



Registration of a Charge

Company name: **2 EXCEL DESIGN LIMITED**

Company number: **05576452**



X9WQTMHE

Received for Electronic Filing: **22/01/2021**

Details of Charge

Date of creation: **15/01/2021**

Charge code: **0557 6452 0003**

Persons entitled: **LUCID TRUSTEE SERVICES LIMITED**

Brief description: **N/A**

Contains fixed charge(s).

Contains floating 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:

ALLEN & OVERY LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 5576452

Charge code: 0557 6452 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 15th January 2021 and created by 2 EXCEL DESIGN LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 22nd January 2021 .

Given at Companies House, Cardiff on 25th January 2021

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

EXECUTION VERSION

SECURITY AGREEMENT

DATED 15 January 2021

Between

THE PARENT

**THE PARENT AND OTHERS
as Chargors**

and

**LUCID TRUSTEE SERVICES LIMITED
as Security Agent**

ALLEN & OVERY

Allen & Overy LLP

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THIS DEED is dated 15 January 2021 and made **BETWEEN**:

- (1) **2 EXCEL (HOLDINGS) LIMITED** (registered number 10656583) with its registered office at 72 Fielding Road, London, England, W41DB (the **Parent**);
- (2) **THE PERSONS** listed in Schedule 1 (The Parent and the Other Original Chargors) as original chargors (in this capacity, the **Original Chargors**); and
- (3) **LUCID TRUSTEE SERVICES LIMITED** as agent and trustee for the Secured Parties (as defined in the Senior Facilities Agreement referred to below) (the **Security Agent**).

BACKGROUND:

- (A) Each Chargor enters into this Deed in connection with the Senior Facilities Agreement (as defined below)
- (B) It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document under hand.

IT IS AGREED as follows:

1. INTERPRETATION

1.1 Definitions

In this Deed:

Account Bank means an Approved Bank with whom a Security Account is maintained.

Act means the Law of Property Act 1925.

Additional Chargor means a member of the Group which becomes a Chargor by executing a Deed of Accession.

Approved Bank means a bank which the Majority Lenders have consented to and which is an Acceptable Bank, which has been given and has acknowledged all notices (if any) required to be given to it under this Deed.

Chargor means an Original Chargor and any Additional Chargor.

Declared Default means an Event of Default in respect of which any notice has been served by the Senior Agent in accordance with clause 24.27 (*Acceleration*) of the Senior Facilities Agreement.

Deed of Accession means a deed substantially in the form of Schedule 6 (Form of Deed of Accession).

Default has the meaning given to that term in the Senior Facilities Agreement.

Effective Date means the Redemption Date (as defined in each Pay-Off Letter).

Event of Default has the meaning given to that term in the Senior Facilities Agreement.

Finance Documents has the meaning given to that term in the Senior Facilities Agreement.

Fixtures means all fixtures and fittings (including trade fixtures and fittings) and fixed plant and machinery included in a Chargor's Material Real Property.

Insurances means all contracts and policies of insurance or assurance and all monies payable under or pursuant to such policies, now or at any time hereafter (and from time to time) taken out by or on behalf of a Chargor or (to the extent of its interest) in which a Chargor has an interest (excluding any third party liability insurance policies and/or insurance policies in respect of which the principal beneficiary is someone other than a member of the Group).

Intellectual Property Rights means in relation to any Chargor any intellectual property rights in which such Chargor has an interest including the intellectual property rights specified in Part 2 of Schedule 2 (Security Assets) or in any Deed of Accession by which it became party to this Deed.

Investments means:

- (a) the Shares; and
- (b) all other shares, stocks, debentures, bonds, warrants, coupons, ownership and membership interests and other securities and investments (including all Cash Equivalent Investments).

Material Real Property means any Mortgaged Property which is either freehold property with a value of over £250,000 or a leasehold property with an unexpired term of more than 25 years.

Mortgaged Property means all freehold and leasehold property which a Chargor purports to mortgage or charge under this Deed.

Obligor means each Obligor as defined in the Senior Facilities Agreement.

Pay-Off Letter means each of the following:

- a) The pay off letter dated on or around the date of this Deed made between 2 Excel Aviation Limited, Beechbrook UK SME Credit Ltd and Glas Trust Corporation Limited;
- b) The pay off letter dated on or around the date of this Deed made between GCP Aviation Limited and Lombard North Central Plc;
- c) The pay off letter dated on or around the date of this Deed made between ACH (Witham) Limited and Close Brothers Limited; and
- d) The pay off letter dated on or around the date of this Deed made between, amongst others, ACH Excalibur Limited and Shawbrook Bank Limited

collectively the "Pay-Off Letters" and each a "Pay-Off Letter".

Party means a party to this Deed.

Plant and Machinery means in relation to any Chargor any plant, machinery, computers, office equipment, aeroplanes or vehicles owned by that Chargor from time to time.

Premises means all buildings and erections included in a Chargor's Material Real Property.

Receiver means an administrative receiver, a receiver and manager or a receiver, in each case, appointed under this Deed.

Relevant Contract means in relation to any Chargor any agreement entered into by or for the benefit of such Chargor.

Report on Title means any report or certificate on title on any Material Real Property provided to the Security Agent, together with confirmation from the provider of that report that it can be relied upon by the Secured Creditors.

Secured Liabilities means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of each Obligor to any Secured Party under any Finance Document, except for any obligation or liability which, if it were so included, would result in this Deed contravening any law (including section 678 or section 679 of the Companies Act 2006).

Security Account means in relation to any Chargor any account that it purports to charge under this Deed including those specified in Part 3 of Schedule 2 (Security Assets).

Security Assets means all assets of each Chargor the subject of this Security.

Security Period means the period beginning on the date of this Deed and ending on the first date on which all the Secured Liabilities have been fully and finally discharged to the satisfaction of the Secured Parties, whether or not as the result of an enforcement, and the Finance Parties are under no further obligation to provide financial accommodation to any of the Obligors under the Finance Documents.

Senior Agent means Lucid Agency Services Limited as facility agent for the lenders under the Senior Facilities Agreement.

Senior Facilities Agreement means the senior facilities agreement dated 24 December 2020 as amended and restated from time to time between, amongst others, the Parent, the Senior Agent and the Security Agent.

Shares means all shares (including any future shares) in any member of the Group the subject of this Security, including the shares specified in Part 1 of Schedule 2 (Security Assets) or in any Deed of Accession by which it became party to this Deed.

1.2 Construction

- (a) Capitalised terms defined in the Senior Facilities Agreement have, unless expressly defined in this Deed, the same meaning in this Deed.
- (b) The provisions of clause 1.2 (*Construction*) of the Senior Facilities Agreement apply to this Deed as though they were set out in full in this Deed, except that references to the Senior Facilities Agreement will be construed as references to this Deed.
- (c) The term:

certificated has the meaning given to it in the Uncertificated Securities Regulations 2001.

clearance system means a person whose business is or includes the provision of clearance services or security accounts or any nominee or depository for that person.

- (d) Any covenant of a Chargor under this Deed remains in force during the Security Period and is given for the benefit of each Secured Creditor.

- (e) The terms of any side letters between any Parties in relation to any Finance Document (as the case may be) are incorporated in this Deed to the extent required to ensure that any purported disposition of any freehold or leasehold property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- (f) If the Security Agent considers that an amount paid to a Secured Party under a Finance Document is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Deed.
- (g) Unless the context otherwise requires, a reference to a Security Asset includes:
 - (i) any part of that Security Asset;
 - (ii) any proceeds of that Security Asset; and
 - (iii) any present and future assets of that type.

2. CREATION OF SECURITY

2.1 General

- (a) All this Security:
 - (i) is created in favour of the Security Agent;
 - (ii) is security for the payment, discharge and performance of all the Secured Liabilities; and
 - (iii) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.
- (b) If a Chargor assigns an agreement under this Deed (or charges it by way of a first fixed charge) and the assignment or charge breaches a term of that agreement because a third party's consent has not been obtained:
 - (i) the Chargor must notify the Security Agent immediately;
 - (ii) the assignment or charge will not take effect until that consent is obtained;
 - (iii) unless the Security Agent otherwise requires, the Chargor must, and each other Chargor must ensure that the Chargor will, use all commercially reasonable endeavours to obtain the consent as soon as practicable; and
 - (iv) the Chargor must promptly supply to the Security Agent a copy of the consent obtained by it.
- (c) The Security Agent holds the benefit of this Deed on trust for the Secured Parties.
- (d) The fact that no or incomplete details of any Security Asset are inserted in Schedule 2 (Security Assets) or in any Deed of Accession (if any) by which any Chargor became party to this Deed does not affect the validity or enforceability of this Security.

2.2 Land

(a) Each Chargor charges:

- (i) by way of a first legal mortgage all estates or interests in any Material Real Property owned by it; and
- (ii) (to the extent that they are not the subject of a mortgage under subparagraph (i) above) by way of first fixed charge all estates or interests in any freehold or leasehold property owned by it and all rights under any licence or other agreement or document which gives that Chargor a right to occupy or use property.

(b) A reference in this Deed to any freehold or leasehold property includes:

- (i) all buildings, erections, fixtures and fittings (including trade fixtures and fittings) and fixed plant and machinery on that property owned by the relevant Chargor; and
- (ii) the benefit of any covenants for title given or entered into by any predecessor in title of the relevant Chargor in respect of that property and any moneys paid or payable in respect of those covenants.

2.3 Investments

(a) Each Chargor charges by way of a first fixed charge:

- (i) all shares in any member of the Group owned by it or held by any nominee on its behalf; this includes (but is not limited to) any specified in Part 1 of Schedule 2 (Security Assets) or in any Deed of Accession by which it became party to this Deed; and
- (ii) all other shares, stocks, debentures, bonds, warrants, coupons, ownership and membership interests or other securities and investments (including all Cash Equivalent Investments) owned by it or held by any nominee on its behalf.

(b) A reference in this Deed to any share, stock, debenture, bond, warrant, coupon, ownership and membership interests or other security or investment includes:

- (i) any dividend, interest or other distribution paid or payable;
- (ii) any right, money or property accruing or offered at any time by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise;
- (iii) any right against any clearance system; and
- (iv) any right under any custodian or other agreement,

in relation to that share, stock, debenture, bond, warrant, coupon, ownership and membership interests or other security or investment (including all Cash Equivalent Investments).

2.4 Plant and machinery

Each Chargor charges by way of a first fixed charge all Plant and Machinery owned by it and its interest in any Plant and Machinery in its possession.

2.5 Credit balances

Each Chargor charges by way of a first fixed charge all of its rights in respect of any amount standing to the credit of any Security Account; this includes (but is not limited to) any specified in Part 3 of Schedule 2 (Security Assets) or in any Deed of Accession by which it became party to this Deed.

2.6 Insurances

- (a) Each Chargor assigns absolutely, subject to a proviso for reassignment on redemption, all amounts payable to it under or in connection with each of its Insurances referred to in clause 9 (*Mandatory Prepayment and Cancellation*) of the Senior Facilities Agreement and all of its rights in connection with those amounts.
- (b) To the extent that they are not effectively assigned under paragraph (a) above, each Chargor charges by way of first fixed charge all amounts and rights described in paragraph (a) above.
- (c) Each Chargor charges by way of first fixed charge all amounts payable to it under or in connection with each of its other Insurances and all of its rights in connection with those amounts.
- (d) A reference in this Subclause to any amounts excludes all amounts received or receivable under or in connection with any third party liability Insurance and required to settle a liability of an Obligor to a third party.

2.7 Other contracts

- (a) Each Chargor assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights in respect of:
 - (i) its Relevant Contracts;
 - (ii) any letter of credit issued in its favour; and
 - (iii) any bill of exchange or other negotiable instrument held by it.
- (b) To the extent that any right described in paragraph (a) above is not assignable or capable of assignment, the assignment of that right purported to be effected by paragraph (a) above shall operate as an assignment of any damages, compensation, remuneration, profit, rent or income which that Chargor may derive from that right or be awarded or entitled to in respect of that right.
- (c) To the extent that they do not fall within any other Subclause of this Clause and are not effectively assigned under paragraph (a) or (b) above, each Chargor charges by way of first fixed charge all of its rights under each agreement and document to which it is a party.

2.8 Intellectual property

Each Chargor charges by way of a first fixed charge all of its rights in respect of any Intellectual Property Rights; this includes any specified in Part 2 of Schedule 2 (Security Assets) or in any Deed of Accession by which it became party to this Deed.

2.9 Miscellaneous

Each Chargor charges by way of a first fixed charge:

- (a) any beneficial interest, claim or entitlement it has to any assets of any pension fund;
- (b) its goodwill;
- (c) the benefit of any authorisation (statutory or otherwise) held in connection with its business or the use of any Security Asset;
- (d) the right to recover and receive compensation which may be payable to it in respect of any authorisation referred to in paragraph (c) above; and
- (e) its uncalled capital.

2.10 Floating charge

- (a) Each Chargor charges by way of a first floating charge all of its assets whatsoever and wheresoever not otherwise effectively mortgaged, charged or assigned under this Deed.
- (b) Except as provided below, the Security Agent may by notice to a Chargor convert the floating charge created by that Chargor under this Deed into a fixed charge as regards any of that Chargor's assets specified in that notice, if:
 - (i) an Event of Default is continuing;
 - (ii) the Security Agent considers those assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy; or
 - (iii) that Chargor fails to comply, or takes or threatens to take any action which, in the reasonable opinion of the Security Agent, is likely to result in it failing to comply with its obligations under paragraph (a) of Clause 4 (Restrictions on Dealings).
- (c) The floating charge created under this Deed may not be converted into a fixed charge solely by reason of:
 - (i) the obtaining of a moratorium; or
 - (ii) anything done with a view to obtaining a moratorium,

under section 1A to the Insolvency Act 1986 other than in respect of any floating charge referred to in subsection (4) of section A52 of Part A1 of the Insolvency Act 1986.
- (d) The floating charge created under this Deed will (in addition to the circumstances in which the same will occur under general law) automatically convert into a fixed charge over all of each Chargor's assets:
 - (i) if an administrator is appointed or the Security Agent receives notice of an intention to appoint an administrator; or
 - (ii) on the convening of any meeting of the members of that Chargor to consider a resolution to wind that Chargor up (or not to wind that Chargor up).
- (e) The floating charge created under this Deed is a **qualifying floating charge** for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act 1986.

- (f) The giving by the Security Agent of a notice under paragraph (b) above in relation to any asset of a Chargor will not be construed as a waiver or abandonment of the Security Agent's rights to give any other notice in respect of any other asset or of any other right of any other Secured Party under this Deed or any other Finance Document.

3. REPRESENTATIONS AND WARRANTIES – GENERAL

3.1 Nature of security

Each Chargor represents and warrants, at the Effective Date, to each Secured Party that:

- (a) this Deed creates the Security it purports to create and is not liable to be avoided or otherwise set aside on its liquidation or administration or otherwise; and
- (b) this Deed is its legal, valid and binding obligation and, subject to the Legal Reservations, is enforceable against it in accordance with its terms.

3.2 Times for making representations and warranties

- (a) The representations and warranties set out in this Deed (including in this Clause) are made by each Chargor listed in Schedule 1 (The Parent and the Other Original Chargors) at the Effective Date.
- (b) Each representation and warranty under this Deed is deemed to be repeated by:
 - (i) each Chargor which becomes party to this Deed by a Deed of Accession, on the date on which that Chargor becomes a Chargor; and
 - (ii) each Chargor on each date during the Security Period.
- (c) When a representation and warranty is deemed to be repeated, it is deemed to be made by reference to the circumstances existing at the time of repetition.

4. RESTRICTIONS ON DEALINGS

On and from the Effective Date, no Chargor may:

- (a) create or allow to exist any Security or Quasi-Security over all or any of its present or future assets; or
- (b) either in a single transaction or in a series of transactions and whether related or not and whether voluntarily or involuntarily dispose of all or any part of its assets,

unless permitted under the Senior Facilities Agreement.

5. LAND

5.1 Title

Each Chargor represents and warrants, at the Effective Date, to each Secured Party that except as disclosed in any Report on Title relating to any of its Material Real Property (in each case, if any):

- (a) it is the legal and beneficial owner of its Material Real Property;

- (b) no breach of any law, regulation or covenant is continuing which affects or would be reasonably likely to affect materially the value, saleability or use of its Material Real Property;
- (c) there are no covenants, agreements, stipulations, reservations, conditions, interest, rights or other matters whatsoever affecting its Material Real Property which conflict with its present use or adversely affect the value, saleability or use of any of the Material Real Property, in each case to any material extent;
- (d) nothing has arisen or has been created or is subsisting which would be an overriding interest or an unregistered interest which overrides first registration or registered dispositions over its Material Real Property and which would be reasonably likely to affect materially its value, saleability or use;
- (e) all facilities (including access) necessary for the enjoyment and use of its Material Real Property (including those necessary for the carrying on of its business at the Material Real Property) are enjoyed by that Material Real Property and none of those facilities are on terms entitling any person to terminate or curtail its use or on terms which conflict with or restrict its use, where the lack of those facilities would be reasonably likely to affect materially its value, saleability or use;
- (f) it has received no notice of any adverse claims by any person in respect of its Material Real Property which if adversely determined would or would be reasonably likely to materially adversely affect the value, saleability or use of any of its Material Real Property, nor has any acknowledgement been given to any person in respect of its Material Real Property; and
- (g) its Material Real Property is held by it free from any Security or any lease or licence which would be reasonably likely to affect materially its value, saleability or use.

5.2 Repair

On and from the Effective Date, each Chargor must keep:

- (a) its Premises in good and substantial repair and condition; and
- (b) its Fixtures in a good state of repair and in good working order and condition.

5.3 Compliance with leases and covenants

On and from the Effective Date, each Chargor must:

- (a) perform all the material terms on its part contained in any lease, agreement for lease, licence or other agreement or document which gives that Chargor a right to occupy or use property comprised in its Material Real Property;
- (b) not do or allow to be done any act as a result of which any lease comprised in its Material Real Property may become liable to forfeiture or otherwise be terminated; and
- (c) duly and punctually comply with all material covenants and stipulations affecting the Material Real Property or the facilities (including access) necessary for the enjoyment and use of the Material Real Property and indemnify each Secured Party in respect of any breach of those covenants and stipulations.

5.4 Acquisitions

If a Chargor acquires any freehold or leasehold property, which constitutes Material Real Property, on or after the Effective Date, it must:

- (a) notify the Security Agent immediately;
- (b) immediately on request by the Security Agent and at the cost of that Chargor, execute and deliver to the Security Agent a legal mortgage in favour of the Security Agent of that property in any form (consistent with this Deed) which the Security Agent may require;
- (c) if the title to that freehold or leasehold property is registered at H.M. Land Registry or required to be so registered, give H.M. Land Registry written notice of this Security; and
- (d) if applicable, ensure that this Security is correctly noted in the Register of Title against that title at H.M. Land Registry.

5.5 Notices

Each Chargor must, within 14 days after the receipt by it of any application, requirement, order or notice served or given by any public or local or any other authority with respect to its Material Real Property (or any part of it) which would or would be reasonably likely to have a material adverse effect on the value, saleability or use of any of the Material Real Property:

- (a) deliver a copy to the Security Agent; and
- (b) inform the Security Agent of the steps taken or proposed to be taken to comply with the relevant requirement.

5.6 Leases

On and from the Effective Date, no Chargor may in respect of its Material Real Property (or any part of it):

- (a) grant or agree to grant (whether in exercise or independently of any statutory power) any lease or tenancy;
- (b) agree to any amendment or waiver or surrender of any lease or tenancy;
- (c) commence any forfeiture proceedings in respect of any lease or tenancy;
- (d) confer upon any person any contractual licence or right to occupy;
- (e) consent to any assignment of any tenant's interest under any lease or tenancy;
- (f) agree to any rent reviews in respect of any lease or tenancy; or
- (g) serve any notice on any former tenant under any lease or tenancy (or any guarantor of that former tenant) which would entitle it to a new lease or tenancy.

5.7 H.M. Land Registry

- (a) On and from the Effective Date, each Chargor consents to a restriction in the following terms being entered into on the Register of Title relating to any Material Real Property registered at H.M. Land Registry:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the security agreement dated [] in favour of [] referred to in the charges register or their conveyancer. (Standard form P)"

- (b) On and from the Effective Date, each Chargor shall apply to the Chief Land Registrar for a notice in the following terms to be entered on the Register of Title relating to any Material Real Property registered at H.M. Land Registry:

"The lenders under a senior facilities agreement dated [] between, amongst others, [the Parent], [] as facility agent and [] as security agent are under an obligation (subject to the terms of that senior facilities agreement) to [the Parent] to make further advances and the security agreement referred to in the charges register dated [] in favour of [] (as agent and trustee for the secured creditors referred to in that security agreement) secures those further advances."

5.8 Deposit of title deeds

On and from the Effective Date, each Chargor must deposit with the Security Agent all deeds and documents of title relating to its Material Real Property (if any, from time to time) and all local land charges, land charges and Land Registry search certificates and similar documents received by it or on its behalf.

5.9 Development

On and from the Effective Date, no Chargor may:

- (a) make or permit others to make any application for planning permission in respect of any part of the Material Real Property; or
- (b) carry out or permit to be carried out on any part of the Material Real Property any development for which the permission of the local planning authority is required,

except as part of carrying on its principal business where it would not or would not be reasonably likely to have a material adverse effect on the value, saleability or use of the Material Real Property or the carrying on of the principal business of that Chargor.

5.10 Investigation of title

On and from the Effective Date, each Chargor must grant the Security Agent or its lawyers on request all facilities within the power of that Chargor to enable the Security Agent or its lawyers (at the expense of that Chargor) after this Security has become enforceable to:

- (a) carry out investigations of title to the Material Real Property; and
- (b) make such enquiries in relation to any part of the Material Real Property as a prudent mortgagee might carry out.

5.11 Report on Title

Each Chargor must, as soon as practicable after a request by the Security Agent after this Security has become enforceable, supply the Security Agent with a Report on Title of that Chargor to its Material Real Property concerning those items which may properly be sought to be covered by a prudent mortgagee in a lawyer's report of this nature.

5.12 Power to remedy

If, on or after the Effective Date, a Chargor fails to perform any covenant or stipulation or any term of this Deed affecting its Material Real Property, that Chargor must allow the Security Agent or its agents and contractors:

- (a) to enter any part of its Material Real Property;
- (b) carry out investigations of title to the Material Real Property; and
- (c) to comply with or object to any notice served on that Chargor in respect of its Material Real Property; and
- (d) to take any action as the Security Agent may reasonably consider necessary or desirable to prevent or remedy any breach of any such covenant, stipulation or term or to comply with or object to any such notice.

That Chargor must immediately on request by the Security Agent pay the costs and expenses of the Security Agent or its agents and contractors incurred in connection with any action taken by it under this Subclause.

6. INVESTMENTS

6.1 Investments

At the Effective Date, each Chargor represents and warrants to each Secured Party that:

- (a) its Investments are duly authorised, validly issued and fully paid and are not subject to any option to purchase or similar right; and
- (b) it is the sole legal and beneficial owner of its Investments.

6.2 Certificated Investments

- (a) On and from the Effective Date, each Chargor must, as soon as possible (A) in relation to any certificated Investment owned by it on the date of this Deed, after the date of this Deed and (B) in relation to any certificated Investment acquired by it after the date of this Deed, after such date:
 - (i) deposit with the Security Agent, or as the Security Agent may direct, any bearer instrument, share certificate or other document of title or evidence of ownership or membership interest, in relation to that Investment; and
 - (ii) deliver signed but undated share transfers, with the transferee left blank; and
- (b) At any time after the occurrence of any Event of Default which is continuing, each Chargor must promptly take any action and execute and deliver to the Security Agent any share transfer or other

document which may be requested by the Security Agent in order to enable the transferee to be registered as the owner or otherwise obtain a legal title to that Investment. This includes:

- (i) delivering executed and (unless exempt from stamp duty), pre-stamped share transfers in favour of the Security Agent or any of its nominees or transferee or, if the Security Agent so directs, with the transferee left blank; and
- (ii) procuring that those share transfers are registered by the company in which the Investments are held and that share certificates in the name of the transferee are delivered to the Security Agent.

6.3 Changes to rights

On and from the Effective Date, no Chargor may (except to the extent permitted by the Senior Facilities Agreement), take or allow the taking of any action on its behalf which may result in the rights attaching to any of its Investments being altered or further Shares being issued.

6.4 Calls

- (a) On and from the Effective Date, each Chargor must pay all calls and other payments due and payable in respect of any of its Investments.
- (b) If, on or after the Effective Date, a Chargor fails to do so, the Security Agent may pay those calls or other payments on behalf of that Chargor. That Chargor must immediately on request reimburse the Security Agent for any payment made by the Security Agent under this Subclause and, pending reimbursement, that payment will constitute part of the Secured Liabilities.

6.5 Other obligations in respect of Investments

- (a)
 - (i) On and from the Effective Date, each Chargor must comply with all requests for information which is within its knowledge and which are made under any law or regulation or by any listing or other authority or any similar provision contained in any articles of association or other constitutional document relating to any of its Investments. If a Chargor fails to do so, the Security Agent may elect to provide any information which it may have on behalf of that Chargor.
 - (ii) Each Chargor must promptly supply a copy to the Security Agent of any information referred to in subparagraph (i) above.
- (b) On and from the Effective Date, each Chargor must comply with all other conditions and obligations assumed by it in respect of any of its Investments.
- (c) No Secured Party will be required in any manner to:
 - (i) perform or fulfil any obligation of a Chargor;
 - (ii) make any payment;
 - (iii) make any enquiry as to the nature or sufficiency of any payment received by it or a Chargor; or
 - (iv) present or file any claim or take any other action to collect or enforce the payment of any amount,

in respect of any Investment.

6.6 Voting rights

- (a) Before this Security becomes enforceable, each Chargor may continue to exercise the voting rights, powers and other rights in respect of its Investments.
- (b) Before this Security becomes enforceable, all dividends or other income or distributions paid or payable in relation to any Investments must be paid to the relevant Chargor.
- (c) After this Security has become enforceable, the Security Agent or its nominee
 - (i) may exercise or refrain from exercising:
 - (A) any voting rights; and
 - (B) any other powers or rights which may be exercised by the legal or beneficial owner of any Investment, any person who is the holder of any Investment or otherwise,
 - (ii) may receive and retain the dividends, distributions and other monies receivable in respect of the Investments and apply the dividends, distributions and other monies receivable in respect of the Investments in accordance with Clause 16 (Application of Proceeds);

in each case, in the name of the relevant Chargor, the registered holder or otherwise and without any further consent or authority on the part of the relevant Chargor and irrespective of any direction given by any Chargor.

- (d) To the extent that the Investments remain registered in the names of the Chargors, each Chargor irrevocably appoints the Security Agent or its nominee as its proxy to exercise all voting rights in respect of those Investments at any time after this Security has become enforceable.
- (e) Each Chargor must indemnify the Security Agent against any loss or liability incurred by the Security Agent as a consequence of the Security Agent acting in respect of its Investments on the direction of that Chargor.

6.7 Clearance systems

- (a) On and from the Effective Date, each Chargor must, if so requested by the Security Agent:
 - (i) instruct any clearance system to transfer any Investment held by it for that Chargor or its nominee to an account of the Security Agent or its nominee with that clearance system; and
 - (ii) take whatever action the Security Agent may request for the dematerialisation or rematerialisation of any Investments held in a clearance system.
- (b) Without prejudice to the rest of this Subclause the Security Agent may, at the expense of the relevant Chargor, take whatever action is required for the dematerialisation or rematerialisation of the Investments as necessary.

6.8 Custodian arrangements

On and from the Effective Date, each Chargor must:

- (a) promptly upon request by the Security Agent, give notice of this Deed to any custodian of any Investment in any form which the Security Agent may reasonably require; and
- (b) use reasonable endeavours to ensure that the custodian acknowledges that notice in any form which the Security Agent may reasonably require.

7. INTELLECTUAL PROPERTY

7.1 Representations

At the Effective Date, each Chargor represents to each Secured Party that as at the date of this Deed or, if later, the date it became a Party, all Intellectual Property Rights which are material to its business are identified in Part 2 of Schedule 2 (Security Assets) or in any Deed of Accession by which it became party to this Deed.

7.2 Preservation

On and from the Effective Date, each Chargor must promptly, if requested to do so by the Security Agent, sign or procure the signature of, and comply with all instructions of the Security Agent in respect of, any document required to make entries in any public register of Intellectual Property Rights (including the United Kingdom Trade Marks Register) which either record the existence of this Deed or the restrictions on disposal imposed by this Deed.

8. ACCOUNTS

8.1 Accounts

On and from the Effective Date, each Chargor must maintain its Security Accounts at an Approved Bank.

8.2 Change of Account Bank

- (a) If, on or after the Effective Date, there is a change of Account Bank, the net amount (if any) standing to the credit of the Security Account maintained with the old Account Bank will be transferred to the corresponding Security Account maintained with the new Account Bank immediately upon the appointment taking effect and each Chargor hereby irrevocably gives all authorisations and instructions necessary for any such transfer to be made.
- (b) On and from the Effective Date, each Chargor:
 - (i) must take any action which the Security Agent may require to facilitate a change of Account Bank and any transfer of credit balances (including the execution of bank mandate forms); and
 - (ii) irrevocably appoints the Security Agent as its attorney to take any such action if that Chargor should fail to do so.

8.3 Withdrawals

- (a) Before the occurrence of a Declared Default, the Security Agent:
 - (i) permits the Chargor to make payments; and

- (ii) authorises the Chargor to instruct the Account Bank to debit, credit and make payments from any Security Account.
- (b) After a Declared Default, the Security Agent (or a Receiver) may (subject to the payment of any claims having priority to this Security) withdraw amounts standing to the credit of any Security Account.
- (c) After a Declared Default, the Security Agent has sole signing rights on each Security Account and no Chargor has access to any amount standing to the credit of any Security Account.

8.4 Notices of charge

On and from the Effective Date, the Parent on behalf of each Chargor must:

- (a) (in the case of a Security Account) as soon as practicable after the date of this Deed, give notice to each Account Bank substantially in the form of Part 1 of Schedule 3 (Forms of Letter for Security Accounts); and
- (b) use all reasonable endeavours to procure that each Account Bank acknowledges that notice substantially in the form of Part 2 of Schedule 3 (Forms of Letter for Security Accounts).

9. RELEVANT CONTRACTS

9.1 Other undertaking

On and from the Effective Date, each Chargor must supply the Security Agent and any Receiver with copies of each of its Relevant Contracts and any information and documentation relating to any of its Relevant Contracts, in each case if and to the extent reasonably requested by the Security Agent or any Receiver.

9.2 Rights

After this Security has become enforceable, the Security Agent may exercise (without any further consent or authority on the part of the relevant Chargor and irrespective of any direction given by the Chargor) any of that Chargor's rights under its Relevant Contracts.

9.3 Notices of assignment

After an Event of Default that is continuing, the Parent on behalf of each Chargor must, immediately on request by the Security Agent:

- (a) serve a notice of assignment, substantially in the form of Part 1 of Schedule 5 (Forms of Letter for Relevant Contracts), on each of the other parties to each of its Relevant Contracts; and
- (b) use all reasonable endeavours to procure that each of those other parties acknowledges that notice, substantially in the form of Part 2 of Schedule 5 (Forms of Letter for Relevant Contracts).

10. PLANT AND MACHINERY

10.1 Maintenance

On and from the Effective Date, each Chargor must keep its Plant and Machinery in good repair and in good working order and condition.

10.2 Nameplates

On and from the Effective Date, each Chargor must take any action which the Security Agent may reasonably require to evidence the interest of the Security Agent in its Plant and Machinery.

11. INSURANCES

11.1 Rights

After this Security has become enforceable:

- (a) the Security Agent may exercise (without any further consent or authority on the part of any Chargor and irrespective of any direction given by any Chargor) any of the rights of any Chargor in connection with any amounts payable to it under any of its Insurances;
- (b) each Chargor must take such steps (at its own cost) as the Security Agent may require to enforce those rights; this includes initiating and pursuing legal or arbitration proceedings in the name of that Chargor; and
- (c) each Chargor must hold any payment received by it under any of its Insurances on trust for the Security Agent.

11.2 Notice

On and from the Effective Date, the Parent on behalf of each Chargor must:

- (a) as soon as practicable after the date of this Deed, give notice of this Deed to each of the other parties to each of the Insurances by sending a notice substantially in the form of Part 1 of Schedule 4 (Forms of Letter for Insurances); and
- (b) use its reasonable endeavours to procure that each such other party delivers a letter of undertaking to the Security Agent in the form of Part 2 of Schedule 4 (Forms of Letter for Insurances).

12. WHEN SECURITY BECOMES ENFORCEABLE

12.1 Timing

On and from the Effective Date, this Security will become immediately enforceable if an Event of Default occurs and the Event of Default is continuing and the Security Agent gives notice to each Chargor that this Security is enforceable.

12.2 Enforcement

After this Security has become enforceable, the Security Agent may in its absolute discretion enforce all or any part of this Security in any manner it sees fit or as the Majority Lenders direct.

13. ENFORCEMENT OF SECURITY

13.1 General

- (a) The power of sale and any other power conferred on a mortgagee by law (including under section 101 of the Act) as varied or amended by this Deed will be immediately exercisable at any time after this Security has become enforceable.
- (b) For the purposes of all powers implied by law, the Secured Liabilities are deemed to have become due and payable on the date of this Deed.
- (c) Any restriction imposed by law on the power of sale (including under section 103 of the Act) or the right of a mortgagee to consolidate mortgages (including under section 93 of the Act) does not apply to this Security.
- (d) Any powers of leasing conferred on the Security Agent by law are extended so as to authorise the Security Agent to lease, make agreements for leases, accept surrenders of leases and grant options as the Security Agent may think fit and without the need to comply with any restrictions conferred by law (including under section 99 or 100 of the Act).

13.2 No liability as mortgagee in possession

Neither the Security Agent nor any Receiver will be liable, by reason of entering into possession of a Security Asset:

- (a) to account as mortgagee in possession or for any loss on realisation; or
- (b) for any default or omission for which a mortgagee in possession might be liable.

13.3 Privileges

Each Receiver and the Security Agent is entitled to all the rights, powers, privileges and immunities conferred by law (including the Act) on mortgagees and receivers duly appointed under any law (including the Act).

13.4 Protection of third parties

No person (including a purchaser) dealing with the Security Agent or a Receiver or its or his agents will be concerned to enquire:

- (a) whether the Secured Liabilities have become payable;
- (b) whether any power which the Security Agent or a Receiver is purporting to exercise has become exercisable or is being properly exercised;
- (c) whether any money remains due under the Finance Documents; or
- (d) how any money paid to the Security Agent or to that Receiver is to be applied.

13.5 Redemption of prior mortgages

- (a) At any time after this Security has become enforceable, the Security Agent may:
 - (i) redeem any prior Security against any Security Asset; and/or

- (ii) procure the transfer of that Security to itself; and/or
 - (iii) settle and pass the accounts of the prior mortgagee, chargee or encumbrancer; any accounts so settled and passed will be, in the absence of manifest error, conclusive and binding on each Chargor.
- (b) Each Chargor must pay to the Security Agent, immediately on demand, the costs and expenses incurred by the Security Agent in connection with any such redemption and/or transfer, including the payment of any principal or interest.

13.6 Contingencies

If this Security is enforced at a time when no amount is due under the Finance Documents but at a time when amounts may or will become due, the Security Agent (or the Receiver) may pay the proceeds of any recoveries effected by it into such number of suspense accounts as it considers appropriate.

14. RECEIVER

14.1 Appointment of Receiver

- (a) Except as provided below, the Security Agent may appoint any one or more persons to be a Receiver of all or any part of the Security Assets if:
- (i) this Security has become enforceable; or
 - (ii) a Chargor so requests the Security Agent in writing at any time.
- (b) Any appointment under paragraph (a) above may be by deed, under seal or in writing under its hand.
- (c) Except as provided below, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the Act) does not apply to this Deed.
- (d) The Security Agent is not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under Part A1 of the Insolvency Act 1986 other than in respect of any floating charge referred to in subsection (4) of section A52 of Part A1 of the Insolvency Act 1986.
- (e) The Security Agent may not appoint an administrative receiver (as defined in section 29(2) of the Insolvency Act 1986) over the Security Assets if the Security Agent is prohibited from so doing by section 72A of the Insolvency Act 1986 and no exception to the prohibition on appointing an administrative receiver applies.

14.2 Removal

The Security Agent may by writing under its hand (subject to any requirement for an order of the court in the case of an administrative receiver) remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

14.3 Remuneration

The Security Agent may fix the remuneration of any Receiver appointed by it and any maximum rate imposed by any law (including under section 109(6) of the Act) will not apply.

14.4 Agent of each Chargor

- (a) A Receiver will be deemed to be the agent of the relevant Chargor for all purposes and accordingly will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Act. The relevant Chargor is solely responsible for the contracts, engagements, acts, omissions, defaults and losses of a Receiver and for liabilities incurred by a Receiver.
- (b) No Secured Party will incur any liability (either to a Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

14.5 Relationship with Security Agent

To the fullest extent allowed by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) or by law on a Receiver may after this Security becomes enforceable be exercised by the Security Agent in relation to any Security Asset without first appointing a Receiver or notwithstanding the appointment of a Receiver.

15. POWERS OF RECEIVER

15.1 General

- (a) A Receiver has all the rights, powers and discretions set out below in this Clause in addition to those conferred on it by any law. This includes:
 - (i) in the case of an administrative receiver, all the rights, powers and discretions conferred on an administrative receiver under the Insolvency Act 1986; and
 - (ii) otherwise, all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the Act and the Insolvency Act 1986.
- (b) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.

15.2 Possession

A Receiver may take immediate possession of, get in and collect any Security Asset.

15.3 Carry on business

A Receiver may carry on any business of any Chargor in any manner he thinks fit.

15.4 Employees

- (a) A Receiver may appoint and discharge managers, officers, agents, accountants, servants, workmen and others for the purposes of this Deed upon such terms as to remuneration or otherwise as he thinks fit.
- (b) A Receiver may discharge any person appointed by any Chargor.

15.5 Borrow money

A Receiver may raise and borrow money either unsecured or on the security of any Security Asset either in priority to this Security or otherwise and generally on any terms and for whatever purpose which he thinks fit.

15.6 Sale of assets

- (a) A Receiver may sell, exchange, convert into money and realise any Security Asset by public auction or private contract and generally in any manner and on any terms which he thinks fit.
- (b) The consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which he thinks fit.
- (c) Fixtures may be severed and sold separately from the property containing them without the consent of the relevant Chargor.

15.7 Leases

A Receiver may let any Security Asset for any term and at any rent (with or without a premium) which he thinks fit and may accept a surrender of any lease or tenancy of any Security Asset on any terms which he thinks fit (including the payment of money to a lessee or tenant on a surrender).

15.8 Compromise

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with or by any person who is or claims to be a creditor of any Chargor or relating in any way to any Security Asset.

15.9 Legal actions

A Receiver may bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Security Asset which he thinks fit.

15.10 Receipts

A Receiver may give a valid receipt for any moneys and execute any assurance or thing which may be proper or desirable for realising any Security Asset.

15.11 Subsidiaries

A Receiver may form a Subsidiary of any Chargor and transfer to that Subsidiary any Security Asset.

15.12 Delegation

A Receiver may delegate his powers in accordance with this Deed.

15.13 Lending

A Receiver may lend money or advance credit to any customer of any Chargor.

15.14 Protection of assets

A Receiver may:

- (a) effect any repair or insurance and do any other act which any Chargor might do in the ordinary conduct of its business to protect or improve any Security Asset;
- (b) commence and/or complete any building operation; and
- (c) apply for and maintain any planning permission, building regulation approval or any other authorisation,

in each case as he thinks fit.

15.15 Other powers

A Receiver may:

- (a) do all other acts and things which he may consider desirable or necessary for realising any Security Asset or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed or by law;
- (b) exercise in relation to any Security Asset all the powers, authorities and things which he would be capable of exercising if he were the absolute beneficial owner of that Security Asset; and
- (c) use the name of any Chargor for any of the above purposes.

16. APPLICATION OF PROCEEDS

- (a) The provisions of clause 28.8 (*Application of Proceeds*) of the Senior Facilities Agreement shall apply mutatis mutandis as if set out in this Deed in full, except that any references to the Senior Facilities Agreement within clause 28.8 of the Senior Facilities Agreement will be read and construed as references to this Deed.
- (b) This Clause is subject to the payment of any claims having priority over this Security. This Clause does not prejudice the right of any Secured Party to recover any shortfall from any Chargor.

17. EXPENSES AND INDEMNITY

On and from the Effective Date , each Chargor must:

- (a) immediately on demand pay all costs and expenses (including legal fees) reasonably incurred in connection with this Deed by any Secured Party, Receiver, attorney, manager, agent or other person appointed by the Security Agent under this Deed including any arising from any actual or alleged breach by any person of any law or regulation, whether relating to the environment or otherwise; and
- (b) keep each of those persons indemnified against any failure or delay in paying those costs and expenses.

18. DELEGATION

18.1 Power of Attorney

On and from the Effective Date, the Security Agent or any Receiver may delegate by power of attorney or in any other manner to any person any right, power or discretion exercisable by it under this Deed.

18.2 Terms

Any such delegation may be made upon any terms (including power to sub-delegate) which the Security Agent or any Receiver may think fit.

18.3 Liability

Neither the Security Agent nor any Receiver will be in any way liable or responsible to any Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate.

19. FURTHER ASSURANCES

The provisions of clause 23.35 (*Further Assurances*) of the Senior Facilities Agreement shall apply mutatis mutandis as if set out in this Deed in full. Any references to the Senior Facilities Agreement within clause 23.35 will be deemed to be a reference to this Deed for the purposes of this Deed.

This includes:

- (a) the re-execution of this Deed;
- (b) the execution of any legal mortgage, charge, transfer, conveyance, assignment or assurance of any property, whether to the Security Agent or to its nominee; and
- (c) the giving of any notice, order or direction and the making of any filing or registration,

which, in any such case, the Security Agent may think expedient.

20. POWER OF ATTORNEY

On and from the Effective Date, each Chargor, by way of security, irrevocably and severally appoints the Security Agent, each Receiver and each of their respective delegates and sub-delegates to be its attorney to take any action which that Chargor is obliged to take under this Deed. The power of attorney may be exercised (i) within five Business Days of the relevant Chargor being notified of the required act or thing if the relevant Chargor has failed to do such act or thing by the end of such period or (ii) immediately, following the occurrence of an Event of Default which is continuing. Each Chargor ratifies and confirms whatever any attorney does or purports to do under its appointment under this Clause.

21. PRESERVATION OF SECURITY

21.1 Continuing security

On and from the Effective Date, this Security will be treated as a continuing security and will extend to the ultimate balance of the Secured Liabilities, regardless of any intermediate payment or discharge in whole or in part.

21.2 Reinstatement

If any payment by an Obligor or any discharge given by a Finance Party (whether in respect of the obligations of any Obligor or any security for those obligations or otherwise) is avoided or reduced as a result of insolvency or any similar event:

- (a) the liability of each Obligor will continue as if the payment, discharge, avoidance or reduction had not occurred; and
- (b) each Finance Party will be entitled to recover the value or amount of that security or payment from each Obligor, as if the payment, discharge, avoidance or reduction had not occurred.

21.3 Waiver of defences

The obligations of each Chargor under this Deed will not be affected by any act, omission or thing which, but for this provision, would reduce, release or prejudice any of its obligations under this Deed (whether or not known to it or any Secured Party). This includes:

- (a) any time or waiver granted to, or composition with, any person;
- (b) any release of any person under the terms of any composition or arrangement;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any person;
- (d) any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (e) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any person;
- (f) any amendment of a Finance Document or any other document or security;
- (g) any unenforceability, illegality, invalidity or non-provability of any obligation of any person under any Finance Document or any other document or security or the failure by any member of the Group to enter into or be bound by any Finance Document; or
- (h) any insolvency or similar proceedings.

21.4 Immediate recourse

- (a) Each Chargor waives any right it may have of first requiring any Secured Party (or any trustee or agent on its behalf) to proceed against or enforce any other right or security or claim payment from any person or file any proof or claim in any insolvency, administration, winding-up or liquidation proceedings relative to any other Obligor or any other person before claiming from that Chargor under this Deed.
- (b) This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

21.5 Appropriations

Until all amounts which may be or become payable by the Obligors under or in connection with the Finance Documents have been irrevocably paid in full, each Secured Party (or any trustee or agent on its behalf) may without affecting the liability of any Chargor under this Deed:

- (a)
 - (i) refrain from applying or enforcing any other moneys, security or rights held or received by that Secured Party (or any trustee or agent on its behalf) against those amounts; or
 - (ii) apply and enforce them in such manner and order as it sees fit (whether against those amounts or otherwise); and
- (b) hold in an interest-bearing suspense account any moneys received from any Chargor or on account of that Chargor's liability under this Deed.

21.6 Non-competition

Unless:

- (a) all amounts which may be or become payable by the Obligors under or in connection with the Finance Documents have been irrevocably paid in full; or
- (b) the Security Agent otherwise directs,

no Chargor will, after a claim has been made or by virtue of any payment or performance by it under this Deed:

- (i) be subrogated to any rights, security or moneys held, received or receivable by any Secured Party (or any trustee or agent on its behalf);
- (ii) be entitled to any right of contribution or indemnity in respect of any payment made or moneys received on account of that Chargor's liability under this Clause;
- (iii) claim, rank, prove or vote as a creditor of any Obligor or its estate in competition with any Secured Party (or any trustee or agent on its behalf); or
- (iv) receive, claim or have the benefit of any payment, distribution or security from or on account of any Obligor, or exercise any right of set-off as against any Obligor.

Each Chargor must hold in trust for and must immediately pay or transfer to the Security Agent for the Secured Party any payment or distribution or benefit of security received by it contrary to this Clause or in accordance with any directions given by the Security Agent under this Clause.

21.7 Release of Chargors' right of contribution

If any Chargor ceases to be a Chargor in accordance with the terms of the Finance Documents for the purpose of any sale or other disposal of that Chargor:

- (a) that Chargor will be released by each other Chargor from any liability whatsoever to make a contribution to any other Guarantor arising by reason of the performance by any other Chargor of its obligations under the Finance Documents; and

- (b) each other Chargor will waive any rights it may have by reason of the performance of its obligations under the Finance Documents to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any right of any Lender under any Finance Document or of any other security taken under, or in connection with, any Finance Document where the rights or security are granted by or in relation to the aspects of the retiring Chargor.

21.8 Additional security

- (a) This Deed is in addition to and is not in any way prejudiced by any other security now or subsequently held by any Secured Party; and
- (b) No prior security held by any Lender (in its capacity as such or otherwise) over any Security Asset will merge into this Security.

21.9 Limitations

The obligations of any Additional Chargor are subject to the limitations (if any) set out in the Deed of Accession executed by that Additional Chargor.

21.10 Security held by Chargor

No Chargor may, without the prior consent of the Security Agent, hold any security from any other Obligor in respect of that Chargor's liability under this Deed. Each Chargor will hold any security held by it in breach of this provision on trust for the Security Agent.

22. MISCELLANEOUS

22.1 Covenant to pay

Each Chargor must pay or discharge the Secured Liabilities in the manner provided for in the Finance Documents.

22.2 New Accounts

- (a) If any subsequent charge or other interest affects any Security Asset, any Secured Party may open a new account with any Obligor.
- (b) If a Secured Party does not open a new account, it will nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice of that charge or other interest.
- (c) As from that time all payments made to that Secured Party will be credited or be treated as having been credited to the new account and will not operate to reduce any Secured Liability.

22.3 Time deposits

Without prejudice to any right of set-off any Secured Party may have under any Finance Document or otherwise, if any time deposit matures on any account a Chargor has with any Secured Party within the Security Period when:

- (a) this Security has become enforceable; and
- (b) no Secured Liability is due and payable,

that time deposit will automatically be renewed for any further maturity which that Secured Party in its absolute discretion considers appropriate unless that Secured Party otherwise agrees in writing.

22.4 Notice of assignment

This Deed constitutes notice in writing to each Chargor of any charge or assignment of a debt owed by that Chargor to any other member of the Group and contained in any other Transaction Security Document.

22.5 Financial collateral

- (a) To the extent that the assets mortgaged or charged under this Deed constitute "financial collateral" and this Deed and the obligations of the Chargors under this Deed constitute a "security financial collateral arrangement" (in each case for the purpose of and as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226)) the Security Agent shall have the right after this Security has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Liabilities.
- (b) For the purpose of paragraph (a) above, the value of the financial collateral appropriated shall be such amount as the Security Agent reasonably determines having taken into account advice obtained by it from an independent investment or accountancy firm of national standing selected by it.

23. RELEASE

At the end of the Security Period, the Security Agent must, at the request and cost of the Parent, take whatever action is reasonably necessary to release the Security Assets from this Security.

24. COUNTERPARTS

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

25. GOVERNING LAW

This Deed and any non-contractual obligations arising out of or in connection with it are governed by English law.

26. ENFORCEMENT

26.1 Jurisdiction of English courts

- (a) The courts of England have exclusive jurisdiction to settle any dispute including a dispute relating to non-contractual obligations arising out of or in connection with this Agreement (including a dispute regarding the existence, validity or termination of this Agreement) (a **Dispute**).
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- (c) This Subclause is for the benefit of the Secured Parties only. As a result, no Secured Parties shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Secured Parties may take concurrent proceedings in any number of jurisdictions.

26.2 Service of process

- (a) Without prejudice to any other mode of service allowed under any relevant law, each Obligor (other than an Obligor incorporated in England and Wales):
 - (i) irrevocably appoints the Parent as its agent for service of process in relation to any proceedings before the English courts in connection with any Finance Document (and the Parent, by its execution of this Agreement, accepts that appointment); and
 - (ii) agrees that failure by an agent for service of process to notify the relevant Obligor of the process will not invalidate the proceedings concerned.
- (b) If any person appointed as an agent for service of process is unable for any reason to act as agent for service of process, the Parent (on behalf of all the Obligors) must immediately (and in any event within 3 days of such event taking place) appoint another agent on terms acceptable to the Security Agent. Failing this, the Security Agent may appoint another agent for this purpose.
- (c) Each Chargor expressly agrees and consents to the provisions of this Clause and Clause 25 (Governing Law).

THIS DEED has been executed and delivered as a deed on the date stated at the beginning of this Deed.

SCHEDULE 1

THE PARENT AND THE OTHER ORIGINAL CHARGORS

The Parent	State of Incorporation	Registered Number	Registered Office
2EXCEL (HOLDINGS) LIMITED	United Kingdom	10656583	72 Fielding Road, London, England, W41DB
The Chargors	State of Incorporation	Registered Number	Registered Office
2EXCEL (HOLDINGS) LIMITED	United Kingdom	10656583	72 Fielding Road, London, England, W41DB
2 EXCEL AVIATION LIMITED	United Kingdom	05391365	The Tiger House, Sywell Aerodrome, Northampton, Northamptonshire, NN60BN
2 EXCEL MANAGEMENT LIMITED	United Kingdom	08503399	72 Fielding Road, London, England, W41DB
2 EXCEL DESIGN LIMITED	United Kingdom	05576452	72 Fielding Road, London, England, W41DB
2 EXCEL GEO LIMITED	United Kingdom	11424191	Dock Pioneer Park, 75 Exploration Drive, Leicester, Leicestershire, United Kingdom, LE4 5NU
T2 AVIATION LIMITED	United Kingdom	07615313	72 Fielding Road, London, England, W41DB
EQUIOM (GUERNSEY) LIMITED IN ITS CAPACITY AS TRUSTEE OF THE 2 EXCEL (HOLDINGS) LIMITED	Guernsey	5487	Frances House, Sir William Place, St. Peter Port, Guernsey

EMPLOYEE OWNERSHIP TRUST			
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SCHEDULE 2
SECURITY ASSETS

PART 1

SHARES

Chargor	Name of company in which shares are held	Class of shares held	Number of shares held
EQUIOM (GUERNSEY) LIMITED IN ITS CAPACITY AS TRUSTEE OF THE 2 EXCEL (HOLDINGS) LIMITED EMPLOYEE OWNERSHIP TRUST	2EXCEL LIMITED (HOLDINGS)	Ordinary	42,900,000 shares of £0.00001 each
2EXCEL (HOLDINGS) LIMITED	2 EXCEL AVIATION LIMITED	Ordinary	420 shares of £1.00 each
2 EXCEL AVIATION LIMITED	2 EXCEL MANAGEMENT LIMITED	Ordinary	120 shares of £1.00 each
	BLADES RACING TEAM LTD	Ordinary	50 shares of £1.00 each
	2 EXCEL DESIGN LIMITED	Ordinary	10 shares of £0.50p each
	2 EXCEL GEO LIMITED	Ordinary	100 shares of £1.00 each
	T2 AVIATION LIMITED	Ordinary	625 shares of £1.00 each
	3XL AVIATION LIMITED	Ordinary	420 shares of £1.00 each
	21T LIMITED	Ordinary	33 shares of £1.00 each

PART 2

SPECIFIC INTELLECTUAL PROPERTY RIGHTS

EASA STC no	STC Holder	Models	Date of issue
10034641	2 EXCEL DESIGN LIMITED REV. 5	PA-31	25/08/2017
10034714	2 EXCEL DESIGN LIMITED REV. 4	PA-31	25/08/2017
10034734	2 EXCEL DESIGN LIMITED REV. 2	PA-31	25/08/2017
10040691	2 EXCEL DESIGN LIMITED REV. 3	PA-31	25/08/2017
10048232	2 EXCEL DESIGN LIMITED REV. 1	PA-31	25/08/2017
10058044	2 EXCEL DESIGN LIMITED REV. 2	B727-2S2F(RE)	28/06/2018
10058448	2 EXCEL DESIGN LIMITED	727-200F	15/06/2016
10060239	2 EXCEL DESIGN LIMITED	B300, B300C B200CT, B200GT, B200T B200, B200C, B200CGT 200, 200C, 200CT, 200T	28/11/2016
10060505	2 EXCEL DESIGN LIMITED	737-200	16/12/2016
10061176	2 EXCEL DESIGN LIMITED REV. 3	A321-213/-231/-232/-251N/-271N A321-111/-112/-131/-211/-212 A320-231/-232/-233/-251N/-271N A320-211/-212/-214/-215/-216 A319-131/-132/-133 A319-111/-112/-113/-114/-115	05/04/2019

10061812	2 EXCEL DESIGN LIMITED	A318-111/-112/-121/-122	09/05/2017
		H200CT, B200T 200, 200C, 200CT, 200T	
10062095	2 EXCEL DESIGN LIMITED	PA-31	27/04/2018
		REV. 1	
10062193	2 EXCEL DESIGN LIMITED	B200CT, B200T 200, 200C, 200CT, 200T	26/04/2019
		REV. 2	
10066162	2 EXCEL DESIGN LIMITED	200	12/07/2018
10069214	2 EXCEL DESIGN LIMITED	727-200F	13/03/2019
EASA.A.S.03592	2 EXCEL DESIGN LIMITED	A320-232	29/10/2008
EASA.A.S.03683	2 EXCEL DESIGN LIMITED	DA 42 M (RESTRICTED)	07/11/2008
EASA.A.S.03657	2 EXCEL DESIGN LIMITED	DC-9-32	20/08/2008

EASA STC no	STC Holder	Models	Date of issue
10050223	2 EXCEL DESIGN LIMITED T/A AERODAC	BOEING 727-2S2F (RE)	14/08/2014
10044760	2 EXCEL DESIGN LIMITED T/A AERODAC	A330-243	03/05/2013
10030093	2 EXCEL DESIGN LIMITED T/A AERODAC	BAE 146-200	21/05/2010
10031738	2 EXCEL DESIGN LIMITED T/A AERODAC	B300	09/09/2010
10032541 (EASA.A.S.03947)	2 EXCEL DESIGN LIMITED T/A AERODAC	BOEING 767-341	15/11/2010
10034447	2 EXCEL DESIGN LIMITED T/A AERODAC	B737-700	12/04/2011
10037643	2 EXCEL DESIGN LIMITED T/A AERODAC	A330-243	13/12/2011
10038646	2 EXCEL DESIGN LIMITED T/A AERODAC	MBB-BK 117 B-2	05/03/2012
10039615	2 EXCEL DESIGN LIMITED T/A AERODAC	B200 KING AIR	14/05/2012
10040189	2 EXCEL DESIGN LIMITED T/A AERODAC	B757-200	15/06/2012
10042466	2 EXCEL DESIGN LIMITED T/A	A340-300	03/12/2012

AERODAC

10043334

2 EXCEL DESIGN LIMITED T/A
AERODAC

BELL 429

04/02/2013

PART 3

SECURITY ACCOUNTS

COMPANY	BANK	ADDRESS	CURRENCY	SORT CODE	ACCOUNT NUMBER
2 EXCEL AVIATION LTD	BARCLAYS	LEICESTER, LE87 2BB	STERLING		9357
2 EXCEL AVIATION LTD	BARCLAYS	LEICESTER, LE87 2BB	EURO		7900
2 EXCEL MANAGEMENT LIMITED	LLOYDS	PO BOX 1000, ANDOVER BX1 1LT	STERLING		9568
2 EXCEL AVIATION LTD	NATWEST BANK PLC	13 MARKET PLACE, READING, RG1 2EG	STERLING		0207
2 EXCEL GEO LIMITED	NATWEST BANK PLC	13 MARKET PLACE, READING, RG1 2EG	STERLING		3947
T2 AVIATION LIMITED	NATWEST BANK PLC	13 MARKET PLACE, READING, RG1 2EG	STERLING		5213
2 EXCEL AVIATION LTD	NATWEST BANK PLC	13 MARKET PLACE, READING, RG1 2EG	EURO		9624
2 EXCEL AVIATION LTD	NATWEST BANK PLC	13 MARKET PLACE, READING, RG1 2EG	USD		1074

SCHEDULE 3

FORMS OF LETTER FOR SECURITY ACCOUNTS

PART 1

NOTICE TO ACCOUNT BANK

To: [Account Bank]

Copy: [Security Agent]

[Date]

Dear Sirs,

**Security agreement dated [] between [] and others
and [] (the Security Agreement)**

This letter constitutes notice to you that under the Security Agreement each of the companies listed at the end of this notice has charged (by way of a first fixed charge) in favour of [] as agent and trustee for the Secured Parties referred to in the Security Agreement (the **Security Agent**) as first priority chargee all of its rights in respect of any amount standing to the credit of any account[s] maintained by it with you at any of your branches (the **Security Account[s]**) and the debts represented by the Security Accounts.

We irrevocably instruct and authorise you to:

- (a) debit, credit and make payments from the Security Account[s] in accordance with the any Chargor's instructions, unless you, as Account Bank, receives written instructions to the contrary from the Security Agent (a **Security Enforcement Notice**) which shall only be issued following the occurrence of an Event of Default which is continuing;
- (b) comply with the instructions in a Security Enforcement Notice without any further permission from any Chargor or enquiry by you, the Account Bank; and
- (c) following receipt of a Security Enforcement Notice, disclose to the Security Agent any information relating to the Security Account[s] requested from you, the Account Bank by the Security Agent.
- (d) following receipt of a Security Enforcement Notice, hold all sums standing to the credit of any Security Account to the order of the Security Agent;
- (e) following receipt of a Security Enforcement Notice, pay or release any sum standing to the credit of any Security Account in accordance with the written instructions of the Security Agent; and
- (f) following receipt of a Security Enforcement Notice, pay all sums received by you for the account of any Chargor to the credit of the Security Account of that Chargor with you.

We acknowledge that you may comply with the instructions in this letter without any further permission from us or any other Chargor and without any enquiry by you as to the justification for or validity of any request, notice or instruction.

The instructions in this letter may not be revoked or amended without the prior written consent of the Security Agent.

This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

Please send to the Security Agent at [] with a copy to ourselves the attached acknowledgement confirming your agreement to the above and giving the further undertakings set out in the acknowledgement.

Yours faithfully,

.....
(Authorised signatory)

For the Parent
for itself and as agent
for each of the other Chargors named below

CHARGORS

the Parent

[list other Chargors]

PART 2

ACKNOWLEDGEMENT OF ACCOUNT BANK

To: [Security Agent]

Copy: [The Parent]

[Date]

Dear Sirs,

**Security agreement dated [] between [] and others
and [] (the Security Agreement)**

We confirm receipt from [] (the **Parent**) on behalf of certain chargors (the **Chargors**) of a notice dated [] of a charge upon the terms of the Security Agreement over all the rights of each Chargor to any amount standing to the credit of any of its account[s] with us at any of our branches (the **Security Accounts**).

We confirm that we:

- (a) accept the instructions contained in the notice and agree to comply with the notice and any Security Enforcement Notice;
- (b) have not received notice of the interest of any third party in any Security Account;
- (c) have neither claimed nor exercised, nor will claim or exercise, any security interest, set-off, counter-claim or other right in respect of any Security Account;
- (d) following receipt of a Security Enforcement Notice, will not permit any amount to be withdrawn from any Security Account without your prior written consent; and
- (e) following receipt of a Security Enforcement Notice, will pay all sums received by us for the account of any Chargor to a Security Account of that Chargor with us.

Nothing contained in any of our arrangements with you shall commit us to providing any facilities or making advances available to any of the Chargors.

This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

Yours faithfully,

.....
(Authorised signatory)
[Account Bank]

SCHEDULE 4

FORMS OF LETTER FOR INSURANCES

PART 1

FORM OF NOTICE OF ASSIGNMENT

(for attachment by way of endorsement to the insurance policies)

To: [Insurer]

Copy: [Security Agent]

[Date]

Dear Sirs,

Security agreement dated [] between [] and others
and [] (the Security Agreement)

This letter constitutes notice to you that under the Security Agreement, each of the companies listed at the end of this notice as chargors (together the **Chargors**) has assigned in favour of [] as agent and trustee for the Secured Parties referred to in the Security Agreement (the **Security Agent**) as first priority assignee all amounts payable to it under or in connection with any contract of insurance [referred to in clause [9] (Mandatory Prepayment) of the Senior Facilities Agreement (as defined in the Security Agreement) taken out with you by or on behalf of it or under which it has a right to claim and all of its rights in connection with those amounts.

A reference in this letter to any amounts excludes all amounts received or receivable under or in connection with any third party liability insurance and required to settle a liability of an Obligor to a third party.

On behalf of each of the Chargors, we confirm that:

- (f) the relevant Chargor will remain liable under [each] such contract of insurance to perform all the obligations assumed by it under [the] [that] contract of insurance; and
- (g) none of the Security Agent, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of [any] such contract of insurance.

The relevant Chargor will also remain entitled to exercise all of its rights under [each] such contract of insurance and you should continue to give notices under [each] such contract of insurance to the relevant Chargor, unless and until you receive notice from the Security Agent to the contrary stating that the security has become enforceable. In this event, unless the Security Agent otherwise agrees in writing:

- (h) all amounts payable to the relevant Chargor under [each] such contract of insurance must be paid to the Security Agent; and
- (i) any rights of the relevant Chargor in connection with those amounts will be exercisable by, and notices must be given to, the Security Agent or as it directs.

Please note that each of the Chargors has agreed that it will not amend or waive any term of or terminate [any] such contract of insurance without the prior consent of the Security Agent.

The instructions in this letter may not be revoked or amended without the prior written consent of the Security Agent.

Please note on the relevant contracts the Security Agent's interest as loss payee and the Security Agent's interest as first priority assignee of those amounts and rights and send to the Security Agent at [] with a copy to ourselves the attached acknowledgement confirming your agreement to the above and giving the further undertakings set out in the acknowledgement.

We acknowledge that you may comply with the instructions in this letter without any further permission from us or any other Chargor and without any enquiry by you as to the justification for or validity of any request, notice or instruction.

This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

Yours faithfully,

.....
For the Parent
for itself and as agent for
each of the other Chargors named below

CHARGORS

the Parent

[list other Chargors]

PART 2

FORM OF LETTER OF UNDERTAKING

To: [Security Agent]

Copy: [The Parent]

[Date]

Dear Sirs,

**Security agreement dated [] between [] and others
and [] (the Security Agreement)**

We confirm receipt from [the Parent] on behalf of certain chargors (the Chargors) of a notice dated [] of an assignment by each Chargor upon the terms of the Security Agreement of all amounts payable to it under or in connection with any contract of insurance referred to in clause [9] (Mandatory Prepayment) of the Senior Facilities Agreement (as defined in the Security Agreement) taken out with us by or on behalf of it or under which it has a right to claim and all of its rights in connection with those amounts.

A reference in this letter to any amounts excludes all amounts received or receivable under or in connection with any third party liability insurance and required to settle a liability of an Obligor to a third party.

In consideration of your agreeing to the Chargors or any of them continuing their insurance arrangements with us we:

2. accept the instructions contained in the notice and agree to comply with the notice;
3. confirm that we have not received notice of the interest of any third party in those amounts and rights;
4. undertake to note on the relevant contracts your interest as loss payee and as first priority assignee of those amounts and rights;
5. undertake to disclose to you without any reference to or further authority from the Parent or any of the other Chargors any information relating to those contracts which you may at any time request;
6. undertake to notify you of any breach by any Chargor of any of those contracts and to allow you or any of the other Secured Creditors (as defined in the Security Agreement) to remedy that breach; and
7. undertake not to amend or waive any term of or terminate any of those contracts on request by the Parent or any of the other Chargors without your prior written consent.

This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

Yours faithfully,

.....
for [Insurer]

SCHEDULE 5

FORMS OF LETTER FOR RELEVANT CONTRACTS

PART 1

NOTICE TO COUNTERPARTY

To: [Counterparty]

Copy: [Security Agent]

[Date]

Dear Sirs,

Security agreement dated [] between [] and others
and [] (the Security Agreement)

This letter constitutes notice to you that under the Security Agreement, each of the companies listed at the end of this notice as chargors (together the **Chargors**) has assigned in favour of [] as agent and trustee for the Secured Parties referred to in the Security Agreement (the **Security Agent**) as first priority assignee all of its rights in respect of [insert details of Relevant Contract(s)] (the **Relevant Contract[s]**).

On behalf of each of the Chargors, we confirm that:

- (a) the relevant Chargor will remain liable under [the] [each] Relevant Contract to perform all the obligations assumed by it under [the] [that] Relevant Contract; and
- (b) none of the Security Agent, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of [the] [any] Relevant Contract.

The relevant Chargor will also remain entitled to exercise all of its rights under [the] [each] Relevant Contract and you should continue to give notice under [the] [each] Relevant Contract to the relevant Chargor, unless and until you receive notice from the Security Agent to the contrary stating that the security has become enforceable. In this event, all of its rights will be exercisable by, and notices must be given to, the Security Agent or as it directs.

Please note that each of the Chargors has agreed that it will not amend or waive any term of or terminate [any of] the Relevant Contract[s] without the prior consent of the Security Agent.

The instructions in this letter may not be revoked or amended without the prior written consent of the Security Agent.

Please send to the Security Agent at [] with a copy to ourselves the attached acknowledgement confirming your agreement to the above and giving the further undertakings set out in the acknowledgement.

We acknowledge that you may comply with the instructions in this letter without any further permission from us or any other Chargor and without any enquiry by you as to the justification for or validity of any request, notice or instruction.

This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

Yours faithfully,

.....
(Authorised signatory)

For the Parent
for itself and as agent
for each of the other Chargors named below

CHARGORS

the Parent

[list other Chargors]

PART 2

ACKNOWLEDGEMENT OF COUNTERPARTY

To: [Security Agent]

Copy: [the Parent]

[Date]

Dear Sirs,

Security agreement dated [] between [] and others
and [] (the Security Agreement)

We confirm receipt from [] (the Parent) on behalf of certain chargors (the **Chargors**) of a notice dated [] of an assignment on the terms of the Security Agreement of all of each Chargor's rights in respect of [insert details of the Relevant Contract(s) (the **Relevant Contract[s]**)].

We confirm that we:

8. accept the instructions contained in the notice and agree to comply with the notice;
9. have not received notice of the interest of any third party in [any of] the Relevant Contract[s];
10. undertake to disclose to you without any reference to or further authority from the Parent or any of the other Chargors any information relating to [any of] the Relevant Contract[s] which you may at any time request;
11. undertake to notify you of any breach by any Chargor of [any of] the Relevant Contract[s] and to allow you or any of the other Secured Creditors referred to in the Security Agreement) to remedy that breach; and
12. undertake not to amend or waive any term of or terminate [any of] the Relevant Contract[s] on request by the Parent or any of the other Chargors without your prior written consent.

This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

Yours faithfully,

.....
(Authorised signatory)

[Counterparty]

SCHEDULE 6

FORM OF DEED OF ACCESSION

THIS DEED is dated []

BETWEEN:

- (1) [] (registered number []) with its registered office at [] (the **Additional Chargor**);
- (2) **2 Excel (Holdings) Limited** for itself and as agent for each of the other Chargors under and as defined in the Security Agreement referred to below (the **Parent**); and
- (3) **Lucid Trustee Services Limited** as agent and trustee for the Secured Parties under and as defined in the Senior Facilities Agreement referred to below (the **Security Agent**).

BACKGROUND:

- (A) The Additional Chargor is a Subsidiary of the Parent.
- (B) The Parent has entered into a security agreement dated [], 20[●] (the **Security Agreement**) between the Parent, the other Chargors under and as defined in the Security Agreement and the Security Agent.
- (C) The Additional Chargor has agreed to enter into this Deed and to become a Chargor under the Security Agreement. The Additional Chargor will also, by execution of a separate instrument, become a party to the Senior Facilities Agreement as an Obligor.
- (D) It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document under hand.

IT IS AGREED as follows:

1. INTERPRETATION

Terms defined in the Security Agreement have the same meaning in this Deed unless given a different meaning in this Deed. This Deed is a Finance Document.

2. ACCESSION

With effect from the date of this Deed the Additional Chargor:

- (a) will become a party to the Security Agreement as a Chargor; and
- (b) will be bound by all the terms of the Security Agreement which are expressed to be binding on a Chargor.

3. SECURITY

- (a) Paragraphs (a) to (h) below apply without prejudice to the generality of Clause 2 (Accession) of this Deed.
- (b) All this Security:

- (i) is created in favour of the Security Agent;
 - (ii) is security for the payment, discharge and performance of all the Secured Liabilities; and
 - (iii) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.
- (c) If the Additional Chargor assigns an agreement under this Deed (or charges it by way of a first fixed charge) and the assignment or charge breaches a term of that agreement because a third party's consent has not been obtained:
- (i) the Additional Chargor must notify the Security Agent immediately;
 - (ii) the assignment or charge will not take effect until that consent is obtained;
 - (iii) unless the Security Agent otherwise requires, the Additional Chargor must, and each other Additional Chargor must ensure that the Additional Chargor will, use all reasonable endeavours to obtain the consent as soon as practicable; and
 - (iv) the Additional Chargor must promptly supply to the Security Agent a copy of the consent obtained by it.
- (d) The Security Agent holds the benefit of this Deed on trust for the Secured Parties.
- (e) The fact that no or incomplete details of any Security Asset are inserted in the schedule to this Deed does not affect the validity or enforceability of this Security.
- (f) The Additional Chargor:
- (i) charges by way of a first legal mortgage all estates or interests in any Material Real Property owned by it;
 - (ii) charges by way of a first fixed charge all Investments owned by it;
 - (iii) charges by way of a first fixed charge all of its rights in respect of any amount standing to the credit of any Security Account;
 - (iv) charges by way of a first fixed charge all Plant and Machinery;
 - (v) assigns absolutely, subject to a proviso for reassignment on redemption, all amounts payable to it under or in connection with each of its Insurances;
 - (vi) assigns absolutely, subject to a proviso for reassignment on redemption, all of its rights in respect of Relevant Contracts; and
 - (vii) charges by way of a first fixed charge all of its rights in respect of any Intellectual Property Rights.
- (g) The Additional Chargor consents to a restriction in the following terms being entered into on the Register of Title relating to any Material Real Property registered at H.M. Land Registry:
- "No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the security agreement

referred to in the charges register dated [] in favour of [] (as agent and trustee for the secured creditors referred to in that security agreement) or its conveyancer."

- (h) The Additional Chargor applies to the Chief Land Registrar for a notice in the following terms to be entered on the Register of Title relating to any Material Real Property registered at H.M. Land Registry:

"The Lenders under a senior facilities agreement dated [] between, amongst others, [the Parent], [] as facility agent and [] as security agent are under an obligation (subject to the terms of that senior facilities agreement) to the Parent (and others) to make further advances and the security agreement referred to in the charges register dated [] in favour of [] (as agent and trustee for the secured creditors referred to in that security agreement) secures those further advances."

4. MISCELLANEOUS

With effect from the date of this Deed:

- (a) the Security Agreement will be read and construed for all purposes as if the Additional Chargor had been an original party in the capacity of Chargor (but so that the Security created on this accession will be created on the date of this Deed);
- (b) any reference in the Security Agreement to this Deed and similar phrases will include this Deed and all references in the Security Agreement to Schedule 2 (or any part of it) will include a reference to the schedule to this Deed (or relevant part of it); and
- (c) the Parent, for itself and as agent for each of the other Chargors under the Security Agreement, agrees to all matters provided for in this Deed.

5. LAW

This Deed and any non-contractual obligations arising out of or in connection with it are governed by English law.

THIS DEED has been executed and delivered as a deed on the date stated at the beginning of this Deed.

[Schedule to be inserted, with list of relevant assets]

SIGNATORIES (TO DEED OF ACCESSION)

The Additional Chargor

EXECUTED as a DEED by)
[]) Director
acting by)
and)
) Director/Secretary

The Parent

EXECUTED as a DEED by)
[] (for itself and as agent)
for each of the other Chargors)
party to the Security Agreement) Director
referred to in this Deed)
acting by)
and) Director/Secretary

The Security Agent

[]

By:

SIGNATORIES

The Parent

EXECUTED as a DEED by.....)

2 EXCEL (HOLDINGS) LIMITED.....)

acting by Harant Singh

a Director in the presence of:.....)

.....
Director

Witness Signature.

Witness Name CATHERINE EXS1

Witness Address

Witness Occupation..... ACCOUNTANT

The Chargors

EXECUTED as a DEED by.....)
2 EXCEL (HOLDINGS) LIMITED.....)
acting by Harant Singh)
a Director in the presence of:.....)

.....
Director

Witness Signature.....

Witness Name ...CATHERINE EKS...

Witness Address

Witness Occupation...ACCOUNTANT...

EXECUTED as a DEED by.....)
2 EXCEL AVIATION LIMITED)
acting by Harant Singh)
a Director in the presence of:.....)

.....
Director

Witness Signature.....

Witness Name ...CATHERINE EKS...

Witness Address

Witness Occupation...ACCOUNTANT...

EXECUTED as a DEED by.....)
2 EXCEL MANAGEMENT LIMITED.....)
acting by Harant Singh)
a Director in the presence of:.....)

.....
Director

Witness Signature.

Witness Name ...CATHERINE EXSI...

Witness Address.

Witness Occupation...ACCOUNTANT.....

EXECUTED as a DEED by.....)
2 EXCEL DESIGN LIMITED)
acting by Harant Singh)
a Director in the presence of:.....)

.....
Director

Witness Signature.

Witness Name ...CATHERINE EXSI...

Witness Address.

Witness Occupation...ACCOUNTANT.....

EXECUTED as a DEED by.....)
2 EXCEL GEO LIMITED.....)
acting by Chris Norton)
a Director in the presence of:.....)

.....
Director

Witness Signature..

Witness Name ...CATHERINE EXS)

Witness Address..

Witness Occupation....ACCOUNTANT....

EXECUTED as a DEED by.....)
T2 AVIATION LIMITED)
acting by Andrew Offer)
a Director in the presence of:.....)

.....
Director

Witness Signature..

Witness Name ...CATHERINE EXS)

Witness Address..

Witness Occupation....ACCOUNTANT....

EXECUTED as a deed by
EQUIOM (GUERNSEY)
LIMITED

Acting in its capacity as trustee of the
2 EXCEL (HOLDINGS) LIMITED
EMPLOYEE OWNERSHIP
TRUST by *OLIVER NORMAN* and
MARCEL CARRA each a director
(as authorised signatories)

Director

Director

The Security Agent

EXECUTED as a deed by

LUCID TRUSTEE SERVICES LIMITED)

acting by Andrew Brookes ,)

an ~~Attorney~~/Authorised Signatory in the presence of:)



~~Attorney~~/Authorised Signatory

Witness's Signature



Name: Marsha Brookes
.....

Address: Billericay, Essex
.....

.....

Address: 6th Floor, No 1 Building 1-5 London Wall Buildings, London Wall, London, United Kingdom,
EC2M 5PG

Fax: + 44 2030024691 / + 44 844 507 0945

Attention: Lucid Agency and Trustee Services Limited

