

M

CHFP025

Please do not
write in
this margin

Please complete
legibly, preferably
in black type, or
bold block lettering

*insert full name
of Company

COMPANIES FORM No. 395**Particulars of a mortgage or charge**

00400107/13

395

A fee of £13 is payable to Companies House in respect
of each register entry for a mortgage or charge.

Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies
(Address overleaf - Note 6)

For official use

Company number

1631

177777

Name of company

* British Airways Plc of Waterside, P.O. Box 365, Harmondsworth, West
Drayton, UB7 0GB, England (the "Mortgagor")

Date of creation of the charge

4 August 2009

Description of the instrument (if any) creating or evidencing the charge (note 2)

A deed of assignment and first priority aircraft mortgage dated 4 August
2009 between the Mortgagor as mortgagor and PK AirFinance S.à r.l. as
mortgagee (the "Mortgagee") in respect of one (1) Boeing 747-400 aircraft
with manufacturer's serial number 25809 (the "25809 Mortgage").

Amount secured by the mortgage or charge

Any and all moneys, liabilities and obligations (whether actual or
contingent, whether existing on 4 August 2009 or thereafter arising,
whether or not for the payment of money and including, without limitation,
any obligation or liability to pay damages) from time to time owing to the
Finance Parties or any of them by the Mortgagor pursuant to the Transaction
Documents (the "Secured Obligations").

Capitalised terms not otherwise defined in this form 395 are defined in
Schedule 2 attached to this form 395.

Names and addresses of the mortgagees or persons entitled to the charge

PK AirFinance S.à r.l., 6-d route de Trèves, L-2633 Senningerberg,
Luxembourg

Postcode N/A

Presentor's name address and
reference (if any):

Clifford Chance LLP
10 Upper Bank Street
London
E14 5JJ

Time critical reference

907093/70-40424214/WJG

For official Use (02/00)

Mortgage Section

Post room

MONDAY



LD4

L26SWCHA

17/08/2009

COMPANIES HOUSE

338

Short particulars of all the property mortgaged or charged

Please see Schedule 1 for short particulars of all the property mortgaged or charged.

The 25809 Mortgage contains covenants for further assurance and a negative pledge.

Capitalised terms not otherwise defined in this form 395 are defined in Schedule 2 attached to this form 395.

Please do not write in this margin

Please complete legibly, preferably in black type, or bold block lettering

Particulars as to commission allowance or discount (note 3)

None.

Signed



Date 14 August 2009

On behalf of ~~XXXXXXXX~~ (mortgagee/~~XXXXXX~~†

A fee is payable to Companies House in respect of each register entry for a mortgage or charge. (See Note 5)

† delete as appropriate

Notes

- 1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395). If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398). A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the Registrar. The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body. A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No. 398 is submitted.
- 2 A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage", or "Legal charge", etc, as the case may be, should be given.
- 3 In this section there should be inserted the amount or rate per cent. of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his;
 - (a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
 - (b) procuring or agreeing to procure subscriptions, whether absolute or conditional,for any of the debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered.
- 4 If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet.
- 5 A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge. Cheques and Postal Orders must be made payable to **Companies House**.
- 6 The address of the Registrar of Companies is: **Companies House, Crown Way, Cardiff CF14 3UZ**

SCHEDULE 1

SHORT PARTICULARS OF ALL THE PROPERTY CHARGED

1. Mortgage

As a continuing security for the payment and performance of the Secured Obligations, the Mortgagor, with full title guarantee, mortgaged to the Mortgagee, as security trustee for the Finance Parties, all of its right, title and interest, present and future, in and to the Aircraft, including for the avoidance of doubt the Technical Records relating thereto, by way of first priority legal mortgage.

2. Assignment

As a continuing security for the payment and performance of the Secured Obligations, the Mortgagor assigned and agreed to assign, with full title guarantee, to the Mortgagee, all of its right, title and interest (present and future) in, to and under the Assigned Property.

3. Charge

To the extent that any of the Assigned Property was not at any time assigned, the Mortgagor, with full title guarantee, by way of first fixed charge, charged and agreed to charge to, and created and agreed to create in favour of, the Mortgagee, as Security Trustee for the Finance Parties, a general encumbrance in the Assigned Property to the fullest extent permitted by law.

SCHEDULE 2

DEFINITIONS

In this form 395:

"Account Charge" means the account charge in the agreed form entered into, or to be entered into, as the context may require, between the Borrower and the Security Trustee in respect of the Charged Account;

"Aircraft" means one Boeing B747-400 aircraft, manufacturer serial number 25809 and registration mark G-CIVH, and four (4) RB211-524H aircraft engines, bearing the respective manufacturer's serial numbers 13220, 13092, 13359 and 13362 and shall include the Airframe, the Engines and all Parts from time to time comprising such Aircraft and, where the context so admits, the Technical Records relating thereto;

"Airframe" means (a) the aircraft identified in the definition of "Aircraft" (excluding the Engines or any engines from time to time installed thereon), (b) any and all appliances, spare parts, instruments, accessories, seats or other equipment or Parts of whatever nature from time to time installed on or attached to such aircraft title to which remains vested in the Mortgagor and (c) insofar as the same belongs to the Mortgagor, all substitutions, replacements or renewals from time to time made in or to the said aircraft or to the said items referred to in (a) and (b) above or to any Part thereof in accordance with the Facility Agreement;

"Assigned Property" means all of the right, title and interest (present and future) of the Mortgagor in and to the proceeds arising under the Insurances (but the 25809 Mortgage does not constitute an assignment or charge of any policies of insurance or an assignment or charge of any benefits, rights, title, interests or proceeds thereunder relating to any other aircraft or engines covered thereby but only of the benefits, rights, title, interests or proceeds thereunder insofar as the same relate to the Aircraft), the Requisition Proceeds and the Warranties including, without limitation, the right to compel performance by any person of its obligations in respect thereof and the right to claim damages from any person in respect of any breach by such person of its obligations thereunder.

"Aviation Authority" means all and any of the authorities, government departments, committees or agencies which under the laws of the State of Registration may from time to time:

- (i) have control or supervision of civil aviation in that state; or
- (ii) have jurisdiction over the registration, airworthiness or operation of, or other matters relating to, a particular Collateral Aircraft;

"Borrower" means British Airways Plc;

"Charged Account" means the account described as the "Account" in the Account Charge;

"Collateral Aircraft" means, unless and until such Collateral Aircraft has been released from the terms of the Facility Agreement and the Lien created under the relevant Mortgage pursuant to Clause 11.4 (*Voluntary Release of Collateral Aircraft*) or Clause 11.5 (*Total Loss of a Collateral Aircraft*) of the Facility Agreement, any or all, as the context may require, of the Eligible Aircraft in respect of which the documents specified in Clause 3.6 (*Collateral Aircraft*) of the Facility Agreement have been delivered to the Representatives and such Eligible Aircraft has become a "Collateral Aircraft" in accordance with Clause 3.6 (*Collateral Aircraft*) of the Facility Agreement, each as more particularly described in the Mortgage relating to such Collateral Aircraft;

"Compulsory Acquisition" means, in respect of the Aircraft, its requisition for title or other compulsory acquisition, seizure, restraint, forfeiture, confiscation or detention for any reason (but excluding requisition for use or hire);

"Eligible Aircraft" means any of the following commercial passenger aircraft:

- (i) Airbus A319-100, equipped with IAE V2522-A5 engines, manufactured between 1999 and 2012;
- (ii) Airbus A320-200, equipped with IAE V2527-A5 engines, manufactured between 2001 and 2012;
- (iii) Airbus A321-200, equipped with IAE V2533-A5 engines, manufactured between 2004 and 2012;
- (iv) Boeing B737-400, equipped with CFM 56-3C-1 engines, manufactured between 1991 and 1993;
- (v) Boeing B747-400, equipped with Rolls Royce RB211-524H engines, manufactured between 1989 and 1999 (or, in the case of such aircraft manufactured in 1999 equipped with Rolls Royce RB211-524GH-T engines);
- (vi) Boeing B757-200, equipped with Rolls Royce RB211-535E4 engines, manufactured between 1989 and 1998;
- (vii) Boeing B767-300ER, equipped with Rolls Royce RB211-524H engines, manufactured between 1990 and 1998;
- (viii) Boeing B777-200, equipped with GE-90-76B engines, manufactured between 1995 and 1997;
- (ix) Boeing B777-200ER, equipped with GE 90-90B, engines, manufactured between 1997 and 2012;
- (x) Boeing B777-200ER, equipped with Rolls Royce Trent 895 engines (or such other engines as the Facility Agent may agree), manufactured between 2000 and 2012;

- (xi) any other aircraft type or any aircraft of the type specified in paragraphs (i), (ii), (iii) and (ix) above but with different engine types to those specified therein, in each case as agreed in writing between the Borrower and the Facility Agent pursuant to Clause 3.8 (*Eligible Aircraft*) of the Facility Agreement;

"Engine" or **"Engines"** means (a) any one or more or all (as the context may require) of the engines identified in the definition of "Aircraft", whether or not from time to time installed on such Airframe or any other airframe, (b) any other engine which may from time to time be installed upon or attached to such Airframe which is or becomes the property of the Mortgagor and subject to the 25809 Mortgage and (c) insofar as the same belong to the Mortgagor, any and all appliances, instruments or accessories or other equipment or Parts of whatever nature from time to time relating to an engine referred to in (a) and (b) above whether or not installed on or attached to such engine and (d) insofar as the same belong to the Mortgagor, all substitutions, replacements or renewals from time to time made on or to any item referred to in (a), (b) and (c) above in accordance with the Facility Agreement;

"Facility Agreement" means the secured standby facility agreement dated 21 June 2005 between the Mortgagor, as borrower, PK AirFinance S.à r.l. as facility agent (**"Facility Agent"**) and security trustee (**"Security Trustee"**) and the financial institutions named therein as "Lenders" as amended by the deed of amendment dated 16 March 2007 between the same;

"Fee Letter" means the fee letter referred to in Clause 19.2 (*Closing Fee*) of the Facility Agreement;

"Finance Parties" means the Facility Agent, the Security Trustee and the Lenders (in each case being, at the date of the 25809 Mortgage, PK AirFinance S.à r.l.);

"Insurances" means any and all contracts or policies of insurance and reinsurance (other than third party liability insurance) required to be effected and maintained in respect of the Aircraft in accordance with the Facility Agreement.

"Liens" means any encumbrance or security interest whatsoever, howsoever created or arising including (without prejudice to the generality of the foregoing) any security, mortgage, pledge, charge, encumbrance, lien, right *in rem*, hypothecation or right of detention;

"Mortgage" means, in respect of a Collateral Aircraft, the mortgage over such Collateral Aircraft executed, or to be executed, as the context may require, by the Borrower in favour of the Security Trustee substantially in the form set out in Schedule 11 (*Form of Mortgage*) of the Facility Agreement, which includes the 25809 Mortgage;

"Parts" means, in respect of the Aircraft, all modules, appliances, parts, instruments, appurtenances, accessories, furnishings, and other equipment of whatever nature (other than complete Engines or engines) that at any time of determination are incorporated or installed in or attached to the Airframe or any engine title to which remains vested in the Mortgagor;

"Representative" means either or both, as the context may require, of the Facility Agent and the Security Trustee;

Schedule 2 to Form 395 in respect of a deed of assignment and first priority aircraft mortgage dated 4 August 2009 between British Airways Plc and PK AirFinance S.à r.l. in respect of one (1) Boeing 747-400 aircraft bearing manufacturer's serial number 25809.

"Requisition Proceeds" means, in respect of the Aircraft, any moneys and/or other compensation received directly by any party to the 25809 Mortgage in respect of the Compulsory Acquisition of such Aircraft or requisition for hire or use thereof;

"Security Documents" means each Mortgage and the Account Charge;

"State of Registration" means the United Kingdom or any other state or territory from time to time with whose Aviation Authority a particular Collateral Aircraft is registered in accordance with the provisions of Schedule 8 (*Registration, Maintenance and Operation*) of the Facility Agreement;

"Technical Records" means all technical data, manuals, logbooks and other records (whether kept or to be kept in compliance with any regulations of the Aviation Authority or otherwise) relating to the Aircraft or any part hereof;

"Transaction Documents" means the Facility Agreement, the Fee Letter and the Security Documents; and

"Warranties" means, in relation to the Aircraft, any warranty, express or implied, with respect to such Aircraft, made by the manufacturer thereof, or by any subcontractor or supplier thereof.



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

Pursuant to section 401(2) of the Companies Act 1985

**COMPANY NO. 1777777
CHARGE NO. 631**

**THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES
HEREBY CERTIFIES THAT A DEED OF ASSIGNMENT AND
FIRST PRIORITY AIRCRAFT MORTGAGE DATED 4 AUGUST
2009 AND CREATED BY BRITISH AIRWAYS PLC FOR SECURING
ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY
TO THE FINANCE PARTIES OR ANY OF THEM ON ANY
ACCOUNT WHATSOEVER
UNDER THE TERMS OF THE AFOREMENTIONED INSTRUMENT
CREATING OR EVIDENCING THE CHARGE WAS REGISTERED
PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT
1985 ON THE 17 AUGUST 2009**

GIVEN AT COMPANIES HOUSE, CARDIFF THE 18 AUGUST 2009



Companies House
— for the record —



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