

Execution Version

DEED OF COVENANT AND UNDERTAKING

This DEED is dated 5 July 2022.

This DEED is executed in accordance with the laws of England and Wales by:

- (1) **COBHAM ULTRA ACQUISITIONS LIMITED**, a private limited company incorporated and registered in England and Wales with company number 13552764 whose registered office is at Tringham House, 580 Deansleigh Road, Bournemouth, UK, BH7 7DT (“**Cobham**”); and
- (2) **COBHAM ULTRA LIMITED**, a private limited company incorporated and registered in England and Wales with company number 13552009 whose registered office is at Tringham House, 580 Deansleigh Road, Bournemouth, UK, BH7 7DT (“**Cobham Parent**”).

IN FAVOUR OF:

THE SECRETARY OF STATE FOR BUSINESS, ENERGY AND INDUSTRIAL STRATEGY OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND (the “**SoS**”).

BACKGROUND

- (A) Cobham is a direct subsidiary of Cobham Parent which is a company indirectly owned by funds managed by Advent International Corporation (“**AIC**”).
- (B) Ultra Electronics Holdings plc (“**Ultra**”) is a company incorporated and registered in England and Wales with company number 02830397 whose registered office is at 35 Portman Square, London, UK, W1H 6LR. Ultra provides application-engineered solutions in the key elements of mission critical and intelligent systems that are on many of the world’s long-term defence programmes.
- (C) On 16 August 2021, the boards of Cobham and Ultra announced that they had reached an agreement on the terms of a recommended cash acquisition of the entire issued and to be issued ordinary share capital of Ultra (the “**Acquisition**”) to be implemented by means of a scheme of arrangement under Part 26 of the Companies Act (the “**Cobham Scheme**”). If, and to the extent that, the Scheme becomes effective in accordance with its terms, it is anticipated that Ultra, which will then be a subsidiary of Cobham, will be re-registered as a private limited company.
- (D) In recognition of the role played by Ultra in the UK economy and in recognition of Cobham’s appreciation of the importance of the role played by the UK Ultra Group Employees, and following discussions with representatives of Her Majesty’s Government, each of Cobham Parent and Cobham has freely and voluntarily agreed to enter into this deed. The commitments and undertakings in this deed of covenant and undertaking shall be effective from the date on which the Scheme becomes effective (or, in the case of a Takeover Offer, the date on which Cobham Parent or Cobham, and/or any of their respective Affiliates acquire(s) Control of Cobham pursuant to that Takeover Offer) in accordance with its terms (the “**Effective Date**”).

TERMS

1 INTERPRETATION

1.1 In this deed:

“**Acquisition**” has the meaning given to it in Recital (C);

“**AIC**” has the meaning given to it in Recital (A);

“**Affiliate**” means, in respect of any person:

- (a) any person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with that person from time to time;
- (b) any funds and/or vehicles managed and/or advised by that person or any person falling within (a) above;
- (c) any funds and/or vehicles managed and/or advised by the person (the “**Manager**”) that manages or advises that person; and
- (d) any funds and/or vehicles managed and/or advised by the Manager’s Affiliates within the meaning of (a) above;

“**Baseline Engineering and Manufacturing Employees**” means the number of UK Ultra Group Engineering and Manufacturing Employees as at the Effective Date (each such UK Ultra Group Engineering and Manufacturing Employees being an “**Baseline Engineering and Manufacturing Employee**”) less:

- (a) the number of UK Ultra Group Engineering and Manufacturing Employees expected to cease to be employed by the Ultra Group pursuant to the current Management Team’s “Focus; Fix; Grow” transformation scheme;
- (b) any UK Ultra Group Engineering and Manufacturing Employees who cease to be employed by the Ultra Group in the circumstances described in clause 2.3(c);
- (c) on and with effect from any Relevant Event, the number of UK Ultra Group Engineering and Manufacturing Employees who cease to be UK Ultra Group Employees in connection with such Relevant Event, provided that such number shall not exceed:
 - (A) in respect of a Relevant Event involving the sale of any business(es), asset(s) or undertaking(s) of the Ultra Group:
 - 1. such number of UK Ultra Group Engineering and Manufacturing Employees as may be required by the applicable Transfer Regulations; and
 - 2. such number of UK Ultra Group Engineering and Manufacturing Employees who do not fall within sub-paragraph 1 above but who were engaged by or working (exclusively or primarily) in the relevant member(s) of the Ultra Group and/or in respect of the business(es), asset(s) or undertaking(s) that was the subject of the Relevant Event; and/or
 - (B) in respect of a Relevant Event involving the sale of shares in any member of the Ultra Group, such number of UK Ultra Group Engineering and Manufacturing Employees who otherwise cease to be employed by the Ultra Group as a direct or indirect result of any Ultra Group Company ceasing to be Controlled by any of Cobham, the Cobham Parent, AIC and/or any of their respective Affiliates;

“Baseline UK Engineering R&D FTEs” means the number of UK Engineering R&D FTEs in respect of the financial year ending 31 December 2022 calculated by annualising the number of Engineering R&D Hours performed by UK Ultra Group Employees from and including 1 January 2022 to and including 30 May 2022 less, following each Relevant Event, the Relevant Proportion of Baseline UK Engineering R&D FTEs for all such Relevant Events at that time, provided that, on or prior to completion of each Relevant Event, Cobham Parent and Cobham shall procure that the Relevant Third Party shall execute a deed of undertaking in favour of the SoS confirming that it will as a minimum comply with clause 2.3(a)(i) in respect of the Relevant Proportion of Baseline UK Engineering R&D FTEs until the end of the period of three years from the Effective Date (or such other time period as the Relevant Third Party and the SoS may agree) and, for the avoidance of doubt, upon the execution of such deed by the Relevant Third Party, each of Cobham Parent and Cobham shall be released from its obligations under clause 2.3(a)(i) in respect of the Relevant Proportion of Baseline UK Engineering R&D FTEs;

“Cobham Group Company” means Cobham and its Affiliates (together, the **“Cobham Group”**), provided however that neither AIC nor any funds managed by it shall be Cobham Group Companies;

“Cobham Scheme” has the meaning given to it in Recital (C);

“Companies Act” means the Companies Act 2006;

“Control” means with respect to a person or business:

- (a) direct or indirect ownership of or control over more than 50 per cent. of the voting and/or equity securities (or the economic participation therein) of such person or business;
- (b) the direct or indirect right to appoint, or cause the appointment of, more than 50 per cent. of the members of the board of directors (or similar governing body) of such person or business; or
- (c) the direct or indirect right to manage, or direct the management of, on a discretionary basis, the business, affairs and/or assets of such person or business,

and:

- (i) a general partner of a limited partnership is deemed to Control that limited partnership and all undertakings under the Control of that limited partnership;
- (ii) a manager of a fund is deemed to Control that fund and all undertakings under the Control of that fund; and
- (iii) any person which is a subsidiary undertaking of another person shall be deemed to be Controlled by that second person;

“Effective Date” has the meaning given to it in Recital (D);

“Employee” means a person who is a permanent employee (being a person who has a contract of employment) excluding, for the avoidance of doubt employees with fixed-term contracts, fixed-term workers, consultants, contractors, agency workers, casual workers (including zero-hour workers), volunteers, and secondees from third parties;

“Engineering R&D Activities” means any internally funded activity or expenditure carried out by or on behalf of the Ultra Group in relation to the research, advancement, design, development and improvement of technologies, infrastructure, intellectual property, products or software in respect of products and services (including maintenance and repairs) which may be offered or which are offered by the Ultra Group from time to time;

“Engineering R&D Hours” means the number of working hours spent by UK Ultra Group Employees referable to Engineering R&D Activities as calculated and recorded in accordance with the internal policies and procedures of the Ultra Group from time to time;

“FY2021 UK Engineering R&D Expenditure” means the UK Engineering R&D Expenditure as calculated and recorded in accordance with the internal policies and procedures of the Ultra Group from time to time for the year ended 31 December 2021 less, following each Relevant Event, the Relevant Proportion of FY2021 Engineering R&D Expenditure for all such Relevant Events at that time, provided that, on or prior to completion of each Relevant Event, Cobham Parent and Cobham shall procure that the Relevant Third Party shall execute a deed of undertaking in favour of the SoS confirming that it will as a minimum comply with clause 2.2(a) in respect of the Relevant Proportion of FY2021 UK Engineering R&D Expenditure until the end of the period of three years from the Effective Date (or such other time period as the Relevant Third Party and the SoS may agree) and, for the avoidance of doubt, upon the execution of such deed by the Relevant Third Party, each of Cobham Parent and Cobham shall be released from its obligations under clause 2.2(a) in respect of the Relevant Proportion of FY2021 UK Engineering R&D Expenditure;

“FY2022 YTD UK Manufacturing FTEs” means the number of UK Manufacturing FTEs as at 10 June 2022 less, following each Relevant Event, the Relevant Proportion of FY2022 YTD UK Manufacturing FTEs for all such Relevant Events at that time, provided that, on or prior to completion of each Relevant Event, Cobham Parent and Cobham shall procure that the Relevant Third Party shall execute a deed of undertaking in favour of the SoS confirming that it will as a minimum comply with clause 2.3(a)(ii) in respect of the Relevant Proportion of FY2022 YTD UK Manufacturing FTEs (as applicable) until the end of the period of three years from the Effective Date (or such other time period as the Relevant Third Party and the SoS may agree) and, for the avoidance of doubt, upon the execution of such deed by the Relevant Third Party, each of Cobham Parent and Cobham shall be released from its obligations under clause 2.3(a)(ii) in respect of the Relevant Proportion of FY2022 YTD UK Manufacturing FTEs;

“Listing” means the admission of some or all of the ordinary issued share capital (or such other class of share capital which comprises the primary voting shares) of Cobham Parent, Cobham, any Cobham Group Company (provided such entity, directly or indirectly, holds the majority of the assets of the Ultra Group, taking account of any pre-listing reorganisation) or any New Holding Company established for the purposes of such admission (such entity being the “ListCo” for the purposes of this definition and clause 2.5) to trading or listing on a Recognised Investment Exchange, in circumstances where upon such listing becoming effective none of (i) Cobham, (ii) Cobham Parent and/or (ii) any of their respective Affiliates, Controls the ListCo;

“Management Team” means the executive management team of Ultra from time to time;

“Material Adverse Change” means any event, change, matter or circumstance which (when assessed together with, and after netting off the impact of, any positive or mitigating event, change, matter or circumstance arising following the Effective Date), whether individually or in aggregate, is materially adverse to the Ultra Group taken as a whole (which includes without limitation its properties and/or assets, liabilities, financial condition, business, operating results and operations), provided that any action taken by or on behalf of Cobham, Cobham Parent or Ultra (a) in order to comply with this deed or (b) other than in the normal and ordinary course

of business, shall not, in either case, be taken into account in determining whether a “Material Adverse Change” has arisen or occurred with respect to the Ultra Group;

“**New Holding Company**” means any new holding company of Ultra, Cobham Parent, Cobham or any Cobham Group Company, formed for the purpose of facilitating a Listing or a Reorganisation Transaction;

“**Post-Offer Undertaking**” has the meaning given to it in Recital (E);

“**Recognised Investment Exchange**” means a recognised investment exchange, as defined in section 285 of the Financial Services and Markets Act 2000, as amended from time to time;

“**Relevant Event**” means any event which results in: (i) any business of the Ultra Group or any Ultra Group Company becoming Controlled by a Relevant Third Party; and/or (ii) any Transfer;

“**Relevant Proportion**” means, in respect of FY2021 UK Engineering R&D Expenditure, Baseline UK Engineering R&D FTEs and/or FY2022 YTD UK Manufacturing FTEs, the number or amount of FY2021 UK Engineering R&D Expenditure, Baseline UK Engineering R&D FTEs and/or FY2022 YTD UK Manufacturing FTEs contributed in respect of the financial year ended 31 December 2021 by the business of the Ultra Group, Ultra Group Company and/or employees which are the subject of the Relevant Event represents to the total amount or number of FY2021 UK Engineering R&D Expenditure, Baseline UK Engineering R&D FTEs and/or FY2022 YTD UK Manufacturing FTEs (as applicable) as at the date of this deed;

“**Relevant Third Party**” means any person other than Cobham, the Cobham Parent, AIC and/or any of their respective Affiliates;

“**Reorganisation Transaction**” means, save in the case of a Relevant Event, a reorganisation of the Cobham Group and/or the Ultra Group by any means, including the acquisition of Cobham or a company forming part of the Ultra Group by a New Holding Company or any member of the Cobham Group or any other reorganisation of Cobham, Cobham Parent or the Ultra Group, involving the share or debt capital of Cobham, the Cobham Parent or the Ultra Group;

“**Scheme**” means the Cobham Scheme and any new, revised or replacement scheme of arrangement which would (if it became effective) result in Cobham Parent, Cobham, AIC and/or any of their respective Affiliates acquiring Control of Ultra on the terms and subject to the conditions of the Acquisition, or any Takeover Offer;

“**subsidiary undertaking**” and “**undertaking**” shall have the meaning given to such terms in the Companies Act;

“**Takeover Offer**” means any Takeover Offer, as defined in Cobham’s scheme document in respect of the Acquisition dated 8 September 2021;

“**Transfer**” means any actual transfer of UK Ultra Group Employees to a Relevant Third Party pursuant to the Transfer Regulations;

“**Transfer Regulations**” means the Transfer of Undertakings (Protection of Employment) Regulations 2006 (as amended or replaced from time to time);

“**UK**” means the United Kingdom of Great Britain and Northern Ireland;

“UK Engineering FTEs” means the number of UK Ultra Group Employees forming part of the Engineering department of the Ultra Group, as calculated and recorded in accordance with the internal policies and procedures of the Ultra Group from time to time;

“UK Engineering R&D FTEs” means the notional number of UK Ultra Group Employees deemed to perform Engineering R&D Activities on a full-time basis as assessed by dividing the total number of Engineering R&D Hours performed or projected to be performed (as applicable) by UK Ultra Group Employees in a financial year by the product of ((i) 250 (being the approximate number of working days in the relevant year and (ii) eight (being the number of hours in a working day), in each case, as calculated and recorded in accordance with the internal policies and procedures of the Ultra Group from time to time;

“UK Engineering R&D Expenditure” means, in respect of a financial year, the aggregate amount of (i) expenditure and costs incurred in respect of UK Engineering R&D FTEs; and (ii) any other expenditure by or on behalf of the Ultra Group which is referable to Engineering R&D Activities in the UK, in each case, as calculated and recorded for the relevant financial year in accordance with the internal policies and procedures of the Ultra Group from time to time;

“UK Manufacturing FTEs” means the number of UK Ultra Group Employees forming part of the Manufacturing department of the Ultra Group, as calculated and recorded in accordance with the internal policies and procedures of the Ultra Group from time to time;

“UK Ultra Group” means those entities within the Ultra Group that are incorporated and registered in the UK from time to time;

“UK Ultra Group Employee” means an Ultra Group Employee who is ordinarily based permanently in the UK;

“UK Ultra Group Engineering and Manufacturing Employees” means those UK Ultra Group Employees who are UK Engineering FTEs and UK Manufacturing FTEs;

“Ultra” has the meaning given to it in Recital B;

“Ultra Group” means:

- (a) Ultra or any new holding company of Ultra and their respective direct and indirect subsidiary undertakings from time to time; and
- (b) each of Ultra and its direct and indirect subsidiary undertakings and each of their businesses as at the Effective Date, in each case that are Controlled by any Cobham Group Company from time to time;

“Ultra Group Company” shall mean any undertaking in the Ultra Group;

“Ultra Group Employee” means an Employee of any member of the Ultra Group; and

“Undertaking Period” means the period between the Effective Date and the date on which AIC and/or any of its Affiliates ceases to Control the Ultra Group.

- 1.2 For the purposes of this deed, any obligation on, or undertaking by: (a) Cobham shall, to the extent that any of Ultra’s shares are held by a nominee on behalf of Cobham, include an obligation on Cobham to procure that any such nominee complies with such obligations or undertakings; and (b) Cobham Parent shall, to the extent that any of Ultra’s shares are held by

an entity Controlled by Cobham Parent, include an obligation on Cobham Parent to procure that any such entity complies with such obligations or undertakings.

- 1.3 For the purposes of this deed, any obligation on a party to “procure” a certain outcome shall mean an obligation for that party to exercise, lawfully and in a manner that does not otherwise put such party in breach of (i) any *bona fide* fiduciary duty or (ii) any contractual obligation existing prior to the date of this deed, any voting rights and use any and all powers vested in it from time to time as a holder of securities, shareholder, director, officer and/or employee and attorney, or through any contractual arrangements, to ensure compliance with that obligation so far as it is reasonably able to do so, whether acting alone or (to the extent that such party is lawfully able to contribute to ensuring such compliance collectively) acting with others, provided that if that party considers that such obligation shall require the relevant party to take any action which would be materially or disproportionately prejudicial to the interests of that party or its subsidiaries or shall require that party to incur unreasonable or disproportionate costs to procure the relevant outcome, it shall notify the non-affected party and consult with them with a view to agreeing an alternative course of action reasonably acceptable to the parties which seeks to achieve the relevant outcome.
- 1.4 Cobham Parent and Cobham hereby each acknowledges and agrees that the obligations and undertakings in this deed are owed to the SoS and that the SoS shall be entitled to enforce such obligations and undertakings against Cobham Parent and Cobham.
- 1.5 Except as otherwise provided in this deed, any numerical calculation made in respect of clause 2 below which results in a number containing decimal places shall not be rounded.

2 UNDERTAKINGS

2.1 Ultra’s presence in the UK

Each of Cobham Parent and Cobham undertakes to the SoS that, during the Undertaking Period, it shall procure that:

- (a) the Ultra Group shall maintain a corporate headquarters of the Ultra Group in the UK; and
- (b) the “Ultra” name will continue to be included in the registered names of those members of the UK Ultra Group which include “Ultra” in their registered names as at the Effective Date.

2.2 Investing in innovation in the UK

Each of Cobham Parent and Cobham undertakes to the SoS that it shall:

- (a) by the end of the period of three years from the Effective Date, procure that the Ultra Group’s UK Engineering R&D Expenditure in the most recent financial year shall have increased by at least 20 per cent. from the level of the FY2021 UK Engineering R&D Expenditure and shall not, in any given year prior to the third anniversary of the Effective Date, fall below the level of the FY2021 UK Engineering R&D Expenditure, such commitments to be met from the resources of the Ultra Group (or where applicable, Cobham Parent and Cobham) and shall not include any customer funding;
- (b) procure that the Ultra Group progresses in good faith the existing proposal of the Management Team to establish a centre of excellence for cyber capabilities in Maidenhead, UK, the capital costs of which (but not, without limitation, the

expenditure and costs incurred in respect of UK Engineering R&D FTEs active in such centre of excellence) shall be funded and maintained separately to the Ultra Group's UK Engineering R&D Expenditure referred to in paragraph 2.2(a) above; and

- (c) procure that any intellectual property which is principally developed by the UK Ultra Group shall, to the extent appropriate, continue to be registered in the UK in a manner consistent with the past practice of the Ultra Group.

2.3 Investing in Ultra's UK workforce

- (a) Subject to clauses 2.3(d) and 4.3 below (as applicable), each of Cobham Parent and Cobham undertakes to the SoS that it shall procure that:
 - (i) by the end of the period of three years from the Effective Date, the number of UK Engineering R&D FTEs in the most recent financial year shall have increased by at least 15 per cent. from the Baseline UK Engineering R&D FTEs and, during the period of three years from the Effective Date, the number of UK Engineering R&D FTEs shall not, in any given year prior to the third anniversary of the Effective Date, fall below the number of Baseline UK Engineering R&D FTEs;
 - (ii) by the end of the period of three years from the Effective Date, the number of UK Manufacturing FTEs in the most recent financial year shall have increased by at least 10 per cent. from the FY2022 YTD UK Manufacturing FTEs and shall not, in any given year prior to the third anniversary of the Effective Date, fall below the number of FY2022 YTD UK Manufacturing FTEs; and
 - (iii) during the Undertaking Period, the aggregate number of UK Ultra Group Engineering and Manufacturing Employees shall not be reduced to a number below 100% of the Baseline Engineering and Manufacturing Employees;
- (b) Each of Cobham Parent and Cobham undertakes to the SoS that, during the Undertaking Period, it shall procure that:
 - (i) the Ultra Group shall establish a scholarship fund of up to £5,000,000 to support over 100 university undergraduates from under-represented backgrounds in the UK to pursue degrees in engineering and related disciplines; and
 - (ii) by the end of the period of three years from the Effective Date, the Ultra Group shall employ at least double the number of apprentices which it employed as at the end of the financial year ended 31 December 2021.
- (c) Nothing in clause 2.3(a) shall prevent Cobham Parent, Cobham or any member of the Ultra Group from reducing the number of UK Ultra Group Employees to the extent that the redundancy or termination of any UK Ultra Group Employee:
 - (i) was initiated or contemplated by the Ultra Group prior to the Effective Date; and/or
 - (ii) is reasonably undertaken in good faith and in accordance with fiduciary duties as may be required to enable an Ultra Group Company to maintain a competitive position relative to other businesses in an industry in which an Ultra Group Company operates (including, without limitation, as a result of

technological advances) and any such person whose employment is terminated or is made redundant shall be assumed for the purposes of clause 2.3 to continue to be a UK Ultra Group Employee. For the duration of the Undertaking Period, Cobham Parent and Cobham shall give notice in writing to the SoS not less than 50 days prior to the first such redundancy or termination having effect (and providing such details of the redundancies or terminations as the SoS may request) and, in any case, such notice shall be given in advance of the board of Ultra approving such redundancies or terminations.

2.4 **Accelerating ESG targets**

Each of Cobham Parent and Cobham undertakes to the SoS that, during the Undertaking Period, it shall procure that the Ultra Group shall establish programmes intended to:

- (a) promote the objective of reducing Ultra’s greenhouse gas emissions to net zero by 2050; and
- (b) promote the objective of increasing the levels of diversity in the UK workforce of the Ultra Group.

2.5 **Listing**

In the event of a Listing, each of Cobham Parent and Cobham hereby undertakes to the SoS to procure that, upon completion of the Listing, ListCo shall have executed a deed of undertaking, in place of Cobham Parent and Cobham, in favour of the SoS on terms that are the same in all material respects to this deed, and upon the execution of such deed by ListCo, without prejudice to any subsisting obligations or commitments of each of Cobham Parent and Cobham that arose prior to the execution of the deed by ListCo, each of Cobham Parent and Cobham shall be released from its obligations under this deed.

2.6 **Reorganisation Transactions**

Cobham and the Cobham Parent may at any time implement a Reorganisation Transaction provided that the Reorganisation Transaction would not be materially and disproportionately adverse to the legal position of the SoS in respect of the undertakings given by Cobham and the Cobham Parent pursuant to this deed. Cobham and Cobham Parent undertakes that if the effect of any Reorganisation Transaction is that Cobham or the Cobham Parent is no longer a parent undertaking of Ultra, Cobham and the Cobham Parent shall procure that the new parent undertaking of Ultra enters into a deed on substantially the same terms as this deed.

3 **ACCESS TO INFORMATION AND COMPLIANCE MEETINGS**

3.1 Each of Cobham Parent and Cobham agrees and acknowledges that the SoS has the right to appoint a person or persons to monitor Cobham Parent and Cobham’s compliance with, and under, this deed on behalf of the SoS (the “**Monitor**”) and that the SoS’s rights or actions under this clause 3 can be exercised by the Monitor.

3.2 Each of Cobham Parent and Cobham undertakes to the SoS that it shall, during the Undertaking Period, promptly provide such information and/or access (for the SoS and/or its advisers (including any Monitor)) to the Ultra Group as the SoS may, from time to time, reasonably require to ascertain Cobham Parent and Cobham’s compliance (and likelihood of its ability to continue to comply with) with its obligations and undertakings under this deed.

- 3.3 Each of Cobham Parent and Cobham undertakes to the SoS that it shall submit a written notice to the SoS every six months following the Effective Date (the “**Compliance Notice**”) (the first Compliance Notice to be submitted to the SoS on the final day of the sixth full calendar month following the Effective Date) confirming:
- (a) whether any actions or courses of action which it has committed to undertake by the date of the relevant Compliance Notice under the terms of this deed have been implemented or completed within the applicable timeframe and/or the progress made in relation to such actions or courses of action;
 - (b) whether any actions or courses of action which it committed not to undertake under the terms of this deed have been taken or not;
 - (c) whether there has been any material breach or non-compliance with any of its obligations or undertakings pursuant to this deed and the steps taken, or intended to be taken, to remedy any such breach or non-compliance.
- 3.4 Each of Cobham Parent and Cobham undertakes to the SoS that its representatives shall attend (and it shall procure that members of the Management Team attend) a meeting with the SoS:
- (a) if so requested by the SoS following the delivery of a Compliance Notice:
 - (i) to answer any reasonable questions in relation to the Compliance Notice;
 - (ii) to discuss its contents (including those matters set out in clause 3.3); and
 - (iii) to discuss any other matters as the SoS may reasonably require to ascertain whether each of Cobham Parent and Cobham is fulfilling, or is likely to be able to continue to fulfil, its obligations and undertakings contained in this deed;
 - (b) at any other time if requested by the SoS where the SoS, acting reasonably, considers that either of Cobham Parent or Cobham is not materially complying with its obligations and undertakings contained in this deed, to discuss any matters as the SoS may reasonably require to ascertain whether either of Cobham Parent and Cobham is complying with its obligations and undertakings.
- 3.5 If either of Cobham Parent or Cobham is, or reasonably considers that it is likely to become, unable to materially comply with any of the obligations contained in this deed, or becomes aware of any material breach or non-compliance (or likelihood of material breach or non-compliance), to the maximum extent permitted by applicable laws and regulations, Cobham Parent or Cobham (as applicable) undertakes to the SoS that it shall notify the SoS as soon as reasonably practicable providing full reasons for the material breach or non-compliance (or likelihood of material breach or non-compliance) and shall remedy any such material breach or non-compliance (or likelihood of material breach or non-compliance) as soon as reasonably practicable upon becoming aware of the material breach or non-compliance (or likelihood of material breach or non-compliance) and Cobham Parent and/or Cobham and the SoS shall discuss such reasonable modifications to the obligations contained in this deed as may be required in order to remedy such actual or potential material breach or non-compliance. This clause is without prejudice to any rights, powers and remedies of the SoS under this deed.
- 3.6 With respect to the undertakings in clauses 2.2(a), 2.3(a)(i), 2.3(a)(ii) and 2.3(a)(iii), subject to clause 4.2, if and to the extent that Cobham or the Cobham Parent ceases to be in compliance with the undertakings contained in clauses 2.2(a), 2.3(a)(i), 2.3(a)(ii) and/or 2.3(a)(iii) at the relevant times during or at the end of the period of three years from the Effective Date (as

applicable), Cobham and Cobham Parent shall have the right and ability to cure such breach until the date falling six months after the date on which such non-compliance is notified to the SoS pursuant to clause 3.5, and during such period neither Cobham nor Cobham Parent shall be considered to be in breach of this deed.

4 GENERAL

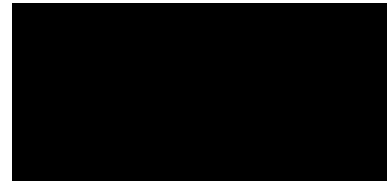
- 4.1 Each of Cobham Parent and Cobham acknowledges that this deed (and any discussions or negotiations or actions by or on behalf of the SoS relating to this deed or the undertakings contained in it) does not operate in any way to preclude or restrict the exercise of any powers available to the SoS or Her Majesty's Government, including but not limited to powers under the Enterprise Act 2002.
- 4.2 Without prejudice to clauses 4.4, 4.5, 4.6, 4.7, 4.8, 4.11 and 4.12 and any other subsisting commitments, obligations or rights accrued or arising prior to this date, each of Cobham Parent's and Cobham's obligations in this deed shall terminate on the date AIC and/or any of its Affiliates ceases to Control the Ultra Group.
- 4.3 If any Material Adverse Change occurs, each of Cobham Parent and Cobham shall not be required to comply with the obligations in clause 2 and Cobham Parent and Cobham shall (to the extent reasonably practicable) promptly give notice in writing to the SoS (in the form of a letter from an executive director of Ultra) of such a Material Adverse Change occurring prior to any non-compliance with the obligations in clause 2 by Cobham Parent and Cobham arising from the Material Adverse Change (a "**MAC Notice**") and such MAC Notice will include details of the Material Adverse Change including: (a) the timing, or expected timing, of the Material Adverse Change having effect; (b) the assessment undertaken by Ultra of the effects and implications of the Material Adverse Change on the aggregate number of UK Ultra Group Employees that Cobham and Cobham Parent have undertaken are to be engaged or working in the Ultra Group in accordance with clause 2; (c) the mitigating steps and actions taken by Cobham Parent, Cobham and Ultra to seek to ensure continued compliance with clause 2; (d) the arrangements proposed to be implemented by Cobham Parent, Cobham and Ultra to mitigate against any reduction of UK Ultra Group Employees as a result of the Material Adverse Change; and (e) a copy of the minutes of a meeting of the board of directors of Ultra wherein it was agreed that it is not in the best interests of the Ultra Group to comply with the obligations in clause 2 of this Deed. Where the number of UK Ultra Group Employees has been reduced as a result of such Material Adverse Change in accordance with this provision, each of Cobham Parent and Cobham shall use reasonable endeavours to restore (or procure that the Ultra Group restores) the number of UK Ultra Group Employees to not less than the level of UK Ultra Group Employees prior to such reduction within twelve months following the effect of such Material Adverse Change having ceased to apply, save to the extent that complying with such obligation would prejudice the competitive position of an Ultra Group Company relative to other businesses in an industry in which an Ultra Group Company operates (including, without limitation, as a result of technological advances).
- 4.4 Each of Cobham Parent and Cobham acknowledges and agrees that the SoS shall be free to publish this deed once it has been executed, but, neither Cobham Parent or Cobham will publish this deed or any part thereof or any information relating to this deed without the prior written approval of the SoS, and that any such publication will be in accordance with the terms of any such approval. Nothing in this clause 4.4 shall prevent the publication or disclosure of this deed by either the SoS, Cobham Parent or Cobham where required under any enactment, by any rule of law, regulation or by the order or at the request of any applicable regulatory authority or court.

- 4.5 Each of Cobham Parent and Cobham shall procure that the Ultra Group shall, and use its reasonable endeavours to procure that any other member of the Cobham Group shall, promptly execute and deliver such documents and perform such acts as may be required for the purpose of giving full effect to this deed.
- 4.6 Without prejudice to any other rights or remedies that either Cobham Parent, Cobham or the SoS may have, each of Cobham Parent and Cobham acknowledges and agrees that damages alone would not be an adequate remedy for the SoS for any breach of the terms of this deed by Cobham Parent or Cobham. Accordingly, each of Cobham Parent and Cobham agrees and acknowledges that the SoS shall be entitled to seek the remedies of injunction, specific performance or any other equitable relief for any threatened or actual breach of the terms of this deed. If any such remedies are sought in relation to any threatened or actual breach of the terms of this deed, each of Cobham Parent and Cobham waives any rights it may have to oppose such remedies on the grounds that damages would be an adequate alternative. No proof of special damages shall be necessary for the enforcement of this deed.
- 4.7 Each of Cobham Parent and Cobham acknowledges and agrees that no failure on the part of the SoS to exercise, and no delay in exercising, any right, power or remedy under any this deed shall affect that right, power or remedy, or operate as a waiver of it, nor shall any single or partial exercise of such right, power or remedy by the SoS preclude any other or further exercise of it or the exercise of any other right, power or remedy.
- 4.8 This deed is given in favour of and for the benefit of the SoS. This deed does not confer any rights on any person other than the SoS under the Contracts (Rights of Third Parties) Act 1999.
- 4.9 Without prejudice to the other provisions of this deed, neither Cobham Parent or Cobham shall transfer, sub-contract, delegate or deal in any other manner any of its obligations under this deed and any purported transfer, sub-contracting, delegation or other dealing in contravention of this clause shall be ineffective.
- 4.10 If any provision of this deed is held to be invalid or unenforceable by any judicial or other competent authority, all other provisions of this deed will remain in full force and effect and will not in any way be impaired. If any provision of this deed is held to be invalid or unenforceable but would be valid or enforceable if some part of the provision were deleted, the provision in question will apply with the minimum modifications necessary to make it valid and enforceable.
- 4.11 Each of Cobham Parent and Cobham acknowledges and agrees that this deed and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the laws of England and Wales.
- 4.12 Each of Cobham Parent and Cobham irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this deed or its subject matter or formation (including non-contractual disputes or claims).

This document has been executed and delivered as a deed and takes effect on the date stated at the beginning of it.

EXECUTED and DELIVERED as a DEED)
by COBHAM ULTRA ACQUISITIONS)
LIMITED

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Director



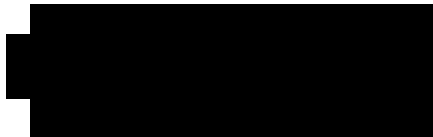
Director

EXECUTED and DELIVERED as a DEED)
by COBHAM ULTRA LIMITED)

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Director



Director