



Registration of a Charge

Company Name: **PEGASUS GRAB HIRE HOLDINGS LIMITED**

Company Number: **11370684**



Received for filing in Electronic Format on the: **09/06/2022**

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Details of Charge

Date of creation: **08/06/2022**

Charge code: **1137 0684 0001**

Persons entitled: **CLOSE BROTHERS LIMITED**

Brief description: **ONE (1) SR22T AIRCRAFT BEARING MANUFACTURERS SERIAL NUMBER 0832 AND ONE (1) CONTINENTAL IO-550N ENGINE WITH SERIAL NUMBER 1010511.**

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: **ANDRE BROWN**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 11370684

Charge code: 1137 0684 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 8th June 2022 and created by PEGASUS GRAB HIRE HOLDINGS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 9th June 2022 .

Given at Companies House, Cardiff on 14th June 2022

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**

AIRCRAFT MORTGAGE - COMMERCIAL TERMS

ORIGINAL

THIS AIRCRAFT MORTGAGE is made on *this 8th day of June, 2022*

TO BE RETURNED TO M&T

BETWEEN:

Close Brothers Limited (trading as Close Brothers Aviation & Marine) (Mortgagee)			
Address	10 Crown Place London EC2A 4FT	Company reg. no.	00195626
Beneficial Owner			
Beneficial Owner name	Pegasus Grab Hire Holdings Limited	Jurisdiction of incorporation and reg. no.	England 11370684
		Telephone number	0844 870 0127
Address	14 Victoria Square, Droitwich Spa, Worcestershire	Email	Tony@pegasusgrabhire.co.uk
		Postcode	WR9 8DS
Process Agent	n/a	Postcode	n/a
Owner Trustee (not in its individual capacity, but solely as owner trustee under the trust agreement dated <i>June 8,</i> 2022 and entered into with the Beneficial Owner (Trust Agreement))			
Owner Trustee name	TVPX Aircraft Solutions Inc., not in its individual capacity but solely in its capacity as Owner Trustee	Jurisdiction of incorporation	Utah, United States of America
		Telephone number	001 801.877.0507
Address	39 East Eagle Ridge Drive, Suite 201, North Salt Lake, UT 84054, United States of America	Email	mhoggan@tvpix.com
Notice to Owner: this Deed is granted to the Mortgagee on an all monies basis so as to secure or guarantee (as applicable) all and any obligations under the Loan Agreement and any other agreement entered into between the Owner and the Mortgagee			

Aircraft				
Airframe	Manufacturer:	Cirrus Design Corp.	Year of Manufacture:	2014
	Model:	SR22T	Serial Number:	0832
	State of Registration:	United States	Registration Mark:	N141KJ
Engines¹	Manufacturer:	Continental	Serial Number(s):	1010511
	Model:	IO-550N		
Propellers	Manufacturer:	N/A	Serial Number(s):	N/A
	Model:	N/A		
APU	Manufacturer:	N/A	Serial Number:	N/A
	Model:	N/A		
Maintenance Programmes	Airframe:	N/A	Engines:	N/A
	APU:	N/A	Other:	N/A
Operator	Pegasus Grab Hire Holdings Limited			
Maintenance Performer	RGV Aviation Limited			
Habitual Base	Gloucester or such other habitual base for the Aircraft as may be agreed by the			

¹ Such engine has less than 550 rated takeoff horsepower.

	Mortgagee in writing
Agreed Value	an amount equal to 120% of the balance of the loan outstanding under the Loan Agreement
Lease	N/A
International Registry	N/A
Assigned Agreements	
means all agreements, policies, terms and conditions entered into by the Owner in connection with the Insurances, the Warranties, the Earnings, the Trust Agreement and the Operator Documents.	

AIRCRAFT MORTGAGE - TERMS AND CONDITIONS

BACKGROUND:

- A By a US loan agreement dated 14th October 2021 and made between, *inter alios*, the Beneficial Owner (as borrower) and the Mortgagee as amended on or around the date of this Deed pursuant to a deed of amendment made between the Beneficial Owner and the Mortgagee (**Deed of Amendment**) (and as acknowledged and agreed to by the Owner Trustee) (**Loan Agreement**), a copy of which is attached hereto for definitional purposes as schedule 6, the Mortgagee agreed, upon and subject to the terms of the Loan Agreement, to make available to the Beneficial Owner a term loan (**Facility**).
- B It is a condition precedent to the Deed of Amendment that the Owner shall have executed and delivered this Deed to the Mortgagee.

IT IS AGREED:

1. DEFINITIONS AND CONSTRUCTION

1.1 Definitions

In this Deed the following capitalised terms shall have the meaning set out below:

Agreed Value means the agreed value specified in the section of this Deed headed "Agreed Value"

Aircraft means the Airframe together with the Engines (whether or not any of the Engines may from time to time be installed on the Airframe) [and the Propellers (whether or not any of the Propellers may from time to time be installed on the Airframe)] and, where the context permits, references to the **Aircraft** shall include the Manuals and Technical Records and, unless otherwise provided in this Deed, shall mean the Aircraft as a whole or any part thereof as specified the section of this Deed headed "Aircraft"

Airframe means the airframe specified in the section of this Deed headed "Airframe" (excluding the Engines), and all Parts (including the APU) installed on or after the date of this Deed, or which having been removed therefrom are required by the terms of this Deed to remain the property of the Owner subject to this Deed, and all replacements, renewals and additions made to the foregoing in accordance with this Deed (but excluding those Parts temporarily installed)

APU means the APU (auxiliary power unit) specified in the section of this Deed headed "APU"

Assigned Agreements means the agreements specified in the section of this Deed headed "Assigned Agreements"

Associated Rights has the meaning as set forth in the Cape Town Convention

Aviation Authority means each person who shall from time to time be vested with the control and supervision of, or have jurisdiction over, the registration, airworthiness and operation of aircraft or other matters relating to civil aviation in the State of Registration

Business Day means any day (other than a Saturday or Sunday) on which banks are open for business in London

Cape Town Convention means the Convention on International Interests in Mobile Equipment (**Convention**) and the Protocol on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment (the **Protocol**), in each case, signed at Cape Town on 16 November 2001, and references to articles of the Cape Town Convention are to articles of the Consolidated Text

Compulsory Acquisition means the requisition of title or other compulsory acquisition, requisition, appropriation, expropriation, deprivation or confiscation for any reason of the Aircraft by any government entity or other competent authority, whether *de jure* or *de facto*, but shall exclude requisition for use or hire not involving requisition of title and not exceeding 3 months in duration (including any renewal of such use or hire)

Delegate means any delegate or sub-delegate appointed pursuant to clause 12.2 (*Delegates*)

Earnings means all of the Owner's right, title, benefit and interest in and to any charter, sub-charter or other contract relating to the Aircraft and all amounts whatsoever which may at any time be earned by or become payable to or for the account of the Owner arising out of the ownership, possession, use or operation of the Aircraft by the Owner including but not limited to all freight, hire and all other amounts

payable under any charter, contract of hire, pooling agreement, or other contract relating to the Aircraft, all payments for any variation on termination of any such contract and all damages for any breach of any such contract

Engine means the engine(s) specified in the section of this Deed headed "Engines" or any other replacement engine substituted, in accordance with the terms of this Deed (other than as a temporary replacement for an engine which had immediately prior to such replacement been an Engine) together with, in each case, all Parts from time to time belonging to, installed in or appurtenant to the relevant engine

Euro and € means the lawful single currency unit of any member state of the European Communities that adopts or has adopted the euro as its lawful currency in accordance with legislation of the European Community relating to Economic and Monetary Union

Event of Default means any event or circumstance described or defined as an event of default under any agreement (including any Security Document) between the Owner and the Mortgagee including each of the events and circumstances set out in schedule 9 of this Deed (whether expressly or by reference to another document) and any breach by the Owner of its obligations under this Deed

Habitual Base means the habitual base specified in the section of this Deed headed "Habitual Base" or such other habitual base for the Aircraft as may be agreed by the Mortgagee in writing

IDERA means an Irrevocable De-registration and Export Request Authorisation with respect to the Aircraft

Insurances means all policies and contracts of insurance or such other insurance arrangements which are required to be effected by the Security Documents or, where the context permits, are from time to time entered into in respect of the Aircraft including all claims under the policies and contracts and return of premiums

Insurers means the underwriters, insurance companies, mutual insurance associations or other associations or companies with or by which the Insurances are effected

International Registry means the international registration facilities established for the purposes of the Cape Town Convention, currently administered by Aviareto Limited of Suite 5, Plaza 255, Blanchardstown Corporate Park 2, Blanchardstown, Dublin 15

Lease means the lease specified in the section of this Deed headed "Lease"

Loss means any loss, demand, liability, obligation, claim, action, proceeding, penalty, fine, damage, adverse judgment, order or other sanction, fee and out-of-pocket cost and expense (including any fee and out-of-pocket cost and expense of any legal counsel)

Maintenance Programme means, in relation to the Aircraft, the Airframe, any Engine or any Part, the maintenance programme as may be filed with and/or approved by the Aviation Authority from time to time

Manuals and Technical Records means all records, logs, manuals, technical data and other materials and documents (whether kept or to be kept in compliance with any regulation of the Aviation Authority or otherwise and including any data maintained in a computer or on computer files) relating to the Aircraft

Operating Agreement has the meaning given to such term in the Loan Agreement

Operator means the operator specified in the section of this Deed headed "Operator" or such other operator of the Aircraft as may be approved by the Mortgagee from time to time

Operator Documents means any document designated as such by the Owner and the Mortgagee

Owner means the Beneficial Owner and the Owner Trustee

Part means, in relation to the Aircraft, all appliances, parts, accessories, instruments, navigational and communications equipment, furnishings, modules, components and other items of equipment relating thereto (other than complete Engines or engines)

Power of Attorney means each Irrevocable Power of Attorney in Fact in the form set out in schedule 5 (*Power of Attorney*);

Receiver means any receiver, manager or other receiver or similar officer appointed by the Mortgagee under this Deed in respect of the Secured Property and shall, if allowed by law, include an administrative receiver

Requisition Compensation means all sums of money and all compensation payable by reason of the Compulsory Acquisition of the Aircraft

Right to Discharge has the meaning as set forth in the Cape Town Convention

Secured Obligations means all present and future monies, obligations and liabilities (and whether on or at any time after demand) due, owing or incurred in whatsoever manner to the Mortgagee or any associated company of Close Brothers Group PLC by the Beneficial Owner and/or the Owner Trustee, from time to time, whether actually or contingently, solely or jointly and whether as principal or surety (or guarantor or cautioner), including any money and liabilities of the Owner to a third party which have been assigned or novated to or otherwise vested in the Mortgagee or any associated company of Close Brothers Group PLC and including interest, discount, commission and other lawful charges or expenses which the Mortgagee may in the course of its business charge or incur in respect of any of those matters and so that interest shall be computed and compounded according to the usual Mortgagee rates and practice (or otherwise agreed in writing) after as well as before any demand made or judgment or decree obtained under or in relation to this Deed

Secured Property means:

- (a) the Aircraft (including the Manuals and Technical Records);
- (b) all of the Owner's right, title, interest and benefit in and to:
 - (i) the Insurances;
 - (ii) the Warranties;
 - (iii) the Requisition Compensation;
 - (iv) the Earnings;
 - (v) the Assigned Agreements;
- (c) all assets, whether, now owned or hereafter acquired, of the Owner including, without limitation, any and all Equipment, Inventory, Accounts, Chattel Paper, General Intangibles, Goods, Documents, Fixtures, Deposit Accounts, Instruments, Investment Property, Letter-of-Credit Rights, Software, and Commercial Tort Claims as each term is defined in the Uniform Commercial Code (and Owner hereby authorizes the filing of a UCC-1 Financing Statement covering "all assets" of the Owner); and
- (d) all proceeds, and any and all rights and interests under any of the foregoing (including, but not limited to, any Associated Rights and Right to Discharge)

Security Documents has the meaning given to such term in the Loan Agreement

Security Interest means any mortgage, charge, pledge, lien, encumbrance or other security interest securing any obligation of any person or any other agreement having similar effect

Security Period means the period beginning on the date of this Deed and ending on the date on which all of the Secured Obligations have been unconditionally and irrevocably paid and discharged in full and the Mortgagee has no further commitment, obligation or liability whatsoever to the Mortgagee (including under the Security Documents)

State of Registration means the state of registration specified in the section of this Deed headed "State of Registration" or any other state or territory on whose national aircraft register the Aircraft is registered from time to time

Sterling and £ means the lawful currency of the United Kingdom from time to time

Taxes means any present and future taxes, levies, imposts, duties, fees or other charges or withholdings of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same)

Total Loss means any of the following events: (a) the actual, constructive, comprised, arranged or agreed total loss of the Aircraft (including any damage to the Aircraft which results in an insurance settlement on the basis of a total loss, or requisition for use or hire of the Aircraft which results in an insurance settlement on the basis of a total loss); (b) the Aircraft being destroyed, damaged beyond repair, or otherwise ceasing to be usable in the normal course of its business for a period exceeding 60 days; (c) the Compulsory Acquisition of the Aircraft; or (d) the hijacking, theft, confiscation, capture, detention, seizure or requisition for use or hire of the Aircraft, (other than where the same amounts to Compulsory Acquisition of the Aircraft) for more than 30 days, excluding requisition for use or hire by any government entity of the State of Registration.

Transacting User Entity has the meaning as set forth in the Cape Town Convention

Trust Agreement has the meaning given to such term in the Loan Agreement

US Dollars and **US\$** means the lawful currency of the United States of America from time to time

Warranties means:

- (a) all warranties in respect of the Airframe, any Engine or Part by any manufacturer or supplier, including all post-delivery rights relating to such warranties; and
- (b) the benefit of any agreement for the repair, overhaul, testing or servicing of the Aircraft, the Airframe or any Engine including the benefit of all warranties and indemnities relating thereto

2. COVENANT TO PAY

- (a) The Owner, as principal obligor and not merely as surety, covenants in favour of the Mortgagee that it will pay and discharge the Secured Obligations from time to time when due, or if there is no due date, on demand.
- (b) If the Owner is late in making any payment under this Deed the Owner shall pay to the Mortgagee interest on the amount of such payment at the rate of 1.25% per month. This interest will be payable from the date the overdue amount should have been paid up to and including the day it is actually received by the Mortgagee.

3. GRANT OF SECURITY

3.1 Mortgage of Aircraft

In consideration of the Mortgagee having made the Facility available to the Owner upon the terms and conditions of the Loan Agreement and entering into the Deed of Amendment and as a continuing security for the due and punctual performance and discharge of the Secured Obligations, the Owner, with full title guarantee, mortgages by way of first priority mortgage and charges by way of first fixed charge all of its right, title, interest and benefit in and to the Aircraft (for the avoidance of doubt, legal title to the Aircraft is held by the Owner Trustee) and accordingly:

- (a) all engines and Parts from time to time installed on the Airframe or any Engine shall be subject to this Deed;
- (b) any Engine or Part at any time removed from the Airframe or any Engine shall remain subject to this Deed until such time as a replacement or substitute shall have been installed on the Airframe or the relevant Engine, and shall have become subject to this Deed; and
- (c) upon installation any replacement or substitute engine or Part shall thereupon without further act become subject to this Deed for all purposes as though it had been originally installed in or attached to the Airframe or any Engine, and subject thereto, the Engine or Part replaced or substituted shall be released from the mortgage and charge created by this Deed.

3.2 Assignment

In consideration of the Mortgagee having made the Facility available to the Owner upon the terms and conditions of the Loan Agreement and entering into the Deed of Amendment and as a continuing security for the due and punctual payment, repayment, satisfaction, performance and discharge of the Secured Obligations, the Owner, with full title guarantee, hereby assigns and agrees to assign absolutely to the Mortgagee all of its right, title, interest and benefit in and to the Secured Property including:

- (a) the Insurances;

- (b) the Warranties;
- (c) the Requisition Compensation;
- (d) the Earnings; and
- (e) the Assigned Agreements.

3.3 Notice of Assignment

The Owner shall:

- (a) upon execution of this Deed give notice in the form set out in schedule 3 (*Notice and Acknowledgement of Assignment of Insurance*) and shall, as soon as possible, procure that such notice is duly acknowledged and further procure that such acknowledgement is received by the Mortgagee;
- (b) forthwith on any Compulsory Acquisition, notify the relevant authority in writing of the assignment to the Mortgagee of the Owner's right, title, interest and benefit in and to the Requisition Compensation; and
- (c) if required by the Mortgagee, deliver a notice of assignment in a form acceptable to the Mortgagee to any other party to any of the Assigned Agreements and procure that such notice is duly acknowledged by each other party to the relevant Assigned Agreement and further procure that such acknowledgement is received by the Mortgagee.

3.4 Performance and Indemnity

Notwithstanding the foregoing, the Owner shall remain liable to perform all the obligations to be performed by it in respect of the Secured Property (including, under the Assigned Agreements) and shall discharge fully its obligations thereunder as they become due and the Mortgagee shall not have any obligation of any kind whatsoever thereunder or be under any liability whatsoever in the event of any failure by the Owner to perform its obligations thereunder and the Owner hereby indemnifies and agrees to keep indemnified the Mortgagee from and against any such liability.

3.5 Release and Transfer

- (a) At the expiry of the Security Period, the Mortgagee shall, at the cost of the Owner, release and transfer to the Owner, the Secured Property.
- (b) Notwithstanding any discharge, release or settlement from time to time between the Mortgagee and the Owner, if any security, disposition or payment granted or made to the Mortgagee in respect of the Secured Obligations by the Owner or any other person is avoided or set aside or ordered to be surrendered, paid away, refunded or reduced by virtue of any law or regulation relating to administration, bankruptcy, insolvency, liquidation, winding-up, composition or arrangement or for any other reason, the Mortgagee shall be entitled thereafter to enforce this Deed as if no such discharge, release or settlement had occurred.

4. CONTINUING AND INDEPENDENT SECURITY

4.1 Continuing Security

This Deed and the security hereby created shall remain in full force and effect by way of continuing security and in particular shall not be, nor be considered as, satisfied by any intermediate discharge or payment on account of any liabilities or any settlement of accounts between the Owner and the Mortgagee.

4.2 Independent Security

This Deed and the security hereby created shall be in addition to and not in substitution for or derogation of any other security (whether given by the Owner or otherwise) now or from time to time held by the Mortgagee in respect of or in connection with the Secured Obligations. The Mortgagee shall be under no duty to enforce any other Security Interest or Security Document before enforcing the security created by this Deed.

4.3 Unrestricted Enforcement

The Mortgagee 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 Owner, or any other person in any court;
- (b) make or file any claim or prove in a bankruptcy, winding-up, administration or liquidation of the Owner or of any other person; or
- (c) enforce or seek to enforce the recovery of the monies and liabilities hereby secured by any other security.

4A REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS

- (a) The Beneficial Owner and the Owner Trustee (as applicable) make the representations and warranties set out in schedule 7 to this Deed to the Mortgagee in accordance with schedule 7 of this deed.
- (b) The Beneficial Owner and the Owner Trustee (as applicable) undertake to comply with each of the undertakings set out in schedule 8 to this Deed.

5. TAXES AND OTHER DEDUCTIONS

5.1 No Withholding

All payments to be made by the Owner or any other person under this Deed shall be made in full in immediately available funds in US Dollars without any set-off or counterclaim whatsoever, free and clear of any Taxes, deductions or withholdings save as required by law.

5.2 Gross-up

If at any time the Owner is required to make any deduction or withholding in respect of Taxes or otherwise from any payment due under this Deed for the account of the Mortgagee, the sum due from the Owner in respect of such payment shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, the Mortgagee receives on the due date for such payment (and retains, free from and clear of any Taxes or otherwise) a net sum equal to the sum which it would have received had no such deduction or withholding been required to be made and the Owner shall indemnify the Mortgagee against any Loss suffered, incurred or paid by it by reason of any failure of the Owner to make any such deduction or withholding or by reason of any increased payment not being made on the due date for such payment.

6. POSSESSING AND SUB-LEASING

6.1 Restrictions

The Owner shall not lease or otherwise part with possession of the Aircraft without the prior written consent of the Mortgagee, which consent the Mortgagee may grant or withhold in its absolute discretion except that the Owner may:

- (a) make available the Aircraft to the Operator pursuant to the Operator Documents (if applicable) and make available the Aircraft to the lessee under the Lease (if applicable);
- (b) wet lease or charter the Aircraft for a period of not more than 28 days on terms under which possession and operational control of the Aircraft will remain with the Owner, ensuring that the requirements of schedules 1 (*Operational and Maintenance Covenants*) and 2 (*Insurance Covenants*) are fully complied with at all times; and
- (c) deliver possession of the Aircraft, Airframe, any Engine or any Part to the relevant maintenance performer or to any other suitably qualified maintenance contractor approved by the Mortgagee for the purpose of performing maintenance or other work required or permitted by this Deed.

6.2 Operator

Where an Operator is appointed, the Owner shall not agree to any amendment to the Operator Documents without the prior written consent of the Mortgagee and shall notify the Mortgagee of any material breach by any party to the Operator Documents and/or any termination of the Operator

Documents. The Owner agrees that the appointment of the Operator and the entry into the Operator Documents shall not in any way reduce, diminish or vary any of the Owner's duties, obligations or liabilities under this Deed, the Loan Agreement or any other Security Document.

7. COSTS, CHARGES AND EXPENSES

The Owner shall from time to time on demand pay to or reimburse the Mortgagee for any Loss suffered or incurred by the Mortgagee in connection with:

- (a) the preparation, execution and registration of this Deed and any other documents required in connection herewith;
- (b) the exercise of any of its powers under this Deed, in suing for or seeking to recover any sums due under this Deed or otherwise preserving or enforcing its rights under this Deed;
- (c) the preservation or attempted preservation of the Secured Property;
- (d) the defence of any claim brought against the Mortgagee in respect of this Deed; or
- (e) releasing or re-assigning this Deed upon the expiry of the Security Period;

and, until payment of the same in full, any such Loss shall be secured by this Deed.

8. UNDERTAKINGS

8.1 General Undertakings

The Owner hereby undertakes and agrees with the Mortgagee throughout the Security Period that it will:

- (a) **No Security Interest:** not create or attempt or agree to create or permit or suffer to exist any Security Interest over all or any part of the Secured Property (save for any Security Interest created pursuant to this Deed) and to the extent that any Security Interest is created or exists (notwithstanding the foregoing prohibition), promptly procure that any such Security Interest is discharged from such Secured Property;
- (b) **Third party right:** not grant in favour of any other person any interest in or any option or other right in respect of the Secured Property;
- (c) **Ownership of Secured Property:** at all times remain the sole, absolute legal and beneficial owner of the Aircraft and each of the other Secured Property;
- (d) **No Disposal:** not sell or agree to sell, transfer or assign, any part of the Secured Property or deal with or otherwise dispose of the Aircraft (or any interest therein) without the prior written consent of the Mortgagee;
- (e) **Copies of Notices:** give to the Mortgagee upon receipt copies of all notices, requests and other documents sent or received with respect to the Secured Property or in connection with any notice affecting the Aircraft;
- (f) **Information:** give to the Mortgagee such information regarding the Secured Property as the Mortgagee may require;
- (g) **Enforcement:** do or permit to be done every act or thing which the Mortgagee may from time to time require for the purpose of enforcing the rights of the Mortgagee under this Deed and will allow its name to be used as and when required for that purpose;
- (h) **No Depreciation to Security:** not do or cause, permit or suffer to be done anything which may in any way depreciate, jeopardise or otherwise prejudice the value of the Mortgagee's security under this Deed including ensuring that the Aircraft is not seized by way of distress or taken under execution and shall promptly provide to the Mortgagee the original of any order, notice or other matter served upon the Owner by any third party which may adversely affect the Secured Property and shall promptly comply with, object to or make representations in respect of any such order, notice or other matter as the Mortgagee may require;
- (i) **Outgoings:** pay all rent, charges, Taxes, fees, duties and outgoings of whatsoever nature in respect of the Secured Property and in default thereof the Mortgagee may pay or discharge

(without obligation) any such sums which may become due or payable in respect of the Secured Property and the Owner shall promptly indemnify the Mortgagee in relation thereto;

- (j) **Compliance with law:** not permit the Secured Property to be used in contravention of any applicable law and shall comply with the requirements of any applicable law relating to or affecting the Secured Property or the user or owner thereof;

- (k) **Registration:** procure that:

- (i) the Aircraft is registered with the Aviation Authority in the Owner Trustee's name as owner and/or the name of the Operator as charterer by demise in accordance with all applicable laws and regulations and remain registered with the Aviation Authority and comply with the re- registration and renewal requirements of 14 CFR §47 (as amended by the Final Rule, Re-Registration and Renewal of Aircraft Registration, Federal Register / Vol. 75, No. 138 / Tuesday, July 20, 2010) by renewing the registration of the Aircraft at least 3 months prior to the expiration and provide Mortgagee evidence of same; and

- (ii) the mortgage created by this Deed is registered on the appropriate register for aircraft mortgages maintained by the Aviation Authority and on the International Registry and the Owner shall not take or permit any action which could prejudice any such registration;

- (l) **Airworthiness:** procure that the Aircraft:

- (i) possesses a valid certificate of airworthiness issued by the Aviation Authority;

- (ii) possesses a valid airworthiness review certificate;

- (iii) possesses a valid annual release to service; and

- (iv) is operated in accordance with all applicable laws and in a manner which does not invalidate the Insurances or prejudice the rights of the Mortgagee with respect to the Secured Property or the Security Documents;

- (m) **Certificates:** deliver a copy of each renewed or reissued certificate of airworthiness or airworthiness review certificate and a valid annual release to service to the Mortgagee promptly upon such renewal or reissue;

- (n) **Deregistration:** not, and shall not attempt or join in any steps to, deregister the Aircraft from the register of aircraft maintained by the Aviation Authority without the prior written consent of the Mortgagee and on demand by the Mortgagee shall execute and deliver to the Mortgagee a deregistration power of attorney in relation to Aircraft (in form and substance satisfactory to the Mortgagee);

- (o) **Notice of Event of Default or Total Loss:** promptly give written notice to the Mortgagee of the occurrence of any Event of Default or any Total Loss;

- (p) **Operation and Maintenance:** comply with each of the operational and maintenance covenants set out in schedule 1 (*Operational and Maintenance Covenants*);

- (q) **Insurances:** ensure that the Aircraft is insured in accordance with the requirements of schedule 2 (*Insurance Covenants*); and

- (r) **Assigned Agreements:** with respect to Assigned Agreements:

- (i) **No Amendment:** following the occurrence of an Event of Default, not amend or vary or agree to amend or vary any Assigned Agreement, waive any of its rights under any Assigned Agreement, release any party from any of its obligations under any Assigned Agreement or consent to any act or omission which would otherwise constitute a breach of any Assigned Agreement;

- (ii) **Performance:** punctually pay and perform all of its duties, obligations and liabilities under the Assigned Agreements and shall not transfer any of its duties, obligations or liabilities thereunder;

- (iii) **Assigned Payments:** following the occurrence of an Event of Default, direct any debtor in respect of any Assigned Agreement to pay all monies arising from or in

connection with such Assigned Agreement to such account or accounts as the Mortgagee may from time to time direct, subject to any instructions or agreement to the contrary in any of the notices and acknowledgements to be issued pursuant to this Deed;

- (iv) **Assigned Rights:** following the occurrence of an Event of Default, will not exercise any right, discretion or power conferred on it by the Assigned Agreement unless and until requested in writing to do so by the Mortgagee whereupon the Owner agrees that it will do so; and
- (v) **Notification of Breach:** notify the Mortgagee of any breach by it or by any other party to any Assigned Agreement.

9. CAPE TOWN

9.1 Cape Town Meanings

In this clause 9, the following expressions have the respective meanings given to them in Article 1 and Article 2 of the Cape Town Convention:

- (a) aircraft engines;
- (b) aircraft object;
- (c) airframe;
- (d) creditor;
- (e) international interest;
- (f) prospective international interest;
- (g) security agreement.

9.2 Application of Cape Town

- (a) The Owner and the Mortgagee agree that when the Airframe is or becomes an airframe and, accordingly, an aircraft object for the purposes of the Cape Town Convention and the Engines are aircraft engines and, accordingly, also aircraft objects for the purposes of the Cape Town Convention:
 - (i) this Deed is a "security agreement" under the Cape Town Convention and Owner has the "power to dispose" of the Aircraft, as contemplated under the Cape Town Convention, and the Owner Trustee is "situated in a contracting state" as contemplated under the Cape Town Convention;
 - (ii) the Owner shall establish a valid and existing account with the International Registry as a Transacting User Entity and shall appoint an administrator and/or a professional user acceptable to Mortgagee to make registration in regard to the Secured Property;
 - (iii) the Mortgagee and Owner shall register and hereby consent to registration of a first priority prospective International Interest or International Interest in connection with the Secured Property in each of the Airframe and Engines which shall be searchable on the International Registry to the satisfaction of Mortgagee;
 - (iv) for the purposes of the Cape Town Convention, each of the events which constitutes an Event of Default is an event that constitutes a default or otherwise gives rise to the rights and remedies specified in the Cape Town Convention and the Owner and Mortgagee agree that all rights and remedies available to a creditor under the Cape Town Convention shall be available to the Mortgagee and/or any Receiver;
 - (v) the Owner shall cooperate with the Mortgagee with respect to effecting registration pursuant to the Cape Town Convention of any agreement related to the ranking of priority between the various international interests and/or the interests of the Owner and the Mortgagee; and
 - (vi) the Owner shall execute and the Mortgagee shall have received a fully completed and originally executed IDERA, which shall be filed with the Aviation Authority.

- (b) The Owner and the Mortgagee agree that where any of the Engines are replaced by a replacement engine and any such replacement engine is an aircraft engine and, accordingly, also an aircraft object for the purposes of the Cape Town Convention, the Owner shall promptly on request by the Mortgagee, take such steps as shall be available to it under the terms of the Cape Town Convention and as are necessary:
- (i) to constitute in favour of the Mortgagee as a creditor (being the mortgagee under a security agreement of an aircraft object) an international interest in the replacement engine, including, for this purpose and if required by the Mortgagee, entering into a supplement to this Deed in such form as the Mortgagee shall require providing that the replacement engine shall be mortgaged and charged by the Owner to the Mortgagee with effect from title to the same vesting in the Owner and that the replacement engine shall be an Engine for the purposes of this Deed; and
 - (ii) to register such international interest in accordance with the Cape Town Convention.
- (c) The Owner shall not register (and shall procure that no other person shall register) any prospective or current International Interest or Sale (or any amendment, modification, supplement, subordination of subrogation thereof) with the International Registry without the prior written consent of Mortgagee which may be withheld in its sole and absolute discretion. The Owner shall not execute or deliver any IDERA to any person other than the Mortgagee without the prior written consent of the Mortgagee.

10. ENFORCEMENT

10.1 Events of Default

The security created by this Deed shall become enforceable, and the powers conferred by section 101 of the Law of Property Act 1925 as varied and extended by this Deed shall be exercisable, immediately upon the occurrence of an Event of Default and at any time thereafter, the Mortgagee or its nominee shall be entitled, without prior notice and whether or not it shall have appointed a Receiver, to exercise the power to sell or otherwise dispose of the whole or any part of the Secured Property. An Event of Default hereunder constitutes a default as contemplated under the Cape Town Convention.

10.2 Power of Sale

The statutory power of sale, of appointing a Receiver and the other statutory powers conferred on mortgagees by section 101 of the Law of Property Act 1925 as varied and extended by this Deed shall arise on the date of this Deed.

11. APPOINTMENT AND POWERS OF RECEIVER

11.1 Appointment of Receiver

At any time after the security created by this Deed has become enforceable, or if requested by the Owner, without any notice or further notice, the Mortgagee may at any time, by deed, or otherwise in writing signed by any officer or manager of the Mortgagee or any person authorised for this purpose by the Mortgagee, appoint one or more persons to be a Receiver. The Mortgagee may similarly remove any Receiver and appoint any person instead of any Receiver. If the Mortgagee appoints more than one person as Receiver, the Mortgagee may give those persons power to act either jointly or severally.

11.2 Scope of Appointment

Any Receiver may be appointed Receiver of all of the Secured Property or Receiver of a part of the Secured Property specified in the appointment. In the latter case, the rights conferred on a Receiver as set out in clause 11.3 (*Rights of Receivers*) shall have effect as though every reference in clause 11.3 (*Rights of Receivers*) to the Secured Property was a reference to the part of the Secured Property so specified or any part of the Secured Property.

11.3 Rights of Receivers

Any Receiver appointed pursuant to this Deed shall have the rights, powers, privileges and immunities conferred by the Insolvency Act 1986 on administrative or other receivers duly appointed under the Insolvency Act 1986, and shall also have the right, either in his own name or in the name of the Owner or otherwise and in such manner and upon such terms and conditions as the Receiver thinks fit, and either alone or jointly with any other person:

- (a) **Enter into Possession:** to take possession of the Aircraft, and for this purpose to enter upon any premises where the Aircraft or any part thereof may be located;
- (b) **Insurance:** to require that all policies, contracts and other records relating to the Insurances (including details of, and correspondence concerning, outstanding claims) be delivered forthwith to such brokers as the Mortgagee may nominate and to insure the Aircraft against loss and damage and in respect of third party passenger and property damage liability on such terms and with such persons as it thinks fit;
- (c) **Insurance Claims:** to collect, recover, compromise and give a good discharge for all claims then outstanding or thereafter arising under the Insurances or any of them and to take over or institute (if necessary using the name of the Owner) all such proceedings in connection therewith and to permit the brokers through whom collection or recovery is effected to charge the usual brokerage therefor;
- (d) **Claims:** to settle, defend, discharge, compound, release, adjust, refer to arbitration, compromise and arrange any claims whatsoever in connection with the Aircraft or any other Secured Property including all claims against the Owner [and/or the Operator] in respect of the Secured Property including those which have given or may give rise to any charge or Security Interest on the Aircraft or which are or may be enforceable by proceedings against the Aircraft;
- (e) **Legal Actions:** to bring, prosecute, enforce, defend and abandon actions, suits and proceedings in relation to the Secured Property including to recover, institute, pursue discharge, compound, release or compromise all claims by the Owner in respect of the Aircraft or any other Secured Property;
- (f) **Repairs and Maintenance:** to repair and keep in repair the Aircraft, to carry out such maintenance work and modifications required so that the Aircraft complies with the provisions of the Security Documents, and generally maintain, preserve and protect the Aircraft and keep the same free from any Security Interest;
- (g) **Deal with Secured Property:** to sell, transfer, assign, exchange, hire out, lease, charter, lend, place in safekeeping or otherwise dispose of or realise the Secured Property to any person (including any person connected with the Owner or the Mortgagee) 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);
- (h) **Borrow Money:** to borrow or raise money on the security of the Secured Property (either in priority to the security created by this Deed or otherwise) and on such terms and conditions and for such purpose as he may think fit;
- (i) **Rights of Ownership:** to manage and use the Secured Property and to exercise and do (or permit the Owner or any nominee of it to exercise and do) all such rights and things as the Receiver would be capable of exercising or doing if he were the sole, absolute, legal and beneficial owner of the Secured Property;
- (j) **Redemption of Security:** to redeem any Security Interest (whether or not having priority to the security created by this Deed) over the Secured Property and to settle the accounts of any person with an interest in the Secured Property;
- (k) **Insolvency Act:** to exercise all powers set out in Schedule 1 (*Operational and Maintenance Covenants*) (or Schedule B1 to the Insolvency Act 1986 as now in force (whether or not in force at the date of exercise and whether or not the Receiver is an administrative receiver) and any powers added to Schedule 1 (*Operational and Maintenance Covenants*) or Schedule B1 of the Insolvency Act 1986 after the date of this Deed; and
- (l) **Other Powers:** to exercise all the rights and powers of a mortgagee in law, equity or otherwise and to do anything else he may think fit for the realisation of the Secured Property or incidental to the exercise of any of the rights conferred on the Receiver under or by virtue of any Security Document, the Law of Property Act 1925 or the Insolvency Act 1986.

11.4 Agent of Owner

Any Receiver shall be the agent of the Owner for all purposes. The Owner alone shall be responsible for the Receiver's contracts, engagements, acts, omissions, defaults and Losses suffered, incurred or paid by the Receiver.

11.5 Remuneration of Receiver

The Mortgagee may determine the remuneration of any Receiver at a rate fixed by agreement between the Receiver and the Mortgagee (or, failing such agreement, to be fixed by the Mortgagee). The Mortgagee may direct payment of that remuneration out of monies the Receiver receives in his capacity as Receiver. The Owner alone shall be liable for the remuneration and all other costs, charges and expenses of the Receiver.

12. MORTGAGEE'S RIGHTS

12.1 Same Rights as Receiver

Any rights conferred by any Security Document upon a Receiver may be exercised by the Mortgagee after the security constituted by this Deed becomes enforceable, whether or not the Mortgagee shall have taken possession or appointed a Receiver of the Secured Property.

12.2 Delegates

The Mortgagee may delegate in any manner to any person any rights exercisable by the Mortgagee under any Security Document. Any such delegation may be made upon such terms and conditions (including power to sub-delegate) as the Mortgagee thinks fit.

12.3 Additional Remedies

In addition to any rights and remedies of the Mortgagee set forth herein or under any Security Document, the Mortgagee may employ all remedies available to a secured creditor under the United States Uniform Commercial Code and those rights and remedies available to a creditor under the Cape Town Convention (and the Owner affirmatively agrees the Mortgagee has all the rights and remedies granted a creditor or assignee under the Cape Town Convention, including but not limited to (a) if the Owner is in possession, custody or control of the Secured Property, to enter the Owner's or any other person's premises and take possession of such Secured Property; (b) to require the Owner to assemble and make available such Secured Property at a location selected by the Mortgagee; (c) to sell, lease or otherwise dispose or cause the Owner to sell, lease or otherwise dispose of the Secured Property; (d) to collect or receive any income, rents or profits arising from the management or use of the Secured Property; (e) procure the deregistration of the registration of the Aircraft and export of the Aircraft to a jurisdiction of the Mortgagee's choice pursuant to the IDERA and as authorized by the Cape Town Convention; and (f) apply for a court order authorizing these remedies. Upon default, the Mortgagee may also, pending final determination of its claim in any court proceeding, obtain speedy relief in the form of an order providing for (a) preservation of the object and its value; (b) possession, control or custody of the object; (c) immobilization of the object; (d) lease or, except where covered by sub-paragraphs (a) to (c), management of the object and the income therefrom; and (e) sale and application of proceeds therefrom.

13. APPLICATION OF PROCEEDS

All monies received by the Mortgagee or any Receiver or Delegate under this Deed shall be applied in or towards satisfaction of the Secured Obligations in such order of priority as the Mortgagee in its absolute discretion may determine (subject to the prior discharge of all liabilities having priority thereto by law) and, subject to any such determination, in the following order of priority:

- (a) in payment of any Loss suffered, incurred or paid by the Mortgagee or any Receiver or Delegate in connection with the exercise of any power under this Deed, the preserving or attempting to preserve the security created hereby or the Secured Property and of all outgoings paid by the Mortgagee;
- (b) in payment to any Receiver of all remuneration as may be agreed between such Receiver and the Mortgagee should be paid to such Receiver in connection with its appointment as such; and
- (c) in or towards reduction of the remaining Secured Obligations in such manner as the Mortgagee shall determine.

14. LIABILITY OF MORTGAGEE, RECEIVERS AND DELEGATES

14.1 Possession

If the Mortgagee or any Receiver or Delegate takes possession of the Secured Property, it or he may at any time relinquish possession. Without prejudice to clause 14.2 (*Mortgagee's Liability*), the

Mortgagee shall not be liable as a mortgagee in possession by reason of dealing with or repairing any of the Secured Property.

14.2 Mortgagee's Liability

Neither the Mortgagee nor any Receiver or Delegate shall (either by reason of taking possession of the Secured Property or for any other reason and whether as mortgagee in possession or otherwise) be liable to the Owner or any other person for any Losses relating to the realisation of any of the Secured Property or from any act, default, omission, or misconduct of the Mortgagee, any Receiver, any Delegate or their respective officers, employees or agents in relation to the Secured Property or in connection with the Security Documents and any action or transaction taken by any Receiver, Delegate or the Mortgagee pursuant to this Deed shall not be affected by the remedying of any Event of Default. If the Mortgagee takes possession of the Aircraft, the Mortgagee shall not be liable for any act, default, omission or misconduct for which a mortgagee-in-possession would be liable.

15. PROTECTION OF THIRD PARTIES

15.1 No Duty to Enquire

No person dealing with the Mortgagee or any Receiver or Delegate shall be concerned to enquire:

- (a) whether the rights conferred by this Deed or any of the other Security Documents are exercisable;
- (b) whether any consents, regulations, restrictions or directions relating to such rights have been obtained or complied with;
- (c) otherwise as to the propriety or regularity of acts purporting or intended to be in exercise of any such rights; or
- (d) as to the application of any money borrowed or raised.

15.2 Protection to Purchasers

All the protection to purchasers contained in sections 104 and 107 of the Law of Property Act 1925, section 42(3) of the Insolvency Act 1986 or in any other applicable legislation shall apply to any person purchasing from or dealing with the Mortgagee, any Receiver or any Delegate.

16. INDEMNITY

16.1 General Indemnity

The Owner shall indemnify and keep indemnified the Mortgagee, every Receiver and every Delegate from and against all Losses which the Mortgagee may suffer or incur in connection with:

- (a) the preparation, execution and registration of this Deed and any other documents required in connection with this Deed;
- (b) the exercise of any of its powers under this Deed, in suing for or seeking to recover any sums due under this Deed or otherwise preserving or enforcing its rights under this Deed;
- (c) the perfection, preservation or enforcement of the security created by this Deed;
- (d) the non-performance or non-observance of any covenant, undertaking or agreement on the part of the Owner under any Security Document;
- (e) the manufacture, description, fitness for purpose, merchantability suitability, quality, state, appearance, safety, durability, value, design, testing, delivery, import, export, registration, ownership, possession, control, use, operation, leasing, sub-leasing, insurance, maintenance, repair, refurbishment, service, overhaul, modification, change, alteration, loss, damage, storage, removal, re-delivery or otherwise of the Aircraft;
- (f) the defence of any claim brought against the Mortgagee in respect of the Aircraft;
- (g) the payment of any stamp duty, value added tax or similar tax or duty in connection with the Aircraft, or this Deed;
- (h) releasing or re-assigning this Deed upon the expiry of the Security Period; and

- (i) of any matter or thing done or omitted to be done relating in any way whatsoever to the Secured Property,

and, until payment of the same in full, any such Loss shall be secured by this Deed.

16.2 Currency Indemnity

If an amount due to the Mortgagee from the Owner in one currency (the **first currency**) is received by the Mortgagee in another currency (the **second currency**), the Owner's obligations to the Mortgagee in respect of such amount shall only be discharged to the extent that the Mortgagee may purchase the first currency with the second currency in accordance with its normal banking practice. If the amount of the first currency which may be so purchased (after deducting any costs of exchange and any other related costs) is less than the amount so due, the Owner shall indemnify the Mortgagee against the shortfall.

16.3 Payment and Security

The Mortgagee may retain and pay out of any money in the hands of the Mortgagee all sums necessary to effect the indemnities contained in this clause 16 and all sums payable by the Owner under this clause 16 shall form part of the monies hereby secured.

17. SUSPENSE ACCOUNT

The Mortgagee may place and keep any monies received under this Deed, before or after the insolvency of the Owner to the credit of a suspense account in order to preserve the rights of the Mortgagee to sue or prove for the whole amount in respect of claims against the Owner or any other person.

18. SET-OFF

The Mortgagee may at any time without notice, notwithstanding any settlement of account or other matter whatsoever, combine or consolidate all or any obligation it owes to the Owner in whatever currency and set-off any sum in respect of such obligation in or towards satisfaction of the Secured Obligations.

19. POWER OF ATTORNEY

The Owner, by way of security, irrevocably appoints the Mortgagee, every Receiver and every Delegate and any persons deriving title under it jointly and severally to be its attorney (with full power of substitution) and in its name or otherwise on its behalf and as its act and deed to sign, seal, execute, deliver, perfect and do all deeds, instruments, acts and things which may be required or which such attorney or the Mortgagee shall think proper or expedient for carrying out any obligations imposed on the Owner under this Deed or for exercising any of the powers conferred by this Deed or for giving to the Mortgagee the full benefit of the security created hereby and so that this appointment shall operate to authorise such attorney to do on behalf of the Owner anything it can lawfully do by an attorney (including in relation to the Aircraft, the Earnings, the Insurances and the Requisition Compensation). The Owner ratifies and confirms and agrees to ratify and confirm any deed, instrument, act or thing which such attorney or substitute may execute or do. Further, the Owner shall provide a duly executed copy of the Power of Attorney, which may be filed with the Aviation Authority, upon execution of this Deed.

20. FURTHER ASSURANCES

- (a) The Owner agrees that at any time and from time to time upon the written request of the Mortgagee it will promptly and duly execute and deliver any and all such further instruments and documents as the Mortgagee may deem desirable for the purpose of obtaining the full benefit of this Deed, for giving effect to the security created by this Deed and of the rights and powers granted in this Deed (including executing and delivering to the Mortgagee such documents of transfer as the Mortgagee may require in the event of sale of the Aircraft pursuant to any power of sale contained in this Deed or which the Mortgagee may have in law).
- (b) The obligations of the Owner under clause 20(a) shall be in addition to and not in substitution for the covenants for further assurance deemed to be included in this Deed by virtue of the Law of Property (Miscellaneous Provisions) Act 1994.

21. MISCELLANEOUS

21.1 Interpretation

- (a) In this Deed any reference to:
- (i) the **Owner** or the **Mortgagee** or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
 - (ii) **assets** includes present and future properties, revenues and rights of every description;
 - (iii) this **Deed**, a **Security Document** or to any other agreement or document shall, unless the context otherwise requires, be construed as a reference to this Deed, that Security Document or such other agreement or document as the same may from time to time be amended, varied, supplemented, novated and/or replaced;
 - (iv) **Indebtedness** includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
 - (v) **including** or **includes** means including without limitation;
 - (vi) **Secured Obligations** includes obligations and liabilities which would be treated as such but for the liquidation, administration or dissolution of or similar event affecting the Owner;
 - (vii) a **person** includes any person, firm, company, corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) or two or more of the foregoing;
 - (viii) a **regulation** includes any regulation, rule, official directive, requirement, international convention, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation and any statute, statutory instrument, regulation or order shall be deemed to be a reference to that statute, statutory instrument, regulation or order as amended, varied or replaced from time to time;
 - (ix) words importing the plural include the singular (and vice versa) and the masculine includes the feminine and neuter;
 - (x) a clause or schedule is a reference to a clause of or schedule to this Deed;
 - (xi) a time of day is a reference to London time; and
 - (xii) an Event of Default which is **continuing** shall be construed as meaning an Event of Default that has not been expressly waived in writing by the Mortgagee or remedied to the satisfaction of the Mortgagee.
- (b) Clause and schedule headings are for ease of reference only and shall not affect the construction of this Deed.
- (c) Each undertaking of the Owner (other than a payment obligation) contained in this Deed:
- (i) must be complied with at all times during the Security Period; and
 - (ii) is given by the Owner for the benefit of the Mortgagee.
- (d) If the Mortgagee reasonably considers that an amount paid by the Owner to it under this Deed is capable of being avoided or otherwise set aside on the liquidation or administration of the Owner, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed.
- (e) The parties hereto intend that this document shall take effect as a deed notwithstanding the fact that a party to this Deed may only execute this document under hand.

21.2 Delay is not a waiver

Any delay or failure by the Mortgagee to exercise any right or remedy under this Deed shall not constitute a waiver of them and any of our rights or remedies may be enforced separately or concurrently with any other right or remedy now or in the future accruing to us to the effect that such rights are cumulative and not exclusive of each other.

21.3 Amendment

Any amendment or waiver of any provision of this Deed and any waiver of any default under this Deed shall be effective only if made in writing and signed by the Mortgagee.

21.4 Statement of Account

A statement of account, certificate or determination signed as correct by the Mortgagee as to any rate of interest or any amount payable to it under the Security Documents shall, in the absence of manifest error or fraud, be conclusive for the purposes of the Security Documents and *prima facie* evidence in any legal action or proceeding arising out of or in connection with the Security Documents.

21.5 Severability

If any term or provision of this Deed shall to any extent be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining terms or provisions (and any other application of the said terms and provisions) shall not in any way be affected or impaired as a result.

21.6 Assignment

- (a) The Mortgagee may assign or transfer all or any of its rights under this Deed without the consent of the Owner. The Owner will not assign, transfer, hold on trust or otherwise dispose of any of its rights and/or obligations under this Deed.
- (b) This Deed shall be binding upon and enure to the benefit of the Owner and the Mortgagee and each of their respective successors and permitted assigns.

21.7 Third Party Rights

The Contracts (Rights of Third Parties) Act 1999 shall not apply to this Deed and nothing in this Deed confers or purports to confer on any third party any benefit or right to enforce any term of this Deed. Nothing in this clause 21.7 shall restrict the rights of any of our assignees or successors.

21.8 Law of Property Act 1925

Sections 93 and 103 of the Law of Property Act 1925 shall not apply to this Deed.

21.9 Counterparts

This Deed may be executed in any number of counterparts which together make one and the same document.

22. NOTICES

The provisions of clause 11 of the Loan Agreement shall apply (*mutatis mutandis*) to this Deed. The address and email address for the Owner Trustee shall be:

Address: 39 East Eagle Ridge Drive, Suite 201, North Salt Lake, UT 84054, United States of America

Email: mhoggan@tvpix.com

23. GOVERNING LAW AND JURISDICTION

- (a) This Deed (and any non-contractual obligations arising out of or in connection with it) will be governed by English law.
- (b) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed (a **Dispute**)).

- (c) The Owner and the Mortgagee agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly neither the Owner nor the Mortgagee will argue to the contrary.
- (d) Clauses 23(a) and 23(b) are for the benefit of the Mortgagee only. As a result, the Mortgagee shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Mortgagee may take concurrent proceedings in any number of jurisdictions.
- (e) The Owner waives generally all immunity it or its assets or revenues may otherwise have in any jurisdiction, including immunity in respect of (a) the giving of any relief by way of injunction or order for specific performance or for the recovery of assets or revenues, and (b) the issue of any process against its assets or revenues for the enforcement of a judgment or, in an action in rem, for the arrest, detention or sale of any of its assets and revenues (including, the Aircraft). The Owner agrees that in any proceedings in England this waiver shall have the fullest scope permitted by the English State Immunity Act 1978 and that this waiver is intended to be irrevocable for the purposes of the English State Immunity Act 1978.
- (f) Where a Process Agent is specified in the Loan Agreement, the Beneficial Owner shall irrevocably appoint the Process Agent as its agent for service of process in relation to any proceedings before the English courts in connection with this Deed and agree that failure by the Process Agent to notify the Beneficial Owner of the process will not invalidate the proceedings concerned.
- (g) The Owner Trustee irrevocably appoints the Beneficial Owner as its agent for service of process in relation to any proceedings before the English courts in connection with this Deed and agrees that failure by the Beneficial Owner to notify the Owner Trustee of the process will not invalidate the proceedings concerned.
- (h) This Deed shall be deemed delivered in the State of Oklahoma for purposes of Title 49 USC §44108 upon the filing of the same for recordation with the Federal Aviation Administration.

24. OWNER TRUSTEE

- (a) The Owner Trustee holds legal title to the Aircraft, and the Beneficial Owner is the beneficiary of the Trust Agreement. The Owner Trustee and the Beneficial Owner are executing this Deed collectively as the Owner hereunder, and agree that they are jointly and severally liable in connection with the Aircraft Mortgage, including but not limited to any and all representations, duties, covenants, liabilities and obligations hereunder.
- (b) Within the limits of the terms and conditions of the Trust Agreement, after notice by the Mortgagee to the Owner Trustee and the Beneficial Owner of an Event of Default, the Beneficial Owner hereby instructs the Owner Trustee to act as directed by the Mortgagee, and the Owner Trustee hereby agrees to act as directed by the Mortgagee as if the Mortgagee were the beneficiary under the Trust Agreement (including without limitation executing any bill of sale, terminations, releases, assignments, amendments, airworthiness documents, ferry flight permits, aircraft renewal documents, United States registration number reservation, assignment or change documents or any other documents required by the Mortgagee) despite any conflicting instructions of the Beneficial Owner. Furthermore, the Owner Trustee agrees to provide a 30-day prior written notice to the Mortgagee in the event that the Owner Trustee intends to terminate the Trust Agreement.
- (c) TVPX Aircraft Solutions Inc. is executing this Aircraft Mortgage solely in its capacity as owner trustee for the Beneficial Owner under the Trust Agreement and not in its individual capacity (except as expressly provided) and in no case shall TVPX Aircraft Solutions Inc. be personally liable for or on account of any of the statements, representations, warranties, covenants or obligations stated to be those of the Owner Trustee and/or the Beneficial Owner hereunder, all such liability, if any, being expressly waived by the parties hereto and any person claiming by, through, or under such party; provided, however, that TVPX Aircraft Solutions Inc. (or any successor trustee) shall be personally liable hereunder for its own gross negligence or wilful misconduct or for its breach of its covenants, representations and warranties contained therein, to the extent covenanted or made in its individual capacity.
- (d) The Aviation Authority or any other duly authorized authority of the United States or any other aviation authority of a government which has jurisdiction over the Aircraft (**Regulatory Authority**) may require the Owner Trustee or the Beneficial Owner to provide certain information regarding the ownership, operation, maintenance and condition of the Aircraft as set forth in the "Notice of Policy Clarification for the Registration of Aircraft to U.S. citizen Owner Trustees in Situations Involving Non-U.S. Citizen Trustors and Beneficiaries", published

in the Federal Register on 18 June 2013 (78 FR 36412)), which incorporates certain provisions of the "Notice of Proposed Policy Clarification for the Registration of Aircraft to U.S. Citizen Trustees in Situations Involving Non-U.S. Citizen Trustees and Beneficiaries", published in the Federal Register on 9 February 2012 (77 FR 6694)), as each may be modified, amended or supplemented from time to time, and as may be further enforced or interpreted by the Aviation Authority (collectively the **Policy Clarification**). The Beneficial Owner has reviewed the Policy Clarification and, upon written request by the Owner Trustee, Aviation Authority or Regulatory Authority, will (i) provide the Owner Trustee, Aviation Authority or Regulatory Authority with the information required by the Policy Clarification and (ii) where applicable, cause an operator of the Aircraft to provide the Owner Trustee, Aviation Authority or Regulatory Authority with the information required by the Policy Clarification.

IN WITNESS of which this Deed has been duly executed by the Beneficial Owner and the Owner Trustee as a deed and has been delivered on the first date specified on page 1 of this Deed by the Beneficial Owner and the Owner Trustee.

SCHEDULE 1: OPERATIONAL AND MAINTENANCE COVENANTS

The Owner shall:

1. use, maintain and repair the Aircraft, the Engines and all Parts in accordance with:
 - (a) the Maintenance Programme;
 - (b) all mandatory rules and regulations of the Aviation Authority to the standard required by the Aviation Authority; and
 - (c) any other regulations or requirements necessary in order to enable the Aircraft at any time to obtain a Certificate of Airworthiness issued by the Aviation Authority plus a valid Airworthiness Review Certificate and annual certificate of release to service;
2. maintain or cause to be maintained (in writing and in English) all logbooks, maintenance records, record books and other documents as are required by the Aviation Authority or the Maintenance Programme to be maintained with respect to the Aircraft;
3. permit the Mortgagee to carry out (at the Owner's cost and expense on an annual basis and at any time following an Event of Default) an inspection and desk-top valuation of the Aircraft (including the Manuals and Technical Records) and, for that purpose, will grant the Mortgagee and its authorised representatives access to any land or buildings on or in which the Aircraft and/or the Manuals and Technical Records may be stored provided that any such inspection shall not (unless an Event of Default has occurred) unreasonably disturb the normal commercial operation or maintenance of the Aircraft;
4. promptly pay and discharge as they fall due all costs and expenses of operating, storing and maintaining the Aircraft and performing its obligations in relation to the Aircraft (including all charges of airport authorities (whether relating to landing fees, parking fees, handling charges or otherwise), all charges imposed by air navigation authorities (including Eurocontrol) and all charges of the Aviation Authority (whether relating to navigation or otherwise) and will on written request by the Mortgagee supply evidence of the payment of any such charges;
5. replace promptly any Part of the Aircraft or any Engine which becomes worn out or in respect of which a loss occurs with a replacement Part or Engine which shall be:
 - (a) owned by the Owner free and clear of all Security Interests; and
 - (b) in such operating condition as, and of equivalent or better value to, the replaced Part or Engine was (or would have been if it had been maintained in accordance with the terms hereof);
6. not without the prior written consent of the Mortgagee, change the Habitual Base of the Aircraft;
7. ensure that the Aircraft is not based, operated and/or maintained outside the United Kingdom or any member state of the European Economic Area for a period of more than 21 consecutive days, except with the prior written consent of the Mortgagee;
8. make all mandatory or recommended alterations and modifications and additions to the Aircraft and the Engines as may from time to time be required by the Aviation Authority or any other relevant authority within the time period required by the relevant authority or the relevant manufacturer;
9. comply (on a terminating action basis where available) with all mandatory airworthiness directives from time to time issued by the Aviation Authority and any modification recommended by the manufacturer of the Aircraft or any Engine in a Mandatory Service Bulletin (unless such Mandatory Service Bulletin is excluded by the relevant Aviation Authority);
10. ensure that all scheduled maintenance is carried out by the Maintenance Performer and that all inspections, services, repairs, overhauls, tests and modifications to be carried out to or on the Aircraft are carried out by a qualified and certified maintenance organisation;
11. not suffer any arrest, detention, exercise of a possessory lien, execution, distress or other legal process to be levied or sued out against the Aircraft and following the occurrence of such event or circumstance, the Owner shall notify the Mortgagee immediately and shall take all steps necessary to ensure that the Aircraft is promptly released therefrom;

12. ensure that such crew and engineers are employed in connection with the operation and maintenance of the Aircraft have such qualifications and hold such licences as are required by the Aviation Authority and by all other applicable laws and regulations;
13. affix and keep affixed to the Aircraft (in a prominent position in the cockpit) and to each Engine (underneath the cowling) a fireproof metal plate which has inscribed thereon (in legible characters):
"This [Aircraft, its engines and accessories][Engine] [is][are] owned by [name of Owner] as owner subject to a first priority mortgage in favour of Close Brothers Limited";
14. operate the Aircraft in the ordinary course of its business and not permit the Aircraft to be operated for testing, training, racing or any purpose for which it is not designated or reasonably suitable;
15. at any time within normal business hours on 2 Business Days' notice from the Mortgagee (provided that no notice shall be required where an Event of Default has occurred) make available to the Mortgagee for inspection the Manuals and Technical Records and all other records kept by the Owner or any other person in respect of the Aircraft;
16. on request, promptly furnish to the Mortgagee all such information regarding the operation, maintenance and condition of the Aircraft as the Mortgagee may request;
17. promptly (and in any event within 7 days of any casualty, damage or accident) furnish the Mortgagee with full details of any casualty or other damage or accident to the Aircraft in the event that the value or cost of such casualty or damage exceeds such damage threshold as the Owner may notify to the Mortgagee in writing from time to time; and
18. ensure that the Aircraft shall not be used or operated when the Insurances are not in full force and effect or otherwise at a time or in a manner or in any geographical area which constitutes a breach of the terms of the Insurances or is otherwise inconsistent with the terms of the Insurances.

Until the occurrence of an Event of Default, the Owner may:

19. remove any Part (other than an Engine) in the ordinary course of maintenance, service, repair, overhaul or testing, provided that it promptly replaces such Part with a replacement Part which complies with this schedule 1;
20. remove any Engine in the ordinary course of maintenance, service, repair, overhaul or testing provided that such Engine is re-installed on the Aircraft, or a replacement engine which complies with this schedule 1 is installed on the Aircraft, within 14 days of the removal from the Aircraft of such Engine and provided further that the removed Engine remains the property of the Owner unless and until a replacement engine which complies with this schedule 1 is installed on the Aircraft;
21. make such alterations and modifications in and additions to the Aircraft as it thinks desirable in the proper conduct of its business or which may arise as a result of an Airworthiness Directive or a Mandatory Service Bulletin provided that no such alteration, modification or addition (other than pursuant to an Airworthiness Directive or Mandatory Service Bulletin) breaches the requirements or recommendations of the Aviation Authority, the [Maintenance Programme], the manufacturer or any other relevant authority or materially diminishes the value or utility of the Aircraft or impairs the airworthiness of the Aircraft and provided further that no such alteration or modification may be made with or comprising Parts which are not owned absolutely by the Owner free from all Security Interests (save for any Security Interest created pursuant to a Security Document);
22. remove any Part (other than an Engine) from the Aircraft without replacing it as required by this Deed if such Part:
 - (a) is in addition to and not in replacement of any Part previously installed on or attached to the Aircraft;
 - (b) is not required to be installed on or attached to the Aircraft; and
 - (c) can be removed from the Aircraft without impairing the airworthiness of the Aircraft or diminishing its value;
23. whilst an Engine has been removed from the Aircraft in accordance with the provisions of paragraph 19, install a replacement engine which is not the property of the Owner provided that the removed Engine is re-installed, or such other engine as may satisfy the requirements of paragraph 5 is installed, on the Aircraft within the period specified in paragraph 20 and, further provided that the Engine substituted or replaced by such replacement engine shall at all times remain free from any

Security Interest, shall remain the property of the Owner, and shall not cease to be subject to this Deed and the other Security Documents and until it is replaced by an engine which satisfied the requirements of paragraph 5; and

24. print or paint its name or other symbol on the Aircraft.

Subject to the provisions of this schedule 1, the Owner may not without the express prior written consent of the Mortgagee:

25. make any alteration in or modification or addition to the Aircraft, remove any Part from the Aircraft or (other than in accordance with the Maintenance Programme or in the ordinary course of the operation of the Aircraft) install any Part on the Aircraft or permit any of the foregoing events to occur;
26. make, do or permit or agree to any act or omission which might cause the Aircraft to be exposed to penalty, forfeiture, impounding, destruction or abandonment under any applicable law or regulation; or
27. hold out or represent, permit or suffer the holding out or representation that any member of the crew of the Aircraft is in the employment of the Mortgagee or that the Mortgagee is carrying persons or goods in the Aircraft or is in any way connected or associated (whether for hire or gratuitously) with any operation of the Aircraft undertaken by (or on behalf of) the Owner.

The Owner shall promptly notify the Mortgagee:

28. of any material alterations in or material modifications or additions to the Aircraft;
29. of any Security Interest arising on the Aircraft and/or exercised over the Aircraft (other than pursuant to any Security Document); and
30. (if the Mortgagee requests) the location of the Aircraft and of any Engine which is not, for the time being, installed or attached to the Aircraft.

The existence of any agreement for maintenance of the Aircraft shall not in any way absolve, negate, reduce or mitigate the obligations of the Owner to maintain the Aircraft in the manner required under this Deed.

SCHEDULE 2: INSURANCE COVENANTS

1. The Owner shall effect and maintain in relation to the Aircraft throughout the Security Period:
 - (a) Hull All-Risks insurance for loss of or damage to the Aircraft whilst flying and on the ground on an agreed value basis in an amount which is not less than the Agreed Value;
 - (b) Hull War and Allied Perils insurance, being such risks excluded from the Hull All risks policy by application of war, hijacking and other perils exclusion clause AVN48B to the fullest extent available from the leading aviation insurance markets (being as ordinarily covered under Aviation Hull "War and allied perils" policy LSW555D or (where agreed by us in writing) Extended Coverage Endorsement (Aircraft Hulls) AVN51(A)), including confiscation and requisition by the State of Registration on an "agreed value basis" for an amount which is not less than the Agreed Value;
 - (c) all risks insurance on the Engines and Parts while not installed on the Airframe (and not considered part of the Aircraft for insurance purposes) or the Aircraft on an "agreed value basis" for their full replacement cost in sterling; and
 - (d) a policy or policies of insurance covering aircraft third party, passenger, baggage and cargo legal liability for a combined single limit (Bodily Injury/Property Damage) of not less than the Agreed Value (and in any event not less than the amount carried in respect of the same or similar aircraft in the Owner's or the Operator's fleet (if any) in the same jurisdiction as the Aircraft). War and Allied Perils Risks shall also be covered in accordance with the then current market practice for aircraft of the same type as the Aircraft.
2. The insurances required under paragraph 1 shall be provided on an agreed value basis (in the event of a Total Loss the Insurers will pay the specified agreed value rather than the cost of acquiring a replacement aircraft) and the policies shall:
 - (a) include the Mortgagee as additional insured and contract party for its respective rights and interests;
 - (b) include a reference to the Loan Agreement, this Deed and any other relevant Security Document;
 - (c) include, in the event of separate insurances being arranged to cover the "Hull All Risks" insurance and the "Hull War Risk" and related insurance, a 50/50 claims funding arrangement in the event of any dispute as to whether a claim is covered by the "Hull All Risks" or "Hull War Risks" policy, wording in the terms of Lloyds clause AVS103 being sufficient for such purpose; and
 - (d) be subject to a deductible (except in the event of Total Loss) of not more than such agreed deductible as the Owner may notify to the Mortgagee in writing from time to time.
3. The policies evidencing the insurances required under paragraph 1(d) shall:
 - (a) include the Mortgagee and its officers, directors, employees, agents and its successors and assigns each as additional insured and as contract parties;
 - (b) provide that all the provisions thereof, except the limits of liability, shall operate to give each named insured the same protection as if there were a separate policy covering each named insured save that this provision shall not operate to include any claim arising in respect of loss or damage to the Aircraft or relevant spare parts covered under the Hull or Spares Insurance, it being understood that notwithstanding the foregoing the total liability of Insurers in respect of any and all insureds shall not exceed the limits of liability stated in the policy; and
 - (c) be primary and without right of contribution from other insurance which may be available to the Mortgagee or any of its officers, directors, employees, agents and its successors and assigns.
4. The policies evidencing any Insurances required under paragraph 1 shall:
 - (a) provide that the cover afforded to the additional insured shall not be invalidated by any act or omission (including misrepresentation and non-disclosure) of any other person or any party which results in a breach of any term, condition or warranty of the policy provided that the additional insured so protected has not caused, contributed to or knowingly condoned the said act or omission;

- (b) provide for worldwide coverage (subject only to such exceptions as are consistent with the then generally accepted market practice);
 - (c) provide that the Insurers shall waive any right of subrogation to any right against the Mortgagee, any of its officers, directors, employees, agents and its successors, transferees and assigns;
 - (d) provide that the Mortgagee shall not be liable for any premiums in respect thereof and that the Insurers shall not exercise any right of set-off or counterclaim in respect of unpaid premiums or otherwise against the interest of the Mortgagee otherwise than in respect of unpaid premiums with respect to the Insurances;
 - (e) provide that the required insurance may only be cancelled or materially altered in a manner adverse to the additional insureds and contract parties by the giving of not less than 30 days' notice in writing (but 7 days or such lesser period as may be customarily available in respect of War and Allied Perils) to the Mortgagee. Notice shall be deemed to commence from the date such notice is given by the Insurers. It is understood that such notice will not, however, be given at normal expiry date of the policy or any endorsement; and
 - (f) unless or to the extent that the Mortgagee requires otherwise, be written in accordance with Airline Finance/Lease Contract Endorsement AVN67B.
5. All Insurances shall be maintained with such insurance underwriters and companies as the Mortgagee may approve.
6. The Owner shall in relation to the Aircraft:
- (a) furnish to the Mortgagee forthwith upon the date not later than 7 days after the renewal date of each Insurance, a certificate or certificates signed by the relevant Insurers (or their authorised representatives) or brokers, acceptable to the Mortgagee (the **Approved Brokers**) providing evidence of insurance coverage pursuant to this schedule 2). Each such certificate shall:
 - (i) describe the perils covered by each policy of insurance issued by it then in force;
 - (ii) specify the amounts of insurance coverage provided against each such peril and any deductible or uninsured amount; and
 - (iii) certify that each such policy is then in full force and effect;
 - (b) furnish to the Mortgagee, on written request, evidence of:
 - (i) payment of each sum then due and payable under or in connection with the Insurances; and
 - (ii) before or on the expiry of any policy or policies in respect of such Insurances, renewal of the relevant policy or policies or that renewal will be effected on expiry; and
 - (c) procure that the relevant Insurers or Approved Brokers provide the Mortgagee with such other information as to any Insurances as the Mortgagee may request.
7. The following provisions shall apply with respect to the distribution of proceeds of the Insurances and any re-insurances:
- (a) all proceeds of a Total Loss shall be paid in full to the Mortgagee or as the Mortgagee shall direct without any deduction or deductions whatsoever subject to deductions for unpaid premiums relating to the Aircraft;
 - (b) all proceeds in respect of a partial loss or in respect of repairable damage to the Aircraft or an Engine shall be paid directly to the repairer or to the person who has paid for such repairs on production of the relevant invoice provided that if the proceeds of insurance in respect of such a partial loss are equal to or exceed such damage threshold as the Owner may notify to the Mortgagee in writing from time to time then they shall be paid in full to the Mortgagee or as the Mortgagee shall direct without any deduction or deductions whatsoever; and
 - (c) all proceeds of loss of or damage to an Engine which does not constitute repairable damage shall be paid in full to the Owner or to the seller of an engine which the Mortgagee has accepted as a replacement for the Engine which has suffered a Total Loss.

8. The Owner shall, in relation to the Aircraft cause the Approved Brokers to issue a written undertaking in favour of the Mortgagee in such form as the Mortgagee may approve which shall inter alia:
 - (a) require such Approved Brokers to notify the Mortgagee forthwith upon such Approved Brokers becoming aware of any cancellation or non-renewal of or modification to the Insurances of their ceasing to act as insurance brokers to the Owner or of any other fact or circumstance of which they may at any time learn which might invalidate the Insurances or render them wholly or partially unenforceable; and
 - (b) require the Approved Brokers to provide the Mortgagee with a certificate of insurance at the same time as the Approved Broker supplies the same to the Owner.
9. The Owner shall, in relation to the Aircraft, forthwith notify the Mortgagee of any event which may give rise to a claim under the Insurances.
10. The Owner shall not, in relation to the Insurances:
 - (a) make or permit the making of any modification to the Insurances without the express prior written consent of the Mortgagee; or
 - (b) do, omit to do, permit or suffer to exist anything whereby the Insurances would or might be expected to be rendered in whole or in part invalid or unenforceable and, without prejudice to the foregoing, shall not use or keep or permit the Aircraft or any part thereof to be used or kept for any purpose, in any manner or in any place not covered by the required Insurances; or
 - (c) cause or knowingly permit the Aircraft to be employed or used in any place or in any manner or for any purpose inconsistent with the terms of or outside the cover provided by the Insurances or if the Insurances have lapsed.
11. The Owner shall, in relation to the Insurances, bear any part of any loss or liability which is to be borne by the insured under the Insurances (notwithstanding that such Insurance names the Mortgagee or other person as additional named insured).
12. The Owner shall, in relation to the Insurances, reimburse the Mortgagee on demand the amount of any premiums or premium instalments which the Mortgagee may pay.
13. If the Owner shall fail to maintain Insurances, or cause to be maintained Insurances which in the sole and absolute opinion of the Mortgagee do not meet the requirements of this Deed, the Mortgagee may at its option, after notice in writing to the Owner, obtain such Insurances and in such event the Owner shall, upon demand, reimburse the Mortgagee for the cost thereof.
14. Without in any way limiting the Owner's obligations under the other provisions of this schedule 2 the Owner undertakes that if, at any time clause "AVN2000 *Date Recognition Exclusion Clause*" or any equivalent clause is endorsed on the policies of insurance required hereunder the Owner shall, at its costs and expense, do all things and to take any and all such action available to it to ensure that the interests of the Mortgagee under such policies of insurance are fully protected (including ensuring that clauses "AVN2001 *Date Recognition Limited Coverage Clause*" and "AVN2002 *Date Recognition Limited Coverage Clause*" or any equivalent clauses are endorsed on the policies of insurance required hereunder as soon as possible thereafter). If at any time the Mortgagee shall be of the opinion that its interests in the Insurances are not adequately protected by reason of the operation of clause "AVN2000 *Date Recognition Exclusion Clause*" or any equivalent clause, the Mortgagee may without obligation take out such policy of insurance to insure the Mortgagee against such risks as the Mortgagee may think fit and the Owner shall indemnify and does hereby indemnify the Mortgagee against any Loss suffered, incurred or paid in connection therewith.

SCHEDULE 3: NOTICE AND ACKNOWLEDGEMENT OF ASSIGNMENT OF INSURANCE

To:

Date:

**CIRRUS DESIGN CORP. SR22T AIRCRAFT WITH MANUFACTURER'S SERIAL NUMBER 0832 AND
REGISTRATION MARK N141KJ (AIRCRAFT)**

We hereby give you notice that by an aircraft mortgage dated [] (**Mortgage**) and made between Pegasus Grab Hire Holdings Limited (**Beneficial Owner**), TVPX Aircraft Solutions Inc. (**Owner Trustee**) and Close Brothers Limited (**Mortgagee**) we (the Beneficial Owner and the Owner Trustee) have assigned to the Mortgagee all of our respective right, title, interest and benefit in, to and under, inter alia, the proceeds of all policies and contracts of insurance or such other insurance arrangements which are from time to time entered into in respect of the Aircraft (including, pursuant to schedule 2 (*Insurance Covenants*) of the Mortgage), including all claims under the policies and contracts and return of premiums (excluding proceeds in respect of any third party liability) in relation to the Aircraft.

Please acknowledge receipt of this notice by countersigning and dating this notice and send such countersigned and dated notice to the Mortgagee.

Terms used in this notice shall, unless the context otherwise requires, have the same meaning as in the Mortgage (including terms defined therein by reference to another document, instrument or agreement).

.....
For and on behalf of
PEGASUS GRAB HIRE HOLDINGS LIMITED

By: _____

Title: _____

.....
For and on behalf of
TVPX AIRCRAFT SOLUTIONS INC.

By: _____

Title: _____

To: **Close Brothers Limited**

We acknowledge receipt of this notice and confirm that we have not previously received any notice of any other assignment of the interest of Close Brothers Limited in the above-mentioned insurances.

.....
For and on behalf of

By: _____

Title: _____

Date: _____

SCHEDULE 4: IDERA

Reserved.

SCHEDULE 5: POWER OF ATTORNEY

IRREVOCABLE POWER OF ATTORNEY IN FACT (OWNER TRUSTEE)

TVPX Aircraft Solutions Inc. (the **Owner Trustee**) is the owner trustee under that certain Aircraft Mortgage dated as of _____ 2022 (the **Security Agreement**) executed in favor of Close Brothers Limited (**Secured Party**) and with respect, in part, to the one Cirrus Design Corp. model SR22Taircraft, bearing Serial Number 0832 and United States Registration Number N141KJ and (1) Continental model IO-550N aircraft engine bearing manufacturer's serial number 1010511 (the **Aircraft**).

For \$10 and other good and valuable consideration and as contemplated by the Security Agreement, the Owner Trustee hereby:

1. Irrevocably constitutes Secured Party and any employee, officer or agent thereof, with full power of substitution, as its true and lawful attorney in fact with full power and authority in the place and stead of Owner Trustee and in the name of Owner Trustee or in its own name, from time to time in Secured Party's sole discretion, for the purpose of carrying out the terms of the Security Agreement
2. Irrevocably authorizes Secured Party and any employee, officer or agent thereof to take any and all appropriate action in the name of the Owner Trustee and to make, execute, deliver, file and/or record any and all instruments or documents in the name of the Owner Trustee (including, without limitation, any FAA filings, UCC financing statements or UCC amendments, International Registry registrations or services agreements, bills of sale, releases, terminations, AC Forms 8050-1, 8050-1A and 8050-1B, request to reserve, assign or change US registration numbers Aircraft Registrations, airworthiness documents or applications for ferry flight permits) that may be necessary or desirable to accomplish the purposes of the Security Agreement.
3. Without limiting the generality of the foregoing, Owner Trustee hereby further (i) irrevocably ratifies the foregoing appointment and authorization and all that Secured Party or any employee, officer or agent thereof shall lawfully do or cause to be done by virtue of the foregoing, including, without limitation, with regard to the execution, delivery, filing and/or recording of any instruments or documents in the name of the Owner Trustee, (ii) agrees that Secured Party shall have authority to endorse Owner Trustee's name on any checks, notes, drafts or any other payments or instrument relating to the Collateral that come into Secured Party's possession or control and to settle, adjust, receive payment and make claim or proof of loss, (iii) agrees that Owner Trustee shall not file or record any corrective or termination statements with respect to any UCC financing statements, amendments or assignments, International Registry registrations or services agreements filed or recorded by or for the benefit of Secured Party with respect to any of the Collateral without Secured Party's prior written consent, and (iv) agrees that any signature, execution and delivery of any document or instrument may be satisfied, in Secured Party's sole discretion, by authentication of such document or instrument as a record within the meaning of Article 9 of the UCC. The Secured Party shall not have any obligation whatsoever to exercise any of the powers hereby conferred upon it or to make any demand or enquiry as to the nature of sufficiency of any payment received by it, or to present or file any claim or notice or take any other action whatsoever with respect to the Aircraft. No action taken by the Secured Party in good faith in the exercise of the power of attorney shall give rise to any defense, counterclaim or set-off in favor of the Owner Trustee.

This Irrevocable Power of Attorney in Fact (the **Power of Attorney**) is coupled with an interest, is irrevocable and shall terminate in twenty (20) years or upon payment and performance in full of all of the obligations under the Security Agreement. The powers conferred on the Secured Party hereunder are solely to protect the Secured Party's interests in the Aircraft and shall not impose any duty upon it to exercise such powers. The Secured Party shall be accountable only for amounts that it actually receives as a result of the exercise of such powers, and neither it nor any of its officers, directors, employees or agents shall be responsible to the Owner Trustee for any action taken or omitted to be taken in good faith or in reliance on the advice of counsel. No exercise by the Secured Party of its rights or powers shall have the effect of imposing liabilities or obligations upon the Secured Party which are greater than those imposed on the Secured Party elsewhere in the Security Agreement.

[SIGNATURE PAGE TO FOLLOW]

This Power of Attorney shall in all respects be interpreted in accordance with, and governed by the laws of England.

IN WITNESS WHEREOF this Power of Attorney was executed on this _____, 2022.

EXECUTED as a deed for and on behalf of)
TVPX AIRCRAFT SOLUTIONS INC. (not in its)
individual capacity, but as owner trustee under)
the Trust Agreement) by an authorised)
signatory in the presence of a witness:) Signature

Name (block capitals)

Authorised Signatory

Witness signature

Witness name
(block capitals)

Witness address

IRREVOCABLE POWER OF ATTORNEY IN FACT (BENEFICIAL OWNER)

Pegasus Grab Hire Holdings Limited (the **Beneficial Owner**) is the beneficial owner under that certain Aircraft Mortgage dated as of _____, 2022 (the **Security Agreement**) executed in favor of Close Brothers Limited ("**Secured Party**") and with respect, in part, to the one Cirrus Design Corp. model SR22T aircraft, bearing Serial Number 0832 and United States Registration Number N141KJ and (1) Continental model IO-550N aircraft engine bearing manufacturer's serial number 1010511 (the **Aircraft**).

For \$10 and other good and valuable consideration and as contemplated by the Security Agreement the Beneficial Owner hereby:

1. Irrevocably constitutes Secured Party and any employee, officer or agent thereof, with full power of substitution, as its true and lawful attorney in fact with full power and authority in the place and stead of Beneficial Owner and in the name of Beneficial Owner or in its own name, from time to time in Secured Party's sole discretion, for the purpose of carrying out the terms of the Security Agreement
2. Irrevocably authorizes Secured Party and any employee, officer or agent thereof to take any and all appropriate action in the name of the Beneficial Owner and to make, execute, deliver, file and/or record any and all instruments or documents in the name of the Beneficial Owner (including, without limitation, any FAA filings, UCC financing statements or UCC amendments, International Registry registrations or services agreements, bills of sale, releases, terminations, AC Forms 8050-1, 8050-1A and 8050-1B, request to reserve, assign or change US registration numbers Aircraft Registrations, airworthiness documents or applications for ferry flight permits) that may be necessary or desirable to accomplish the purposes of the Security Agreement.
3. Without limiting the generality of the foregoing, Beneficial Owner hereby further (i) irrevocably ratifies the foregoing appointment and authorization and all that Secured Party or any employee, officer or agent thereof shall lawfully do or cause to be done by virtue of the foregoing, including, without limitation, with regard to the execution, delivery, filing and/or recording of any instruments or documents in the name of the Beneficial Owner, (ii) agrees that Secured Party shall have authority to endorse Beneficial Owner's name on any checks, notes, drafts or any other payments or instrument relating to the Collateral that come into Secured Party's possession or control and to settle, adjust, receive payment and make claim or proof of loss, (iii) agrees that Beneficial Owner shall not file or record any corrective or termination statements with respect to any UCC financing statements, amendments or assignments, International Registry registrations or services agreements filed or recorded by or for the benefit of Secured Party with respect to any of the Collateral without Secured Party's prior written consent, and (iv) agrees that any signature, execution and delivery of any document or instrument may be satisfied, in Secured Party's sole discretion, by authentication of such document or instrument as a record within the meaning of Article 9 of the UCC. The Secured Party shall not have any obligation whatsoever to exercise any of the powers hereby conferred upon it or to make any demand or enquiry as to the nature of sufficiency of any payment received by it, or to present or file any claim or notice or take any other action whatsoever with respect to the Aircraft. No action taken by the Secured Party in good faith in the exercise of the power of attorney shall give rise to any defense, counterclaim or set-off in favor of the Beneficial Owner.

This Irrevocable Power of Attorney in Fact (the **Power of Attorney**) is coupled with an interest, is irrevocable and shall terminate in twenty (20) years or upon payment and performance in full of all of the obligations under the Security Agreement. The powers conferred on the Secured Party hereunder are solely to protect the Secured Party's interests in the Aircraft and shall not impose any duty upon it to exercise such powers. The Secured Party shall be accountable only for amounts that it actually receives as a result of the exercise of such powers, and neither it nor any of its officers, directors, employees or agents shall be responsible to the Beneficial Owner for any action taken or omitted to be taken in good faith or in reliance on the advice of counsel. No exercise by the Secured Party of its rights or powers shall have the effect of imposing liabilities or obligations upon the Secured Party which are greater than those imposed on the Secured Party elsewhere in the Security Agreement.

[SIGNATURE PAGE TO FOLLOW]

This Power of Attorney shall in all respects be interpreted in accordance with, and governed by the laws of England.

IN WITNESS WHEREOF this Power of Attorney was executed on this _____, 2022.

EXECUTED as a deed for and on behalf of)
Pegasus Grab Hire Holdings Limited by a)
director in the presence of a witness:)

) Signature

Name (block capitals)

Director

Witness signature

Witness name
(block capitals)

Witness address

SCHEDULE 6: LOAN AGREEMENT

[TO BE INSERTED]



Close Brothers
Aviation and Marine

US Loan Agreement

Agreement Number: [REDACTED]

Agreement Reference: N141KJ

- (1) **PEGASUS GRAB HIRE HOLDINGS LIMITED**
- (2) **KJT Hire Ltd Inc (owner trustee)**
- (3) **Close Brothers Limited**

Important Notice:

This is an important agreement which affects your rights. If you fail to comply with the terms of the mortgage, you may lose your right to your aircraft. Also under the terms of the mortgage your aircraft will stand as security not just for your obligations under the mortgage but also for any other obligations you may now or in the future have to any associated company of Close Brothers Group plc either alone or jointly and/or severally with any other person and we refer you to the definition of "Secured Liabilities" in the mortgage. Please also be aware that if you undertake any commercial air transport, for example if a passenger is asked to contribute in any way towards the cost of a flight, without the appropriate licences and approvals you will be committing a criminal offence which could lead to substantial fines and the invalidation of the insurance over the Aircraft. You are therefore strongly advised to obtain independent legal advice before signing the mortgage. Your signature will be confirmation by you that you have read and understand and are willing to abide by all of the terms of the mortgage.

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Schedule

One	Parties, Aircraft Particulars and Loan Details
Two	Letters to be signed by the Borrower

Execution

Use of Your Information

Board Minutes

THIS AGREEMENT is made upon the date in Schedule One

BETWEEN:

- (1) **CLOSE BROTHERS LIMITED** of 10 Crown Place, London, EC2A 4FT ("the Company" which expression shall where the context so admits include the Company's successors in title and assigns); and
- (2) The Borrowers described in Schedule One, jointly and severally (collectively and, as the context may require, individually (the "Borrower").

WHEREAS:-

- (A) The Company is willing to provide the Borrower with a loan subject to the terms and conditions set out below.
- (B) The Company shall require such security as detailed below in order for it to make the Loan to the Borrower.

NOW IT IS HEREBY AGREED as follows:

1. DEFINITIONS

- 1.1 In this Agreement except where it is inconsistent with the context:-

"Aircraft" has the meaning ascribed to it in the Mortgage and whose brief details are set out in Schedule One;

"Availability Period" means the period up to and including the date set out in Schedule One when the Company shall make the Loan available to the Borrower;

"Aviation Authority" means the aviation authority set out in Schedule One and/or any other person or authority from time to time having supervision, control or jurisdiction over the Aircraft and its operation;

"Base Rate" means BoE Base Rate, EURIBOR or Fed Funds Rate (as applicable);

"Beneficiary" means the person or company identified as such as in Schedule One;

"BoE Base Rate" means the Bank of England Base Rate as at the first Business Day of each calendar month published by the Bank of England and if such rate is less than zero, the Bank of England Base Rate shall be deemed to be zero;

"Business Day" means a day on which banks are open for business in London;

"Deregistration Power of Attorney" means the deregistration power of attorney in form and substance satisfactory to the Company and executed and delivered by the Owner in favour of the Company;

"EURIBOR" means subject to clause 3.8.4, the euro interbank offered rate for the one month interest period published as at the first Business Day of each calendar month in the Financial Times and if such rate is less than zero, EURIBOR shall be deemed to be zero;

"Fed Funds Rate" means as at the first Business Day of each calendar month, the upper level of the United States Federal Funds Target Rate as quoted by the Federal Open Market Committee of the Federal Reserve and if such rate is less than zero, the upper level of the United States Federal Funds Target Rate shall be deemed to be zero;

"Guarantee and Indemnity" means the guarantee and indemnity given by the Guarantor in favour of the Company in a form acceptable to the Company;

"Guarantor" means the party or parties set out in Schedule One;

"IDERA" means the irrevocable de-registration and export request authorisation given by the Owner in favour of the Company in the form acceptable to the Company;

"Loan" means the amount set out in Schedule One or (as the context requires) the principal amount thereof from time to time outstanding;

"Margin" has the meaning given to that term in Schedule One;

"Mortgage" means a first priority mortgage over the Aircraft granted by the Owner in favour of the Company in such a form as the Company shall require;

"Operating Agreement" means where the Owner is an owner trust, the operating agreement between the Owner and the Beneficiary, as described on Schedule One;

"Owner" means the person or company identified as such in Schedule One;

"Secured Liabilities" means all monies whether principal, interest or otherwise and all obligations and liabilities whatsoever whether present, future, actual or contingent which are or may become payable or owing to the Company or any associated company of Close Brothers Group plc by the Borrower either alone or jointly and/or severally with any other person (including under or in connection with this Agreement) or by any person under any Security Document;

"Security Assets" means Aircraft, any other aircraft from time to time used to secure any Secured Liability, the insurances, any requisition compensation and all other assets the subject of the Security Documents;

"Security Document" means this Agreement, the Mortgage, the Deregistration Power of Attorney, the IDERA, the Guarantee and Indemnity and any other document or mortgage present or future in connection herewith or guaranteeing, or evidencing or creating security, for any obligation of the Borrower to the Company or any other document which the parties hereto may designate as a Security Document;

"Taxes" includes all present and future income and other taxes, levies, imposts, deductions, charges, fees and withholdings together with interest and penalties with respect thereto, if any;

"Trust Agreement" means the trust agreement identified in Schedule One between the Owner and the Beneficiary or the voting trust agreement identified in Schedule One between the Owner, the Beneficiary and the Voting Trustee, as the case may be; and

"Voting Trustee", if any, shall mean the person or company identified as such in Schedule One hereto.

- 1.2 In this Agreement, except where it is inconsistent with the context:-

1.2.1 any reference to the plural includes the singular and vice versa;

1.2.2 any reference to one gender includes all genders;

1.2.3 any reference to a person includes natural persons, corporate bodies, limited liability partnerships, partnerships, firms, unincorporated bodies and all legal persons whatsoever;

1.2.4 any reference to a "corporate entity" shall include, within its meaning, limited liability partnerships;

1.2.5 headings are given for convenience only and shall not affect interpretation; and

1.2.6 any reference to any document (including this Agreement) includes such document as from time to time varied, amended or supplemented in accordance with its terms.

2. DRAWDOWN AND PAYMENT OF PROCEEDS

The Loan shall be borrowed in one amount at any time during the Availability Period when requested by the Borrower. Unless otherwise agreed by the Company in writing, the Company shall have no obligation to make the Loan to the Borrower until the Arrangement Fee as set out in Clause 3.6 has been paid and/or after the expiry of the Availability Period.

3. PAYMENT COSTS AND FEES

- 3.1 The Borrower shall make prompt repayment to the Company of the Loan by the instalments set out in Schedule One and in addition any other sums payable to the Company under this Agreement into such account as the Company shall notify to the Borrower from time to time and payment shall not have been considered to have been made until actually received by the Company. Time of payment shall be of the essence of this Agreement. Payments shall be in cleared funds, free of all bank charges and free of counterclaim or set-off.

- 3.2 In the light of the provisions of the Money Laundering Regulations 2003 and the Proceeds of Crime Act 2002 and any subsequent legislation and regulations dealing with the subject matter thereof, unless otherwise previously agreed in writing by the Company, all payments under this Agreement to the Company from or made on behalf of, or to the benefit of the Borrower must be drawn on an account which is in the sole or joint name of the Borrower with a UK or EU regulated bank or credit institution.

- 3.3 The Borrower hereby accepts and agrees that the refusal by the Company to accept any payment in cash from or made on behalf of, or to the benefit of the Borrower in relation to any term of this Agreement shall be

reasonable and shall not prevent or be a bar to the Company enforcing all or any of its rights against the Borrower or any guarantor of the obligations of the Borrower to the Company or against any security taken by the Company in relation to the obligations of the Borrower.

34. If any payment becomes due on a day which is not a Business Day, the due date therefore shall be extended to the next Business Day unless such Business Day falls in the next calendar month, in which event such date shall be the preceding Business Day.

35. Any certificate or determination of the Company as to any finance charges or rate of interest or any other amount payable under this Agreement shall, in the absence of manifest error, be conclusive and binding on the Borrower.

36. **Arrangement Fee** - Upon signing of this Agreement the Borrower shall pay the Company a non-refundable arrangement fee as set out in Schedule One whether or not any amount is subsequently borrowed. This fee is to cover the costs of the Company in setting up this loan facility and the Company has no liability or obligation to the Borrower in respect of this initial work.

37. **Other Costs** - The Borrower agrees to pay both its own legal costs and upon demand by the Company the legal costs of the Company in connection with the preparation, negotiation, execution and performance of this Agreement, including any costs connected with obtaining the consent of any other party with an interest in the Aircraft. The Borrower will pay on demand and on a full indemnity basis all legal, valuation and registration fees and other expenses and any VAT thereon, whether or not any amount is borrowed.

38. **Interest** - Shall either be calculated on a fixed or variable rate basis as follows:

38.1 Any statement provided by the Company on a fixed rate Loan will be calculated using the actuarial before tax method on a calendar monthly basis with interest being recognised in the month of drawdown and preparation of the statement.

38.2 Interest on a variable rate basis will be calculated on a daily basis at the rate above Base Rate as set out in Schedule One. Interest will be debited to the account on the instalment due dates.

38.3 If, in the Company's reasonable opinion, it is no longer appropriate to use BoE Base Rate, EURIBOR or Fed Funds Rate (as applicable) to calculate interest, interest shall be charged and payable at a benchmark rate plus the Margin, subject to a minimum benchmark rate of 0% per annum, which is, in the Company's reasonable opinion an appropriate successor to BoE Base Rate, EURIBOR or Fed Funds Rate (as applicable), provided that such benchmark rate shall only be used upon us notifying the Borrower of (i) such benchmark rate, (ii) the date from which it shall succeed BoE Base Rate, EURIBOR or Fed Funds Rate (as applicable) for the purposes of this Agreement, and (iii) any amendments to be made to this Agreement in order to ensure that such benchmark rate may be used for the calculation of interest under this Agreement (including, without limitation, any amendments required in order to reduce or ensure, to the extent reasonably practicable, that the use of the replacement benchmark rate does not result in any transfer of economic value from one party to the other) which the Borrower agrees shall be binding.

38.4 If EURIBOR is not published in the Financial Times on the first Business Day of a calendar month, EURIBOR shall be determined by reference to the relevant page of the Bloomberg screen as of 11:00am CET (and where Bloomberg ceases to publish that rate, on the appropriate page of such other information service which publishes that rate from time to time in place of Bloomberg).

39. **Foreign currency transactions** - The Borrower agrees to accept the exchange rate relating to the conversion of one currency into another as determined by the Company. The Company shall endeavour to obtain the

best rate available with regards to the London spot rate market.

3.10 Equalisation Payment due to rise in interest rates

Where the Loan is a variable interest rate loan the instalments in Schedule One shall have been calculated on an equalised basis which shall have assumed an average base rate over the period as also shown in Schedule One. A rise in the relevant Base Rate may result in the actual Loan balance (the "Actual Balance") exceeding what was originally envisaged by both the Company and the Borrower (the "Planned Balance"). Should this situation occur the Company will provide the Borrower with a statement and calculation of the amount by which the Actual Balance exceeds the Planned Balance (the "Equalisation Payment"). The Borrower shall pay the Company the Equalisation Payment within 14 days of a written request.

3.11 **Revaluation Payment due to fall in the value of the Security Assets** - If the Company gives notice to the Borrower that its estimate of the market value of the Security Assets from time to time is greater than 80% of the amount of the Secured Liabilities then the Company shall be entitled to demand that the Borrower repay such amount (the "Revaluation Payment") to the Company so as to reduce the loan to value ratio to 80%. The Borrower shall pay the Company the Revaluation Payment within 14 days of a written request.

3.12 **Late Payment Interest** - If the Borrower fails to pay any sum due to the Company under the terms of this Agreement then such payment together with interest and all other sums payable hereunder shall bear default interest at the rate of 125% per month from the due date to the date of actual payment to accrue both before and after any judgment. In addition the Company shall be entitled to recharge the cost of the management time incurred in dealing with this and any other default at such a rate which is set by the Company from time to time. Such rates are available upon request.

3.13 **Early Repayment** - The Borrower may prepay the outstanding balance of the Loan at any time providing that the Company is recompensed for the loss of revenue due to the early termination of this Agreement, additional administration costs incurred, other costs and consequential costs associated with any interest or currency hedging taken out by the Company:

3.13.1 Where the Loan is a fixed interest loan the amount required to repay the Loan early is the amount equal to the instalments that would have been payable had the Loan continued for the whole of the contractual term with each instalment receiving a discount of 2% per annum calculated between the date of early settlement and the date upon which such instalment would otherwise have become due; or

13.13.2

4 TAXES

Any payments by the Borrower under or in connection with the Security Documents shall be made without set-off or counterclaim, free and clear of and without deduction for or on account of all Taxes. Any Taxes in respect of the Security Documents and payments thereunder shall be for the account of and shall be paid by the Borrower for its own account prior to the date on which penalties attach thereto. If the Borrower is compelled by law to make payment subject to any Tax and the Company does not actually receive for its own benefit on the due date a net amount equal to the full amount provided for under the Security Documents, the Borrower will pay all necessary additional amounts to ensure receipt by the Company of the full amount so provided for. The Borrower will indemnify the Company in respect of all such Taxes. Notwithstanding the foregoing, the Borrower shall have no obligation under this Clause 4 to make payments free and clear of, to pay any additional amounts with respect to, or to indemnify the Company in respect of, any U.S. withholding Tax imposed under FATCA. The term "FATCA" means Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended and in effect on the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), the regulations promulgated thereunder and other official interpretations thereof.

5 CONDITIONS PRECEDENT

6.1 The obligations of the Company hereunder are subject to the condition that during the Availability Period it shall first have received all of the following in form and substance satisfactory to it:-

5.1.1 compliance with the Company's Anti-Money Laundering procedures;

5.1.2 a duly executed original of this Agreement and each Security Document together with a copy of all corporate authorisations and resolutions desirable for the execution, delivery and performance of each Security Document by each of the Borrower and the Guarantor and authorising a specified person or persons to execute and (where

applicable) seal each such Security Document;

- 5.1.3 credit searches on the Borrower, the Guarantor, any other person required by the Company together with evidence that the tax affairs are up to date and satisfactory;
- 5.1.4 if so required by the Company, completion of a physical inspection of the Aircraft by such person as approved by the Company as well as receipt by the Company of a report of such inspection on which the Borrower acknowledges that the Company will rely which shall also include copies of the Aircraft's technical records as required by the Company;
- 5.1.5 evidence that the Aircraft conforms to its sales specification provided by the Borrower to the Company and that the purchase price is as stated in Schedule One;
- 5.1.6 evidence that the insurance obligations under the Mortgage have been complied with;
- 5.1.7 a copy of the Borrowers' countersignature to a letter from the Company in form and substance set out at Schedule Two;
- 5.1.8 a copy of all other resolutions, authorisations, appointments (including any process agents) approvals, licences, exemptions, filings and registrations, or members' determinations necessary or desirable in connection with the execution, delivery, performance, validity and enforceability of each Security Document;
- 5.1.9 a copy, certified as being a true and up to date copy of the same, of the limited liability partnership agreement and any other agreement entered into between the members of the Borrower;
- 5.1.10 if so required by the Company, fitment of an approved and fully operational tracker system acceptable to the Company; and
- 5.1.11 any other document or requirement that the Company may reasonably require.

6. DEFAULT

The Loan together with interest and all other sums payable to the Company hereunder including all other costs and expenses incurred by the Company in connection with this Agreement and its enforcement shall become immediately due and payable if:-

- 6.1 the Borrower defaults in making prompt payment of any sum payable hereunder or under any Security Document on its due date; or
- 6.2 any of the events in Clause 13 of the Mortgage occur in relation to the Borrower or the Guarantor; or
- 6.3 the Guarantee and Indemnity under the Mortgage does not come into effect or shall cease to be in effect.

7. EXCLUSIONS

THE COMPANY MAKES NO WARRANTY, REPRESENTATION OR CONDITION OF ANY KIND CONCERNING THE AIRCRAFT AND, IN PARTICULAR (WITHOUT LIMITATION), THE COMPANY MAKES NO WARRANTY OR REPRESENTATION AS TO AIRWORTHINESS, FITNESS FOR PURPOSE, VALUE, CONDITION, DESIGN, OPERATION OR PERFORMANCE AND ALL WARRANTIES, REPRESENTATIONS, CONDITIONS, OBLIGATIONS AND LIABILITY OF ANY KIND WHATSOEVER, WHETHER IN CONTRACT OR TORT, WHETHER EXPRESS OR IMPLIED, OR OTHERWISE IN RESPECT OF THE AIRCRAFT ARE EXPRESSLY EXCLUDED. IN NO CIRCUMSTANCES SHALL THE COMPANY BE LIABLE FOR ANY INDIRECT, ECONOMIC OR CONSEQUENTIAL LOSS OR DAMAGE. NOTHING IN THIS CLAUSE SHALL EXCLUDE THE LIABILITY OF THE COMPANY FOR FRAUD.

8. INDEMNITY

THE BORROWER SHALL INDEMNIFY AND KEEP INDEMNIFIED THE COMPANY, ITS EMPLOYEES, AGENTS, DIRECTORS, SERVANTS AND AFFILIATES AT ALL TIMES AGAINST ANY LIABILITIES, PENALTIES, CLAIMS, PROCEEDINGS, JUDGMENTS, DAMAGES, OBLIGATIONS, COSTS AND EXPENSES OF ANY NATURE WHATSOEVER ARISING IN ANY WAY WHATSOEVER DIRECTLY OR INDIRECTLY OUT OF ANY SECURITY DOCUMENT OR FROM THE OWNERSHIP, MANAGEMENT, CONTROL, USE OR OPERATION OF THE AIRCRAFT WHETHER OR NOT THE AIRCRAFT IS IN THE OWNERSHIP OR POSSESSION OF THE BORROWER AND WHETHER ARISING OUT OF ANY DEFECT IN THE AIRCRAFT OR ITS TESTING, DESIGN, USE, MAINTENANCE, SERVICE, REPAIR OR MODIFICATION (EITHER BEFORE OR AFTER THE DATE OF THIS AGREEMENT) OR OTHERWISE.

9. MORTGAGE PROVISIONS

Nothing in this Agreement shall affect the Company's rights or the Borrower's or any other person's obligations under the Mortgage. In the event of conflict between any provisions in this Agreement and in the Mortgage, the provisions of the Mortgage shall prevail.

10. GENERAL

- 10.1 This Agreement constitutes the entire agreement between the parties in relation to its subject matter thereof and no addition to or variation of it shall have any effect unless in writing and signed, by a person duly authorised, on behalf of each of the Company and the Borrower. It supersedes any prior agreement between the parties, whether oral or written. In respect of the Aircraft each party acknowledges that in entering into this Agreement it does not rely upon any statement, representation or warranty or any person whether a party to this Agreement or not, other than expressly set out in this Agreement.
- 10.2 The Borrower may not assign, transfer, delegate or otherwise deal with any of its rights or obligations under this Agreement including but not limited to declaring itself as trustee for any party. The Company may, without notice, assign all or part of its rights or benefits or transfer or delegate all or any part of its rights or obligations under this Agreement.
- 10.3 This Agreement may be executed in any number of counterparts and all of such counterparts taken together shall be deemed to constitute one and the same instrument.
- 10.4 This Agreement shall come into force once (and not before) it has been signed by and on behalf of the Company. Where the Borrower comprises more than one person each shall be jointly and severally liable for the performance of the obligations of the Borrower hereunder.
- 10.5 The Owner shall be entitled to act on behalf of both the Owner and the Beneficiary under this Agreement and any approvals or consents by the Owner hereunder shall be binding against both the Owner and the Beneficiary, jointly and severally.
- 10.6 The Beneficiary shall be entitled to act on behalf of both the Owner and the Beneficiary under this Agreement and any approvals or consents by the Beneficiary hereunder shall be binding against both the Owner and the Beneficiary, jointly and severally.
- 10.7 Any reference to a particular statute includes all orders, regulations and subordinate legislation from time to time made thereunder or with respect thereto and to the same as from time to time modified or re-enacted (whether before or after the date of this Agreement) and any reference to a particular section of a statute includes any section of a later statute which modifies, replaces or re-enacts that section.
- 10.8 No failure to exercise and no delay on the part of the Company in exercising any right, power or privilege shall be construed as a waiver thereof. The rights and remedies herein are cumulative and are not exclusive of any rights or remedies provided by law. If any one or more provisions hereof shall be adjudged to be illegal, invalid or unenforceable, the legality, validity and enforceability of the remaining provisions shall not be affected or impaired.
- 10.9 The parties to this Agreement do not intend by this Agreement to confer any rights whatsoever on any other person. Accordingly, the parties hereby expressly exclude the provisions of Contracts (Rights of Third Parties) Act 1999 (or any or re-enactment thereof).
- 10.10 Notwithstanding any provision of this Agreement, the Borrower acknowledges and agrees that neither it nor any of its respective affiliates will seek before any court or government agency to have any of the directors of the Company from time to time, in their capacity as directors and officers of the Company, held liable for any actions or inactions of the Company or any obligations of the Company under this Agreement.
- 10.11 The Borrower undertakes to furnish to the Company in respect of itself, any Guarantor or any other person (each an "Other Party") as requested by the Company:-
 - 10.11.1 as soon as available but not in any event later than 180 days after the last day of each financial year of the Borrower, the Guarantor or any Other Party, its audited consolidated balance sheet as of such date and its audited consolidated profit and loss statement for the year ending on such day;
 - 10.11.2 at the such time as it is issued to the shareholders or creditors generally of the Borrower, the Guarantor or any Other Party, a copy of each notice or circular issued to such shareholders or creditors generally; and
 - 10.11.3 on request from time to time, such other information regarding the Borrower, the Guarantor or any Other Party's respective business and affairs (including but not limited to management accounts or statements of net

worth) as the Company may reasonably request.

11 NOTICES

All notices and other communications under this Agreement (unless otherwise expressly contemplated herein) shall:

11.1 In the case of a borrower comprising more than one individual and/or organisation, be deemed valid notice to all those individual(s) and/or organisation(s) which collectively comprise the Borrower if delivered in accordance with Clause 11.2 below; and

11.2 be in writing, in English, and either delivered by hand or sent by fax or first class post (airmail if overseas) in each case to the address of the intended recipient:-

THE BORROWER to both the Owner and the Beneficiary at their addresses or fax numbers set out in Schedule One.

THE COMPANY

Address: Wimbledon Bridge House, 1 Hartfield Road, London, SW19 3RU

Telephone: (+44) 0208 390 9444

Email: []

Fax: (+44) 0208 390 6211

(or any other address, email address, fax number notified by it from time to time for such purposes) and shall be considered served and received:-

11.2.1 In the case of delivery by hand, upon delivery or upon refusal on presentation;

11.2.2 In the case of email on the day immediately following the date of dispatch, provided that no notice of rejection has been received by the sender;

11.2.3 In the case of fax, upon sending provided the addressee does not within 24 hours notify the sender that it has been transmitted illegibly or incorrectly; and

11.2.4 In the case of post, 24 hours after posting.

12 COMPLAINTS

If you have a complaint about this Agreement or any aspect of the service we have provided, or wish to obtain details of our complaint handling procedure, please contact us at Close Brothers Limited trading as Close Brothers Aviation and Marine, 3rd Floor, Wimbledon Bridge House, 1 Hartfield Road, London, SW19 3RU or by email to

complaints.cbavi@closebrothers.com or by telephone on 0208 390 9444. If we are unable to resolve your complaint in relation to your: (a) insurance product; or (b) finance agreement and you are either (i) a consumer, (ii) a micro-enterprise, (iii) a charity with an annual turnover of less than £6.5m, (iv) a trustee of a trust which has a net asset value of less than £5m, (v) a small business or (vi) a guarantor of a micro-enterprise or small business, you may be able to refer it to the Financial Ombudsman Service, Exchange Tower, London, E14 9SR or by email to complaint.info@financial-ombudsman.org.uk or by telephone on 0800 023 4567. Website address: www.financial-ombudsman.org.uk.

13 LAW AND JURISDICTION

13.1 This Agreement and any dispute arising from or in connection with its subject matter, including all non-contractual matters associated with, arising out of or connected with it, shall be governed by and construed in accordance with English law.

13.2 The parties agree that the English courts have exclusive jurisdiction to adjudicate any dispute which arises in connection with this Agreement and any dispute arising from or in connection with its subject matter save that, as such agreement conferring jurisdiction is for the benefit of the Company only, the Company shall retain the right to bring proceedings against the Borrower in any other court which has jurisdiction.

13.3 Nothing in this Clause 13 shall limit the right of the Company to take proceedings against the Borrower in any other court of competent jurisdiction, nor shall the taking of proceedings in one or more jurisdictions preclude the taking of proceedings in any other jurisdiction, whether concurrently or not.

13.4 The Borrower irrevocably waives (and irrevocably agrees not to raise) any objection which it may have, now or subsequently, to the laying of the venue of any proceedings in any court referred to in this Clause 13 and any claim that any such proceedings have been brought in an inconvenient forum and, further, irrevocably agrees that a judgement in any proceedings brought in any such court shall be conclusive and binding upon the Borrower and may be enforced in the courts of any other jurisdiction.

13.5 If the Borrower is incorporated or resides outside England and Wales it shall appoint the agent in England or Wales satisfactory to the Company whose details appear in Schedule One to irrevocably receive on its behalf service of proceedings issued out of the English Courts in any action or proceedings arising out of or in connection with this Agreement and agrees that failure by such agent to notify it of such service shall not adversely affect the validity of any service or any judgment based on it.

ACCORDINGLY this Agreement has been entered into by each of the parties.

Schedule One

Parties, Aircraft Particulars and Loan Details

Date : 14th October 2021

Borrower

Owner and Beneficiary (as defined below), jointly and severally

Owner

Name	:	KJT Hire Ltd Inc
Place of Incorporation	:	USA
Address	:	251 Little Falls Drive Wilmington, Delaware 19808, USA
Telephone	:	01481 742665
Fax	:	01481 704 682
Email	:	Jodie.moon@ocorian.com

Beneficiary

Name	:	PEGASUS GRAB HIRE HOLDINGS LIMITED
Place of Incorporation	:	England & Wales
Company Number	:	11370684
Address	:	14 VICTORIA SQUARE, DROITWICH SPA, WORCESTERSHIRE, WR9 8DS
Telephone	:	[REDACTED]
Fax	:	N/A
Email	:	[REDACTED]

Process Agent

Name	:	PEGASUS GRAB HIRE HOLDINGS LIMITED
Address	:	14 VICTORIA SQUARE, DROITWICH SPA, WORCESTERSHIRE, WR9 8DS
Telephone	:	[REDACTED]
Fax	:	N/A
Email	:	[REDACTED]

Trust Agreement

An owner trust agreement dated [17 September 2021] between the Owner and the Beneficiary.

Operating Agreement

An operating agreement dated [17 September 2021] between the Owner and the Beneficiary.

Aviation Authority

The United States Federal Aviation Administration and any agency or instrumentality of the U.S. Government succeeding to its functions

Aircraft

Registration Mark	:	N141KJ
Manufacturer	:	CIRRUS AIRCRAFT
Type or Model	:	SR22 GTS TURBO
Serial Number	:	0832
Engine Manufacturer & Type	:	CONTINENTAL & 310HP-IO-550N
Engine Serial number(s)	:	1010511
Purchase Price	:	[REDACTED]

Loan Details

The last date of the Availability Period shall be	:	[REDACTED]
Advance	:	[REDACTED]
Interest Rate (per annum)	:	[REDACTED] plus BoE Base Rate
Balance Payable	:	[REDACTED]

Instalments

Number of monthly instalments	:	[REDACTED]
[REDACTED] monthly instalments of	:	[REDACTED]
Followed by a final payment of approximately on month [REDACTED]	:	[REDACTED]
First instalment payable on	:	[REDACTED]
Subsequent instalments payable subject to Clause 3.4 on the same day of each succeeding month		
Assumed average Base Rate applicable as per clause 3.10	:	[REDACTED]
<u>ARRANGEMENT FEE</u> per Clause 3.6	:	[REDACTED]

Guarantor

Name of Guarantor and
Indemnifier

[REDACTED]

[REDACTED]

Schedule Two

[TO WHOM IT MAY CONCERN]

Dear Sirs,

Letter of notification and authorisation relating to SR22 GTS TURBO with registration mark N141KJ (the "Aircraft")

We and PEGASUS GRAB HIRE HOLDINGS LIMITED and KJT Hire Ltd Inc (Owner Trustee) confirm that we have provided finance to PEGASUS GRAB HIRE HOLDINGS LIMITED and KJT Hire Ltd Inc (Owner Trustee) which is partly secured by way of a mortgage over the Aircraft. This letter is a condition of the finance agreement.

The purpose of this letter is to notify you of this financing arrangement, and for PEGASUS GRAB HIRE HOLDINGS LIMITED and KJT Hire Ltd Inc (Owner Trustee) by signing below, to expressly authorise you, to provide us with any information or assistance which we shall require from time to time in connection with your dealings with the PEGASUS GRAB HIRE HOLDINGS LIMITED and KJT Hire Ltd Inc (Owner Trustee) and the Aircraft.

May we thank you in advance for your assistance.

Yours faithfully,



For and on behalf of

Closs Brothers Limited

Agreed and accepted



For and on behalf of
KJT Hire Ltd Inc

For and on behalf of
PEGASUS GRAB HIRE HOLDINGS LIMITED

Schedule Two

[TO WHOM IT MAY CONCERN]

Dear Sirs,

Letter of notification and authorisation relating to SR22 GTS TURBO with registration mark N141KJ (the "Aircraft")

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The purpose of this letter is to notify you of this financing arrangement, and for PEGASUS GRAB HIRE HOLDINGS LIMITED and KJT Hire Ltd Inc (Owner Trustee) by signing below, to expressly authorize you, to provide us with any information or assistance which we shall require from time to time in connection with your dealings with the PEGASUS GRAB HIRE HOLDINGS LIMITED and KJT Hire Ltd Inc (Owner Trustee) and the Aircraft.

May we thank you in advance for your assistance.

Yours faithfully,



For and on behalf of

Close Brothers Limited

Agreed and accepted



For and on behalf of
KJT Hire Ltd Inc



For and on behalf of
PEGASUS GRAB HIRE HOLDINGS LIMITED

Execution

THE BENEFICIARY

SIGNED by a director,
duly authorised, for and
on behalf of
PEGASUS GRAB HERE HOLDINGS LIMITED

[Redacted]

In the presence of:

Signature

[Redacted]

Name

[Redacted]

Address

[Redacted]

Occupation

Accompanyant

THE OWNER

SIGNED by a _____
duly authorised, for and
on behalf of
KJT Hse Ltd Inc:-

In the presence of:

Signature

Name

Address

Occupation

SIGNED on behalf of
CLOSE BROTHERS LIMITED

[Redacted]

Execution

THE BENEFICIARY

SIGNED by a director,
duly authorised, for and
on behalf of
PEGASUS GRAB HIRE HOLDINGS LIMITED
:-

In the presence of:

Signature

Name

Address

Occupation

THE OWNER

SIGNED by a *SECRETARY*
duly authorised, for and
on behalf of
KJT Hire Ltd Inc:-

In the presence of:

Signature

Name

Address

Occupation

SIGNED on behalf of
CLOSE BROTHERS LIMITED

SCHEDULE 7: REPRESENTATIONS AND WARRANTIES

The Beneficial Owner represents and warrants to the Mortgagee that:

1. (save in the case of an individual): (i) it is a limited liability company or a limited liability partnership duly incorporated and validly existing in the jurisdiction of incorporation and have full power, authority and legal right to own its property and assets and to carry on its business as such business is now being conducted; and (ii) it has all legal power and authority to enter into the Security Documents and perform its obligations under the Security Documents and all action (including any corporate and regulatory action) required to authorise the execution and delivery of the Security Documents and the performance of its obligations under the Security Documents has been duly taken;
2. each Security Document constitutes the Beneficial Owner's legal, valid and binding obligations enforceable in accordance with their terms;
3. the entry into and performance of the Security Documents and the transactions contemplated thereby do not and will not conflict with or result in a breach of (i) any law, judgment or regulation or any official or judicial order, or (ii) its constitutional documents or its members or partnership agreement (where applicable), or (iii) any agreement or document to which it is a party or which is binding upon it or any of its assets or revenues, nor cause any limitation placed on it or the powers of its directors or members to be exceeded (if applicable) or result in the creation or imposition of any security on any of its assets pursuant to the provisions of any such agreement or document;
4. save for the registration of any Security Document, no consent of, giving of notice to, or registration with, or taking of any other action in respect of, any governmental authority, agency or other person in any relevant jurisdiction or any of its shareholders, members or investors (if applicable) or creditors is required for or in connection with the execution, validity, delivery and admissibility in evidence in any proceedings of the Security Documents, or the carrying out by it of any of the transactions contemplated hereby;
5. the choice of the governing law of each of the Security Documents will be recognised and enforced in (a) the jurisdiction of the Beneficial Owner's incorporation; (b) any jurisdiction where any Secured Property is situated; (c) any jurisdiction where the Beneficial Owner conducts business; (d) the state of registration of the Aircraft; and (e) the jurisdiction whose laws govern the perfection of any Security Document;
6. any judgment obtained in relation to any Security Document will be recognised and enforced in (a) the jurisdiction of the Beneficial Owner's incorporation; (b) any jurisdiction where any Secured Property is situated; (c) any jurisdiction where the Beneficial Owner conducts business; (d) the state of registration of the Aircraft; and (e) the jurisdiction whose laws govern the perfection of any Security Document;
7. it is not necessary under the laws of (a) the jurisdiction of the Beneficial Owner's incorporation; (b) any jurisdiction where any Secured Property is situated; (c) any jurisdiction where the Beneficial Owner conducts business; (d) the state of registration of the Aircraft; and (e) the jurisdiction whose laws govern the perfection of any Security Document that the Mortgagee should be licensed, qualified or otherwise entitled to carry on business in order to execute or perform its obligations under the Security Documents or to enable the Mortgagee to enforce its rights under the Security Documents and the Mortgagee shall not be deemed to be resident, domiciled or carrying on business in any a) the jurisdiction of the Beneficial Owner's incorporation; (b) any jurisdiction where any Secured Property is situated; (c) any jurisdiction where the Beneficial Owner conducts business; (d) the state of registration of the Aircraft; and (e) the jurisdiction whose laws govern the perfection of any Security Document by reason only of the execution, performance and/or enforcement of any Security Document;
8. no litigation, arbitration or administrative proceeding is currently taking place or pending or, to the Beneficial Owner's knowledge, threatened against the Beneficial Owner or its assets which would adversely affect its ability to perform its obligations under the Security Documents;
9. it will not be entitled to claim for itself or any of its assets (including the Aircraft) immunity from suit, execution, attachment or other legal process in a) the jurisdiction of the Beneficial Owner's incorporation; (b) any jurisdiction where any Secured Property is situated; (c) any jurisdiction where the Beneficial Owner conducts business; (d) the state of registration of the Aircraft; and (e) the jurisdiction whose laws govern the perfection of any Security Document;
10. all payments to be made by the Beneficial Owner under the Security Documents may be made free and clear of, and without deduction for, Taxes and no deductions or withholdings are required to be made therefrom;

11. the Beneficial Owner has complied with all laws in relation to Tax in all jurisdictions in which it is subject to Tax and have paid all Taxes due and payable by it and no material claims are being asserted against it with respect to Taxes;
12. its obligations under the Security Documents rank at least pari passu with all its other present and future unsecured obligations save for any obligations mandatorily preferred by law and not by contract;
13. no event or circumstance set out in schedule 9 of this Deed has occurred;
14. all financial and other information supplied to the Mortgagee by the Beneficial Owner in connection with the Security Documents or the matters envisaged therein was at the date supplied, true and accurate in all respects;
15. the Beneficial Owner is and will remain the sole and absolute beneficial owner of the Aircraft and (ii) the Owner Trustee is and will remain the sole and absolute legal owner of the Aircraft and no security exists with respect to any of the Beneficial Owner's or the Owner Trustee's respective right, title, interest or benefit in or to the Aircraft or any of the other Secured Property (other than as created by the Security Documents);
16. neither the Beneficial Owner nor the Owner Trustee have granted in favour of any other person any interest in or any option or other rights with respect to the Aircraft or any other Secured Property; and
17. if the Beneficial Owner is a limited liability partnership, it maintains a limited liability partnership agreement; ensure that the number of members does not fall below 2 and the corporate member is not in receipt of any fee income or remuneration or other benefit in respect of its activities as corporate member.

The Beneficial Owner shall be deemed to repeat each of the representations and warranties contained in this schedule 7 on each date an instalment is payable under the Loan Agreement as if made at each such time by reference to the facts and circumstances then existing.

SCHEDULE 8: UNDERTAKINGS

The Beneficial Owner shall:

1. where the Beneficial Owner a company or limited liability partnership established for a single purpose of owning and (as the case may be) operating and/or using the Aircraft, at all times operate as and remain a single purpose company or single purpose limited liability partnership (as applicable) and shall conduct no business nor incur or undertake any duties, obligations or liabilities other than those which are incurred or undertaken in connection with the ownership, use and/or operation of the Aircraft or under the Security Documents to which the Beneficial Owner is party;
2. (save in the case of an individual) keep proper records and books of account in respect of its business and permit the Mortgagee and/or any professional consultants appointed by the Mortgagee at all reasonable times upon prior notice to inspect and examine the records and books of account of the Beneficial Owner;
3. promptly give written notice to the Mortgagee of the occurrence of any event or circumstance set out in schedule 9 of this Deed or Total Loss or of any writ or proceedings issued against the Aircraft or if the Aircraft shall be otherwise attached, arrested or detained by any proceeding in any court or tribunal or by any government or other authority;
4. (save in the case of an individual) obtain and promptly renew from time to time and thereafter, maintain in full force and effect all authorisations, approvals, licences and consents required by all applicable laws and regulations to enable it lawfully to carry on its business and enter into and perform its obligations under the Security Documents to which it is a party and to ensure the legality, validity, enforceability or admissibility in evidence of the Security Documents in England and in the state of registration of the Aircraft;
5. ensure that the Mortgagee's claims against the Beneficial Owner under the Security Documents do and will rank at least *pari passu* with the claims of all the Beneficial Owner's other unsecured and unsubordinated creditors other than those whose claims are mandatorily preferred as at the date of this Deed by any applicable law;
6. promptly inform the Mortgagee of any litigation or proceeding, actual, pending or threatened against the Beneficial Owner which if adversely determined would have an adverse effect on the financial condition of the business or prospects of the Beneficial Owner or upon the ability of the Beneficial Owner to perform its obligations under the Security Documents;
7. (save in the case of an individual) not make any (without the Mortgagee's prior written consent):
(i) substantial change (whether by acquisition or otherwise) in the Beneficial Owner's business as presently conducted, or (ii) name change;
8. (save in the case of an individual) do all such things as are necessary to maintain the Beneficial Owner's corporate existence in good standing and to conduct its business in a proper and efficient manner and in compliance with all laws, regulations, authorisations, agreements and obligations applicable to it and pay all Taxes imposed on it when due;
9. not enter into any transaction with any person except on arm's length terms and for full market value;
10. without prejudice to the terms of the Deed, maintain insurances on and in relation to its business and assets against those risks and to the extent as is usual for companies carrying on the same or substantially similar business with reputable independent insurance companies or underwriters and upon request by the Mortgagee, provide evidence to the Mortgagee of such insurances and the payment of premiums in relation thereto;
11. do or permit to be done every act or thing which the Mortgagee may from time to time require for the purpose of enforcing our rights under the Security Documents and will allow the Beneficial Owner's name to be used as and when required for that purpose;
12. not do or cause, permit or suffer to be done any act or thing which may in any way depreciate, jeopardise or otherwise prejudice the value of the Mortgagee's security under the Security Documents including ensuring that (A) all costs and expenses payable to the Owner Trustee are promptly paid when due and (B) the Aircraft is not captured, seized, arrested, detained, confiscated or taken under execution and shall promptly provide to the Mortgagee the original of any order, notice or other matter served upon the Beneficial Owner by any third party which may adversely affect the Aircraft or any of the other Secured Property and shall promptly comply with, object to or make representations in respect of any such order, notice or other matter as the Mortgagee may require; and

13. provide assistance to and cooperate with the Owner Trustee in order that the Owner Trustee may comply with its obligations under the Trust Agreement including, without limitation, the obligation to provide information to the Aviation Authority.

SCHEDULE 9: EVENTS OF DEFAULT

The occurrence of any the following events and/or circumstances shall be an Event of Default:

1. the Beneficial Owner has a bankruptcy order made against it (or the equivalent in any jurisdiction);
2. the Beneficial Owner dies;
3. the Beneficial Owner is liquidated or wound up or have a petition for winding up presented against it or it passes a resolution for voluntary winding up (otherwise than in the course of a reconstruction approved in writing by the Mortgagee in advance);
4. the Beneficial Owner ceases to trade or disposes of the whole or a substantial part of its business;
5. the Beneficial Owner fails to comply with the terms of any other finance agreement that it is party to and that failure entitles any other party to such agreement the right to terminate it or accelerate any payments payable by the Beneficial Owner under it;
6. any steps are taken to appoint an administrator or administrative receiver in respect of the Beneficial Owner or to appoint a receiver over any of the Beneficial Owner's assets;
7. the Beneficial Owner convenes any meeting of all or any of its creditors or makes a deed of assignment or arrangement or otherwise compound with all or any of its creditors;
8. being a partnership, the Beneficial Owner is dissolved or proceedings for its dissolution are commenced;
9. the Beneficial Owner becomes a designated person for the purposes of the Terrorist Asset-Freezing etc. Act 2010 or are similarly designated for the purposes of any other applicable trade, economic, sectoral or financial sanctions, laws, regulations, embargoes or restrictive measures;
10. the Beneficial Owner fails to comply with any other provision of this Deed and, where such failure can be remedied, fails to remedy it within 7 days of its occurrence;
11. the Beneficial Owner fails to pay any amount due under or fail to comply with the terms of any other agreement that the Beneficial Owner and the Mortgagee are party to or the Mortgagee is entitled to terminate it or accelerate any payments payable by the Beneficial Owner under it;
12. the Beneficial Owner threatens to cease trading or to dispose the whole or a substantial part of its business;
13. in the Mortgagee's opinion, there is a material adverse change in the Beneficial Owner's financial position or business;
14. (unless the Mortgagee agrees otherwise in writing) there is any change in the Beneficial Owner's control, the Beneficial Owner's ownership or the Beneficial Owner's shareholders or the control, ownership or shareholding of any person of which the Beneficial Owner is a subsidiary, in each case, from that existing at the date of this Deed;
15. the Beneficial Owner fails to comply with the operational and maintenance covenants set out in schedule 1 of this Deed and/or the insurance covenants set out in schedule 2 of this Deed;
16. any representation or statement made or deemed to be made or repeated by the Beneficial Owner under the Security Documents is or proves to have been incorrect or misleading in any respect;
17. any consent, authorisation, licence or approval of, or registration with or declaration to, governmental or public bodies or authorities or courts required by the Beneficial Owner to authorise, or required by the Beneficial Owner in connection with, the execution, delivery, performance, validity, enforceability or admissibility in evidence of or any Security Document to which the Beneficial Owner is a party is modified in a manner unacceptable to the Mortgagee or is not granted or is revoked or terminated or expires and is not renewed or otherwise ceases to be in full force and effect;
18. it becomes or will become unlawful at any time for the Beneficial Owner to perform all or any of its obligations under any Security Document to which it is a party or any of the Beneficial Owner's obligations under any Security Document to which it is a party are not or cease to be or is claimed by the Beneficial Owner not to be legal, valid and binding and in full force and effect;

19. the Beneficial Owner repudiates any Security Document or do or cause to be done any act or thing evidencing an intention to repudiate any Security Document or any action or proceedings are commenced (and not withdrawn or dismissed within a period of 7 days after its commencement) to enjoin or restrain the performance of or compliance with any of its obligations under any Security Document or otherwise disputes its ability to enter into, exercise its rights or perform or comply with any of its obligations under any Security Document;
20. the Operator breaches any of its duties, obligations or liabilities under any agreement entered into by the Operator with (or in favour of) the Mortgagee with respect to the Aircraft; or
21. the Trust Agreement and/or the Operating Agreement are terminated, revoked or expire or otherwise cease to be in full force and effect.

EXECUTION PAGE

THE BENEFICIAL OWNER

EXECUTED as a deed for and on behalf of)
PEGASUS GRAB HIRE HOLDINGS LIMITED)
by a director)
in the presence of a witness:)

Signature

[Redacted Signature]

Name (block capitals)

Antony Hall

Director

Witness signature

[Redacted Witness Signature]

Witness name
(block capitals)

[Redacted Witness Name]

Witness address

[Redacted Witness Address]

THE MORTGAGEE

EXECUTED as a deed for and on behalf of)
TVPX AIRCRAFT SOLUTIONS INC., not in)
its individual capacity but solely as Owner)
Trustee by an authorised signatory in the)
presence of a witness:)

Signature

[Redacted Signature]

Name (block capitals)

Michael Hoggan

Senior Vice President
Authorised signatory

Witness signature

[Redacted Witness Signature]

Witness name
(block capitals)

[Redacted Witness Name]

Witness address

[Redacted Witness Address]

THE MORTGAGEE

SIGNED for and on behalf of)
CLOSE BROTHERS LIMITED by an)
authorised signatory in the presence of a)
witness:)

Signature



Name (block capitals)

Caroline cliff

Senior Commercial
Manager

Authorised signatory

Witness signature



Witness name
(block capitals)

Melissa Welch

Witness address

Wimbledon Bridge House

1 Hartfield Road

London, SW19 3RU

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