



Registration of a Charge

Company name: **COBHAM PLC**

Company number: **00030470**

Received for Electronic Filing: **18/07/2018**



X7AGKR2G

Details of Charge

Date of creation: **12/07/2018**

Charge code: **0003 0470 0008**

Persons entitled: **AIRTANKER SERVICES LIMITED (AND ITS SUCCESSORS IN TITLE AND PERMITTED TRANSFEREES)
AIRTANKER LIMITED (AND ITS SUCCESSORS IN TITLE AND PERMITTED TRANSFEREES)**

Brief description:

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

**FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL
INSTRUMENT.**

Certified by:

LINKLATERS LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 30470

Charge code: 0003 0470 0008

The Registrar of Companies for England and Wales hereby certifies that a charge dated 12th July 2018 and created by COBHAM PLC was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 18th July 2018 .

Given at Companies House, Cardiff on 20th July 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**

SECURITY AGREEMENT


Linklaters LLP 17.07.18

dated 12 July 2018

created by

AIRBUS SE
THALES UK LIMITED
ROLLS-ROYCE PLC
COBHAM PLC
BABCOCK SOUTHERN HOLDINGS LIMITED
as OpCo Shareholders

and

AIRBUS SE
THALES
ROLLS-ROYCE PLC
COBHAM PLC
BABCOCK SOUTHERN HOLDINGS LIMITED
as OpCo Lenders

in favour of

AIRTANKER SERVICES LIMITED
as OpCo

and

AIRTANKER LIMITED
as ProjectCo

with

LLOYDS BANK PLC
as Security Trustee

Linklaters

Ref: L-115081

Linklaters LLP

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THIS DEED is dated 12 July 2018 and made between:

- (1) **COBHAM PLC**, a company incorporated in England and Wales (Company No. 30470) having its registered office at Brook Road, Wimborne, Dorset BH21 2BJ, United Kingdom ("**Cobham**");
- (2) **AIRBUS SE** (formerly known as Airbus Group SE and, before that, European Aeronautic Defence and Space Company EADS N.V.), a European public limited-liability company (Societas Europaea) with its registered office (statutaire zetel) in Amsterdam, The Netherlands, its official address at at Mendelweg 30, 2333 CS Leiden, The Netherlands and registered with the Dutch Commercial Register (Handelsregister) under number 24288945 ("**Airbus**");
- (3) **ROLLS-ROYCE PLC**, a company incorporated in England and Wales (Company No.1003142) having its registered office at 62 Buckingham Gate, London SW1E 6AT, United Kingdom ("**Rolls-Royce**");
- (4) **THALES**, a French *société anonyme*, registered in the Nanterre Register of Trade and Companies under the number 552059024 having its registered office at Tour Carpe Diem, Place des Corolles, Esplanade Nord, 92400, Courbevoie, France ("**Thales SA**");
- (5) **THALES UK LIMITED**, a company incorporated in England and Wales (Company No. 00868273) having its registered office at 350 Long Water Avenue, Green Park, Reading, RG2 6GF, United Kingdom ("**Thales**");
- (6) **BABCOCK SOUTHERN HOLDINGS LIMITED** (formerly known as VT Group PLC), a company incorporated in England and Wales (Company No. 1915771) having its registered office at 33 Wigmore Street, London, W1U 1QX, United Kingdom ("**Babcock**", together with Cobham, Airbus, Rolls-Royce, Thales SA and Thales, the "**Chargors**" and each a "**Chargor**");
- (7) **AIRTANKER SERVICES LIMITED**, a company incorporated in England and Wales (Company No. 6279734) having its registered office at AirTanker Hub, RAF Brize Norton, Carterton, Oxfordshire OX18 3LX, United Kingdom ("**OpCo**");
- (8) **AIRTANKER LIMITED**, a company incorporated in England and Wales (Company no. 6279734) having its registered office at AirTanker Hub, RAF Brize Norton, Carterton, Oxfordshire OX18 3LX, United Kingdom ("**ProjectCo**" and, together with OpCo, the "**Chargees**" and each a "**Chargee**"); and
- (9) **LLOYDS BANK PLC**, in its capacity as Security Trustee as defined in the Common Terms Agreement (the "**Security Trustee**").

BACKGROUND:

- (A) Each Chargor is satisfied that entering into this Deed would be most likely to promote the success of that Chargor for the benefit of its members as a whole and to the further benefit and advantage of that Chargor.
- (B) The Parties intend this document to take effect as a deed (even though the Security Trustee only executes it under hand).
- (C) The Security Trustee holds the benefit of this Deed for the Senior Finance Parties (as defined in the Common Terms Agreement) on the terms of the Financing Arrangements.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed:

"Accountholder" means, in relation to any Cash Collateral Account, the person in whose name such Cash Collateral Account has been opened.

"Authority" has the meaning given to the term in the Master Definitions Agreement.

"Cash Collateral Account" means each of the following accounts opened with the Account Bank :

- (a) an account numbered 16381760 (the **"Cobham Termination Cash Collateral Account"**), being a Cash Collateral Account opened by Cobham;
- (b) an account numbered 16385560 (the **"Cobham Liquidity Cash Collateral Account"**), being a Cash Collateral Account opened by Cobham;
- (c) an account numbered 16384468 (the **"Airbus Termination Cash Collateral Account"**), being a Cash Collateral Account opened by Airbus;
- (d) an account numbered 16383660 (the **"Airbus Liquidity Cash Collateral Account"**), being a Cash Collateral Account opened by Airbus;
- (e) an account numbered 16380260 (the **"Rolls-Royce Termination Cash Collateral Account"**), being a Cash Collateral Account opened by Rolls-Royce;
- (f) an account numbered 16379560 (the **"Rolls-Royce Liquidity Cash Collateral Account"**), being a Cash Collateral Account opened by Rolls-Royce;
- (g) an account numbered 16382568 (the **"Thales Termination Cash Collateral Account"**), being a Cash Collateral Account opened by Thales;
- (h) an account numbered 16378468 (the **"Thales Liquidity Cash Collateral Account"**), being a Cash Collateral Account opened by Thales SA;
- (i) an account numbered 16377660 (the **"Babcock Termination Cash Collateral Account"**), being a Cash Collateral Account opened by Babcock; and
- (j) an account numbered 16381068 (the **"Babcock Liquidity Cash Collateral Account"**), being a Cash Collateral Account opened by Babcock.

"Common Terms Agreement" or **"CTA"** means the common terms agreement dated 27 March 2008 made between, *inter alia*, ProjectCo, AirTanker Holdings Limited, AirTanker Finance Limited, the Security Trustee and the Third Party Financiers as supplemented, amended and restated from time to time.

"Concession Contract" means the contract dated 27 March 2008 entered into between ProjectCo and the Authority.

"Delegate" means a person to whom ProjectCo, OpCo or the Security Trustee has delegated all or any of the trusts, powers and authorities vested in it in accordance with this deed pursuant to Clause 8.2 (*Delegation*).

"Liquidity Cash Collateral Accounts" means, together, the Cobham Liquidity Cash Collateral Account, the Airbus Liquidity Cash Collateral Account, the Rolls-Royce Liquidity Cash Collateral Account, the Thales Liquidity Cash Collateral Account and the Babcock Liquidity Cash Collateral Account, and **"Liquidity Cash Collateral Account"** means any of them.

"Liquidity Security" means the security from time to time constituted (or purported to be constituted) by or pursuant to Clause 2.1 (*Liquidity Security*) in favour of OpCo.

"LPA" means the Law of Property Act 1925.

"Master Definitions Agreement" means the master definitions agreement dated 27 March 2008 entered into between ProjectCo and the Authority.

"Notice of Assignment" means a notice of assignment in substantially the form set out in Schedule 1 (*Form of Notice of Assignment*).

"OpCo Group" means each of the OpCo Shareholders, OpCo, the OpCo Primary Sub-Contractors and the OpCo Lenders (and **"member of the OpCo Group"** means any one of them).

"OpCo Group Direct Agreement" means the OpCo group direct agreement dated 27 March 2008, as amended and restated on or about the date of this agreement and from time to time, made between (amongst others) ProjectCo, OpCo, the OpCo Shareholders, the OpCo Primary Sub-Contractors and the Security Trustee.

"OpCo Lenders" means Cobham, Airbus, Rolls-Royce, Thales SA and Babcock in their capacity as lenders to OpCo pursuant to the OpCo Liquidity Facility Agreement.

"OpCo Liquidity Facility Agreement" means the agreement entitled the Revolving Liquidity Facility Agreement entered into between OpCo and the OpCo Lenders dated 27 March 2008.

"OpCo Primary Sub-Contract" means each of the sub-contracts listed in paragraph 2.2 of Schedule H (*Sub-Contract Plan*) of the Concession Contract to which OpCo is a party.

"OpCo Primary Sub-Contractors" means Airbus DS, FRL, Rolls-Royce, Thales Avionics, Thales, and Babcock Aerospace in their capacity as sub-contractors to OpCo pursuant to the OpCo Primary Sub-Contracts.

"OpCo Shareholders" means Cobham, Airbus, Rolls-Royce, Thales and Babcock in their capacity as shareholders of OpCo pursuant to the OpCo Shareholders' Agreement.

"OpCo Shareholders' Agreement" means the agreement entitled Shareholders Agreement in relation to AirTanker Services Limited entered into between OpCo and each of the OpCo Shareholders dated 27 March 2008.

"Perfection Requirements" means the making of the appropriate registrations of this Deed with the Registrar of Companies, and in the case of Airbus and Thales SA only, the equivalent registrar in the Netherlands and France respectively, if relevant.

"Secured Liquidity Obligations" means:

- (a) all obligations of the relevant OpCo Lender to make available its participation in any Loan on the Utilisation Date in accordance with clause 4.4(a) of the OpCo Liquidity Facility Agreement or, if such obligations are invalid or unenforceable, all such obligations which would have arisen but for the occurrence of such circumstances; and
- (b) all obligations of the relevant OpCo Shareholder to make payment under clause 6 (*OpCo Primary Sub-Contractor Excess Replacement Cost Indemnity*) of the OpCo Group Direct Agreement;

"Secured Termination Obligations" means all obligations of the relevant OpCo Shareholder to make payment under clause 2 (*Guarantee and Indemnity*) of its OpCo Termination PCG or, if such obligations are invalid or unenforceable, all such obligations which would have arisen but for the occurrence of such circumstances.

"Security Trust and Intercreditor Deed" has the meaning given to the term in the Common Terms Agreement.

"Termination Cash Collateral Accounts" means, together, the Cobham Termination Cash Collateral Account, the Airbus Termination Cash Collateral Account, the Rolls-Royce Termination Cash Collateral Account, the Thales Termination Cash Collateral Account and the Babcock Termination Cash Collateral Account and any account opened by a transferee OpCo Shareholder in accordance with paragraph 3.2.4 of Schedule 2 (*Undertakings*) of the OpCo Group Direct Agreement, and **"Termination Cash Collateral Account"** means any of them.

"Termination Security" means the security from time to time constituted (or purported to be constituted) by or pursuant to Clause 2.2 (*Termination Security*) in favour of ProjectCo.

"Third Party Financier" has the meaning given to the term in the Master Definitions Agreement.

1.2 Incorporation of Defined Terms

Unless a contradictory indication appears, terms defined in the OpCo Group Direct Agreement have the same meanings as in this Deed.

1.3 Construction

The provisions in clauses 1.2 to 1.14 (inclusive) of the OpCo Group Direct Agreement shall apply to this Deed, except that references to "this Agreement" within such clauses shall be construed as references to this Deed.

1.4 Third Party Rights

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

2. SECURITY INTERESTS

2.1 Liquidity Security

(a) Charge over Cobham Liquidity Cash Collateral Account

Cobham, in its capacity as an OpCo Lender, shall pay each of its Secured Liquidity Obligations when due in accordance with its terms and hereby charges with full title guarantee in favour of

OpCo for the payment and discharge of its Secured Liquidity Obligations, by way of first fixed charge all of Cobham's right, title and interest from time to time in the Cobham Liquidity Cash Collateral Account.

(b) Charge over Airbus Liquidity Cash Collateral Account

Airbus, in its capacity as an OpCo Lender, shall pay each of its Secured Liquidity Obligations when due in accordance with its terms and hereby charges with full title guarantee in favour of OpCo for the payment and discharge of its Secured Liquidity Obligations, by way of first fixed charge all of Airbus's right, title and interest from time to time in the Airbus Liquidity Cash Collateral Account.

(c) Charge over Rolls-Royce Liquidity Cash Collateral Account

Rolls-Royce, in its capacity as an OpCo Lender, shall pay each of its Secured Liquidity Obligations when due in accordance with its terms and hereby charges with full title guarantee in favour of OpCo for the payment and discharge of its Secured Liquidity Obligations, by way of first fixed charge all of Rolls-Royce's right, title and interest from time to time in the Rolls-Royce Liquidity Cash Collateral Account.

(d) Charge over Thales Liquidity Cash Collateral Account

Thales SA, in its capacity as an OpCo Lender, shall pay each of its Secured Liquidity Obligations when due in accordance with its terms and hereby charges with full title guarantee in favour of OpCo for the payment and discharge of its Secured Liquidity Obligations, by way of first fixed charge all of Thales SA's right, title and interest from time to time in the Thales Liquidity Cash Collateral Account.

(e) Charge over Babcock Liquidity Cash Collateral Account

Babcock, in its capacity as an OpCo Lender, shall pay each of its Secured Liquidity Obligations when due in accordance with its terms and hereby charges with full title guarantee in favour of OpCo for the payment and discharge of its Secured Liquidity Obligations, by way of first fixed charge all of Babcock's right, title and interest from time to time in the Babcock Liquidity Cash Collateral Account.

2.2 Termination Security

(a) Charge over Cobham Termination Cash Collateral Account

Cobham, in its capacity as an OpCo Shareholder, shall pay each of its Secured Termination Obligations when due in accordance with its terms and hereby charges with full title guarantee in favour of ProjectCo for the payment and discharge of its Secured Termination Obligations, by way of first fixed charge all of Cobham's right, title and interest from time to time in the Cobham Termination Cash Collateral Account.

(b) Charge over Airbus Termination Cash Collateral Account

Airbus, in its capacity as an OpCo Shareholder, shall pay each of its Secured Termination Obligations when due in accordance with its terms and hereby charges with full title guarantee in favour of ProjectCo for the payment and discharge of its Secured Termination Obligations, by

way of first fixed charge all of Airbus's right, title and interest from time to time in the Airbus Termination Cash Collateral Account.

(c) Charge over Rolls-Royce Termination Cash Collateral Account

Rolls-Royce, in its capacity as an OpCo Shareholder, shall pay each of its Secured Termination Obligations when due in accordance with its terms and hereby charges with full title guarantee in favour of ProjectCo for the payment and discharge of its Secured Termination Obligations, by way of first fixed charge all of Rolls-Royce's right, title and interest from time to time in the Rolls-Royce Termination Cash Collateral Account.

(d) Charge over Thales Termination Cash Collateral Account

Thales, in its capacity as an OpCo Shareholder, shall pay each of its Secured Termination Obligations when due in accordance with its terms and hereby charges with full title guarantee in favour of ProjectCo for the payment and discharge of its Secured Termination Obligations, by way of first fixed charge all of Thales' right, title and interest from time to time in the Thales Termination Cash Collateral Account.

(e) Charge over Babcock Termination Cash Collateral Account

Babcock, in its capacity as an OpCo Shareholder, shall pay each of its Secured Termination Obligations when due in accordance with its terms and hereby charges with full title guarantee in favour of ProjectCo for the payment and discharge of its Secured Termination Obligations, by way of first fixed charge all of Babcock's right, title and interest from time to time in the Babcock Termination Cash Collateral Account.

3. NOTIFICATION TO ACCOUNT BANK

Each OpCo Shareholder and OpCo Lender shall, on the date of this Deed, deliver to the Account Bank (or procure the delivery of) a Notice of Assignment duly executed by or on behalf of such OpCo Shareholder or OpCo Lender in respect of its Cash Collateral Accounts.

4. RESTRICTIONS AND FURTHER ASSURANCE

4.1 Interest in Cash Collateral Account

(a) Except with the Security Trustee's prior written consent, no right, title or interest in relation to any Liquidity Cash Collateral Account (or monies deposited therein) shall be:

- (i) capable of assignment, transfer or other disposal except as required by Clause 4.6 (*Further assurance*); or
- (ii) the subject of any security interest except for the Liquidity Security.

(b) Except with the Security Trustee's prior written consent, no right, title or interest in relation to any Termination Cash Collateral Account (or monies deposited therein) shall be:

- (i) capable of assignment, transfer or other disposal except as required by Clause 4.6 (*Further assurance*); or
- (ii) the subject of any security interest except for the Termination Security.

4.2 Maintenance of Cash Collateral Account

Except with the Security Trustee's prior written consent:

- (a) each OpCo Lender undertakes that its Liquidity Cash Collateral Account shall be maintained such that the balance therein shall not be capable of being withdrawn other than in accordance with Clause 4.4 (*Security Trustee Transfer of Monies*); and
- (b) each OpCo Shareholder undertakes that its Termination Cash Collateral Account shall be maintained such that the balance therein shall not be capable of being withdrawn other than in accordance with Clause 4.4 (*Security Trustee Transfer of Monies*).

4.3 Transfer of Credit Balance

- (a) Each OpCo Lender shall not be entitled to receive, withdraw or otherwise transfer all or any part of the credit balance from time to time on the relevant Liquidity Cash Collateral Account and monies therein except with the prior written consent of the Security Trustee.
- (b) Each OpCo Shareholder shall not be entitled to receive, withdraw or otherwise transfer all or any part of the credit balance from time to time on the relevant Termination Cash Collateral Account and monies therein except with the prior written consent of the Security Trustee.

4.4 Security Trustee Transfer of Monies

- (a) The Security Trustee, without notice to any OpCo Lender, shall be entitled to, and shall (subject to clause 9 (*Letters of Credit under OpCo Group Direct Agreement*) of the Security Trust and Intercreditor Deed), transfer all or part of the monies in an OpCo Lender's Liquidity Cash Collateral Account to OpCo for application in or towards satisfaction of all or any part of that OpCo Lender's Secured Liquidity Obligations when those Secured Liquidity Obligations are due and payable but unpaid or, where the relevant Secured Liquidity Obligations are invalid or unenforceable, when those Secured Liquidity Obligations would have been due and payable but for the invalidity or unenforceability.
- (b) The Security Trustee, without notice to any OpCo Shareholder, shall be entitled to, and shall (having been instructed in accordance with clause 22.6 (*Instructions*) of the Security Trust and Intercreditor Deed), transfer all or part of the monies in an OpCo Shareholder's Termination Cash Collateral Account to ProjectCo for application in or towards satisfaction of all or any part of that OpCo Shareholder's Secured Termination Obligations when those Secured Termination Obligations are due and payable but unpaid or, where the relevant Secured Termination Obligations are invalid or unenforceable, when those Secured Termination Obligations would have been due and payable but for the invalidity or unenforceability.
- (c) The Security Trustee shall not be required to pay to OpCo for the account of any OpCo Lender any amounts standing to the credit of such OpCo Lender's Liquidity Cash Collateral Account until OpCo has executed a formal release in accordance with Clause 13.1(a) (*Final redemption*), and then shall only be required to pay any balance then remaining after making all withdrawals, debits, applications and set-offs and exercising all other rights which OpCo is expressed to be entitled to make or exercise under this Deed.
- (d) The Security Trustee shall not be required to pay to ProjectCo for the account of any OpCo Shareholder any amounts standing to the credit of such OpCo Shareholder's Termination Cash

Collateral Account until ProjectCo has executed a formal release in accordance with Clause 13.1(b) (*Final redemption*), and then shall only be required to pay any balance then remaining after making all withdrawals, debits, applications and set-offs and exercising all other rights which ProjectCo is expressed to be entitled to make or exercise under this Deed.

4.5 Documents

Each OpCo Shareholder and OpCo Lender shall promptly execute and/or deliver to the Security Trustee such documents relating to any Cash Collateral Account as the Security Trustee requires.

4.6 Further assurance

(a) Any OpCo Lender shall promptly do whatever the Security Trustee or OpCo requires:

- (i) to perfect or protect the Liquidity Security or the priority of the Liquidity Security; or
- (ii) to facilitate the realisation of the Liquidity Cash Collateral Accounts or the exercise of any rights vested in OpCo, the Security Trustee or any Delegate,

including executing any transfer, charge, assignment or assurance of the Liquidity Cash Collateral Accounts (whether to the Security Trustee or its nominees or otherwise), making any registration and giving any notice, order or direction.

(b) Any OpCo Shareholder shall promptly do whatever the Security Trustee or ProjectCo requires:

- (i) to perfect or protect the Termination Security or the priority of the Termination Security; or
- (ii) to facilitate the realisation of the Termination Cash Collateral Accounts or the exercise of any rights vested in ProjectCo, the Security Trustee or any Delegate,

including executing any transfer, charge, assignment or assurance of the Termination Cash Collateral Accounts (whether to the Security Trustee or its nominees or otherwise), making any registration and giving any notice, order or direction.

5. GENERAL UNDERTAKINGS

5.1 Authorisations

- (a) The OpCo Lenders shall obtain and maintain in full force and effect all consents or filings required under any applicable law or regulation for the validity, enforceability or admissibility in evidence of the Liquidity Security.
- (b) The OpCo Shareholders shall obtain and maintain in full force and effect all consents or filings required under any applicable law or regulation for the validity, enforceability or admissibility in evidence of the Termination Security.

5.2 Perfection Requirements

Each OpCo Lender and OpCo Shareholder shall promptly comply with the Perfection Requirements.

5.3 No prejudicial conduct

- (a) No OpCo Lender shall take any action that would prejudice the Liquidity Security.
- (b) No OpCo Shareholder shall take any action that would prejudice the Termination Security.

6. REPRESENTATIONS AND WARRANTIES

Each Chargor makes the representations and warranties set out in paragraph 3 (*OpCo Lender and OpCo Shareholder Representations and Warranties*) of Schedule 1 (*Representations and Warranties*) to the OpCo Group Direct Agreement to the Chargees on the date of this Deed.

7. ENFORCEMENT

7.1 When enforceable

- (a) As between an OpCo Lender and OpCo, an OpCo Lender's Liquidity Security shall be enforceable, and the powers conferred by Section 101 of the LPA as varied and extended by this Deed shall be exercisable, at any time when any part of that OpCo Lender's Secured Liquidity Obligations are due and payable but unpaid or, where the relevant Secured Liquidity Obligations are invalid or unenforceable, when those Secured Liquidity Obligations would have been due and payable but for the invalidity or unenforceability.
- (b) As between an OpCo Shareholder and ProjectCo, an OpCo Shareholder's Termination Security shall be enforceable, and the powers conferred by Section 101 of the LPA as varied and extended by this Deed shall be exercisable, at any time when any part of that OpCo Shareholder's Secured Termination Obligations are due and payable but unpaid or, where the relevant Secured Termination Obligations are invalid or unenforceable, when those Secured Termination Obligations would have been due and payable but for the invalidity or unenforceability.

7.2 Power of sale

The statutory power of sale and the other statutory powers conferred on mortgagees by Section 101 of the LPA as varied and extended by this Deed shall arise on the date of this Deed.

7.3 Section 103 LPA

Section 103 of the LPA shall not apply to this Deed.

7.4 Section 93 LPA

Section 93 of the LPA shall not apply to this Deed.

8. OPCO'S AND PROJECTCO'S RIGHTS

8.1 Rights of OpCo and ProjectCo

Subject always to Schedule 11 (*Account Bank*) of the OpCo Group Direct Agreement:

- (a) at any time after an OpCo Lender's Liquidity Security becomes enforceable, OpCo shall have the rights set out in Annexure A (*Liquidity Rights of OpCo*) in respect of that OpCo Lender's Liquidity Cash Collateral Accounts; and
- (b) at any time after an OpCo Shareholder's Termination Security becomes enforceable, ProjectCo shall have the rights set out in Annexure B (*Termination Rights of ProjectCo*) in respect of that OpCo Shareholder's Termination Cash Collateral Accounts.

8.2 Delegation

Each of ProjectCo, OpCo and the Security Trustee may delegate in any manner to any person any rights exercisable by them under this Deed. Any such delegation may be made upon such terms and conditions (including power to sub-delegate) as ProjectCo, OpCo or the Security

Trustee (as applicable) thinks fit and ProjectCo, OpCo or the Security Trustee (as applicable) may pass confidential information to any such delegate.

8.3 Financial collateral arrangement

To the extent that this Deed constitutes a "financial collateral arrangement" (as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003 (the "**Regulations**")), each of OpCo and ProjectCo, as applicable, shall have the right:

- (a) to use and dispose of any Cash Collateral Account which constitutes "financial collateral" (as defined in the Regulations ("**Financial Collateral**")), in which case OpCo or ProjectCo, as applicable, shall comply with the requirements of the Regulations as to obtaining "equivalent financial collateral" (as defined in the Regulations);
- (b) (at any time after an OpCo Lender's Liquidity Security becomes enforceable) to appropriate that OpCo Lender's Liquidity Cash Collateral Account which constitutes Financial Collateral in or towards satisfaction of that OpCo Lender's Secured Liquidity Obligations in accordance with the Regulations; and
- (c) (at any time after an OpCo Shareholder's Termination Security becomes enforceable) to appropriate that OpCo Shareholder's Termination Cash Collateral Account which constitutes Financial Collateral in or towards satisfaction of that OpCo Shareholder's Secured Termination Obligations in accordance with the Regulations.

9. LIABILITY OF OPCO, PROJECTCO AND DELEGATES

Neither OpCo, ProjectCo nor any Delegate shall (either by reason of taking possession of the Cash Collateral Accounts or for any other reason and whether as mortgagee in possession or otherwise) be liable to any OpCo Lender or any OpCo Shareholder or any other person for any costs, losses, liabilities or expenses relating to the realisation of any Cash Collateral Accounts or from any act, default, omission or misconduct of OpCo, ProjectCo, any Delegate or their respective officers, employees or agents in relation to the Cash Collateral Accounts or in connection with this Deed except to the extent caused by its or his own gross negligence or wilful default.

10. POWER OF ATTORNEY

10.1 Appointment

- (a) Each OpCo Lender by way of security irrevocably appoints OpCo and every Delegate severally 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:
 - (i) to do anything which the OpCo Lender is obliged to do (but has not done) under this Deed (including to execute charges over, transfers, conveyances, assignments and assurances of, and other instruments, notices, orders and directions relating to, the Liquidity Cash Collateral Accounts); and
 - (ii) to exercise any of the rights conferred on OpCo or any Delegate in relation to the Liquidity Cash Collateral Accounts or under this Deed, the LPA or the Insolvency Act 1988.

- (b) Each OpCo Shareholder by way of security irrevocably appoints ProjectCo and every Delegate severally 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:
- (i) to do anything which the OpCo Shareholder is obliged to do (but has not done) under this Deed (including to execute charges over, transfers, conveyances, assignments and assurances of, and other instruments, notices, orders and directions relating to, the Termination Cash Collateral Accounts); and
 - (ii) to exercise any of the rights conferred on ProjectCo or any Delegate in relation to the Termination Cash Collateral Accounts or under this Deed, the LPA or the Insolvency Act 1988.

10.2 Ratification

Each OpCo Lender and OpCo Shareholder ratifies and confirms and agrees to ratify and confirm whatever any such attorney shall do in the exercise or purported exercise of the power of attorney granted by it in Clause 10.1 (*Appointment*).

11. PROTECTION OF THIRD PARTIES

11.1 No duty to enquire

No person dealing with OpCo, ProjectCo or any Delegate shall be concerned to enquire:

- (a) whether the powers conferred on OpCo, ProjectCo or any Delegate have arisen;
- (b) whether the rights conferred by or pursuant to this Deed are exercisable;
- (c) whether any consents, regulations, restrictions or directions relating to such rights have been obtained or complied with;
- (d) whether ProjectCo, OpCo or any Delegate is acting within such powers;
- (e) whether any money remains due under the OpCo Transaction Documents and the receipt in writing of ProjectCo, OpCo or any Delegate shall be sufficient discharge to that purchaser or any person;
- (f) otherwise as to the propriety or regularity of acts purporting or intended to be in exercise of any such rights; or
- (g) as to the application of any money borrowed or raised.

11.2 Protection to purchasers

All the protection to purchasers contained in Sections 104 and 107 of the LPA, Section 42(3) of the Insolvency Act 1988 or in any other applicable legislation shall apply to any person purchasing from or dealing with OpCo, ProjectCo or any Delegate.

12. SAVING PROVISIONS

12.1 Continuing Security

Subject to Clause 13 (*Discharge of Security*):

- (a) the Liquidity Security is continuing security and will extend to the ultimate balance of the Secured Liquidity Obligations, regardless of any intermediate payment or discharge in whole or in part; and
- (b) the Termination Security is continuing security and will extend to the ultimate balance of the Secured Termination Obligations, regardless of any intermediate payment or discharge in whole or in part.

12.2 Reinstatement

If any payment by any OpCo Lender or OpCo Shareholder or any discharge given by OpCo or ProjectCo (whether in respect of the obligations of any person or any security for those obligations or otherwise) is avoided or reduced as a result of insolvency or any similar event:

- (a) the liability of such OpCo Lender, or as the case may be, such OpCo Shareholder and the Liquidity Security and the Termination Security shall continue as if the payment, discharge, avoidance or reduction had not occurred; and
- (b) the Security Trustee shall be entitled to recover the value or amount of that security or payment from such OpCo Lender or, as the case may be, such OpCo Shareholder, as if the payment, discharge, avoidance or reduction had not occurred.

12.3 Waiver of defences

Neither the obligations of any OpCo Lender or OpCo Shareholder under this Deed nor the Liquidity Security or the Termination Security will be affected by an act, omission, matter or thing which, but for this Clause 12.3, would reduce, release or prejudice any of its obligations under this Deed or any of the Liquidity Security or the Termination Security (without limitation and whether or not known to it or OpCo or ProjectCo), including:

- (a) any time, waiver or consent granted to, or composition with, any OpCo Lender or any OpCo Shareholder or any other person;
- (b) the release of any OpCo Lender or any OpCo Shareholder or any other person under the terms of any composition or arrangement with any creditor of any OpCo Lender or any OpCo Shareholder or any such person;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any OpCo Lender or any OpCo Shareholder or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any OpCo Lender or any OpCo Shareholder or any other person;

- (e) any amendment (however fundamental) or replacement of this Deed or any other document or security;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under this Deed or any other document or security; or
- (g) any insolvency or similar proceedings.

12.4 Assignor Intent

Without prejudice to the generality of Clause 12.3 (*Waiver of defences*), each Chargor expressly confirms that it intends the Liquidity Security and the Termination Security shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the OpCo Transaction Documents.

12.5 Immediate recourse

The OpCo Lenders and the OpCo Shareholders waive any right they may have of first requiring OpCo or ProjectCo (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from the OpCo Lenders and/or the OpCo Shareholders under this Deed. This waiver applies irrespective of any law or any provision of this Deed to the contrary.

12.6 Appropriations

- (a) Until all amounts which may be or become payable by an OpCo Lender under or in connection with its Secured Liquidity Obligations have been irrevocably paid in full, OpCo (or any trustee or agent on its behalf) may:
 - (i) refrain from applying or enforcing any other monies, security or rights held or received by OpCo (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and such OpCo Lender shall not be entitled to the benefit of the same; and
 - (ii) hold in an interest-bearing suspense account any monies received from such OpCo Lender or on account of such OpCo Lender's liability under this Deed.
- (b) Until all amounts which may be or become payable by an OpCo Shareholder under or in connection with its Secured Termination Obligations have been irrevocably paid in full, ProjectCo (or any trustee or agent on its behalf) may:
 - (i) refrain from applying or enforcing any other monies, security or rights held or received by ProjectCo (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and such OpCo Shareholder shall not be entitled to the benefit of the same; and
 - (ii) hold in an interest-bearing suspense account any monies received from such OpCo Shareholder or on account of such OpCo Shareholder's liability under this Deed.

12.7 Deferral of chargors' rights

(a) OpCo Lenders

- (i) Until all amounts which may be or become payable by the OpCo Lenders under or in connection with the Secured Liquidity Obligations have been irrevocably paid in full and unless OpCo (with the consent of the Security Trustee) otherwise directs, the OpCo Lenders will not exercise any rights which they may have by reason of performance by them of their obligations under this Deed and/or the OpCo Group Direct Agreement:
 - (A) to be indemnified by OpCo;
 - (B) to claim any contribution from any other provider of security under this; and/or
 - (C) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of OpCo under this Deed or of any guarantee or other security taken pursuant to, or in connection with, this Deed by OpCo.
- (ii) If an OpCo Lender receives any benefit, payment or distribution in relation to such rights, it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to OpCo by the OpCo Lender under or in connection with the Secured Liquidity Obligations to be repaid in full on trust for OpCo and shall promptly pay or transfer the same to OpCo or as OpCo may direct for application in accordance with paragraph 2.1.1 (*Liquidity Security*) of Schedule 10 (*Security Trustee*) to the OpCo Group Direct Agreement.

(b) OpCo Shareholders

- (i) Until all amounts which may be or become payable by the OpCo Shareholder under or in connection with its Secured Termination Obligations have been irrevocably paid in full and unless ProjectCo (with the consent of the Security Trustee) otherwise directs, the OpCo Shareholders will not exercise any rights which they may have by reason of performance by them of their obligations under this Deed:
 - (A) to be indemnified by ProjectCo or OpCo;
 - (B) to claim any contribution from any other provider of security under this Deed; and/or
 - (C) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of ProjectCo under this Deed or of any guarantee or other security taken pursuant to, or in connection with, this Deed by ProjectCo.
- (ii) If an OpCo Shareholder receives any benefit, payment or distribution in relation to such rights, it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to ProjectCo by the OpCo Shareholder under or in connection with the Secured Termination Obligations to be repaid in full on trust for ProjectCo and shall promptly pay or transfer the same to ProjectCo or as ProjectCo may direct for application in accordance with paragraph 2.1.2 (*Termination Security*) of Schedule 10 (*Security Trustee*) to the OpCo Group Direct Agreement.

12.8 Additional security

- (a) The Liquidity Security is in addition to and is not in any way prejudiced by any other guarantees or security now or subsequently held by OpCo.
- (b) The Termination Security is in addition to and is not in any way prejudiced by any other guarantees or security now or subsequently held by ProjectCo.

13. DISCHARGE OF SECURITY

13.1 Final redemption

Subject to Clause 13.2 (*Retention of security*):

- (a) if OpCo determines that all amounts which may be or become payable by an OpCo Lender under or in connection with the Secured Liquidity Obligations have been irrevocably paid in full, then OpCo shall be entitled, at the request and cost of the OpCo Lender, to release, reassign or discharge (as appropriate) such OpCo Lender's Liquidity Cash Collateral Account from the Liquidity Security with the consent of the Security Trustee.
- (b) if ProjectCo determines that all amounts which may be or become payable by an OpCo Shareholder under or in connection with the Secured Termination Obligations have been irrevocably paid in full, then ProjectCo shall be entitled, at the request and cost of the OpCo Shareholder, to release, reassign or discharge (as appropriate) such OpCo Shareholder's Termination Cash Collateral Account from the Termination Security with the consent of the Security Trustee.

13.2 Retention of security

- (a) If OpCo determines that any amount paid or credited to it in respect of the Secured Liquidity Obligation is capable of being avoided or otherwise set aside on the winding-up of any OpCo Lender or any other person, or otherwise, that amount shall not be considered to have been paid for the purposes of determining whether all the Secured Liquidity Obligations have been irrevocably paid.
- (b) If ProjectCo determines that any amount paid or credited to it in respect of the Secured Termination Obligation is capable of being avoided or otherwise set aside on the winding-up of any OpCo Shareholder or any other person, or otherwise, that amount shall not be considered to have been paid for the purposes of determining whether all the Secured Termination Obligations have been irrevocably paid.

13.3 Consolidation

Section 93 of the LPA shall not apply to the Liquidity Security or the Termination Security.

14. COSTS AND EXPENSES

Each Chargor shall, within three Business Days of demand, pay to the Security Trustee the amount of all costs, losses, liabilities and expenses (including legal fees) incurred by the Security Trustee in relation to any realisation or enforcement of any rights under or in connection with the Termination Security and/or Liquidity Security (as applicable) created by such Chargor pursuant to this Deed.

15. INDEMNITY

Each Chargor shall, within five (5) Business Days of demand, indemnify the Security Trustee against any cost, loss, liability or expense incurred by it or them as a result of:

- (a) any breach by that Chargor of this Deed; or
- (b) the exercise or purported exercise of any of the rights, powers, discretions, authorities and remedies conferred on it or them by by such Chargor pursuant to this Deed or otherwise relating to the Liquidity Security or the Termination Security created by such Chargor pursuant to this Deed.

16. REMEDIES AND WAIVERS

The provisions in clause 13 (*Waiver, Forbearance and Variation*) of the OpCo Group Direct Agreement shall apply to this Deed, except that references to the OpCo Group Direct Agreement shall be construed as references to this Deed.

17. SEPARATE AND INDEPENDENT OBLIGATIONS

- (a) Subject to paragraph (b) below, the Security created by each Chargor by or in connection with this Deed is separate from and independent of the security created or intended to be created by any other Chargor by or in connection with this Deed.
- (b) Any reference in this Deed to a Chargor in relation to the Liquidity Security or the Termination Security is, if that Chargor holds any right, title or interest in that Liquidity Security or Termination Security (as the case may be) jointly with any other Chargor, a reference to those Chargors jointly.

18. COUNTERPARTS

This Deed may be executed in several counterparts (whether original or facsimile counterparts) and upon due execution of all such counterparts by one or more parties, each counterpart shall be deemed to be an original of this Deed.

19. GOVERNING LAW

The provisions in clause 18 (*Governing Law and Jurisdiction*) of the OpCo Group Direct Agreement shall apply to this Deed, except that references to the OpCo Group Direct Agreement shall be construed as references to this Deed.

20. DESIGNATION

In accordance with the Common Terms Agreement, ProjectCo and the Security Trustee designate this Deed as a Senior Finance Document.

This Deed has been delivered on the date stated at the beginning of this Deed.

ANNEXURE A

LIQUIDITY SECURITY RIGHTS OF OPco

OpCo shall have the right, either in its own name or in the name of the OpCo Lenders or otherwise and in such manner and upon such terms and conditions as OpCo thinks fit, and either alone or jointly with any other person:

(a) Take possession

to take possession of, get in and collect the Liquidity Cash Collateral Accounts and to require payment to it or to any other person of any credit balance on any Liquidity Cash Collateral Account;

(b) Deal with Liquidity Cash Collateral Accounts

to sell, transfer, assign, exchange or otherwise dispose of or realise the Liquidity Cash Collateral Accounts to any person either by public offer or auction, tender or private contract and for a consideration of any kind (which may be payable or delivered in one amount or by instalments spread over a period or deferred);

(c) Rights of ownership

to manage and use the Liquidity Cash Collateral Accounts and to exercise and do (or permit the OpCo Lender or any nominee of it to exercise and do) all such rights and things as OpCo would be capable of exercising or doing if it were the absolute beneficial owner of the Liquidity Cash Collateral Accounts;

(d) Claims

to settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person relating to the Liquidity Cash Collateral Accounts;

(e) Legal actions

to bring, prosecute, enforce, defend and abandon actions, suits and proceedings in relation to the Liquidity Cash Collateral Accounts;

(f) Redemption of Security

to redeem any security (whether or not having priority to the Liquidity Security) over the Liquidity Cash Collateral Accounts and to settle the accounts of any person with an interest in the Liquidity Cash Collateral Accounts; and

(g) Other powers

to do anything else it may think fit for the realisation of the Liquidity Cash Collateral Accounts or incidental to the exercise of any of the rights conferred on OpCo under or by virtue of this Deed, the LPA or the Insolvency Act 1988.

ANNEXURE B

TERMINATION SECURITY RIGHTS OF PROJECTCo

ProjectCo shall have the right, either in its own name or in the name of the OpCo Shareholders or otherwise and in such manner and upon such terms and conditions as ProjectCo thinks fit, and either alone or jointly with any other person:

(a) Take possession

to take possession of, get in and collect the Termination Cash Collateral Accounts and to require payment to it or to any other person of any credit balance on any Termination Cash Collateral Account;

(b) Deal with Termination Cash Collateral Accounts

to sell, transfer, assign, exchange or otherwise dispose of or realise the Termination Cash Collateral Accounts to any person either by public offer or auction, tender or private contract and for a consideration of any kind (which may be payable or delivered in one amount or by instalments spread over a period or deferred);

(c) Rights of ownership

to manage and use the Termination Cash Collateral Accounts and to exercise and do (or permit the OpCo Shareholder or any nominee of it to exercise and do) all such rights and things as ProjectCo would be capable of exercising or doing if it were the absolute beneficial owner of the Termination Cash Collateral Accounts;

(d) Claims

to settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person relating to the Termination Cash Collateral Accounts;

(e) Legal actions

to bring, prosecute, enforce, defend and abandon actions, suits and proceedings in relation to the Termination Cash Collateral Accounts;

(f) Redemption of Security

to redeem any security (whether or not having priority to the Termination Security) over the Termination Cash Collateral Accounts and to settle the accounts of any person with an interest in the Termination Cash Collateral Accounts; and

(g) Other powers

to do anything else it may think fit for the realisation of the Termination Cash Collateral Accounts or incidental to the exercise of any of the rights conferred on ProjectCo under or by virtue of this Deed, the LPA or the Insolvency Act 1988.

SCHEDULE 1

FORM OF NOTICE OF ASSIGNMENT

To: Lloyds Bank plc (the "Account Bank")
150 Fountainbridge
Edinburgh, EH3 9PE

[OpCo Shareholder / OpCo Lender] (the "Company") gives notice that, by way of a first fixed charge contained in a Cash Collateral Account Security Agreement dated 12 July 2018 between, among others, the Company and the Security Trustee, the Company charged to [OpCo /ProjectCo] (subject to a provision for re-assignment) all its present and future right, title and interest in and to the accounts with you listed below (the "Assigned Accounts"), including all monies which may at any time be standing to the credit of any Assigned Account.

Name of Account	Account Number
[_____]	[_____]
[_____]	[_____]

Accordingly, until you receive instructions from the Security Trustee to the contrary:

1. the Assigned Accounts shall be operated in accordance with the provisions of the OpCo Group Direct Agreement dated 27 March 2008, as amended and restated from time to time, between, among others, you as Account Bank and the Company;
2. you agree to disclose to the Security Trustee such information relating to the Assigned Accounts as the Security Trustee may from time to time request;
3. you agree not to claim or exercise any security interest, set-off, counterclaim or other rights in respect of the Assigned Accounts; and
4. this authority and instruction is irrevocable without the prior written consent of the Security Trustee.

No monies may be released from the Assigned Accounts without the prior written consent of the Security Trustee and you shall apply any money standing to the credit of the Assigned Accounts in accordance with the instructions from time to time of the Security Trustee.

Please acknowledge receipt of this Notice of Assignment and confirm that you will pay all monies as directed by or pursuant to this Notice of Assignment by signing the acknowledgement on the attached copy of this Notice of Assignment and returning that copy to the Security Trustee at Lloyds Bank plc, 150 Fountainbridge, Edinburgh, EH3 9PE, marked for the attention of Agency.

For and on behalf of
[OpCo Shareholder/OpCo Lender]
as Company

For and on behalf of
[OpCo/ProjectCo]

[On duplicate]

We acknowledge receipt of the Notice of Assignment of which this is a copy and agree to comply with its terms. We confirm that we have not received any other notice of assignment or notice that any other person claims any rights in respect of any Assigned Account.

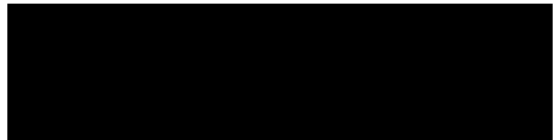
We acknowledge the provisions of the Notice of Assignment.

For and on behalf of
Lloyds Bank plc

Date _____

EXECUTED and DELIVERED as a DEED by
AIRTANKER LIMITED
acting by:

}



P. BUNDELL

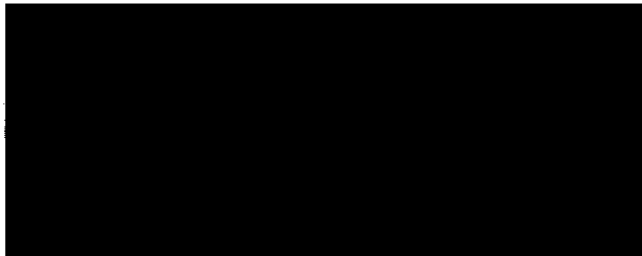
in the presence of:



Name:

T J LARCH

Address:



Occupation:

EXECUTED and DELIVERED as a DEED by
THALES SA

acting by:

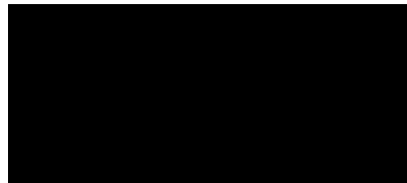


Name: Pascal BOUCHIAT

Title: Authorised Signatory

EXECUTED and DELIVERED as a DEED by
AIRTANKER SERVICES LIMITED
acting by:

}



F. Segovia

in the presence of:



Name: CHRISTOPHER BRICE

Address:



Occupation:



EXECUTED and **DELIVERED** as a **DEED** by
AIRBUS SE

acting by:



Name: JEAN-BAPTISTE PONS

Title: Authorised Signatory

EXECUTED and DELIVERED as a DEED by

THALES UK LIMITED

acting by:

VICTOR CHAVEL

in the presence of:

Name: MICHAEL SCABROOK

Address:

Occupation:

EXECUTED and DELIVERED as a DEED by
ROLLS-ROYCE PLC
acting by:
a director

)
)
)
)



Stephen Daintith - Director

in the presence of:



Witness signature

Name: KAREN ELLIS

Occupation:

Address:



EXECUTED and DELIVERED as a DEED by }
COBHAM PLC
acting by:



In the presence of:



Name: DEBORAH HOOD

Address:



Occupation:

EXECUTED and DELIVERED as a DEED
by BABCOCK SOUTHERN HOLDINGS
LIMITED

acting by:

JACK SOREN

in the presence of:

[REDACTED]

Name: NAZRIN QUYYUM

Address:

[REDACTED]

Occupation:

EXECUTED and DELIVERED as a DEED by
LLOYDS BANK PLC as Security Trustee
acting by:

}



JOHN TOGMER

in the presence of:



Name: SCOTT SANDERSON

Address:



Occupation:

