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CHFP041

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in black type or
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lettering

* Insert full name
of company

COMPANIES FORM No. 395

A/c 400071 / 10

395

Particulars of a mortgage or charge

Pursuant to section 395 of the Companies Act 1985

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

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

For official use Company number

Name of company

468

01777777

* British Airways Plc, Waterside, PO Box 365, Harmondsworth UB7 0GB (*Lessee*)

Date of creation of the charge

31 January 2003

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

Deed of Assignment of Insurances, dated 31 January 2003 (the *Assignment*)

Amount secured by the mortgage or charge

All moneys from time to time due and owing, whether actually or contingently, by Lessee to MABA Lessor Limited (the *Lessor*) under the Lease and the other Transaction Documents (the *Secured Indebtedness*).

Words and definitions used in this section shall have the meanings given to them in the Definitions Schedule to this Form 395.

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

MABA Lessor Limited, M&C Corporate Services Limited, PO Box 309, Ugland House, South Church Street,
George Town, Grand Cayman, Cayman Islands, British West Indies

Postcode N/A

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

FRESHFIELDS BRUCKHAUS
DERINGER
65 FLEET STREET, LONDON
ENGLAND EC4Y 1HS
DX 23 LONDON/CHANCERY LANE

For official use
Mortgage section

Post room



Time critical reference

Short particulars of all the property mortgaged or charged

All of Lessee's right, title and interest, present and future, to, and in respect of proceeds arising, under:

(a) all Insurances in respect of all risks of physical loss or damage (including, but not limited to, war risks) effected in relation to the Aircraft and all benefits thereof (but for the avoidance of doubt this Assignment 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

(b) any Requisition Compensation relating to the Aircraft (provided that, unless and until the Aircraft becomes a Total Loss, the assignment herein contained of Requisition Compensation shall be subject to the prior entitlement of Lessee under clauses 19.2 and 19.4 of the Lease) (the *Assigned Property*).

Words and definitions used in this section shall have the meanings given to them in the Definitions Schedule to this Form 395.

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

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

Particulars as to commission allowance or discount (note 3)

N/A /

Signed For & on behalf of [company] [mortgagee/chargee] Date 17/12/83

On behalf of [company] [mortgagee/chargee]* Lessor

*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. 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 CF4 3UZ.

British Airways Plc,
Waterside,
PO Box 365,
Harmondsworth UB7 0GB

Form 395 Continuation Sheet

DEFINITIONS SCHEDULE

Acceptance Certificate means the certificate in substantially the form set out in Schedule 2 to the Lease, to be signed by Lessee pursuant to clause 5.3 of the Lease;

Agent means Arab Banking Corporation (B.S.C.), acting through its head office at P.O. Box 5698, Manama, Bahrain or any other person from time to time notified to Lessee as the agent for the Banks in accordance with the Transaction Documents;

Aircraft means one (1) Airbus Model A320-111 Aircraft having manufacturer's serial number 17 and UK registration mark G-BUSE and the Associated Engines (whether or not installed thereon) together with (i) all Parts; and (ii) all Manuals and Technical Records but "Aircraft" excludes any item of equipment installed on the Aircraft pursuant to clause 14.2 of the Lease and the proviso to clause 16.2 if the Lease (save as otherwise provided therein) and, unless the context otherwise requires, references to the **Aircraft** include any part thereof;

Aircraft Purchase Agreement means the agreement, dated 30 January 2003, between the Owner, Lessee and Bank of America, N.A., London branch;

Airframe means the Aircraft, excluding the Associated Engines;

Associated Engine means (i) each of the CFM56-5A1 engines to be acquired by the Owner pursuant to the Aircraft Purchase Agreement having serial numbers 731145 and 731176 (ii) each Suitable Replacement Engine, and (iii) insofar as the same belong to the Owner, any and all appliances, spare parts, instruments, accessories or other equipment or parts of whatever nature from time to time forming part thereof whether or not installed on or attached thereto (excluding any such engine which has been replaced by a Suitable Replacement Engine);

Banks means Arab Banking Corporation (B.S.C.) and any other bank or financial institution from time to time notified to Lessee as providing finance to the Owner in respect of its acquisition, ownership or leasing of the Aircraft;

Confirmation of Sale shall have the same meaning ascribed thereto in the Aircraft Purchase Agreement;

Delivery means the delivery of the Aircraft by the Lessor to Lessee pursuant to the Lease;

Equity Lease In means the aircraft lease agreement relating to the Aircraft entered into on or around the date of the Lease between MABA Leasing (as lessor) and the Lessor (as lessee);

Equity Lease Out means the aircraft lease agreement relating to the Aircraft entered into on or around the date of the Lease between the Owner (as lessor) and MABA Leasing (as lessee);

Insurances means any and all policies and contracts of insurance required to be effected and maintained under the Lease including all proceeds arising thereunder and all benefits thereof;

Lease means an aircraft lease agreement dated 30 January between the Lessor and Lessee;

Letter of Support means the letter so entitled dated on or around the date of the Lease to be provided by Montrose & Company International, LLC to Lessee;

Loan Agreement means the loan agreement entered into or, as the context may require, to be entered into between the Owner, the Agent, the Banks and the Security Trustee;

MABA Leasing means MABA Leasing Limited, a company incorporated under the laws of the Cayman Islands having its registered office at M&C Corporate Services Limited, P.O. Box 309 GT, Ugland House, South Church Street, George Town, Grand Cayman, Cayman Islands;

MABA Leasing QEL means a letter of quiet enjoyment dated on or around the date of the Lease provided by MABA Leasing to Lessee in respect of the Aircraft;

Manuals and Technical Records means the records, logs, manuals, technical data and other materials and documents relating to the Aircraft listed in Exhibit B to Schedule 7 of the Lease;

Mortgages means each of (a) the first priority aircraft mortgage dated on or around the date of the Lease relating to the Aircraft and granted by the Owner to the Security Trustee; and (b) the second priority aircraft mortgage dated on or around the date of the Lease relating to the Aircraft and granted by the Owner to Arab Banking Corporation (B.S.C), in its capacity as Security Trustee;

Owner means MABA Owner Limited, a company incorporated under the laws of the Cayman Islands having its registered office at M&C Corporate Services Limited, P.O. Box 309 GT, Ugland House, South Church Street, George Town, Grand Cayman, Cayman Islands and Owner includes the successors in title of the Owner and permitted assigns;

Owner QEL means a letter of quiet enjoyment provided on or around the date of the Lease by the Owner to Lessee in respect of the Aircraft;

Part means (a) any part, component, appliance, APU, accessory, module, instrument, furnishing, appurtenance, or other item of equipment of whatever nature (other than complete Associated Engines or other engines) installed or incorporated in or attached to the Airframe or an Associated Engine at Delivery, or, if not so installed, incorporated in or attached at Delivery, delivered with the Airframe or any Associated Engine at Delivery, and (b) any substituted, renewed or replacement part, component, appliance, APU, accessory, module, instrument, furnishing, appurtenance or other item of equipment (other than complete Associated Engines or other engines) at any particular time installed or incorporated in or attached to the Airframe or an Associated Engine and which in accordance with the Lease become the property of the Owner, or, in the case of (a) and (b) above, which, having been removed therefrom, remains the property of the Owner pursuant to the Lease provided that Part does not include any additional item of equipment as referred to in clause 14.1(i) of the Lease which does not become the property of the Owner and Parts which have ceased to be subject to this Agreement;

Purchase Agreement Acceptance Certificate means the certificate in substantially the form set out in Schedule 2 of the Aircraft Purchase Agreement;

Requisition Compensation means all moneys or other compensation from time to time received by the Lessor, Lessee or any other person in respect of the requisition for hire, title, acquisition, capture, deprivation, detention, condemnation, confiscation or seizure of the Aircraft;

Residual Obligations Agreement means the agreement dated on or about the date of the Lease between the Lessor, Lessee, the Owner, the Security Trustee, the Initial Bank (as defined therein) and the Facility Agent (as defined therein) in respect of the Aircraft, amongst others, and the relationship between the parties named thereto;

Security Assignments means each of (i) the first security assignment dated on or around the date of the Lease between the Lessor, as assignor, and MABA Leasing, as assignee, in respect of, inter alia, the Lessor's interest in certain aspects of the Lease; (ii) the second security assignment dated on or around the date of the Lease between the Lessor, as assignor, and Arab Banking Corporation (B.S.C.), in its capacity as security trustee for and on behalf of MABA Leasing, as assignee, in respect of the Lessor's interest in certain aspects of the Lease; (iii) the third security assignment dated on or around the date of the Lease between MABA Leasing, as assignor, and Owner, as assignee, in respect of certain aspects of the Equity Lease In and the security assignment referred to in section (i) of this definition; (iv) the fourth security assignment dated on or around the date of the Lease between the Owner, as assignor, and the Security Trustee, as assignee, in respect of, inter alia, certain aspects of the Equity Lease Out, the Aircraft Purchase Agreement and the security assignment referred to in section (iii) of this definition; and (v) the fifth security assignment dated on or around the of the Lease between the Lessor, as assignor, and the Security Trustee, as assignee, in respect of the Lessor's interest under clauses 22.1, 23.1(c)(i)(A), 23.2 and 23.3(a)(ii) of the Lease;

Security Trustee means Arab Banking Corporation (B.S.C.) or any other person from time to time notified to Lessee as the security trustee for, in all cases, itself, the Agent and the Banks and also, in certain specified cases, MABA Leasing;

Security Trustee QEL means a letter of quiet enjoyment provided on or around the date of the Lease by the Security Trustee to Lessee in respect of the Aircraft;

Suitable Replacement Engine means any engine which is for the time being substituted for an Associated Engine pursuant to clauses 14.1(e) or 14.1(g) of the Lease including any part thereof but excluding any engine installed on the Aircraft pursuant to clause 14.2 of the Lease;

Total Loss has the meaning ascribed thereto in clause 18.3 of the Lease; and

Transaction Documents means the Lease, the Acceptance Certificate, the Aircraft Purchase Agreement, the Confirmation of Sale, the Assignment, the Purchase Agreement Acceptance Certificate; the Letter of Support, the Loan Agreement, the Owner QEL, the MABA Leasing QEL, the Security Trustee QEL, the Mortgages, the Security Assignments, the Residual Obligations Agreement and any other documents the Lessor and Lessee agree in writing should be Transaction Documents.

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 DEED OF ASSIGNMENT OF INSURANCES DATED THE 31st JANUARY 2003 AND CREATED BY BRITISH AIRWAYS PLC FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO MABA LESSOR 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 17th FEBRUARY 2003.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 20th FEBRUARY 2003.

*PO
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THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



Companies House

— for the record —