COMPANIES FORM No. 395

Particulars of a mortgage or charge

395

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Pursuant to section 395 of the Companies Act 1985

CHA 267

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

To the Registrar of Companies

For official use

Company number

1777777

Name of company

* insert full name of company

*BRITISH AIRWAYS plc (the "Company")

Date of creation of the charge

4 July 2001

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

Assignment of Insurances (the "Assignment of Insurances") relating to one (1) Airbus A319-100 Aircraft with msn 1225 and UK Registration Mark G-EUPH (the "Aircraft")

Amount secured by the mortgage or charge

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

Norton Rose
Kempson House
Camomile Street
London EC3A 7AN

PGT/AA10218/legal/395-assign-G-EUPH.doc

Time critical reference

For official Use
Mortgage Section

Post room

LD3 COMPANIES HOUSE 0303 10/07/01

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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 (as defined below) under the Lease (as defined below) and the other Lessee Documents (as defined below) (the "Secured Indebtedness").

"Lease" means a lease agreement dated 23 May 2000 between Royal Bank of Scotland (Industrial Leasing) Limited (the "Original Owner") and the Company as novated and amended by a novation agreement dated 18 June 2001 between, among others, the Original Owner, the Owner and the Company (the "Novation Agreement") to be a lease agreement between the Owner and the Company.

"Lessee Documents" means the Lease, the Replacement Purchase Agreement, the Assignment of Insurances, the Rebate Assignment, the Remarketing Agreement, the Standby Loan Agreement, the Owner Guarantee (as such terms are defined in the Lease), the Novation Agreement and any other documents the parties hereto agree should be the Lessee Documents.

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

W.&G. Industrial Leasing Limited, The Quadrangle, The Promenade, Cheltenham, Gloucester GL50 1PX (the "Owner").

Short particulars of all the property mortgaged or charged

All the Company's rights, title and interest, present and future, to and in respect of proceeds arising under:

(A) all Insurances (as defined below) 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 insofar as the same relate to the Aircraft); and

(B) any Requisition Compensation (as defined below) relating to the Aircraft (Provided that, unless and until the Aircraft becomes a Total Loss (as defined below), the assignment of Requisition Compensation contained in the Assignment of Insurances shall be subject to the prior entitlement of the Company under clauses 19.2 and 19.4 of the Lease);

"Insurances" means any and all policies and contracts of insurance required to be effected and maintained under the Lease;

"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;

"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 13 of the Lease;

"Total Loss" in relation to the Aircraft shall mean:

(i) actual or constructive or agreed or arranged total loss thereof; or

(ii) requisition for title, requisition for hire, forefeiture or any compulsory acquisition whatsoever thereof (but in the case of requisition for hire only if the same results in an

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Short particulars of all the property mortgaged or charged

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

(iii) 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

(iv) the theft, expropriation, appropriation, requisition for use, 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

(v) the Aircraft not having been heard of for thirty (30) consecutive days.

Particulars as to commission allowance or discount (note 3)

NIL

Signed Norton Rose **Date** 10 July 2001

On behalf of **company**

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.

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 AN ASSIGNMENT OF INSURANCES RELATING TO ONE AIRBUS A319-100 AIRCRAFT WITH MSN 1225 AND UK REGISTRATION MARK G-EUPH DATED THE 4th JULY 2001 AND CREATED BY BRITISH AIRWAYS PLC FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO W & G INDUSTRIAL LEASING LIMITED UNDER THE LEASE DATED 23 MAY 2000 AND THE OTHER LESSEE DOCUMENTS (AS DEFINED) WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 10th JULY 2001.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 12th JULY 2001.

REGISTRAR OF COMPANIES FOR ENGLAND AND WALES

THE OFFICIAL SEAL OF THE REGISTRAR OF COMPANIES

Companies House
for the record

HC026B