attention of: [REDACTED]

copy to:

DVB Bank SE, London Branch  
Aviation Asset Management  
Park House  
16-18 Finsbury Circus  
London EC2M 7EB  
England

Email: [REDACTED]

For the attention of: Managing Director, Aviation Asset Management

or any substitute address, e-mail or department or officer that that Party may notify to the other Party by not less than five (5) Business Days' notice.

### 18.3 Delivery

Any communication or document made or delivered by one person to another under or in connection with this Assignment will only be effective:

- (a) if by way of courier, it will be effective when it is delivered by the courier; or
- (b) if by way of email, it will be effective when confirmed by a delivery receipt, or a responding email, confirming that the message was received by the recipient (the recipient will acknowledge receipt of the notice on becoming aware it has been received),

and, if a particular department or officer is specified as part of its address under clause 18.2 (Addresses), if addressed to that department or officer.

### 18.4 English language

- (a) Any notice given under or in connection with this Assignment must be in English.
- (b) All other documents provided under or in connection with this Assignment must be:
  - (i) in English; or
  - (ii) if not in English, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

## 19. **GOVERNING LAW AND ENFORCEMENT**

### 19.1 **Governing law**

This Assignment and any non-contractual obligation arising out of or in connection with it is governed by English law.

### 19.2 **Jurisdiction of English courts**

- (a) The courts of England have exclusive jurisdiction to settle any dispute (a "**Dispute**") arising out of or in connection with this Assignment, including a dispute regarding the existence, validity or termination of this Assignment.
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- (c) This clause 19.2 is for the benefit of the Assignee only. As a result, the Assignee will not be prevented from taking proceedings relating to a Dispute in any other courts which have jurisdiction. To the extent allowed by law, the Assignee may take concurrent proceedings in any number of jurisdictions.

This Assignment has been duly executed as a deed on the date stated at the beginning.

EXECUTION PAGE

ASSIGNOR

Executed as a deed by Virgin Atlantic Airways Limited )  
acting by ~~two Directors~~ )  
one Director and the Company Secretary )

Director

Director / Secretary

ASSIGNEE

SIGNED and DELIVERED for and on behalf)  
of and as the DEED of KDAC AIRCRAFT)  
HOLDING 3 LIMITED by its lawfully)  
appointed attorney )  
)

Lawfully appointed  
attorney

In the presence of:

\_\_\_\_\_  
Witness Signature

\_\_\_\_\_  
Witness Name

\_\_\_\_\_  
Witness Address

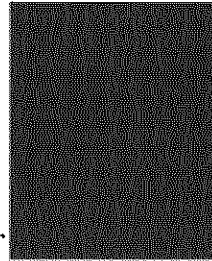
EXECUTION PAGE

ASSIGNOR

Executed as a deed by **Virgin Atlantic Airways Limited** )  
acting by two Directors or ) Director  
one Director and the Company Secretary )  
Director / Secretary

ASSIGNEE

**SIGNED** and **DELIVERED** for and on behalf)  
of and as the **DEED** of **KDAC AIRCRAFT**)  
**HOLDING 3 LIMITED** by its lawfully)  
appointed attorney *Toby Michael Neg,*



Lawfully appointed  
attorney

In the presence of:

Witness Signature

*JONATHAN THAINE*

Witness Name

Witness Address

**SCHEDULE 1**

**NOTIFICATION TO SUBLESSEE**

**Part A**

**Notice of Assignment of Sublease**

To: Virgin Atlantic International Limited

**Re: Airbus A330-223 aircraft, Manufacturer's Serial Number 432, Registration Mark G-VMIK (the "Aircraft")**

We refer to:

1. the Aircraft Lease Agreement between KDAC Aircraft Holding 3 Limited as lessor (the "**Assignee**") and Virgin Atlantic Airways Limited as lessee (the "**Assignor**") dated 14 December 2017 (as novated) in respect of the Aircraft; and
2. the Aircraft Sublease Agreement between the Assignor as lessor and Virgin Atlantic International Limited as lessee (the "**Sublessee**") dated on or about the date of this Notice in respect of the Aircraft (the "**Sublease**").

We hereby give you notice that by a Sublease Assignment dated [●] 2018 (the "**Sublease Assignment**") between the Assignor and the Assignee, the Assignor assigned to the Assignee by way of security all its right, title and interest, present and future, in and to the Sublease.

Unless and until the Sublessee receives notice from the Assignee that an Enforcement Event has occurred (an "**Enforcement Notice**"), the Assignor remains entitled to enforce its right, title and interest in and to the Sublease for its own benefit. Upon the Sublessee's receipt of an Enforcement Notice, the Assignee shall take the benefit of the Sublease to the exclusion of the Assignor.

Capitalised terms and expressions that are not defined in this Notice have the meanings given to them in the Sublease Assignment.

Please acknowledge that you have received this Notice by signing and returning to each of the Assignee and the Assignor a copy of the attached Acknowledgement.

This Notice and any non-contractual obligation arising out of or in connection with it will be governed by and construed in accordance with English law.

For internal use only. This document contains confidential information and is intended for the use of the designated recipient only. It may contain information that is subject to legal privilege. It should not be distributed to any other person without the prior written consent of the designated recipient. If you are not the designated recipient, you should not use, copy, reproduce, disseminate or otherwise act on the information contained in this document. If you have received this document in error, please inform the sender immediately and delete the document from your system.

For and on behalf of

**Virgin Atlantic Airways Limited**

**Part B**

**Acknowledgement of assignment of Sublease**

To: (1) **KDAC Aircraft Holding 3 Limited** (the "Assignee")

(2) **Virgin Atlantic Airways Limited** (the "Assignor")

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**Re: Airbus A330-223 aircraft, Manufacturer's Serial Number 432, Registration Mark G-VMIK (the "Aircraft")**

We acknowledge receipt of the attached notice of assignment (the "**Notice**") and we irrevocably and unconditionally consent to the assignment set out in it and we undertake to be bound by its terms.

We confirm that we have not received notice of any other assignment of the Sublease.

We agree to comply with the instructions set out in the Notice that after issue by the Assignee of an Enforcement Notice, the Sublessee shall:

- (a) not recognise the exercise by the Assignor of any of its rights and powers under the Sublease unless and until requested to do so by the Assignee; and
- (b) recognise the Assignee's right to exercise any remedy of the "Lessor" under the Sublease in respect of the Assigned Property (as defined in the Sublease Assignment) in the Assignee's capacity as assignee of the Assignor's rights thereunder.

In this Acknowledgement, capitalised terms and expressions that are not defined in this Notice have the meanings given to them in the Sublease Assignment.

This Acknowledgement and any non-contractual obligation arising out of it will be governed by and construed in accordance with English law.

For and on behalf of

**Virgin Atlantic International Limited**  
as Sublessee