172429/13

In accordance with Sections 859A and 859J of the Companies Act 2006

MR01
Particulars of a charge

Companies House

A fee is payable with this form
Please see 'How to pay' on the last page

You can use the WebFiling service to file this form online.
Please go to www companieshouse gov uk

✓ **What this form is for**
You may use this form to register a charge created or evidenced by an instrument

✗ **What this form is NOT for**
You may not use this form to register a charge where there is no instrument Use form MR08

For further information, please refer to our guidance at www companieshouse gov uk

This form **must be delivered to the Registrar for registration wi 21 days** beginning with the day after the date of creation of the char delivered outside of the 21 days it will be rejected unless it is accomp court order extending the time for delivery

☑ You **must** enclose a certified copy of the instrument with this form Th scanned and placed on the public record **Do not send the original**

FRIDAY

L3Z843KG
LD4 16/01/2015 #115
COMPANIES HOUSE

For official use

→ **Filling in this form**
Please complete in typescript or in bold black capitals

All fields are mandatory unless specified or indicated by *

1 Company details

Company number	1 7 7 7 7 7 7
Company name in full	British Airways Plc

2 Charge creation date

Charge creation date	d 1 5 m 0 1 y 2 0 1 5

3 Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees entitled to the charge

Name	Amorgos FSC II, Ltd
Name	
Name	
Name	

If there are more than four names, please supply any four of these names then tick the statement below

☐ I confirm that there are more than four persons, security agents or trustees entitled to the charge

MR01
Particulars of a charge

4 Brief description

Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument

Please submit only a short description If there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument"

Please limit the description to the available space

Brief description

One Being 777-200 aircraft, with manufacturer's serial number 30311 and registration mark G-YMMJ, together with the Associated Engines

For more details please refer to the certified copy of the instrument attached

5 Other charge or fixed security

Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box

☑ **Yes**

☐ **No**

6 Floating charge

Is the instrument expressed to contain a floating charge? Please tick the appropriate box

☐ **Yes** Continue

☑ **No** Go to **Section 7**

Is the floating charge expressed to cover all the property and undertaking of the company?

☐ **Yes**

7 Negative Pledge

Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge?
Please tick the appropriate box

☑ **Yes**

☐ **No**

8 Trustee statement ❶

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge

☐

❶ This statement may be filed after the registration of the charge (use form MR06)

9 Signature

Please sign the form here

Signature

Signature

X Slaughter and May X

This form must be signed by a person with an interest in the charge

MR01
Particulars of a charge

Presenter information

You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form The contact information you give will be visible to searchers of the public record

Contact name Genevieve Curtis

Company name Slaughter and May

Address One Bunhill Row

Post town London

County/Region

Postcode E C 1 Y 8 Y Y

Country United Kingdom

DX

Telephone 020 7090 3459

Certificate

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank

Checklist

We may return forms completed incorrectly or with information missing

Please make sure you have remembered the following

- ☐ The company name and number match the information held on the public Register
- ☐ You have included a certified copy of the instrument with this form
- ☐ You have entered the date on which the charge was created
- ☐ You have shown the names of persons entitled to the charge
- ☐ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8
- ☐ You have given a description in Section 4, if appropriate
- ☐ You have signed the form
- ☐ You have enclosed the correct fee
- ☐ Please do not send the original instrument, it must be a certified copy

Important information

Please note that all information on this form will appear on the public record

How to pay

A fee of £13 is payable to Companies House in respect of each mortgage or charge filed on paper

Make cheques or postal orders payable to 'Companies House'

Where to send

You may return this form to any Companies House address However, for expediency, we advise you to return it to the appropriate address below

For companies registered in England and Wales.
The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland
The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post)

For companies registered in Northern Ireland
The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG
DX 481 N R Belfast 1

Further information

For further information, please see the guidance notes on the website at www companieshouse gov uk or email enquiries@companieshouse gov uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk

FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number. 1777777

Charge code. 0177 7777 0800

The Registrar of Companies for England and Wales hereby certifies that a charge dated 15th January 2015 and created by BRITISH AIRWAYS PLC was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 16th January 2015.

Given at Companies House, Cardiff on 21st January 2015

Companies House

THE OFFICIAL SEAL OF THE REGISTRAR OF COMPANIES

CERTIFIED AS A TRUE
COPY BY SLAUGHTER AND MAY
16 JANUARY 2015

EXECUTION VERSION

Dated 15 January 2015

BRITISH AIRWAYS PLC
as Mortgagor

and

AMORGOS FSC II, LTD.
as Mortgagee

AIRCRAFT MORTGAGE
relating to
One Boeing 777-200 Aircraft
Registration Mark G-YMMJ

Slaughter and May
One Bunhill Row
London EC1Y 8YY

(Ref PJ/EJNM)

524811444

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THIS DEED OF MORTGAGE is made the 15th day of January 2015

BETWEEN

(1) **BRITISH AIRWAYS PLC** whose registered office is at Waterside, PO Box 365, Harmondsworth, Middlesex UB7 0GB as mortgagor (the "**Mortgagor**"), and

(2) **AMORGOS FSC II, LTD.**, a company organised under the laws of Bermuda, whose registered office is at c/o Codan Services, Clarendon House, 2 Church Street, Hamilton, HM11, Bermuda (the "**Mortgagee**")

WHEREAS:

(A) The Aircraft was leased by the Mortgagee to the Mortgagor pursuant to the Lease Agreement

(B) Section 5 of the Lease Agreement granted the Mortgagor, as lessee, certain purchase options in respect of the Aircraft including one by reference to the Second Purchase Option Date which the Mortgagor has exercised with the result that the Mortgagor has acquired title to the Aircraft from the Mortgagee, as the Lessor under the Lease Agreement In accordance with Section 5(a)(i)(A) of the Lease Agreement, certain instalments of the Purchase Option Price due pursuant to Section 5(a)(i) of the Lease Agreement remain outstanding from the Mortgagor to the Mortgagee

(C) The Mortgagor, the Mortgagee and the other parties thereto have entered into the Termination Agreement (2000-B), dated as of January 10, 2015 (the "**Termination Agreement**") to effect the exercise of the Purchase Option, the payment of the initial instalment of the Purchase Option Price, and related matters

(D) The Mortgagor has agreed to grant this Mortgage in favour of the Mortgagee to secure the Secured Indebtedness as required in Section 5(a)(ii) of the Lease Agreement

NOW IT IS HEREBY AGREED as follows

1. Definitions and Interpretation

1 1 In this Mortgage

"**Aircraft**" means one Boeing 777-200 aircraft, with manufacturer's serial number 30311 and registration mark G-YMMJ together with the Associated Engines, any other equipment or parts of whatever nature from time to time installed upon or attached to such aircraft, other than any equipment leased by Mortgagor from any third-party lessor that may be removed without material damage from the Aircraft and without materially decreasing the value, utility or remaining useful life of the Aircraft (the "**Leased Equipment**") and any of the same which remain subject to this Mortgage after removal from such aircraft, all Manuals and Technical Records and all substitutions, replacements or renewals from time to time made in or to such aircraft, the Associated Engines and any such other equipment or parts or to any part thereof but Aircraft excludes any item of equipment installed on the Aircraft by way of temporary

replacement on a short term basis and, unless the context otherwise requires, references to the **"Aircraft"** include any part thereof,

"Airframe" means the Aircraft excluding the Associated Engines,

"Associated Engines" means each of the two Rolls-Royce Trent 895 engines with engine serial numbers identified in Schedule 1, each Suitable Replacement and any and all appliances, spare parts, instruments, accessories or other equipment or parts of whatever nature from time to time forming part thereof, other than any Leased Equipment and any of the same which remain subject to this Mortgage when no longer installed on or attached to such engine (excluding any such engine which has been replaced by a Suitable Replacement),

"Enforcement Notice" means a notice contemplated by clause 7 1 (*Powers of the Mortgagee*),

"Expenses" means all out-of-pocket costs, expenses and fees (including legal fees) incurred by the Mortgagee in the enforcement or preservation of its rights under this Mortgage, including those referred to in the proviso to clause 8,

"Lease Agreement" means the lease agreement dated as of December 8, 2000 and entered into between the Mortgagee, as Lessor and the Mortgagor, as Lessee, in respect of the Aircraft,

"Mortgaged Property" means all the property from time to time assigned or charged to the Mortgagee pursuant to clause 2 1 (*Security*) by way of security for the Secured Indebtedness under this Mortgage and includes any part of the same,

"Participation Agreement" means the participation agreement dated as of December 8, 2000 among the Mortgagor, as Lessee, the Mortgagee, as Lessor, Amorgos II, Inc , as Lessor Parent, Banc of America FSC Holdings, Inc , as Holding Company, and Barclays Bank PLC, as Letter of Credit Issuer, in relation to the leasing of the Aircraft from the Mortgagee to the Mortgagor,

"Purchase Option Instalment" means each instalment of the Purchase Option Price falling due after the date of this Mortgage in accordance with Section 5(a) of the Lease Agreement,

"Receiver" means any receiver and/or manager of all or any part of the Mortgaged Property appointed pursuant to clause 7 2 (*Powers of the Mortgagee*) (and includes any joint receiver),

"Requisition Compensation" means all monies or other compensation from time to time receivable by the Mortgagor or any other person in respect of the requisition for hire, title, acquisition, capture, deprivation, detention, condemnation, confiscation or seizure of the Aircraft,

"Secured Indebtedness" means each Purchase Option Instalment, interest due thereon, and all Expenses incurred by Mortgagee,

"Security Period" means the period commencing on the date of this Mortgage and terminating upon the earliest of the dates upon which the Mortgagor becomes entitled to request the release of the mortgages and charges created by this Mortgage in accordance with clause 2 4 (*Security*)

1 2 Clause headings are inserted for convenience of reference only and shall be ignored in this Mortgage

In this Mortgage, unless a contrary indication appears

1 2 1 references to clauses and Schedules are to be construed as references to the clauses of, and Schedules to, this Mortgage and references to this Mortgage include its Schedules,

1 2 2 references to (or to any specified provision of) this Mortgage or any other document shall include this Mortgage, that document or the relevant provision as it may from time to time be amended,

1 2.3 a reference to an **"amendment"** includes a supplement, novation, restatement or re-enactment and **"amended"** will be construed accordingly;

1 2 4 words importing the plural shall include the singular and vice versa, and words importing a gender include every gender,

1 2 5 references to a person shall be construed as including references to an individual, firm, company, corporation, unincorporated association or body of persons and any government entity, whether or not having separate legal personality and references to any party shall be construed so as to include the successors, permitted assignees and permitted transferees of the relevant party;

1 2 6 references to any provision of law shall be construed as a reference to such provision as applied, amended, extended or re-enacted and include any subordinate legislation,

1 2 7 a reference to an **"approval"** shall be construed as a reference to any approval, consent, authorisation, exemption, permit, licence, registration, filing or enrolment by or with any competent authority,

1 2 8 a reference to **"including"** shall be construed as a reference to "including without limitation", so that any list of items or matters appearing after the word "including" shall be deemed not to be an exhaustive list, but shall be deemed rather to be a representative list, of those items or matters forming a part of the category described prior to the word "including", and

1 2 9 references to costs and expenses which are to be reimbursed to or recovered by the person incurring the same shall be construed as references to an amount equal to the amount of such costs and expenses together with any VAT thereon in respect of which that person is unable to claim a credit or repayment pursuant to the Value Added Tax Act 1994 or other similar tax in any jurisdiction

in respect of which that person is unable to claim a credit or repayment pursuant to provisions under the laws of that jurisdiction analogous to the said Act

1 3 Unless otherwise defined in this Mortgage, words and expressions defined in the Participation Agreement have the same respective meanings when used in this Mortgage (including the recitals hereto)

2. Security

2 1 The Mortgagor hereby

2 1 1 with full title guarantee mortgages and charges by way of first fixed charge all its present and future right and title to, and interest in, the Aircraft and assigns and agrees to assign and charges by way of first fixed charge all its present and future right and title to, and interest in, the proceeds of sale of the Aircraft, in each case, to and in favour of the Mortgagee,

2 1 2 with full title guarantee assigns and agrees to assign, and charges by way of first fixed charge, to and in favour of the Mortgagee, all its right, title and interest, present and future, to and in respect of proceeds arising, under

(i) all Insurance in respect of all risks of physical loss or damage (including, but not limited to, war risks) effected in relation to the Aircraft (but for the avoidance of doubt this Mortgage does not constitute an assignment of any policies of insurance but only of the benefit, rights, title, interest and proceeds thereunder insofar as the same relate to the Aircraft), and

(ii) any Requisition Compensation relating to the Aircraft,

and all benefits thereof (including, without limiting the generality of the foregoing, the benefit of all powers and remedies for enforcing all claims relating to such Insurance and to such Requisition Compensation),

TO HOLD the same unto the Mortgagee as continuing security for the payment and discharge to the Mortgagee of the Secured Indebtedness

2 2

2 2 1 Any item of equipment at any time removed from the Aircraft shall remain subject to the security created by this Mortgage until such time as a replacement or substitute, title to which is vested in the Mortgagor, free of Liens (other than Permitted Liens), shall have been installed in the Aircraft and shall have become subject to the security created by this Mortgage pursuant to clause 2 2 2

2 2 2 Upon installation on the Aircraft, any replacement or substitute item of equipment, other than any Leased Equipment, shall, thereupon and without further act, become subject to the security created by this Mortgage for all

purposes as though it had been originally installed in, or attached to, the Aircraft and, subject thereto and to clause 2 2.1, the item of equipment replaced or substituted shall be released from the security created by this Mortgage

2 3

2 3 1 Any Associated Engine which at any time is not installed on the Aircraft shall remain subject to the security created by this Mortgage until such time as a Suitable Replacement shall have been substituted therefor and shall have become subject to the security created by this Mortgage

2 3 2 Any Suitable Replacement shall, without further act, become subject to the security created by this Mortgage for all purposes as though it had originally been an Associated Engine upon

(a) its installation on the Aircraft, or

(b) the Mortgagor obtaining title to an engine installed on the Aircraft complying with the requirements of Section 7(c)(viii) of the Lease Agreement such that it becomes a Suitable Replacement for an Associated Engine not then installed on the Aircraft, or

(c) the execution by the Mortgagor of a supplemental deed to this Mortgage, in form and substance satisfactory to the Mortgagee, acting reasonably, by virtue of which the definition herein of Mortgaged Property is amended to include such Suitable Replacement,

whereupon the Associated Engine so substituted shall be released from the security created by this Mortgage

2 4 The Mortgagee shall, at the request and cost of the Mortgagor, release the mortgages and charges created by this Mortgage and reassign any Mortgaged Property assigned to the Mortgagee by this Mortgage upon the payment or other satisfaction in full of the Secured Indebtedness

2 5 The parties acknowledge that the Associated Engines might not be installed on the Aircraft at the date of this Mortgage If the Associated Engines are not installed on the Aircraft at the date of this Mortgage, the parties shall execute a supplemental mortgage, substantially in the form set out in Schedule 3, to take effect in relation to each Associated Engine on the date and time that such Associated Engine is situated in England

3 Lease Agreement

The Mortgagor hereby covenants with the Mortgagee to perform duly and punctually all of the obligations, agreements and undertakings in, under and pursuant to the Lease Agreement which are expressed to be assumed by the Lessee so far as they relate to the maintenance, repair, insurance, operation, registration, possession and subleasing of the Aircraft as if the bailment of the Aircraft to the Mortgagor by the Mortgagee had

continued, notwithstanding the exercise by the Mortgagor of the Purchase Option by reference to the Second Purchase Option Date.

4 Covenants

The Mortgagor hereby covenants with the Mortgagee that (i) it will pay and discharge all of the Secured Indebtedness in accordance with the Lease Agreement and the Termination Agreement, and (ii) throughout the Security Period, save as constituted by or permitted under this Mortgage, it will retain such title to the Mortgaged Property as was vested in the Mortgagor by virtue of exercise of the Purchase Option and will not itself, throughout the Security Period, knowingly sell, convey, or transfer or create any Liens (other than Permitted Liens) over the Mortgaged Property or any of it

5. Insurance, Loss and Damage

5 1 The Mortgagor shall give written notice, or procure that the brokers through whom the Insurance are placed, give written notice to the insurers with whom the Insurance are from time to time effected of the assignment herein contained in the form attached as Schedule 2 (the **"Notice of Assignment"**)

5 2 The proceeds of any Insurance or Requisition Compensation received by the Mortgagee in respect of an Event of Loss of the Aircraft shall be applied in accordance with the provisions of clause 8 (*Application of Moneys*) of this Mortgage.

5 3 If the Aircraft has suffered repairable damage or the loss or destruction of either or both of the Associated Engines (where no Event of Loss of the Aircraft has occurred) the Mortgagor shall be entitled to receive all Insurance proceeds in respect of such damage or loss

5.4 The Mortgagee hereby agrees that it shall not notify the insurers as contemplated in paragraph 4 of the Notice of Assignment unless either:

5 4.1 the security created by this Mortgage shall have become immediately enforceable as provided in clause 7.1 (*Powers of the Mortgagee*), or

5 4.2 an Event of Loss shall have occurred

6. Powers of Mortgagee to Protect Security, Remedy Defaults and Delegate

6 1 The Mortgagee shall, without prejudice to its other rights, powers and remedies under this Mortgage, be entitled (but not bound) at any time and as often as may be necessary to take any such action as it may think fit for the purpose of protecting or maintaining the security created by this Mortgage.

6 2 The Mortgagee shall be entitled at any time and as often as may be expedient to delegate all or any of the power and discretions vested in it by this Mortgage (including the power vested in it by virtue of clause 10) in such manner upon such terms, and to such persons as the Mortgagee in its absolute discretion may think fit

6 3 Any Expenses suffered or incurred by the Mortgagee in connection with the exercise of any of its rights, powers and remedies under this Mortgage shall, save where the same have been suffered or incurred or have arisen as a result of gross negligence or wilful misconduct on the part of the Mortgagee or any delegate of the Mortgagee as contemplated by clause 6 2, be charged on the Mortgaged Property

7. Powers of the Mortgagee

7 1 The Mortgagee shall have the power of sale upon execution of this Mortgage and the security created by this Mortgage shall become immediately enforceable upon the giving by the Mortgagee of a notice to the Mortgagor (an "Enforcement Notice") declaring that a Purchase Option Instalment has not been paid on the due date and that such non-payment constitutes a Lease Event of Default or that a Lease Event of Default has occurred under Section 14(d) or (e) of the Lease with respect to any of Mortgagor's material representations, warranties, covenants or agreements hereunder or under the Termination Agreement , whereupon the Mortgagee shall become entitled, as and when it may see fit and without further notice and without the restrictions contained in Section 103 of the Law of Property Act 1925, to exercise in relation to the Mortgaged Property all or any of the rights, powers and remedies conferred upon mortgagees by any relevant law and/or conferred on the Mortgagee by virtue of this Mortgage, and in particular (but without limiting the generality of the foregoing)

7.1 1 to take possession of the Aircraft or any other Mortgaged Property and for this purpose to enter upon any premises where the same may be located,

7.1 2 to require that all policies, contracts and other records relating to the Insurance (including details of and correspondence concerning outstanding claims) be delivered forthwith to such brokers as the Agent may nominate,

7 1 3 to collect, recover, compromise and give a good discharge for all claims then outstanding or thereafter arising under the Insurance or any of them and to take over or institute (if necessary using the name of the Mortgagor) all such proceedings in connection therewith as the Mortgagee in its absolute discretion thinks fit and to permit the brokers through whom collection or recovery is effected to charge the usual brokerage therefor;

7 1 4 to settle, discharge, compound, release or compromise any claims whatsoever in connection with the Aircraft or any other Mortgaged Property or in any way relating to the security created by this Mortgage and execute releases and discharges with respect thereto,

7 1 5 to bring, take, defend, compromise, submit to arbitration or discontinue any actions, suits or proceedings whatsoever, civil or criminal, in relation to the Aircraft or any other Mortgaged Property,

7 1 6 to repair and keep in repair the Aircraft and generally maintain, preserve and protect the Aircraft and keep the same free from any Lien,

7 1 7 to insure the Aircraft against loss and damage and in respect of third party, passenger and property damage liability, in such sums, with such insurers, and on such terms as the Mortgagee, in its absolute discretion, deems expedient

7.1 8 to lease or charter or place in safekeeping the Aircraft for such periods, at such rents and generally in such manner and upon such conditions as the Mortgagee, in its absolute discretion, deems expedient,

7 1 9 to sell and give good title to the Aircraft or any other Mortgaged Property, with or without prior notice to the Mortgagor and with or without the benefit of any lease or charter, by public auction or private contract, at such place and upon such terms as the Mortgagee, in its absolute discretion, may determine, with power to postpone any such sale and without being answerable for any loss occasioned by such sale or resulting from the postponement thereof, and

7.1.10 in relation to any of the foregoing, to do all acts and things incidental or conducive thereto and, in particular, to enter into such arrangements respecting the Aircraft, its repair, insurance and employment in all respects as if the Mortgagee were the owner of the Aircraft, but without being responsible for any loss thereby incurred

7 2

7 2 1 At any time after the security created by this Mortgage has become enforceable, the Mortgagee shall be entitled (but not bound) by writing under seal or under the hand of any of its officers, attorneys or substitute attorneys to appoint any person to be Receiver of the Mortgaged Property or any part thereof (with power to authorise any joint receiver to exercise any power independently of any other joint receiver and/or manager) and may from time to time fix the Receiver's remuneration, and may remove any Receiver so appointed and appoint another or others in his place Any Receiver so appointed shall be the agent of the Mortgagor, and the Mortgagor shall be solely responsible for his acts or defaults and for the Receiver's remuneration Such Receiver so appointed shall have all the powers conferred from time to time on receivers by any applicable statute (in the case of powers conferred by the Law of Property Act 1925, without the restrictions contained in Section 103 of that Act) and in addition power on behalf of, and at the cost of the Mortgagor (notwithstanding any liquidation of the Mortgagor), to do or omit to do anything which the Mortgagor could do or omit to do in relation to the Mortgaged Property or any part thereof, and in particular, but without prejudice to the generality of the foregoing, any such Receiver may exercise all the powers and discretions conferred on the Mortgagee by this Mortgage

7 2 2 Any Receiver shall be entitled to remuneration appropriate to the work and responsibilities involved upon the basis of charging from time to time adopted by the Receiver in accordance with the current practice of his firm without being limited to the maximum rate specified in Section 109(6) of the Law of Property Act 1925 Any remuneration of the Receiver shall be paid by the Mortgagor

7 2 3 Neither the Mortgagee nor any Receiver shall be liable as mortgagee in possession in respect of the Mortgaged Property to account or be liable for any loss upon realisation or for any neglect or default of any nature whatsoever in connection therewith for which a mortgagee in possession may be liable as such

7 3 Section 93 of the Law of Property Act 1925 shall not apply to this security or any security given to the Mortgagee pursuant hereto

7 4 In relation to any sale of the Aircraft or any other Mortgaged Property by the Mortgagee pursuant to clause 7 1 9 or by any Receiver the purchaser shall not be bound to see or enquire whether the power of sale of the Mortgagee or the Receiver has arisen in the manner provided for in this Mortgage, and the sale shall be deemed to be within the power of the Mortgagee (or the Receiver, as the case may be) and the receipt of the Mortgagee (or the Receiver, as the case may be) for the purchase money shall effectively discharge the purchaser who shall not be concerned with the manner of application of the proceeds of sale or be in any way answerable therefor.

8. Application of Moneys

All proceeds of Insurance and Requisition Compensation required to be applied in the manner specified in this clause 8 and all moneys arising from any sale, calling in, collection or conversion of the Mortgaged Property pursuant to clause 7 (*Powers of the Mortgagee*) of this Mortgage, after deducting an amount equal to the amount of all Expenses suffered or incurred by the Mortgagee and/or any Receiver and interest thereon under this Mortgage, shall be applied by the Mortgagee as follows

8 1.1 **FIRST** in or towards payment of the Secured Indebtedness as and when the same becomes due and payable, and

8 1 2 **SECOND** any balance remaining shall be paid to the Mortgagor,

provided however that, in the event that any part of the Secured Indebtedness is denominated in a currency other than that in which the moneys required to be applied under this clause 8 were received by the Mortgagee (the **"currency of receipt"**) the Mortgagee shall convert such part of such moneys as may be necessary to effect the foregoing applications into the relevant currencies at the rates, as conclusively determined by the Mortgagee, for the purchase of the relevant currencies with the currency of receipt at the date of application

9. Continuing Security and Remedies Cumulative

9 1 It is hereby declared and agreed that

9 1 1 the security created by the Mortgagor pursuant to this Mortgage shall be a continuing security for the payment of the Secured Indebtedness and accordingly (subject to the provisions of clause 2 4 (*Security*)) the security so created shall not be satisfied by any intermediate payment or satisfaction of any part of the Secured Indebtedness,

9 1 2 the security so created shall be in addition to, and shall not in any way prejudice or affect, the security created by any deposit of documents, or any guarantee, lien, bill, note mortgage or other security now or hereafter held by the Mortgagee or any right or remedy of the Mortgagee thereunder, and shall not be in any way prejudiced or affected by, or by the invalidity or unenforceability of, or by the Mortgagee releasing, modifying or refraining from perfecting or enforcing any of the same or granting time or indulgence or compounding with any person liable; and

9 1 3 all the rights, remedies and powers vested in the Mortgagee by this Mortgage may be exercised from time to time and as often as the Mortgagee may deem expedient

10. Attorney

10 1 By way of security, the Mortgagor hereby irrevocably appoints the Mortgagee and any Receiver, jointly and also severally, to be its attorney generally, for and in its name and on its behalf and as the act and deed or otherwise of the Mortgagor, to execute, seal and deliver and otherwise perfect and do all such deeds, assurances, agreements, instruments, acts any things which may be required for the full exercise of all or any of the rights, powers or remedies hereby conferred, or which may be deemed proper in or in connection with all or any of the purposes aforesaid, provided always that neither the Mortgagee nor any Receiver shall exercise the authority conferred upon either of them in this clause 10 1 unless an Enforcement Notice shall have been served on the Mortgagor The power hereby conferred shall be a general power of attorney under the Powers of Attorney Act 1971 and the Mortgagor ratifies and confirms and agrees to ratify and confirm, any deed, assurance, agreement, instrument, act or thing which the Mortgagee or the Receiver may execute or do pursuant thereto

10 2 The exercise of such power by or on behalf of the Mortgagee or the Receiver shall not put any person dealing with the Mortgagee or the Receiver upon any enquiry as to whether the security created by this Mortgage has become enforceable, nor shall such person be in any way affected by notice that the security so created has not become so enforceable, and the exercise by the Mortgagee or the Receiver of such power shall be conclusive evidence of its or his rights to exercise the same

11 Further Assurance

The Mortgagor further undertakes, at the expense of the Mortgagor, from time to time to execute, sign, perfect, do and (if required) register every such further assurance document, act or thing as in the reasonable opinion of the Mortgagee may be necessary or desirable for the purpose of more effectively mortgaging and charging the Mortgaged Property or perfecting the security constituted or intended to be constituted by this Mortgage

12. Rights Cumulative, Waivers

The rights of the Mortgagee under this Mortgage are cumulative, may be exercised as often as it considers appropriate and are in addition to its rights under the general law The rights of the Mortgagee under this Mortgage (whether arising pursuant hereto or

under the general law) shall not be capable of being waived or varied otherwise than by an express waiver or variation in writing, and, in particular, any failure to exercise, or any delay in exercising, any of such rights shall not operate as a waiver or variation of that or any other such right, any defective or partial exercise of any of such rights shall not preclude any other or further exercise of that or any other such right, and no act or course of conduct or negotiation on the Mortgagee's part, or on its behalf, shall in any way preclude it from exercising any such right or constitute a suspension or any variation of any such right.

13. Interest

Interest on any sum demanded or payable under this Mortgage shall bear interest at the Past Due Rate, as defined in the Lease Agreement

14. Miscellaneous

14 1 Any provision of this Mortgage which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions thereof or affecting the validity or enforceability of such provision in any other jurisdiction

14 2 This Mortgage may be executed in any number of counterparts and all of such counterparts taken together shall be deemed to constitute one and the same instrument

14 3 No term of this Mortgage is enforceable under the Contract (Rights of Third Parties) Act 1999 by anyone other than a party to this Agreement

15. Notices

15 1 Every notice, request, demand or other communication under this Mortgage shall

15 1 1 be in writing delivered personally or by first-class prepaid post (or by airmail if sent to any address outside the United Kingdom) or by fax transmission,

15 1 2 be deemed to have been received, subject as otherwise provided in this Mortgage, in the case of a fax transmission, upon receipt by the sender of a transmission report confirming receipt at the correct number and, in the case of a letter, when delivered personally or 5 days (10 days in the case of airmail) after it has been put in to the post, and

15 1 3 be sent as required,

(a) the Mortgagor at

Waterside (HCA3)
PO Box 365
Harmondsworth
Middlesex UB7 0GB

Fax +44 (0)20 8738 9618
Attention Group Treasurer

(b) to the Mortgagee at

c/o Banc of America Leasing & Capital, LLC
Group Corporation
555 California Street
Fourth Floor
San Francisco, California 94104
USA

Fax (+1) (415) 343-0535
Attention· Contract Administration

or to such other address or fax number as the recipient may have notified to the other party

15 1 4 Any communication to be made under, or in connection with, this Mortgage may be made by electronic mail or other electronic means, if the parties

(a) agree that, unless and until notified to the contrary, this is to be an accepted form of communication,

(b) notify each other in writing of their electronic mail address and/or any other information required to enable the sending and receipt of information by that means, and

(c) notify each other of any change to their address or any other such information supplied by them

15 1 5 Any electronic communication made under, or in connection with, this Mortgage will be effective only when actually received in readable form

16. Law

This Mortgage and any non-contractual obligations connected with it are governed by and shall be construed in accordance with English law

IN WITNESS whereof the parties hereto have caused this Mortgage to be executed as a deed and this Mortgage is intended to be and is hereby delivered the day and year first before written

Schedule 1
Description of Aircraft

One Boeing 777-200 aircraft, manufacturer's serial number 30311 and UK Registration mark G-YMMJ, together with two Rolls-Royce Trent 895 aircraft engines with manufacturer's serial numbers 51263 and 51317

Schedule 2
Notice of Assignment of Insurances - Mortgage

To Marsh Ltd
Aviation & Aerospace Practice
Tower Place
London
EC3R 5BU

Tel	020 7357 1000
Fax.	020 7929 2705
Attention	Andrew Gardener

Willis Limited
51 Lime Street
London
EC3M 7DQ

Tel	020 3124 6196
Fax	020 3124 8587
Attention	Tony McCarthy

Boeing 777-200 Aircraft, Serial No. 30311 Registration Mark G-YMMJ

1 We hereby give you notice that by a first priority mortgage (the "**Mortgage**") dated [●] 2015 British Airways Plc (the "**Owner**") assigned to Amorgos FSC II, Ltd (the "**Mortgagee**") all right, title and interest in and to all insurances (other than third party liability insurances) in respect of the above Aircraft

2 In accordance with paragraph 1 1 of the latest certificate of insurance (AVN67B or based on AVN67B or any replacement thereof) relating to the above Aircraft, where settlement of any claim (in respect of All Risks insurance and War Risks insurance) on the basis of an Event of Loss is to be made to or to the order of the Contract Party(ies), the Contract Party(ies) have agreed that payment shall be made to the Mortgagee and where settlement of any claim (other than an Event of Loss) is to be made otherwise than to a repairer, it shall be paid (a) (save where the Mortgagee has otherwise given its prior written consent) to the Mortgagee in any case after the giving of an Enforcement Notice (as defined in the Mortgage), or (b) to the Owner regardless of the amount of the claim if no Enforcement Notice (as defined in the Mortgage) shall have been served

3 For the purpose of the foregoing paragraph, the term Contract Party(ies) shall have the meaning ascribed to such term in the latest certificate of insurance issued by you in respect of the insurance for the Aircraft referred to above

4 Until you are notified to the contrary by the Mortgagee, you should continue to deal with the Owner in respect of all matters relating to the making and settlement of claims under the insurances relating to the above Aircraft as though such assignment had not been made

for and on behalf of
BRITISH AIRWAYS PLC

for and on behalf of
AMORGOS FSC II, LTD. as Mortgagee

Schedule 3
Form of Supplemental Mortgage

THIS SUPPLEMENTAL DEED OF MORTGAGE is made the day of 2015

BETWEEN

(1) **BRITISH AIRWAYS PLC** whose registered office is at Waterside, PO Box 365, Harmondsworth, Middlesex UB7 0GB as mortgagor (the "**Mortgagor**"), and

(2) **AMORGOS FSC II, LTD.**, a company organised under the laws of Bermuda, whose registered office is at c/o Codan Services, Clarendon House, 2 Church Street, Hamilton, HM11, Bermuda (the "**Mortgagee**")

WHEREAS

(A) The Mortgagor and the Mortgagee entered into the Original Mortgage to secure the Secured Indebtedness as required in Section 5(a)(ii) of the Lease Agreement

(B) The Engine was not installed on the Airframe at Delivery, but is at the date of this Mortgage situated in England

(C) The Mortgagor intends to grant this Mortgage in favour of the Mortgagee to secure the Secured Indebtedness as required in Section 5(a)(ii) of the Lease Agreement

NOW IT IS HEREBY AGREED as follows.

1 **INTERPRETATION**

1 1 In this Mortgage, unless otherwise specified, all words and expressions defined in the Original Mortgage shall have the same meanings when used in this Mortgage

1.2 In this Mortgage, unless the context otherwise requires, the following words and expressions have the following meanings

"Engine" means one Rolls-Royce Trent 895 engine with engine serial number [51263][51317] and any and all appliances, spare parts, instruments, accessories or other equipment or parts of whatever nature from time to time forming part thereof, other than any Leased Equipment and any of the same which remain subject to this Mortgage when no longer installed on or attached to such engine, and

"Original Mortgage" means the deed of mortgage between the Mortgagor, as mortgagor, and the Mortgagee, as mortgagee, dated [•] January 2015.

2 **SECURITY**

2 1 The Mortgagor hereby

2 1 1 with full title guarantee mortgages and charges by way of first fixed charge all its present and future right and title to, and interest in, the Engine and assigns and

agrees to assign and charges by way of first fixed charge all its present and future right and title to, and interest in, the proceeds of sale of the Engine, in each case, to and in favour of the Mortgagee,

2 1 2 with full title guarantee assigns and agrees to assign, and charges by way of first fixed charge, to and in favour of the Mortgagee, all its right, title and interest, present and future, to and in respect of proceeds arising, under.

(i) all Insurance in respect of all risks of physical loss or damage (including, but not limited to, war risks) effected in relation to the Engine (but for the avoidance of doubt this Mortgage does not constitute an assignment of any policies of insurance but only of the benefit, rights, title, interest and proceeds thereunder insofar as the same relate to the Engine), and

(ii) any Requisition Compensation relating to the Engine,

and all benefits thereof (including, without limiting the generality of the foregoing, the benefit of all powers and remedies for enforcing all claims relating to such insurance and to such Requisition Compensation),

TO HOLD the same unto the Mortgagee as continuing security for the payment and discharge to the Mortgagee of the Secured Indebtedness

2 2 1 Any item of equipment at any time removed from the Engine shall remain subject to the security created by this Mortgage until such time as a replacement or substitute, title to which is vested in the Mortgagor, free of Liens (other than Permitted Liens), shall have been installed on the Engine and shall have become subject to the security created by this Mortgage pursuant to clause 2 2 2

2 2 2 Upon installation on the Engine, any replacement or substitute item of equipment, other than any Leased Equipment, shall, thereupon and without further act, become subject to the security created by this Mortgage for all purposes as though it had been originally installed in, or attached to, the Engine and, subject thereto and to clause 2.2 1, the item of equipment replaced or substituted shall be released from the security created by this Mortgage

3 **ORIGINAL CHARGE**

3.1 Except for clause 2 (*Security*) of the Original Mortgage, the provisions of the Original Mortgage shall be incorporated into this Mortgage as if the same were specifically set out in this Mortgage

3 2 If and to the extent that the provisions of the Original Mortgage which are incorporated into this Mortgage pursuant to clause 3 1 above are inconsistent with the provisions of this Mortgage as specifically set out herein, then the provisions of this Mortgage as specifically set out herein shall prevail

IN WITNESS whereof the parties hereto have caused this Mortgage to be executed as a deed and this Mortgage is intended to be and is hereby delivered the day and year first before written

Mortgagor

THE COMMON SEAL of	)
BRITISH AIRWAYS PLC	)
was hereunto affixed in	)
the presence of	)

Mortgagee

EXECUTED as a **DEED** by	)	
AMORGOS FSC II, LTD, acting	)	
by_____	)	... .
who, in accordance with the laws	)	(Authorised signatory)
of the territory in which	)	
AMORGOS FSC II, LTD is	)	
incorporated, is acting under the	)	
authority of AMORGOS FSC II,	)	
LTD	)	

EXECUTION PAGE – MORTGAGE G-YMMJ

Mortgagor

THE COMMON SEAL of)
BRITISH AIRWAYS PLC)
was hereunto affixed in)
the presence of)

Mortgagee

EXECUTED as a **DEED** by)
AMORGOS FSC II, LTD, acting)
by_____)
who, in accordance with the laws)
of the territory in which)
AMORGOS FSC II, LTD is)
incorporated, is acting under the)
authority of AMORGOS FSC II,)
LTD)

.. . .
(Authorised signatory)

EXECUTION PAGE – MORTGAGE G-YMMJ

Mortgagor

THE COMMON SEAL of	)
BRITISH AIRWAYS PLC	)
was hereunto affixed in	)
the presence of	)

Mortgagee

EXECUTED as a **DEED** by	)	
AMORGOS FSC II, LTD, acting	)	
by ANITA GARFAGNOLI	)	
who, in accordance with the laws	)	(Authorised signatory)
of the territory in which	)	
AMORGOS FSC II, LTD is	)	
incorporated, is acting under the	)	
authority of AMORGOS FSC II,	)	
LTD	)	