

MR01

Particulars of a charge



Companies House



Go online to file this information
www.gov.uk/companieshouse

A fee is payable with this form
Please see 'How to pay' on the last page.

☒ **What this form is for**
You may use this form to register
a charge created or evidenced by
an instrument.

☒ **What this form is NOT for**
You may not use this form to
register a charge where there
is an instrument. Use form MR08.

For further information, please
refer to our guidance at:

This form must be delivered to the Registrar for registration within
21 days beginning with the day after the date of creation of the charge.
If delivered outside of the 21 days it will be rejected unless it is accompanied by a
court order extending the time for delivery.



R8AQ96GW
29/07/2019 #9
COMPANIES HOUSE



You must enclose a certified copy of the instrument with this form. This will be
scanned and placed on the public record. Do not send the original.

1 Company details

Company number 0249662

Company name in full European Aviation Limited ✓

0213 For official use

→ **Filling in this form**
Please complete in typescript or in
bold black capitals.

All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date 23/07/2019 ✓

3 Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees
entitled to the charge.

Name Erste Group Bank AG, London Branch (as agent and security trustee) ✓

Name

Name

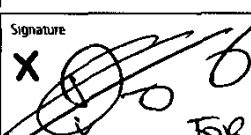
Name

If there are more than four names, please supply any four of these names then
tick the statement below.

☐ I confirm that there are more than four persons, security agents or
trustees entitled to the charge.

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4	Brief description	Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument.	Please submit only a short description. If there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument".
Brief description	None	Please limit the description to the available space.	
5	Other charge or fixed security	Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
6	Floating charge	Is the instrument expressed to contain a floating charge? Please tick the appropriate box. <input type="checkbox"/> Yes Continue <input checked="" type="checkbox"/> No Go to Section 7 Is the floating charge expressed to cover all the property and undertaking of the company? <input type="checkbox"/> Yes	
7	Negative Pledge	Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge? Please tick the appropriate box. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
8	Trustee statement ¹	You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge. <input type="checkbox"/>	¹ This statement may be filed after the registration of the charge (use form MR06).
9	Signature	Please sign the form here. Signature  ADAM LONGNEY FOR AND ON BEHALF OF REN LEGAL This form must be signed by a person with an interest in the charge.	

MR01

Particulars of a charge



Presenter information

You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name
Hannah Oliver

Company name
REN Legal Management Limited

Address
80 Coleman Street

Post town
London

County/Region

Postcode
E C 2 R 5 B J

Country
UK

DX

Telephone
0203 372 4902



Certificate

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have included a certified copy of the instrument with this form.
- ☐ You have entered the date on which the charge was created.
- ☐ You have shown the names of persons entitled to the charge.
- ☐ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8.
- ☐ You have given a description in Section 4, if appropriate.
- ☐ You have signed the form.
- ☐ You have enclosed the correct fee.
- ☐ Please do not send the original instrument; it must be a certified copy.



Important information

Please note that all information on this form will appear on the public record.



How to pay

A fee of £23 is payable to Companies House in respect of each mortgage or charge filed on paper.

Make cheques or postal orders payable to 'Companies House.'



Where to send

You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below:

For companies registered in England and Wales:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

For companies registered in Scotland:

The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post).

For companies registered in Northern Ireland:

The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG.
DX 481 N.R. Belfast 1.



Further information

For further information, please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 2496662

Charge code: 0249 6662 0213

The Registrar of Companies for England and Wales hereby certifies that a charge dated 23rd July 2019 and created by EUROPEAN AVIATION LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 29th July 2019.

(P)

Given at Companies House, Cardiff on 6th August 2019



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**

DATED 23 July 2019

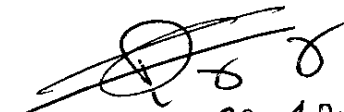
EUROPEAN AVIATION LIMITED

-and-

ERSTE GROUP BANK AG
LONDON BRANCH

SECURITY DEED
RELATING TO ONE ROLLS-ROYCE
TRENT 556-61 AIRCRAFT ENGINE WITH MSN 71229

I, Adam Longrey, solicitor of England and Wales, hereby certify that save for material redacted pursuant to s859G. of the Companies Act 2006, this copy instrument is a true and correct copy of the original instrument.


29 July 2019

REN  LEGAL

THIS DEED is made on the 23 day of July , 2019

BETWEEN

- (1) **European Aviation Limited**, a limited liability company incorporated under the laws of England and Wales with its registered office at Priory House, Dudley, West Midlands DY1 1HH (the "**Borrower**"); and
- (2) **Erste Group Bank AG**, acting through its London branch at 24th Floor, 110 Bishopsgate, London EC2N 4AY, England, as agent and security trustee for the Lenders (the "**Security Trustee**").

WHEREAS:

- (A) Pursuant to the Loan Agreement the Lenders agreed to make the Loan available to the Borrower.
- (B) The Borrower has agreed to execute this Deed as security for the performance of the Secured Obligations.

IT IS AGREED:

1 INTERPRETATION

- 1.1 **Definitions:** In this Deed, unless the context otherwise requires, words and expressions which are defined in the Loan Agreement shall have the same meanings in this Deed and the following words and expressions have the following meanings:

"Associated Rights" has the meaning given to it in the Convention;

"Charged Property" means all of the Borrower's rights and title to, and interest (including but not limited to Associated Rights) in (both present and future):

- (a) the Relevant Agreements;
- (b) the Insurances;
- (c) the Warranties; and
- (d) any and all proceeds of the foregoing;

"Convention" means the Convention on International Interests in Mobile Equipment, the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment, together with the related regulations and international registry procedures and all other rules, amendments, supplements, modifications and revisions thereto;

"Engine" means:

- (a) the Rolls-Royce model Trent 556-61 engine with manufacturer's serial number 71229 (described on the International Registry manufacturer's list Rolls-Royce model Trent 500);
- (b) any and all Parts, relating to the engine whether or not they are incorporated in or installed on or attached to the engine for so long as the Borrower owns them after removal from the engine; and, where the context permits; and
- (c) the Technical Records, relating to the engine and all of its Parts;

"Finance Parties" means the Lenders and the Security Trustee;

"Indemnatee" means each person who is indemnified or expressed to be indemnified in accordance with clause 13 (*Indemnity*);

"Insurances" means the benefit of and right to enforce all policies and contracts of insurance and reinsurance in favour of the Borrower which are from time to time taken out or entered into in accordance with the provisions of the Loan Agreement (excluding liability insurances);

"International Interest" has the meaning given to it in the Convention;

"International Registry" means the International Registry of Mobile Assets;

"Lenders" means, before any transfer pursuant to the Loan Agreement each of the financial institutions named in Schedule 1 to the Loan Agreement and, thereafter, each of such financial institutions and each Transferee but only for so long as it has any rights or obligations under the Transaction Documents in respect of the funding of the Loan;

"Loan" means the principal amount drawn down by the Borrower under the Loan Agreement or the balance thereof from time to time outstanding after the deduction of all repayments and prepayments;

"Loan Agreement" means the secured term loan agreement originally dated 26 January 2012 between the Borrower, the Lenders and the Security Trustee, as amended and extended from time to time, as amended and restated by a deed of amendment and restatement dated 11 January 2018 and as amended by a deed of amendment dated 9 August 2018 and as further amended by a deed of amendment dated 8 January 2019,

"LPA" means the Law of Property Act 1925;

"Mortgaged Property" means the Engine, as mortgaged pursuant to clause 3 (*Mortgage, Charge and Assignment*);

"Nominated Courts" means the courts of England;

"Property" means collectively, the Charged Property and the Mortgaged Property;

"Receiver" means any receiver or receiver and manager appointed by the Security Trustee under this Deed or under any statutory power in accordance with clause 6 (*Enforcement Of Security*);

"Relevant Agreements" means each, any or all of the Engine Sale Agreement and the Bill of Sale relating to the Engine;

"Secured Obligations" means:

- (a) the payment by the Borrower to the Finance Parties as and when due, whether by acceleration, demand or otherwise, of all monies whatsoever now or at any other time payable under the Loan Agreement and the other Security Documents; and
- (b) the due and punctual performance of all other obligations to be performed by the Borrower, whether actual or contingent, under or pursuant to the Loan Agreement and the other Security Documents; and

"Warranties" means all warranty agreements, performance guarantees, service life policies and other agreements in existence from time to time containing warranties or undertakings relating to the manufacture, condition, operation, performance, use or repair of the Engine or any Part, and any other agreement containing any of the foregoing.

- 1.2 **Construction and Approvals:** Clauses 1.3 (*Construction*) and 1.4 (*Approvals*) of the Loan Agreement are incorporated herein with necessary changes having been made.

2 COVENANT TO PAY

The Borrower covenants to discharge the Secured Obligations in accordance with the terms of the Loan Agreement and the other Security Documents.

3 MORTGAGE, CHARGE AND ASSIGNMENT

- 3.1 **Mortgaging Clause:** As continuing security for the payment and performance of the Secured Obligations, the Borrower hereby, with full title guarantee, mortgages and charges to the Security Trustee by way of first priority legal mortgage its rights, title and interest present and future, in and to the Engine (including all Parts and Technical Records).
- 3.2 **Cape Town Convention Security:** As continuing security for the payment and performance of the Secured Obligations, the Borrower hereby grants a first priority security interest and International Interest to the Security Trustee with respect to the Engine for the purposes of the Convention.
- 3.3 **Charge and Assignment:** As continuing security for the payment and performance of the Secured Obligations, the Borrower hereby with full title guarantee charges, by way of first priority fixed charge and to the extent not effectively charged, assigns, by way of first priority assignment to the Security Trustee and agrees to charge, by way of first priority fixed charge and assign, by way of first priority assignment, the Charged Property.
- 3.4 **Discharge:** Upon the Security Trustee being satisfied that the Secured Obligations have irrevocably and completely been discharged, the Security Trustee shall, upon the request and at the cost of the Borrower, discharge this Deed and release and reassign the security created by it.

4 NOTICES OF CHARGE AND ASSIGNMENT

- 4.1 **Notice to the Seller:** The Borrower undertakes to give notice to the Seller, immediately following the execution of this Deed of the charge and assignment of the Engine Sale Agreement and the Bill of Sale contained in clause 3.3 (*Charge and Assignment*) in the form set out in Schedule 1 and to procure that the Seller acknowledges and consents to such assignment by signing the acknowledgment attached thereto.
- 4.2 **Notice in respect of Insurances:** The Borrower undertakes to give notice:
- (a) to the insurance brokers who arrange the current Insurances with respect to the Engine, immediately following the execution of this Deed, of the charge and assignment of Insurances contained in clause 3.3 (*Charge and Assignment*) in the form set out in Schedule 2 and to use reasonable efforts to procure that the brokers sign the acknowledgment attached thereto or otherwise acknowledge receipt of the notice in a form acceptable to the Security Trustee; and
 - (b) to any subsequent insurance brokers who arrange Insurances, immediately upon the arrangement of new Insurances, of the charge and assignment of Insurances contained in clause 3.3 (*Charge and Assignment*) substantially in the form set out in Schedule 2 and to use reasonable efforts to procure that the brokers sign the acknowledgment attached thereto or otherwise acknowledge receipt of the notice in a form acceptable to the Security Trustee.
- 4.3 **Notice in respect of Warranties:** The Borrower undertakes, upon the request of the Security Trustee, to give notice:
- (a) to the Manufacturer of the Engine, and/or the provider of any other warranty in relation to the Engine, of the charge and assignment of the Warranties contained in clause 3.3 (*Charge and Assignment*) in such form as the Security Trustee may require and to procure that the Manufacturer and/or such other warranty provider acknowledges receipt of the notice in a form acceptable to the Security Trustee; and
 - (b) to the manufacturer of any replacement Parts installed on the Engine, any repair shop or maintenance facility which undertakes repair or maintenance work on the Engine, immediately following the installation of any replacement Parts or the completion of any repairs or maintenance, of the charge and assignment of Warranties contained in clause 3.3 (*Charge and Assignment*) in such form as the Security Trustee may require and to procure that such manufacturer, repair shop or maintenance facility signs the acknowledgment attached thereto or otherwise acknowledges receipt of the notice in a form acceptable to the Security Trustee.
- 4.4 **Further Notices:** The Borrower undertakes to execute and deliver such further notices of assignment

as the Security Trustee may require in form and substance satisfactory to the Security Trustee and use all reasonable endeavours to procure that such persons as the Security Trustee requires executes and delivers an acknowledgement to any notices of assignment in the form requested by the Security Trustee.

5 COVENANTS

The Borrower will throughout the Loan Period:

- 5.1 **Loan Covenants:** comply with all of the covenants set out in clauses 14 and 15 of the Loan Agreement;
- 5.2 **Disposals:** not either in a single transaction or a series of related transactions whether voluntarily or involuntarily sell, lease, transfer or otherwise dispose of all or any part of the Property except as expressly permitted by the provisions of the Security Documents;
- 5.3 **Encumbrances:** not create or permit to exist any Encumbrance (except for Permitted Encumbrances) over the Property;
- 5.4 **Performance:** perform its obligations in respect of the Relevant Agreements, the Insurances, the Warranties and each other agreement made in respect of the Engine;
- 5.5 **Notification:** promptly notify the Security Trustee:
 - (a) of any default of which it has knowledge by the Borrower or any other party under a Relevant Agreement, the Insurances or the Warranties; and
 - (b) of any Relevant Agreement, the Insurances or the Warranties being frustrated or the performance thereof becoming impossible or substantially different from that contemplated originally by the parties thereto,
- 5.6 **Proceedings:** institute and maintain all such proceedings as may be reasonably necessary or expedient to preserve or protect the interests of the Security Trustee and the Borrower in the Property;
- 5.7 **No Termination:** not agree to any termination, cancellation or amendment to the terms of the Relevant Agreements, the Insurances or the Warranties, release any person from any of their respective obligations thereunder or waive any breach of the obligations of or consent to any such act or omission of any such person as would otherwise constitute such breach;
- 5.8 **All actions:** do or permit to be done each and every act or thing which the Security Trustee may from time to time reasonably require to be done for the purposes of enforcing the Security Trustee's rights hereunder and in respect of the Property and will allow its name to be used as and when reasonably required by the Security Trustee for that purpose;
- 5.9 **International Interests:** establish and maintain an account with the International Registry, appoint an administrator and/or a professional user entity acceptable to the Security Trustee to make registration in regard to the Mortgaged Property. The Borrower shall register and hereby consents to the registration of first priority prospective International Interests, International Interests (with the right to discharge the International Interests created by this Deed held in favour of the Security Trustee), in connection with the Mortgaged Property and this Deed. The parties agree that an Event of Default is a "default" for the purposes of the Convention; and
- 5.10 **Restrictions:** not take or omit to take any action the taking or omission of which might adversely affect the interests of the Security Trustee in the Property and shall not register any prospective or current International Interest or contract of sale (or any amendment, modification, supplement, subordination of subrogation thereof) with the International Registry without the prior written consent of the Security

Trustee which may be withheld in its sole discretion.

6 ENFORCEMENT OF SECURITY

6.1 Enforcement Event: If an Event of Default occurs which is continuing, this Deed shall become immediately enforceable and the Security Trustee shall be entitled (but not bound) without any further demand or notice of any kind immediately to put into force and exercise all the powers and remedies possessed by the Security Trustee hereunder and according to law and in particular:

- (a) demand, collect, recover, compromise and give a good discharge for any and all monies or claims for monies due and to become due in relation to the Property;
- (b) exercise (to the exclusion of the Borrower) any and all rights of the Borrower in respect of the Property;
- (c) *require the payment of all or part of such monies as are referred to in clause 6.1(a) to an account nominated by the Security Trustee for application (at any time in the Security Trustee's discretion) in or towards satisfaction of the Secured Obligations;*
- (d) enforce all rights, powers and remedies available to it, at law or otherwise, as Security Trustee *as mortgagee, chargee and assignee of the Property including, without limitation, the right to apply to any court, execution officer or authority in the country in which the Property or any part thereof is located for an enforcement and attachment order in respect of the Property or any such part thereof;*
- (e) *to take possession of the Property and for that purpose to enter upon any premises where the Property or any records relating thereto are or are reasonably thought to be situated;*
- (f) to appoint a Receiver in accordance with Clause 7 (*Appointment Of A Receiver*);
- (g) *to discharge, release or compromise claims in respect of the Property which have given or may give rise to any Encumbrance in priority to this Deed or which are or may be enforceable by proceedings against the Property;*
- (h) to bring, take, defend, compromise, submit to arbitration, settle or discontinue any actions, suits or proceedings whatsoever, civil or criminal, in relation to the Property;
- (i) to sell the Property upon such terms and for such consideration as the Security Trustee in its absolute discretion may determine and so that the Security Trustee shall have power in its absolute discretion to postpone any such sale or to proceed to a forced sale without being liable for any loss resulting from such postponement or forced sale;
- (j) any sale by the Security Trustee or by any Receiver of the Property in pursuance of the rights, powers and remedies conferred upon it or him by this Deed or by law may be for cash, debentures or other debt instruments and the consideration may be payable or deliverable forthwith or over a period of time. If any consideration for any such sale is not in cash, that consideration shall immediately on receipt thereof be and become charged in favour of the Security Trustee for the discharge of the Secured Obligations. If any consideration for any such sale is received in a currency other than Dollars, the Security Trustee is authorised to purchase Dollars with such currency at its spot rate on the date of receipt, and the Secured Obligations will be deemed to have been discharged only to the extent of the Dollars so purchased;
- (k) pending sale of the Mortgaged Property to manage, insure, maintain and repair the Mortgaged Property and to employ, lay up, lease, charter, operate or otherwise use the Mortgaged Property in such manner and for such period as it thinks fit and to do all acts incidental thereto as if the Security Trustee was the owner of the Mortgaged Property without being liable to the Borrower in respect of any such action and to recover any losses incurred as a consequence of taking any such action as aforesaid and all payments due to the Borrower by virtue of the leasing, hiring or other disposal of the Mortgaged Property or otherwise howsoever arising whether before or after the security hereby created becoming enforceable shall be charged in favour of

the Security Trustee for the discharge of the Secured Obligations;

- (l) to appoint, hire and employ engineers, consultants, contractors, managers, agents, officers, servants, lawyers and others for the purpose of performing any of the duties and exercising any of the powers herein contained on such terms and generally in such manner as it may reasonably consider fit and to discharge any such persons and any such persons appointed, hired or employed by the Borrower and/or the Receiver;
- (m) to execute and do all such acts and things as the Security Trustee may consider necessary or proper for or in relation to any of the purposes aforesaid; and
- (n) if applicable, to employ all remedies available to the Security Trustee as creditor under the Convention, including but not limited to:
 - (i) if the Borrower is in possession, custody or control of the Mortgaged Property to enter Borrower's or any other person's premises and take possession of the Mortgaged Property or records relating thereto;
 - (ii) to require the Borrower to make available the Mortgaged Property at a location selected by the Security Trustee;
 - (iii) to sell, lease or otherwise dispose or cause the Borrower to sell, lease or otherwise dispose of the Mortgaged Property;
 - (iv) to collect or receive any income, rents or profits arising from the management or use of the Mortgaged Property;
 - (v) to apply for a court order authorising the above mentioned remedies;
 - (vi) pending final determination of its claim in any court proceeding, obtain speedy relief in the form of an order providing for preservation of the Mortgaged Property and its value; possession, control or custody of the Mortgaged Property, immobilisation of the Mortgaged Property; lease or management of the Mortgaged Property; any income therefrom; and sale and application of proceeds therefrom; and
 - (vii) all remedies under the Convention including those related to the assignment of Associated Rights and the related International Interest.

6.2 Exclusions: Notwithstanding anything contained in this Deed:

- (a) the principal monies hereby secured shall be deemed to have become due for the purposes of Section 101 of the LPA and any statutory powers of sale and for the appointment of a Receiver shall arise immediately after execution of this Deed;
- (b) Section 103 of the LPA shall not apply to this Deed, but the security hereby constituted shall become enforceable and the statutory and other powers of sale and for the appointment of a Receiver shall become immediately exercisable by the Security Trustee without demand or notice of any kind to the Borrower on or at any time after the occurrence of an Event of Default;
- (c) Section 93 of the LPA shall not apply in relation to this Deed;
- (d) the Receiver is not required to observe Sections 99 and 100 of the LPA; and
- (e) Sections 108(3) and 109(8) of the LPA shall not apply in relation to the Receiver.

6.3 Trust: The Borrower hereby declares that, upon the occurrence of an Event of Default the Borrower will hold all of the Property or proceeds therefrom upon trust to convey, assign or otherwise deal with the Property in such manner, at such time and to such person as the Security Trustee shall direct for application in or towards the discharge of the Secured Obligations. The Borrower further declares that

it shall be lawful for the Security Trustee to appoint a new or further trustee or trustees of the Property in place of or in addition to the Borrower.

- 6.4 **Application of Proceeds:** All proceeds realised by the Security Trustee (or any Receiver) in relation to the Property shall, subject to clause 14 (*Suspense Accounts*), be applied in or towards the discharge of the Security Obligations in accordance with the Loan Agreement.

7 APPOINTMENT OF A RECEIVER

- 7.1 **Terms:** The following provisions shall apply with regard to any Receiver appointed under this Deed:

- (a) any such appointment may be made before or after the Security Trustee shall have taken possession of the Property;
- (b) any Receiver may be appointed Receiver of the Property on whatever terms and conditions the Security Trustee determines in its absolute discretion;
- (c) any Receiver shall be the agent of the Borrower for all purposes and the Borrower alone shall be responsible for his contracts, engagements, acts, omissions, defaults, losses and misconduct and for all liabilities incurred by him and for his remuneration and the Security Trustee shall not incur any liability therefor (either to the Borrower or to any other person whatsoever) by reason of its appointing such Receiver or for any other reason whatsoever; and
- (d) subject to any direction made by any court under any power of such court to fix the remuneration of a receiver, the Security Trustee may from time to time fix the remuneration of a Receiver without being limited to the maximum rate specified in Section 109(6) of the LPA and to direct payment of such remuneration out of moneys accruing to him in the exercise of his powers as Receiver but the Borrower alone shall be liable for the payment of such remuneration and the amount of such remuneration shall be secured on the Property under this Deed.

- 7.2 **Powers:** Any Receiver appointed by the Security Trustee hereunder shall have all the powers, discretions and protections:

- (a) conferred by the LPA as if duly appointed under it;
- (b) of an administrative receiver under Schedule 1 to the Insolvency Act 1986 even though the Receiver is not an administrative receiver;
- (c) of the Security Trustee as mortgagee, chargee and assignee; and
- (d) all powers conferred on receivers by law or equity.

- 7.3 **Further Powers:** a Receiver shall have the following additional powers:

- (a) to raise or borrow money either unsecured or on the security of the Property either in priority to the security constituted by this Deed or by any other debenture, mortgage or security and whether in respect of the Secured Obligations or otherwise and generally on such terms and conditions as he may reasonably think fit provided that:
 - (i) no Receiver shall exercise such power without first obtaining the written consent of the Security Trustee and the Security Trustee shall incur no responsibility to the Borrower or any other person by reason of its giving or refusing such consent whether absolutely or subject to any limitation or condition; and
 - (ii) no person lending such money shall be concerned to enquire as to the exercise of such consent or the terms thereof or as to the propriety or purpose of the exercise of such power or to see to the application of any money so raised or borrowed;
- (b) to exercise or permit the Security Trustee or any nominee of the Security Trustee to exercise any

powers or rights incidental to the ownership of the Property in such manner as he may reasonably think fit; and

- (c) to do all such other acts and things as he may consider necessary or desirable for the realising of any of the Property or incidental or conducive to any of the matters, powers or authorities conferred on a Receiver under or by virtue of this Deed and generally to exercise in relation to such charged assets all powers, authorities and things as he would be capable of exercising and doing if he were the absolute beneficial owner of the same.

7.4 **No Liability:** Neither the Security Trustee nor any Receiver shall be liable to account as mortgagee, chargee or assignee in possession of the Property or any part of it or be liable for any loss upon realisation or for any neglect or default of any nature whatsoever in connection with the Property or any part of it for which a mortgagee, chargee or assignee in possession might as such be liable and all costs, charges and expenses incurred by the Security Trustee or any Receiver (including the costs of any proceedings to enforce the security hereby given) shall be paid by the Borrower on an indemnity basis and secured on the Property.

7.5 **Delegation:** The Security Trustee and any Receiver are entitled to delegate any and all of their powers and discretions vested by this Deed in such manner and on such terms and to such persons as the Security Trustee or any Receiver shall determine.

8 PROTECTION OF PURCHASER

8.1 **No Enquiry:** No purchaser (which in this clause 8 includes any person acquiring, for money or money's worth, any interest or right whatsoever in relation to the Property) from, or other person dealing with, the Security Trustee or any Receiver shall be concerned to enquire whether any of the powers which it or he has exercised or purported to exercise has arisen or become exercisable, or whether the Secured Obligations remain outstanding, or whether any event has happened to authorise the Security Trustee to act or as to the propriety or validity of the exercise or purported exercise of any such power and the title of such a purchaser and the position of such a person shall not be impeachable by reference to any of those matters.

8.2 **Receipt Conclusive:** The receipt of the Security Trustee or a Receiver shall be an absolute and a conclusive discharge to a purchaser and shall relieve him of any obligation to see to the application of any moneys paid to or by the direction of the Security Trustee.

9 CONTINUING AND INDEPENDENT SECURITY

9.1 **Continuing Security:** The security created by this Deed shall be held by the Security Trustee as a continuing security for the performance of the Secured Obligations.

9.2 **No Intermediate Settlement:** The security created by this Deed:

- (a) shall not be satisfied by any intermediate payment, settlement or satisfaction of any part of the Secured Obligations; and
- (b) shall be in addition to, and shall not in any way be prejudiced or affected by, any other security at any time held by the Security Trustee for all or any part of the Secured Obligations.

9.3 **Conditionality of Settlement or Discharge:** Any settlement or discharge between the Security Trustee and the Borrower shall be conditional upon the security or payment to the Security Trustee not being set aside or avoided or ordered to be refunded or reduced because of any law relating to bankruptcy, insolvency, liquidation, winding up, reorganisation, protection from creditors or other analogous events.

9.4 **No Discharge:** As between the Borrower and the Security Trustee, the Borrower shall be deemed to be a principal debtor and this Deed shall be deemed to be the principal security for the Secured Obligations. Neither the security hereby granted nor the rights, powers and remedies conferred on the Security Trustee by this Deed or by law shall be discharged, impaired or otherwise affected by

- (a) any imperfection, defect, total or partial invalidity, voidability or unenforceability affecting any Security Document or the Secured Obligations;
- (b) any limit, time, forbearance or other indulgence given or agreed to be given by the Security Trustee in respect of any claims under any Security Document;
- (c) any amendment to any Security Document;
- (d) any release or exchange of security or obligation granted or undertaken pursuant to any Security Document;
- (e) any legal limitation, disability or incapacity relating to the Borrower or any other person;
- (f) any change (whether in its name, constitution or otherwise) of the Borrower or the Security Trustee or the merger of the Borrower or the Security Trustee with any other corporate entity;
- (g) the liquidation, bankruptcy, dissolution (or proceedings analogous thereto) of the Borrower or any other person or the appointment of a receiver, administrative receiver, examiner, administrator, trustee, examiner or similar officer of any of the assets of the Borrower or any other person; or
- (h) any other act, event or omission which but for this provision would impair or discharge the Borrower's liability hereunder.

9.5 No Prior Action: The Security Trustee and any Receiver need not before exercising any of the rights, powers or remedies conferred upon it by this Deed or by law:

- (a) take action or obtain judgment against the Borrower or any other person in any court;
- (b) make or file any claim or proof in a winding-up or liquidation of the Borrower or any other person; or
- (c) enforce or seek to enforce the recovery of the moneys and liabilities hereby secured or any other security.

10 FURTHER ASSURANCE

The Borrower agrees that it shall, and that it shall procure that each Security Party shall, execute, sign, perfect, do and (if required) register such further documents as in the reasonable opinion of the Security Trustee may be necessary for the purpose of maintaining the intent and purpose of the Deed and the other Security Documents and to establish and protect the rights and remedies of the Finance Parties created or intended to be created thereunder or effect or perfect any assignment or transfer made in accordance with the Loan Agreement or, after an Event of Default has occurred which is continuing, for enforcing or facilitating the realisation of the security created by any Security Document.

11 POWER OF ATTORNEY

For the purpose of securing the interest of the Security Trustee in the Property and the performance of the Secured Obligations, the Borrower irrevocably appoints the Security Trustee and any Receiver to be its attorney (with full power to appoint substitutes and to sub-delegate, including power to authorise the person so appointed to make further appointments, in both cases, with regard to the Property or any part of it) on behalf of the Borrower and in its name or otherwise, to execute any document or do anything which the Security Trustee or the Receiver (as the case may be) may, in its or his absolute discretion, consider necessary for exercise of any of the powers of the Borrower or which the Borrower is obliged to execute or do, whether under this Deed, or otherwise and the Security Trustee or the Receiver (as the case may be) shall, in connection with the exercise of this power of attorney, be the agent of the Borrower (so far as the law permits). The Borrower shall so far as the law permits be solely responsible for the acts and defaults and liable on any contracts or engagements made or entered into by the Security Trustee in connection with the transactions contemplated by the Loan Agreement and/or this Deed. The Security Trustee shall only be permitted to exercise this power of attorney if this Deed has become enforceable in accordance with clause 6.

12 CONDITIONS, FORBEARANCE AND PARTIAL INVALIDITY

- 12.1 **Conditions:** All obligations of the Borrower under this Deed shall constitute conditions, the time for the performance of which shall be of the essence.
- 12.2 **Forbearance:** No failure to exercise and no delay on the part of the Security Trustee in exercising any right, remedy, power or privilege of the Security Trustee under this Deed and no course of dealing between the parties shall be construed or operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights and remedies provided in this Deed are cumulative and are not exclusive of any rights or remedies provided by law or under any other Security Document.
- 12.3 **Partial Invalidity:** If any provision of this Deed is held to be illegal, invalid or unenforceable in whole or in part this Deed shall continue to be valid as to its other provisions and the remainder of the affected provision.

13 INDEMNITY

- 13.1 **Indemnity:** The Borrower shall indemnify the Security Trustee and any Receiver and their respective officers, agents, servants and employees against all claims, proceedings, liabilities, taxes, penalties, fines, costs, charges and expenses incurred (whether before or after the occurrence of an Event of Default) in consequence of:
- (a) anything done or purported to be done by or on behalf of the Borrower under this Deed or other document relating hereto or any failure by the Borrower to comply with its obligations hereunder or otherwise in connection therewith;
 - (b) any payment in respect of the Secured Obligations (whether made by the Borrower or a third person) being impeached or declared void for any reason whatsoever;
 - (c) the exercise, or the attempted or purported exercise, or the consideration of the exercise, by or on behalf of the Security Trustee of any of the powers of the Security Trustee or any other action taken by or on behalf of the Security Trustee under this Deed; or
 - (d) the carrying out or consideration of any other act or matter which the Security Trustee or any other person on its behalf may consider to be necessary for the preservation of the Property.
- 13.2 **Survival:** The obligations of the Borrower under this clause 13 (*Indemnity*) shall survive the discharge of this Deed in respect of those events which arise during the Loan Period

14 SUSPENSE ACCOUNTS

The Security Trustee and any Receiver may at any time and from time to time place and keep (for such time as it or he shall consider prudent) any monies received, recovered or realised from the Borrower or in relation to the Property pursuant to this Deed in a separate suspense account (to the credit of either the Borrower or the Security Trustee as the Security Trustee shall think fit) without any intermediate obligation on its part to apply the same or any part thereof in or towards the discharge of the Secured Obligations.

15 RIGHT OF APPROPRIATION

To the extent that any of the Property constitutes "financial collateral" and is subject to security under this Deed which is or forms part of a "security financial collateral arrangement" (in each case as defined in, and for the purposes of, the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226) (the "**Regulations**")), the Security Trustee shall have the right, upon the occurrence and during the continuance of an Event of Default, to appropriate all or any part of such financial collateral in or towards discharge of the Secured Obligations. For this purpose, the parties agree that the value of such financial collateral so appropriated shall be the market price of such Property at such time as determined by the Security Trustee (acting reasonably) by reference to such process as the Security Trustee may

select, including independent valuation. In each case, the parties agree that the method of valuation provided for in this Deed shall constitute a commercially reasonable method of valuation for the purposes of the Regulations

16 VARIATION

This Deed shall not be varied in its terms otherwise than by an instrument in writing executed by the parties hereto or by their duly authorised representatives.

17 NOTICES

Clause 29 (*Notices*) of the Loan Agreement is incorporated herein with all necessary changes having been made.

18 COUNTERPARTS

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

19 THIRD PARTIES

19.1 Enforcement Rights: Each Indemnitee and any Receiver may in its own right enforce any provisions of this Deed conferring rights or benefits on them.

19.2 Limitation On Enforcement Rights: No person other than a party, an Indemnitee and a Receiver may enforce this Deed by virtue of the Contracts (Rights of Third Parties) Act 1999.

19.3 Variations And Amendments: Notwithstanding clause 19.1 (*Enforcement Rights*), the Security Trustee and the Borrower may agree to vary and amend this Deed without the consent of any Indemnitee or Receiver who is not party to this Deed.

20 ASSIGNMENTS AND TRANSFERS

20.1 Borrower: The Borrower may not assign or transfer any of its rights or obligations under this Deed

20.2 Security Trustee The Security Trustee may at any time transfer all or any part of its rights, benefits and obligations under this Deed to any person including any successor security trustee or any Lender.

21 GOVERNING LAW

This Deed (including any non-contractual disputes arising out of or in connection with it) shall be governed by and construed in accordance with the laws of England and, to the extent applicable, for the purposes of the creation of, and the priorities, rights and remedies associated with an International Interest in respect of the Engine, the laws of the Convention.

22 JURISDICTION

22.1 Submission To Jurisdiction: The Borrower irrevocably agrees for the benefit of the Security Trustee that the Nominated Courts shall have jurisdiction to hear and determine any suit, action or proceeding, and to settle any disputes, which may arise under and/or out of and/or relating to and/or in connection with this Deed and for such purposes irrevocably submits to the jurisdiction of the Nominated Courts.

22.2 Waiver Of Objection: The Borrower irrevocably waives any objection which it may have now or hereafter to the Nominated Courts being nominated as the forum to hear and determine any suit, action or proceeding, and to settle any disputes, which may arise under and/or out of and/or relating to and/or in connection with this Deed and irrevocably agrees not to claim that any such Nominated Court is not a convenient or appropriate forum.

22.3 Submission Non-Exclusive: The submission to the jurisdiction of the Nominated Courts shall not (and shall not be construed so as to) limit the right of the Security Trustee to take proceedings against the

Borrower in any other court of competent jurisdiction nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdiction, whether concurrently or not.

22.4 Consent To Equitable Relief: The Borrower hereby consents generally in respect of any proceedings arising out of or in connection with any legal action or proceeding to the giving of any relief or the issue of any process in connection with such action or proceedings including, without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment which may be made or given in such action or proceedings.

22.5 Waiver Of Immunity: The Borrower:

- (a) irrevocably consents generally in accordance with the State Immunity Act 1978 of the United Kingdom to relief being given against it by way of injunction or order for specific performance or for the recovery of any property whatsoever and to its property being subject to any process for the enforcement of a judgement or any process effected in the course, or as a result, of any action in rem or in personam; and
- (b) waives any immunity from suits and proceedings (including actions in rem and/or in personam) and from all forms of execution or attachment of its property prior to or after judgement to which it or its property is now or may hereafter become entitled under the laws of any jurisdiction and declares that such waiver shall be effective to the fullest extent permitted by such laws, and in particular the State Immunity Act of 1978 and the United States Foreign Sovereign Immunities Act of 1976, as amended.

Executed as a deed and delivered by the Borrower, and the Security Trustee on the date first before written.

SCHEDULE 1

NOTICE AND ACKNOWLEDGEMENT OF ASSIGNMENT OF SALE AGREEMENT

To: Boeing Aircraft Holding Company (the "Seller")
Erste Group Bank AG, London Branch (the "Security Trustee")
European Aviation Limited (the "Buyer")

Dated: _____

One Rolls-Royce Trent 556-61 Aircraft Engine with Manufacturer's Serial Number 71229 (the "Engine")

1. The Buyer and the Security Trustee hereby give the Seller notice that by a security deed dated ____ 2019 (the "Security Deed") made between the Buyer and the Security Trustee, the Buyer has charged and assigned to the Security Trustee all of its right, title and interest in, under, and to the sale agreement dated 29 September 2017 between the Seller and the Buyer with respect to the Engine and the bill of sale delivered thereunder (the "Sale Agreement").
2. At all times, all money that may be payable by the Seller to the Buyer under the Sale Agreement shall be paid to such account as the Security Trustee may direct.
3. The Buyer is not permitted to agree to any amendments or variation of the Sale Agreement or to terminate or waive any of the provisions of the Sale Agreement without the prior written consent of the Security Trustee.
4. After receipt by the Seller of a notice from the Security Trustee stating that an Event of Default under the loan agreement between, among others, the Buyer (as borrower), certain lenders (the "Lenders") and the Security Trustee (the "Loan Agreement") has occurred and is continuing (a "Default Notice"):
 - (a) the Seller is hereby instructed and authorised to rely on any such notice as being conclusive of the matters stated therein;
 - (b) all rights, powers, options and discretions conferred on the Buyer and all consents, approvals, waivers and confirmations under the Sale Agreement shall be exercisable only by the Security Trustee (or as the Security Trustee may direct); and
 - (c) the Seller will perform all of its obligations under the Sale Agreement in favour of the Security Trustee to the exclusion of the Buyer.
5. The Seller hereby acknowledges receipt of this notice and, in consideration of the payment by the Buyer and the Security Trustee to the Seller of the sum of US\$10 (ten US dollars) (the receipt and sufficiency of which the Seller hereby acknowledges), the Seller consents to the charge and assignment, confirms its agreement to the terms set out in this notice and confirms that it has not previously received any notice of any other assignment in respect of the Sale Agreement.
6. This Notice and Acknowledgement and any non-contractual disputes arising out of or in connection with it shall be governed by the laws of England. This Notice and Acknowledgement is intended to create binding legal obligations on each of the parties hereto. The parties hereby irrevocably submit to the non-exclusive jurisdiction of the English courts.
7. This Notice and Acknowledgement may be executed and delivered and/or acknowledged and agreed in counterpart and each such counterpart shall, when so executed and delivered and/or acknowledged and agreed, be in original but all such counterparts shall together constitute but one and the same instrument.

Signed by the parties or their duly authorised representatives.

**Execution page to Notice and Acknowledgement of Assignment
of the Sale Agreement relating to
Rolls-Royce Trent 556-61 Engine with
MSN 71229**

SECURITY TRUSTEE

SIGNED by)
)
and)
)
for and on behalf of)
ERSTE GROUP BANK AG, LONDON)
BRANCH as agent and security trustee for and)
on behalf of the Lenders)

SELLER

SIGNED by)
)
)
)
for and on behalf of)
Boeing Aircraft Holding Company)

BUYER

SIGNED by)
)
)
)
for and on behalf of)
EUROPEAN AVIATION LIMITED)

SCHEDULE 2

NOTICE AND ACKNOWLEDGEMENT OF ASSIGNMENT OF INSURANCES AND LOSS PAYABLE CLAUSE

(for attachment by way of endorsement on the policies)

Dated: _____

One Rolls-Royce Trent 556-61 Aircraft Engine with Manufacturer's Serial Number 71229 (the "Engine")

We, European Aviation Limited ("**Borrower**"), and Erste Group Bank AG, London Branch ("**Erste**") hereby give notice that:

- (1) by a loan agreement originally dated 26 January 2012 (the "**Loan Agreement**") between the Borrower and Erste, as amended and extended from time to time, as amended and restated on 11 January 2018, as amended on 9 August 2018 and as further amended on 8 January 2019, Erste had made finance available to the Borrower for its acquisition of the Engine; and
- (2) by a security deed dated _____ 2019 (the "**Security Deed**") between the Borrower and Erste as security trustee, the Borrower has mortgaged the Engine to Erste and assigned to Erste the benefit of all insurances (excluding any third party liability insurances) arranged with respect to the Engine.

It has been agreed by and between ourselves that:

- (a) the "Agreed Value" of the Engine is \$_____;
- (b) Erste is the sole loss payee in respect of all proceeds of the insurances payable on the event of an actual, agreed or constructive total loss of the Engine ("**Total Loss**"); and
- (c) all insurance proceeds payable in connection with any damage or loss to the Engine, or any part not constituting a total loss will be applied in payment to the repairer or to reimburse the Borrower for repairs or replacement property, upon Erste being satisfied with the repairs or replacement. Insurance proceeds may be paid by the insurers directly to the Borrower provided that at the time of the payment of any such insurance proceeds Erste has not notified you in writing that an Event of Default (as defined in the Loan Agreement) has occurred and is continuing. If Erste notifies you in writing that an Event of Default has occurred and is continuing all such proceeds should be paid to the repairer or to Erste at Erste's direction.

For these purposes, please note that in conformity with AVN 67B and the policies on which this notice is endorsed:

- (1) Erste is a "Contract Party" and the Borrower and the Seller and each of their respective directors employees, shareholders, agents and contractors are additional insureds; and
- (2) each of the Security Deed, the Loan Agreement and this Notice of Assignment of Insurances and Loss Payable Clause is a "Contract".

This Notice and Acknowledgement and any non-contractual disputes arising out of or in connection with it shall be governed by the laws of England. This Notice and Acknowledgement is intended to create binding legal obligations on each of the parties hereto. The parties hereby irrevocably submit to the non-exclusive jurisdiction of the English courts.

This Notice and Acknowledgement may be executed and delivered and/or acknowledged and agreed in counterpart and each such counterpart shall, when so executed and delivered and/or acknowledged and agreed, be in original but all such counterparts shall together constitute but one and the same instrument.

Signed by the parties or their duly authorised representatives.

**Execution page to Notice of Assignment of Insurances
and Loss Payable Clause
Rolls-Royce Trent 556-61 Engine with
MSN 71229**

BORROWER

Signed by)
duly authorised for and on behalf of)
European Aviation Limited)

ERSTE

Signed by)
)
and)
)
duly authorised for and on behalf of)
Erste Group Bank AG, London Branch)
as lender, agent and security trustee)

Acknowledgment

We hereby confirm receipt of the originally signed copy of this notice of assignment and acknowledgement and confirm that in accordance with usual practice it has been shown to and noted by the underwriters and will now be retained on file in our office in case of any future use.

Signed by: _____

For and on behalf of: _____

Date: _____

**Security Deed in relation to
One Rolls-Royce Trent 556-61 with
MSN 71228**

BORROWER

**Executed as a deed by
European Aviation Limited acting by**

and

) _____
) 
) **Director**
) 
) _____
) **Director/Secretary**

THE SECURITY TRUSTEE

Executed as a deed by

and

**for and on behalf of
Erste Group Bank AG
London Branch
acting under its authority and in
accordance with the laws of its
jurisdiction of incorporation**

) _____
) _____
) _____
) _____
) _____
) _____
) _____

BORROWER

) _____
Director
) _____
) _____
) _____
) _____
Director/Secretary

) [REDACTED]
) [REDACTED]
) [REDACTED]

[illegible]