



HERBERT
SMITH
FREEHILLS

15 January 2019

FLYBE GROUP PLC

and

CONNECT AIRWAYS LIMITED

SHARE PURCHASE AGREEMENT

Herbert Smith Freehills LLP

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THIS AGREEMENT is made on 15 January 2019

BETWEEN:

- (1) **FLYBE GROUP PLC** incorporated in England and Wales with registered number 01373432 and whose registered office is at New Walker Hangar Exeter International Airport, Clyst Honiton, Exeter, EX5 2BA ("**Seller**"); and
- (2) **CONNECT AIRWAYS LIMITED** incorporated in England and Wales with registered number 11732177 and whose registered office is at 1st Floor, 4 Cork Street, London W1S 3LB ("**Purchaser**")
(together, the "**Parties**" and each a "**Party**").

WHEREAS:

- (A) The Seller is a public company incorporated under the laws of England and Wales and listed on the Official List of the UK Listing Authority.
- (B) A consortium formed by Virgin Atlantic (30%), Stobart Group (30%) and Cyrus Capital (40%) (the "**Consortium**") incorporated the Purchaser, and announced on 11 January 2019 a recommended cash offer (the "**Offer**") for all of the issued and to be issued share capital of the Seller.
- (C) Concurrent with the announcement of the Offer the Seller entered into a secured bridge loan facility (the "**Bridge Facility Agreement**") with members of the Consortium pursuant to which certain members of the Consortium agreed to make available a committed credit facility of up to £20 million to the Seller. The provision of the Bridge Facility Agreement was subject to a number of conditions precedent, including that the Seller concludes agreements with its card acquirers/ bankers in relation to normalising the operation of the Seller's merchant services.
- (D) As at the date of this Agreement the Seller has been unable to date to satisfy the conditions precedent to draw down under the Bridge Facility Agreement and as a result the Seller's liquidity position is under significant stress.
- (E) Therefore the Seller has agreed to sell and transfer to the Purchaser and the Purchaser has agreed to purchase the entire issued share capital of each of the Target Companies (including all the Business Assets and the Net Inter-Company Payables of the Seller) upon the terms and subject to the conditions set out in this Agreement.

IT IS AGREED as follows:

1. **INTERPRETATION**

- 1.1 In this Agreement (including the Recitals and the Schedules), unless the context otherwise requires, each of the following terms and expressions shall have the following meanings:

"**Applicable Laws**" means all laws, regulations, directives, statutes, subordinate legislation, common law and civil codes of any jurisdiction, all judgments, orders, notices, instructions, decisions and awards of any court or any competent authority or tribunal exercising statutory or delegated powers and all codes of practice having force of law, statutory guidance and policy notes, in each to the extent applicable to the Parties or any member of the Target Group, as the context requires;

"**Business**" means any business carried on at Completion by the Seller Group;

"**Business Asset**" means any tangible asset, contract, shareholding, intellectual property right or right or interest in freehold or leasehold property which relates wholly or (save for contracts) predominantly to the Business of the Seller Group but excluding the documents, records and data of the Seller which relate exclusively or predominantly to the Seller;

"**Business Day**" means a day other than a Saturday, Sunday or public holiday on which banks are generally open in London, England for normal business;

"Companies Act" means the Companies Act 2006;

"Completion" means completion of the sale and purchase of the Shares;

"Deed of Assignment" means the deed of assignment and set-off in respect of the intra-group balances due between the Seller and the Target Group;

"Encumbrance" means any claim, option, charge (fixed or floating), mortgage, lien, pledge, equity, encumbrance, right to acquire, right of pre-emption, right of first refusal, title retention or any other third party right, or other security interest or any other agreement or arrangement having a similar effect or any agreement to create any of the foregoing;

"EU Merger Regulation" means Council Regulation (EC) No 139/2004 of 20 January 2004 on the control of concentrations between undertakings;

"Flybe Aviation Services Limited" means Flybe Aviation Services Limited, a company incorporated in England and Wales with registered number 03951235 and whose registered office is at New Walker Hangar Exeter International Airport, Clyst Honiton, Exeter, EX5 2BA;

"Flybe Limited" means Flybe Limited, a company incorporated in England and Wales with registered number 02769768 and whose registered office is at New Walker Hangar Exeter International Airport, Clyst Honiton, Exeter, EX5 2BA;

"Flybe.com Limited" means Flybe.com Limited, a company incorporated in England and Wales with registered number 04252085 and whose registered office is at New Walker Hangar Exeter International Airport, Clyst Honiton, Exeter, EX5 2BA;

"Flybe Limited Shares" means 1,000,000 ordinary shares of nominal value £1 each in the capital of Flybe Limited;

"Flybe.com Limited Share" means 1 ordinary share of nominal value £1 in the capital of Flybe.com Limited;

"Full Title Guarantee" means with the benefit of the implied covenants set out in Part 1 of the Law of Property (Miscellaneous Provisions) Act 1994 when a disposition is expressed to be with full title guarantee;

"Longstop Date" means 22 February 2019, or such later date (if any) as the Parties may agree;

"Net Inter-Company Payables" has the meaning given to it in the Deed of Assignment;

"Offer" means the proposed acquisition of the entire issued and to be issued share capital of the Seller by the Purchaser as announced pursuant to rule 2.7 of the City Code on Takeovers and Mergers on 11 January 2019.

"Purchaser's Solicitors" means Morgan, Lewis & Bockius UK LLP;

"Seller Group" means the Seller and its subsidiaries and subsidiary undertakings from time to time.

"Shares" means the Flybe Limited Shares and the Flybe.com Limited Share;

"Target Companies" means Flybe Limited and Flybe.com Limited; and

"Target Group" means Flybe Limited, Flybe Aviation Services Limited and Flybe.com Limited, the particulars of which are set out at Schedule 1.

1.2 The following shall apply to this Agreement:

1.2.1 terms and expressions defined in the Companies Act and not expressly defined in this Agreement, including the expressions "subsidiary" and "subsidiary undertaking", shall, unless the context otherwise requires, have the meanings given in the Companies Act;

1.2.2 any reference to this Agreement includes the Schedule to it which forms part of this Agreement for all purposes;

1.2.3 a reference to a Clause, paragraph, Schedule (other than to a schedule to a

statutory provision) shall be a reference to a Clause, paragraph, Schedule (as the case may be) of or to this Agreement;

- 1.2.4 a reference to an enactment, EU instrument or statutory provision shall include a reference to any subordinate legislation made under the relevant enactment, EU instrument or statutory provision and is a reference to that enactment, EU instrument, statutory provision or subordinate legislation as from time to time amended, modified, incorporated or reproduced and to any enactment, EU instrument, statutory provision or subordinate legislation that from time to time (with or without modifications) re-enacts, replaces, consolidates, incorporates or reproduces it;
- 1.2.5 words in the singular shall include the plural and vice versa;
- 1.2.6 references to one gender include other genders;
- 1.2.7 a reference to a person shall include a reference to a firm, a body corporate, an unincorporated association, a partnership or to an individual's executors or administrators;
- 1.2.8 references to writing shall include any modes of reproducing words in any legible form and shall include email except where expressly stated otherwise;
- 1.2.9 a reference to "includes" or "including" shall mean "includes without limitation" or "including without limitation" and general words shall not be given a restrictive meaning by reason of the fact that they are followed by particular examples intended to be embraced by the general words;
- 1.2.10 the headings in this Agreement are for convenience only and shall not affect its interpretation;
- 1.2.11 references to this Agreement include this Agreement as amended or supplemented in accordance with its terms; and
- 1.2.12 a reference to any other document referred to in this Agreement is a reference to that other document as amended, varied, novated or supplemented at any time.

2. **SALE AND PURCHASE**

- 2.1 The Seller is the legal and beneficial owner of and shall sell and the Purchaser shall purchase:
 - 2.1.1 the Shares on the basis that they are sold at Completion with Full Title Guarantee, free from any Encumbrance, and together with all rights attached to them at the date of this Agreement or subsequently becoming attached to them;
 - 2.1.2 the Net Inter-Company Payables; and
 - 2.1.3 all of the Business Assets .

3. **CONSIDERATION**

- 3.1 The consideration for the sale and purchase of the Shares and the Business Assets shall be the sum of £2,600,000 and the consideration for the sale of the Inter-Company Payables shall be £200,000 in each case which shall be payable in cash at Completion.

4. **COMPLETION**

Completion Date

- 4.1 Completion shall take place within two Business Days of satisfaction of the Conditions Precedent (as defined in Clause 5.1) at the offices of the Purchaser's Solicitors, or such other date and/or such other place as the Seller and Purchaser shall agree, provided that Completion shall not occur before the transfer of the Seller's listing to the "Standard Listing (shares)" segment of the Official List.

Sellers' Obligations

- 4.2 At Completion the Seller shall deliver or cause to be delivered to the Purchaser:
- 4.2.1 a copy of or extract from the minutes of a meeting of the directors of the Seller authorising the Seller to enter into and perform its obligations under this Agreement, certified to be a true and complete copy or extract by a director or the secretary of the Seller;
 - 4.2.2 transfers of all the Shares each duly executed by the Seller in favour of the Purchaser or its nominee together with definitive share certificates for them or an indemnity for lost share certificates in a form satisfactory to the Purchaser (acting reasonably);
 - 4.2.3 any power of attorney or other authority under which this Agreement is executed on behalf of the Seller;
 - 4.2.4 to the extent not in the possession of the relevant Target Company, the certificate of incorporation, common seal and all statutory and minute books of such Target Company, together with all unused share certificate forms;
 - 4.2.5 a power of attorney and appointment of proxy in the agreed form, executed by the Seller, empowering the Purchaser to exercise the Seller's rights as shareholder of Flybe Limited and Flybe.com Limited pending the stamping and registration of the transfers referred to in Clause 4.3 below; and
 - 4.2.6 the Deed of Assignment, duly executed by the parties to it.
- 4.3 At Completion the Seller shall procure that:
- 4.3.1 at a meeting of the directors of Flybe Limited the directors of Flybe Limited shall approve registration of the transfers of the Shares to the Purchaser or its nominee and the entry of the transferee in the register of members of Flybe Limited; and
 - 4.3.2 at a meeting of the directors of Flybe.com Limited the directors of Flybe.com Limited shall approve registration of the transfers of the Shares to the Purchaser or its nominee and the entry of the transferee in the register of members of Flybe.com Limited,

in each case subject only to the transfers being subsequently presented duly stamped or adjudicated or certified as being exempt from ad valorem stamp duty.

Purchasers' Obligations

- 4.4 At Completion the Purchaser shall:
- 4.4.1 pay by electronic transfer to an account nominated by the Seller in writing the sum of £2,800,000;
 - 4.4.2 shall deliver or cause to be delivered to the Seller a copy of or extract from the minutes of a meeting of the directors of the Purchaser authorising the Purchaser to enter into and perform its obligations under this Agreement, certified to be a true and complete copy or extract by a director or the secretary of the Purchaser; and
 - 4.4.3 any power of attorney or other authority under which this Agreement is executed on behalf of the Purchaser.

All Shares

4.5 There shall be no obligation on the Purchaser to complete the purchase of any of the Shares unless the purchase of all of the Shares is completed simultaneously.

5. **CONDITIONS PRECEDENT**

5.1 Completion is conditional on the following conditions being satisfied on or before the Longstop Date:

5.1.1 agreement between the Purchaser and BRAL Trustees (IOM) Limited (the "**Trustees**") as to funding of the British Regional Airlines Group Pension Scheme (the "**Pension Scheme**") based on the agreement in principle dated 11 January 2019 but updated to reflect the revised transaction structure pursuant to this Agreement and the entry into a deed of substitution by the Trustees, the Seller and Flybe Limited (or Connect Airways Limited) substituting Flybe Group plc as principal employer of the Pension Scheme with Flybe Limited with effect on and from Completion;

5.1.2 the Purchaser achieving derogation from the standstill provisions of the EU Merger Regulation and Jersey merger control legislation, on terms acceptable to the Purchaser by the Longstop Date; and

5.1.3 no steps having been taken by any third party or legal proceedings started by or threatened in writing by any third party against a member of the Seller Group, for

(A) its winding-up or dissolution or for it to enter into any arrangement or composition for the benefit of its creditors; or

(B) for the appointment of a receiver, administrator, trustee or similar officer of it or any material part of its assets (or any analogous proceedings or appointment in any overseas jurisdiction),

each a "**Condition**" and together the "**Conditions Precedent**".

5.2 The Parties shall use all reasonable endeavours to procure the satisfaction of the Conditions Precedent as soon as possible, and in any event before the Longstop Date.

5.3 The Purchaser shall file any derogation applications necessary for the satisfaction of the Condition in Clause 5.1.2 as soon as reasonably practicable following the date of this Agreement. The Parties will co-operate together with a view to enabling the Purchaser to make such filings to enable satisfaction of such Condition by the Longstop Date.

5.4 The Parties shall keep each other regularly informed about the status of the Conditions and each Party shall notify the other Party, together with reasonable evidence as reasonably required, as soon as soon as is practicable after becoming aware of:

5.4.1 the satisfaction of any Condition; and

5.4.2 any fact or circumstance which would or may prevent or delay the satisfaction of a Condition.

5.5 If any of the Conditions Precedent remain unsatisfied on the Longstop Date, the Purchaser may:

5.5.1 by written notice to the Seller, waive any of the Conditions Precedent in whole or in part at any time on or before the Longstop Date; or

5.5.2 give notice to the Seller that it wishes to terminate this Agreement.

5.6 The termination of this Agreement in accordance with Clause 5.5 shall not affect:

5.6.1 any rights or obligations which have accrued before or become due prior to the

date of termination; and

- 5.6.2 the continued existence and validity of the rights and obligations of the Parties under Clauses 1, 10, 12.1, 12.2, 12.3, 12.6 to 12.8, 12.9, 12.10 to 12.14, 12.15, 12.16, and 13.

6. CONDUCT OF BUSINESS BEFORE COMPLETION

- 6.1 Pending Completion, the Seller shall use all its reasonable endeavours to procure that each member of the Target Group continues to carry on business in the normal course and in substantially the same manner as its business has been carried on before the date of this Agreement including without limitation doing all such reasonable things to ensure that the Civil Aviation Authority does not revoke or suspend the Seller Group's operating licence issued pursuant to Regulation (EC) No 1008/2008 of the European Parliament and of the Council of 24 September 2008 or any equivalent or replacement equivalent authorisation in the United Kingdom.
- 6.2 Subject to Applicable Laws, pending Completion the Sellers shall procure that the Purchaser is given reasonable access to all the books and records, documents, information, data and financial affairs of the Target Group.

7. POST COMPLETION TRANSFER OF ASSETS

- 7.1 If any Business Asset owned by or in the possession of the Seller immediately prior to Completion is not within the ownership and possession of the Target Group following Completion, the Purchaser may give written notice to the Seller at any time until the date 12 months after the date of Completion, requesting that the Seller transfer or procure the transfer of such Business Asset held by the Seller or under the control of the Seller.
- 7.2 Upon receipt of a written notice pursuant to Clause 7.1, the Seller shall (at the Purchaser's cost) perform such acts and execute such documents as are reasonable and necessary in order to transfer the legal and beneficial title to, and possession of, the relevant Business Asset as soon as reasonably practicable to the Target Group, together with any material benefit or sum accruing to the Seller, net of any tax, costs or expenses payable by the Seller, as a result of holding such Business Asset since Completion.
- 7.3 Neither the Purchaser nor the Target Group shall be liable to pay any sum to the Sellers or in respect of the transfer of any Business Asset pursuant to Clause 7.1.
- 7.4 The Seller shall use all reasonable endeavours to assign and the Purchaser will accept the assignment of any contract to which the Seller is a party which comprises a Business Asset.

8. RELEASE OF GUARANTEES AND UNDERTAKINGS

- 8.1 The Purchaser undertakes that after Completion it shall use all reasonable endeavours to obtain the release of the Seller from any guarantee disclosed and given for the benefit of any member of the Target Group where such release has not already been procured at Completion.

9. WARRANTIES

Mutual warranties

- 9.1 Each Party warrants to the other Party that:
- 9.1.1 it is duly incorporated and has the power to execute and deliver this Agreement and to perform its obligations under it and has taken all action necessary to authorise such execution and delivery and the performance of such obligations;
- 9.1.2 this Agreement constitutes legal, valid and binding obligations of it in accordance with its terms;

- 9.1.3 the execution and delivery by it of this Agreement and the performance of the obligations of that Party under it do not and will not conflict with or constitute a default under any provision of:
- (A) any agreement or instrument to which it is a party;
 - (B) the constitutional documents of that Party; or
 - (C) any law, lien, lease, order, judgment, award, injunction, decree, ordinance or regulation or any other restriction of any kind or character by which it is bound.

Seller Warranties

9.2 The Seller warrants to the Purchaser that:

9.2.1 it is the legal and beneficial owner of, and is or will at Completion be entitled to transfer the legal and beneficial title to:

- (A) the Flybe Limited Shares;
- (B) the Flybe.com Limited Share; and
- (C) the Net Inter-Company Payables,

in each case with Full Title Guarantee and free from any Encumbrances;

9.2.2 the Flybe Limited Shares constitute the entire issued share capital of Flybe Limited and the Flybe.com Limited Share constitutes the entire issued share capital of Flybe.com Limited;

9.2.3 Flybe Limited is the sole shareholder of Flybe Aviation Services Limited;

9.2.4 save for the Flybe.com Limited Share (which is unpaid), the Shares are fully paid or properly credited as fully paid and there is no liability to pay any additional contributions on the Shares; and

9.2.5 the Seller shall maintain sufficient directors so as to continue to operate the company post-Completion.

10. ANNOUNCEMENTS

10.1 Subject to Clause 10.2, save as required by law, any court of competent jurisdiction or any competent regulatory body, no Party shall make any announcement, statement or presentation, except with the prior consent of the other Party.

10.2 Where a Party is required by law, any court of competent jurisdiction or any competent regulatory body to make any announcement, the relevant Party shall promptly notify the other Party, where practicable and lawful to do so, before the announcement is made and shall co-operate with the other Party regarding the timing and content of such announcement or any action which the other Party may reasonably elect to take to challenge the validity of such requirement.

11. POST-COMPLETION ARRANGEMENTS

11.1 The Purchaser shall procure that the Seller and its professional advisers shall be given such access to all the books and records, documents, information and data of the Target Group as the Seller may reasonably require for the purposes of its compliance with its legal and regulatory obligations, including the preparation any tax return, financial statement, bank or regulatory reporting obligations or in order to comply with, or determine its rights or obligations under, this Agreement or the Deed of Assignment.

- 11.2 The Parties intend that with effect from Completion and subject to their respective consent, the employment of Christine Ourmieres-Widener and Ian Milne shall be transferred from the Seller to Flybe Limited and the Parties shall each take such reasonable steps as are required to give effect to this intention.
- 11.3 The Seller and the Purchaser acknowledge that the Seller will following Completion rely on the Purchaser and the Target Group for the provision to the Seller of head-office services including accounting, secretarial, administrative, tax and legal/compliance functional support pending the earlier to occur of: (a) the liquidation of the Seller and (b) the Offer becoming wholly unconditional or otherwise effective.
- 11.4 The Seller therefore agrees, subject to Clause 11.6, to procure that the members of the Seller Group will provide to the Seller, at no cost, such services as are currently provided to the Seller by (so far as practicable) the same personnel.
- 11.5 In addition, the Purchaser shall permit Christine Ourmieres-Widener and Ian Milne to continue to serve as directors of the Seller notwithstanding the transfer of their employment to Flybe Limited and for them to use in this capacity the information and facilities available to them from their employment with Flybe Limited.
- 11.6 Compliance with Clauses 11.3 to 11.5 shall not require the Purchaser to procure assistance to the Seller in a manner or to an extent which is unreasonable or which materially and adversely affects the ordinary course provision of the relevant functional support to the Target Group, save that the Seller and the Purchaser shall co-operate to ensure that both the Seller and the Target Group are afforded sufficient support to allow the proper and punctual preparation of the Seller's financial statements.
- 11.7 Following Completion, the Parties will discuss whether it is necessary or desirable to remove the Seller from the VAT group or any other applicable tax group of which the Seller and the Target Companies are as at the date of this Agreement party and will co-operate together to give effect to their conclusions.

12. MISCELLANEOUS PROVISIONS

Assignment

- 12.1 Neither Party may assign (whether absolutely or by way of security and whether in whole or in part), transfer, mortgage, charge, declare itself a trustee for a third party of, or otherwise dispose of (in any manner whatsoever) the benefit of this Agreement or sub contract or delegate in any manner whatsoever its performance under this Agreement and any such purported dealing in contravention of this Clause 12.1 shall be ineffective.

Severance

- 12.2 If any provision or part of this Agreement is void or unenforceable due to any Applicable Laws, it shall be deemed to be deleted and the remaining provisions of this Agreement shall continue in full force and effect.

Variation

- 12.3 No variation to this Agreement shall be effective unless made in writing (which for this purpose, does not include email) and executed by each of the Parties. The expression "variation" includes any variation, supplement, deletion or replacement, however effected.

Time of essence

- 12.4 Except as otherwise expressly provided, time is of the essence in this Agreement.

No partnership or agency

- 12.5 Nothing in this Agreement or in any document referred to in it or any action taken by the

Parties under it or any document referred to in it shall constitute any of the Parties a partner, agent or representative of any other, nor constitute or create any other relationship under which any Party may be liable for the acts or omissions of another Party.

Entire agreement

- 12.6 This Agreement and the Deed of Assignment represent the entire understanding, and constitutes the whole agreement, in relation to its subject matter and supersedes any previous agreement between the Parties with respect thereto and, without prejudice to the generality of the foregoing, excludes any warranty, condition or other undertaking implied at law or by custom.
- 12.7 Each Party confirms that, except as provided in this Agreement no Party has relied on any undertaking, representation or warranty which is not contained in this Agreement and without prejudice to any liability for fraudulent misrepresentation or fraudulent misstatement, no Party shall be under any liability or shall have any remedy in respect of any misrepresentation or untrue statement unless and to the extent that a claim lies under this Agreement.
- 12.8 Nothing in clauses 12.6 to 12.7 limits or excludes liability for fraud.

Counterparts

- 12.9 This Agreement may be executed in any number of counterparts and by the different Parties on separate counterparts, each of which when executed and delivered shall constitute an original, but all the counterparts shall together constitute one instrument.

Notices

- 12.10 A notice (including any approval, consent or other communication) given in connection with this Agreement must be in writing and must be given by one or more of the following methods:

12.10.1 by hand (including by courier or process server) to the address of the addressee;

12.10.2 by pre-paid first class post to the address of the addressee; or

12.10.3 by email to the email address of the addressee,

being the address or email address specified in Clause 12.11 in relation to the Party or Parties to whom the notice is addressed, and marked for the attention of the person so specified, or to such other address in the United Kingdom, or email, or marked for the attention of such other person, as the relevant Party may from time to time specify by notice given to all of the other Parties in accordance with this clause.

- 12.11 The relevant address and specified details for each of the Parties at the date of this Agreement is as follows:

Seller:

Name: Catherine Ledger, Company Secretary

Address: New Walker Hangar Exeter International Airport, Clyst Honiton, Exeter, EX52BA

Email: Catherine.Ledger@flybe.com

Purchaser:

Name: Jonathan Brown and Warwick Brady

Address: Third Floor, 15 Stratford Place, London, England, W1C 1BE

Email: jonathan.brown@stobartgroup.com and warwick.brady@stobartgroup.com

and

Name: Lucien Farrell
Address: 4 Cork Street, London, W1S 3LB
Email: lfarrell@cyruscapital.com

and

Name: Julian Homerstone, General Counsel
Address: The VHQ, Fleming Way, Crawley RH20 9DF
Email: notices@fly.virgin.com

- 12.12 Subject to Clause 12.13, a notice is deemed to be received and therefore to have been given:
- 12.12.1 in the case of a notice given by hand (including by courier or process server), at the time when the notice is left at the relevant address;
 - 12.12.2 in the case of a notice given by posted letter, on the third day after posting; and
 - 12.12.3 in the case of a notice sent by email, at the time the email is sent (if no delivery failure is reported to or at the senders' email server).
- 12.13 A notice deemed to be received in accordance with Clause 12.12 on a day which is not a Business Day or after 5pm on any Business Day shall be deemed to have been received on the next Business Day.
- 12.14 Any Party delivering a notice under this Agreement shall at such time on the same date send an email to the other Party confirming that such notice has been sent. Failure by the sender to deliver such copy notice to the recipient by email shall not invalidate the service or delivery of the original notice (or delay the time of deemed service or delivery under Clause 12.12).

Waiver

- 12.15 The rights of each Party under this Agreement:
- 12.15.1 may be exercised as often as necessary;
 - 12.15.2 except as otherwise expressly provided by this Agreement, are cumulative and not exclusive of rights and remedies provided by law; and
 - 12.15.3 may be waived only in writing and specifically,
- and delay in exercising or non-exercise of any such right is not a waiver of that right.

Rights of third parties

- 12.16 No term of this Agreement is enforceable under the Contracts (Rights of Third Parties) Act 1999 by a person who is not a Party to this Agreement.

Further Assurance

- 12.17 The Seller shall after Completion at the Purchaser's sole cost and expense execute all such deeds and documents and do all such things as the Purchaser may reasonably require for perfecting the transactions intended to be effected under or pursuant to this Agreement.

13. GOVERNING LAW AND JURISDICTION

- 13.1 This Agreement and any dispute or claim arising out of or in connection with it or its subject matter, existence, negotiation, validity, termination or enforceability (including non-

contractual disputes or claims) shall be governed by and construed in accordance with English law.

- 13.2 Each Party irrevocably agrees that the Courts of England shall have exclusive jurisdiction in relation to any dispute or claim arising out of or in connection with this Agreement or its subject matter, existence, negotiation, validity, termination or enforceability (including non-contractual disputes or claims).
- 13.3 Each Party irrevocably waives any right that it may have to object to an action being brought in the Courts of England, to claim that the action has been brought in an inconvenient forum, or to claim that the Courts of England do not have jurisdiction.

SCHEDULE 1
DETAILS OF THE TARGET GROUP

Details of Flybe Limited

Registered number:	02769768
Company status:	Private limited company
Country of incorporation:	United Kingdom
Registered office:	New Walker Hangar Exeter International Airport, Clyst Honiton, Exeter, EX5 2BA
Issued share capital:	1,000,000 ordinary shares of £1 per share
Directors:	(1) Ian Richard Milne and (2) Christine Jeanne Henriette Ourmieres-Widener
Secretary:	Catherine Ledger
Auditors:	PricewaterhouseCoopers
Outstanding charges:	314

Details of Flybe.com Limited

Registered number:	04252085
Company status:	Private limited company (dormant)
Country of incorporation:	United Kingdom
Registered office:	New Walker Hangar Exeter International Airport, Clyst Honiton, Exeter, EX5 2BA
Issued share capital:	1 ordinary share of £1 per share
Directors:	Ian Richard Milne
Secretary:	Catherine Ledger
Auditors:	n/a
Outstanding charges:	None

Details of Flybe Aviation Services Limited

Registered number: 03951235

Company status: Private limited company

Country of incorporation: United Kingdom

Registered office: New Walker Hangar Exeter International Airport, Clyst Honiton,
Exeter, EX5 2BA

Issued share capital: 1 ordinary share of £1 per share

Directors: (1) Ian Richard Milne and (2) Christine Jeanne Henriette
Ourmieres-Widener

Secretary: Catherine Ledger

Auditors: PricewaterhouseCoopers

Outstanding charges: None

IN WITNESS WHEREOF the parties have executed this Agreement on the date set out above:

Signed for and on behalf of

FLYBE GROUP PLC

by

▶

Name

Jimson Laffin

Title

CHAIRMAN

Signed for and on behalf of
CONNECT AIRWAYS LIMITED
by its authorised signatory

▶

Name

LUCIEN FARRELL

Title

DIRECTOR