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

* Insert full name
of company

COMPANIES FORM No. 395

A/C00400071

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.

ACCOUNT

14 DEC 2002

RECEIVED

395

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

For official use Company number

445

01777777

Name of company

* British Airways plc, a company incorporated with registered number 01777777 whose registered office is at Waterside, PO Box 365, Harmondsworth UB7 0GB (the *Company*)

Date of creation of the charge

25 November 2002

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

Deed of Assignment of Insurances dated 25 November 2002 between the Company and AssetFinance March (F) Limited (the *Assignment of Insurances*)

Amount secured by the mortgage or charge

All moneys from time to time due and owing whether actually or contingently, by the Company to the Owner under the Lease and the other Relevant Documents (the *Secured Indebtedness*).

Words and expressions defined in this section have the meaning given them in the Schedule to this Form 395.

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

AssetFinance March (F) Limited a company incorporated with registered number 01524844 whose registered office is at 8 Canada Square, London (the *Owner*)

Postcode E14 5HQ

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

FRESHFIELDS BRUCKHAUS
DERINGER
65 FLEET STREET, LONDON
ENGLAND EC4Y 1HS
DX 23 LONDON/CHANCERY LANE
Allegiant.M395.MS

Time critical reference
DFBA.olf

For official use
Mortgage section

Post room



A30
COMPANIES HOUSE

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0655
04/12/02

Com 395-1/2

Short particulars of all the property mortgaged or charged

All the Company's rights, title and interests, present and future, to and in respect of proceeds arising, under the Assigned Property.

Words and expressions defined in this section have the meanings given them in the Schedule to this Form 395.

Please do not write in this margin

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)

Nil

Signed Freshfields Bruckhaus Deringer Date 4 December 2002

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

*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

Schedule for Assignment of Insurances relating to one Airbus A320-200 aircraft with manufacturer's serial number 1883 and UK registration mark G-EUJ

DEFINED WORDS AND EXPRESSIONS

Acceptable Security means:

- (a) a security interest in a cash deposit, consisting of:
 - (i) a deposit or deposits of cash by the Lessee with HSBC Bank Plc in an aggregate amount sufficient to eliminate the Shortfall in each subsequent Security Period; and
 - (ii) the execution, delivery and perfection of a first legal assignment or charge by the Company in favour of the Owner in a form acceptable to the Owner (acting reasonably) over each such deposit as security for the obligations of the Company to pay the Termination Sum under the Lease;

unless otherwise agreed by the Owner, security over a cash deposit shall be limited to a period of 60 days from the original grant thereof and must be replaced by other Acceptable Security prior to the end of such period;

- (b) a first fixed charge in a form acceptable to the Owner (acting reasonably) over an aircraft other than the Aircraft which Aircraft (and the value thereof) shall be acceptable to the Owner (acting reasonably), to secure the obligations of the Company to pay the Termination Sum under the Lease;
- (c) a guarantee issued to the Owner substantially in the form of the Guarantee and with a maximum liability sufficient to eliminate the Shortfall for each subsequent Security Period in form and substance, and from a bank or financial institution acceptable to the Owner; and
- (d) such other forms of security as may be acceptable to the Owner acting reasonably.

Acceptable Security Documents means the documents granting Acceptable Security to the Owner;

Agent means KfW as agent for the Guarantors under the Guarantee;

Aircraft means one Airbus A320-200 aircraft with manufacturer's serial number 1883 and UK registration mark G-EUJ, together with two IAE V2527-A5 propulsion system engines having serial numbers V11339 and V11342 (and any replacements thereto or substitutions therefor) and all appropriately approved records, logs, manuals, technical data and other materials and documents relating thereto;

Aircraft Replacement Purchase Agreement means the purchase agreement dated 25 November 2002 under which the Owner acquires title to the Aircraft on the terms and subject to the conditions set out therein;

Assigned Property means all rights and interests of the Company from time to time assigned, 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 the Assignment of Insurances does not constitute an assignment of any policies of insurance but only of the benefit, rights, title, interest and proceeds thereunder (including return of premiums) 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 contained in the Assignment of Insurances of Requisition Compensation shall be subject to the prior entitlement of the Company under Clauses 20.2 and 20.4 of the Lease);

BFE Agreement means the agreement between the Company and the Owner in respect of the Buyer Furnished Equipment;

Buyer Furnished Equipment means any equipment supplied by the Company, details of which are set out in Schedule 8 to the Lease, installed or to be installed on the Aircraft;

Company means British Airways plc, a company incorporated with registered number 01777777 whose registered office is at Waterside, PO Box 365, Harmondsworth, UB7 0GB;

Financial Schedule means the Financial Schedule contained in Schedule 5 to the Lease;

Guarantee means the deed of guarantee dated 25 November 2002 between the Owner and KfW (for itself and as agent for the Guarantors thereunder);

Guarantors means KfW as Initial Guarantor under the Guarantee and each other bank or financial institution which is or becomes a party thereto as a transferee (direct or indirect) of such Initial Guarantor under the provisions thereof;

Initial Guarantor means KfW;

Insurances means any and all policies and contracts of insurance which are from time to time required under the Assignment of Insurances to be in place or taken out or entered into by or on behalf of the Company for the benefit of the Owner and the Company and all benefits thereof;

KfW means Kreditanstalt für Wiederaufbau of Palmengartenstrasse 5-9, 60325 Frankfurt am Main, Germany;

Lease means the aircraft lease agreement dated 25 November 2002 between the Owner (as lessor) and the Company (as lessee) in respect of the Aircraft;

Mortgage means the first priority mortgage of, inter alia, the Aircraft dated 25 November 2002 and made between the Owner and KfW;

Relevant Documents means the Lease, the Aircraft Replacement Purchase Agreement, the BFE Agreement, the Security Documents, the Mortgage and any other documents the parties to the Lease agree should be Relevant Documents;

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

Security Documents means the Guarantee, the Assignment of Insurances, the Acceptable Security Documents (if any) and any other agreements, instruments or other documents now or hereafter entered into which the Owner and the other parties thereto shall agree are to be Security Documents;

Security Period has the meaning ascribed thereto in the Financial Schedule;

Shortfall has the meaning ascribed thereto in the Financial Schedule;

Sub-Lessee means any person to whom the Company sub-leases, charters, hires or otherwise parts with possession and/or operational control of the Aircraft in accordance with Clause 14 of the Lease;

Termination Sum has the meaning given to it in the Financial Schedule; and

Total Loss in relation to the Aircraft shall mean:

- (a) actual or constructive or agreed or arranged total loss thereof; or
- (b) requisition for title, requisition for hire, forfeiture or any compulsory acquisition whatsoever thereof (but in the case of requisition for hire only if the same results in an insurance settlement on the basis of a total loss) by any governmental or other competent authority or by any person acting by or purporting to act by the authority of the same; or
- (c) as a result of any law, rule, regulation, order, decree or other action by any governmental body having jurisdiction, the use thereof for air transportation of persons having been prohibited for a period of six (6) consecutive months; or
- (d) the theft, expropriation, appropriation, restraint, detention, confiscation, seizure or hi-jacking of the Aircraft which shall have resulted in the loss of possession thereof by the Company or any Sub-Lessee for one hundred and eighty (180) consecutive days or such longer period as the Owner may agree in writing; or
- (e) the Aircraft not having been heard of for thirty (30) consecutive days.

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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 25th NOVEMBER 2002 AND CREATED BY BRITISH AIRWAYS PLC FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO ASSETFINANCE MARCH (F) LIMITED (THE OWNER) 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 4th DECEMBER 2002.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 9th DECEMBER 2002.

DX
J4.



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



Companies House

— for the record —