

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

A fee of £10 is payable to Companies House in respect of each register entry for a mortgage or charge.

CHFP025

Please do not
write in
this marginPlease complete
legibly, preferably
in black type, or
bold block lettering* insert full name
of Company

Pursuant to section 395 of the Companies Act 1985

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

For official use

Company number

01777777

Name of company

* BRITISH AIRWAYS PLC (the "Company") whose registered office is at Waterside, PO Box 365, Harmondsworth, Middlesex UB7 0GB

Date of creation of the charge

14 July 2004

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

BA Security Assignment (the "Assignment") relating to one Boeing 767-336ER aircraft with manufacturer's serial number 24336 and UK registration mark G-BNWD (the "Aircraft").

Amount secured by the mortgage or charge

The amount due and payable to the Owner by the Company under:

(a) an aircraft lease agreement number 7674 dated 23 December 1998 and made between LBI Leasing Limited ("LBI") and the Company (the "Lease") as amended and as novated to the Owner on 14 July 2004 in respect of the Aircraft;

(b) three further aircraft lease agreements numbers 7671, 7672 and 7673 each dated 23 December 1998 and made between LBI and the Company (the "Other Leases") and each as amended and as novated to the Owner on 14 July 2004;

(c) four assignments of insurances bearing numbers 7671, 7672, 7673 and 7674 each dated 14 July 2004 and made between the Owner and the Company;

see Addendum 2/4

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

LBI Holdings Limited (the "Owner") whose registered office is at 25 Gresham Street, London

Postcode EC2V 7HN

Presentor's name address and
reference (if any):Norton Rose
Kempson House
Camomile Street
London EC3A 7AN
BD#-4110791v1 - BA Security
Assignment - 395 (msn 24336)

Time critical reference

For official Use
Mortgage Section

Post room

LD4
COMPANIES HOUSE0230
23/07/04

Short particulars of all the property mortgaged or charged

All of the Company's rights, title and interest, present and future in and to, or arising under or in respect of all moneys whatsoever payable to the Company under or in respect of the Lease including, without limitation to the foregoing, all rebates of rental, sales commissions, insurance moneys, proceeds of sale and requisition compensation and also all claims of the Company for damages in respect of any breach of the Lease (together, the "Assigned Property").

The Assignment contains a covenant by the Company that until the release of the security constituted by the Assignment, the Company shall not, in relation to the Aircraft, without the previous consent in writing of the Owner, sell, assign or otherwise dispose of or knowingly create any Lien, other than Permitted Liens contemplated by any of the Transactional Documentation, in or relating to any of the Assigned Property.

see Addendum 4/4 for definitions

Please do not write in this margin

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

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Particulars as to commission allowance or discount (note 3)

NIL

Signed

No An Rose

Date 23 July 2004

On behalf of the chargee[†]

A fee of £10 is payable to Companies House in respect of each register entry for a mortgage or charge.
(See note 5)

NOTES

† delete as appropriate

- 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 Cheques and Postal Orders are to be made payable to **Companies House**.
- 6 The address of the Registrar of Companies is:-
Companies House, Crown Way, Cardiff CF14 3UZ

Company number

01777777

Name of company

* insert full name
of company

* BRITISH AIRWAYS PLC (the "Company") whose registered office is at Waterside, PO Box 365,
Harmondsworth, Middlesex UB7 0GB

Addendum 1/4

1. Description of the instrument creating or evidencing the mortgage or charge (continued) (note 2)

Addendum 2/4

2. Amount due or owing on the mortgage or charge (continued)

(d) the Assignment;

(e) three further BA security assignments bearing numbers 7671, 7672 and 7673 each dated 14 July 2004 and made between the Company and the Owner;

(f) any other documents relating to the use and/or possession and/or remarketing of any of the Four Aircraft (as defined below) and/or constituting security or further security for the obligation of any of the parties to the BA Documents (as defined below) and any other documents which the Company and the Owner agree should be "Transactional Documentation" under the terms of any of the Lease or Other Leases; and

(g) any other document entered into from time to time between the Company and the Owner in respect of the Aircraft or the Boeing model 767-336ER aircraft bearing manufacturer's serial numbers 24333, 24334 and 24335 (collectively the "Four Aircraft").

"BA Documents" means any documents which are defined as such in the Lease or the Other Leases, or which the Company and the Owner agree should be "BA Documents" under the terms of the Lease or Other Leases.

Company number

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Name of company

* insert full name
of company

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Addendum 3/4

3. Names, addresses and description of the mortgagees or persons entitled to the charge (continued)

Company number

01777777

Name of company

* insert full name
of company* BRITISH AIRWAYS PLC (the "Company") whose registered office is at Waterside, PO Box 365,
Harmondsworth, Middlesex UB7 0GB

Addendum 4/4

4. Short particulars of all the property mortgaged or charged (continued)

"Assignment of Insurances" means the assignment of insurances bearing numbers 7674 dated 14 July 2004 and made between the Company and the Owner;

"Lien" means any mortgage, charge (whether fixed or floating), pledge, lien, assignment (not being an absolute assignment otherwise than by way of security and with no proviso for reassignment) hypothecation, right in rem, security interest, title retention, preferential right, trust arrangement and any other encumbrance, security agreement or arrangement securing any obligation of any person other than the Assignment of Insurances and the Assignment;

"Owner's Lien" means any Lien which does not arise as a result of: (a) the Owner's ownership of the Aircraft; or (b) the Transactional Documentation or the transactions constituted by or contemplated in the Transactional Documentation; or (c) the existence, place of incorporation or residence for tax purposes of the Owner.

"Permitted Lien" means, in relation to the Aircraft, any (a) Owner's Lien or (b) any supplier's, mechanic's, workman's or like possessory lien arising in the ordinary course of business or any other Lien arising in the ordinary course of business by operation of law and not by way of contract, in any case in respect of (i) moneys not yet due and payable or, (ii) moneys that have become due and payable (but only to the extent that the payment of such monies is the subject of a dispute which the Owner, the Company or any sub-lessee is conducting in good faith) or, (iii) moneys which have not become overdue for payment having regard to the custom of the relevant trade with regard to the settlement of accounts or, (iv) moneys which the Owner, the Company or any sub-lessee is unable to pay because it is restrained from so doing by exchange control or other applicable regulations, but "Permitted Lien" shall exclude any Lien arising through any neglect or default on the part of the Company or any sub-lessee.

"Transactional Documentation" means any documents which are defined as such in the Lease or Other Leases, or which the Company and the Owner agree should be "Transactional Documentation".

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 01777777

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A BA SECURITY ASSIGNMENT DATED THE 14th JULY 2004 AND CREATED BY BRITISH AIRWAYS PLC FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO LBI HOLDINGS LIMITED 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 23rd JULY 2004.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 27th JULY 2004.

GRH
P



Companies House

— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES