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* insert full name
of company

COMPANIES FORM No. 395

Particulars of a mortgage or charge

395

Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies

For official use

Company number

251 11

1777777

Name of company

* BRITISH AIRWAYS PLC (the "Chargor")

Date of creation of the charge

12 October 1998

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

Mortgage of Securities (the "Mortgage") dated 12 October 1998 between the Chargor and the Security Trustee (as defined below).

Amount secured by the mortgage or charge

All obligations and liabilities whatsoever of the The Millennium Wheel Company Limited (the "Company") to each Finance Party under each Finance Document; (the "Secured Obligations").

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

THE SUMITOMO BANK, LIMITED Temple Court, 11 Queen Victoria Street,
London EC4N 4TA

Presenter's name address and
reference (if any):

Masons Solicitors
30 Aylesbury Street
London
EC1R 0ER

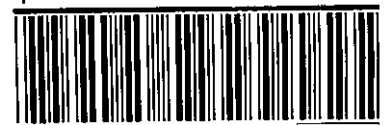
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Time critical reference

For official use

Mortgage Section

Post room



A12 *AW30AANG* 331
COMPANIES HOUSE 22/10/98

(1) The Chargor, with full title guarantee, as continuing security for the payment and discharge the Secured Obligations, mortgages, charges and assigns absolutely the Charged Securities (other than the Securities) to the Security Trustee by way of first fixed security.

(2) All Dividends and interest paid and other moneys in respect of the Charged Securities must:

(a) until the occurrence of an Enforcement Event be paid to the Chargor and if received by the Security Trustee be paid by it to the Chargor;

(b) after the occurrence of an Enforcement Event be held by the Chargor upon trust for the Security Trustee and forthwith upon receipt be delivered to the Security Trustee; and

SEE CONTINUATION SHEETS 1 TO 6 FOR DEFINITIONS

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Particulars as to commission allowance or discount (note 3)

Nil

Signed

Date

21/10/98

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.

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**Particulars of a mortgage or charge
(continued)**

Continuation sheet No 1
to Form No 395 and 410 (Scot)

CHA 116

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Company Number

1777777

Name of Company

BRITISH AIRWAYS PLC (the "Chargor")

Limited*

* delete if
inappropriate

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

Mortgage of Securities (see front page)

Note: in this Form and Continuation Sheets:

- (c) immediately upon the occurrence of an Enforcement Event be applied by the Security Trustee if, in its absolute discretion it thinks fit, as though they were proceeds of a sale of the Charged Securities.

Note:

- (1) The Mortgage:
- (a) is in addition to any present and future Security Interest held by the Security Trustee; and
 - (b) the Security Trustee's rights thereunder are in addition to and not exclusive of those provided by law.
- (2) The Security Trustee is not bound first to enforce any rights against the Company or under any Security Interest before enforcing the Mortgage.
- (3) The Chargor covenanted with the Security Trustee that during the continuation of the security the Chargor will not without the prior written consent of the Security Trustee:
- (a) create or purport to create or permit to subsist any Security Interest (other than (1) in favour of the Security Trustee, and (2) liens arising by operation of law) on or over the Charged Securities or any part thereof or any interest therein; or
 - (b) sell, transfer or otherwise dispose of the Charged Securities or any interest therein or attempt or agree so to do; or
 - (c) permit any person other than the Chargor to be registered as or become holder of the Charged Securities except as permitted by the Credit Facility Agreement.

Note: in this form and in its continuation sheets the following words and expressions have the following meanings except to the extent the context requires otherwise:-

"Account Bank" means The Sumitomo Bank, Limited and its permitted successors and assigns, in its capacity as Account Bank;

"Agent" means The Sumitomo Bank, Limited and its permitted successors and assigns, in its capacity as Agent;

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**Particulars of a mortgage or charge
(continued)**

Continuation sheet No 2
to Form No 395 and 410 (Scot)

CHA 116

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Company Number

1777777

Name of Company

BRITISH AIRWAYS PLC (the "Chargor")

Limited*

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

Mortgage of Securities (see front page)

Note: in this Form and Continuation Sheets:

"Arrangers" means The Sumitomo Bank, Limited and Westdeutsche Landesbank Girozentrale and their permitted successors and assigns in their capacity as Arrangers;

"BA" means British Airways PLC (Registered No: 1777777);

"BA Guarantee Appointment Agreement" means the agreement between the BA Guarantee Engineer, BA and the Banks for the appointment of Allott & Lomax as BA Guarantee Engineer to, inter alia, verify and issue a certificate that the Wheel satisfies the acceptance criteria;

"BA Guarantee" means the completion and performance guarantee issued by BA in favour of the Agent and dated the date of the Credit Facility Agreement;

"BA Guarantee Engineer" means Allott & Lomax in its capacity as independent engineer and appointed pursuant to the BA Guarantee Appointment Agreement.

"Banks" means The Sumitomo Bank, Limited and Westdeutsche Landesbank Girozentrale and their permitted successors and assigns in their capacity as Banks;

"Bank Debenture" means the debenture dated the date of the Mortgage entered into between the Company and the Security Trustee;

"Charged Securities" means:

- (a) the Securities; and
- (b) all Dividends, interest or other distributions after 12 October 1998 paid or payable or made on or in respect of the Securities and all stocks, shares, rights, money or property accruing or offered by way of redemption, bonus, preference, option rights, warrant rights or otherwise to or in respect of the Securities and all allotments, accretions, offers, rights, benefits and advantages whatsoever accruing, offered or arising in respect of the same or in substitution or exchange for any of the Securities including, without limitation, any uncertificated securities, but so that nothing in the Mortgage be construed as placing on the Security Trustee any liability whatsoever in respect of any calls, instalments or other payment relating to the Securities,

or any part of them;

"Company" means The Millennium Wheel Company Limited (Company No. 2896849) whose registered office is at 50 Bromells Road, London SW4 0BG;

"Credit Facility Agreement" means the Credit Facility Agreement dated the date of the Mortgage entered into between the Company, and the Finance Parties;

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**Particulars of a mortgage or charge
(continued)**

Continuation sheet No 3
to Form No 395 and 410 (Scot)

CHA 116

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Company Number

1777777

Name of Company

BRITISH AIRWAYS PLC (the "Chargor")

Limited*

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

Mortgage of Securities (see front page)

Note: in this Form and Continuation Sheets:

"Dividends" means all dividends, distributions, coupon payments or other payments on all or any of the Securities;

"Enforcement Event" means an Event of Default following the occurrence of which the Agent has issued a notice under Clause 17.2 of the Credit Facility Agreement and has instructed the Security Trustee in writing to enforce or exercise all or any of its rights constituted or conferred on it under the Bank Debenture;

"Fee Letter" means the letter dated the date of this Credit Facility Agreement between the Agent and the Company setting out the amount of agency fee referred to in Clause 19.3 of the Credit Facility Agreement;

"Finance Document" means:-

- (a) the Credit Facility Agreement;
- (b) a Security Document;
- (c) the BA Guarantee;
- (d) the Operator Undertaking;
- (e) a Transfer Certificate;
- (f) the Fee Letter;
- (g) the Hedging Arrangements;
- (h) the BA Guarantee Appointment Agreement;
- (i) the Technical Advisers Appointment Agreement; and
- (j) any other document designated as such by the Agent and the Company;

"Finance Party" means an Arranger, a Bank, the Agent, the Account Bank, a Hedging Bank, the Security Trustee and includes any assignee, transferee, successor or replacement person;

"First Landlord" means the first named party to the Underlease as defined therein;

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**Particulars of a mortgage or charge
(continued)**

Continuation sheet No 4
to Form No 395 and 410 (Scot)

CHA 116

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Company Number

1777777

Name of Company

BRITISH AIRWAYS PLC (the "Chargor")

Limited*

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

Mortgage of Securities (see front page)

Note: in this Form and Continuation Sheets:

"First Underlease" means the underlease dated 2 October 1997 entered into between the First Landlord and the Company and relating to part of the Riverside Building and part of Jubilee Gardens, London SE1;

"Hedging Agreement" means the interest rate hedging agreement(s) comprised of a Master Agreement (Multicurrency Cross Border) (1992 Edition) published by the International Swaps and Derivatives Association, Inc as amended by an agreed schedule and confirmation and entered into by the Company and each of the Hedging Banks respectively at any time after the date of the Credit Facility Agreement and attached as Schedule 11 of the Credit Facility Agreement;

"Hedging Arrangement" means any interest rate swap, cap, collar or other arrangement (including, without limitation, the Hedging Agreement) entered into or to be entered into between the Company and a counterparty in accordance with the Credit Facility Agreement;

"Hedging Bank" means either and each of Westdeutsche Landesbank Girozentrale (in its capacity as a Hedging Bank) and/or Sumitomo Bank Capital Markets, Inc.;

"Indebtedness" includes any obligation (whether actual or contingent, secured or unsecured or otherwise) for the payment or repayment of money;

"Intercreditor Deed" means the Intercreditor Deed dated the date of the Mortgage entered into between the Finance Parties, the Company and the Shareholders;

"Mortgages of Securities" means the mortgages of securities entered into or to be entered into between the Shareholders and the Security Trustee dated the date of the Credit Facility Agreement;

"Operator" means TTG or any successor or replacement (which includes the Company) as operator of the Wheel approved by the Banks from time to time;

"Operator Undertaking" means the agreement dated the date of the Credit Facility Agreement between the Operator, the Company and the Agent;

"PLA" means the Port of London Authority;

"River Works Licences" means the licences to be granted by the PLA to the Company authorising the construction of a pier adjoining the Site and the suspension of the Wheel above the River Thames;

"Second Landlord" means the first named party to the Second Underlease as defined therein;

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**Particulars of a mortgage or charge
(continued)**

Continuation sheet No 5
to Form No 395 and 410 (Scot)

CHA 116

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Company Number

1777777

Name of Company

BRITISH AIRWAYS PLC (the "Chargor")

Limited*

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

Mortgage of Securities (see front page)

Note: in this Form and Continuation Sheets:

"Second Underlease" means the Underlease to be entered into between the Second Landlord and the Company and relating to part of Jubilee Gardens and Queens Walkway, London SE1;

"Secured Obligations" has the meaning given to it on page 1 of this form;

"Security Documents" means:-

- (a) the Bank Debenture;
- (b) the Mortgages of Securities;
- (c) the Intercreditor Deed; or
- (d) any other document designated as such by the Agent (after consultation with the Company);

"Securities" means

- (a) 100,000 "B" Ordinary shares in the Company;
- (b) any substitute securities, which (or the certificates in respect of which) are now or may at any time after the date of the Mortgage be lodged with or held by the Security Trustee or its agents or its nominees or transferred to the Security Trustee or its nominees or registered in its or their names by or for the Chargor (whether lodged, held, transferred or registered for safe custody, collection, security or for any specific purpose or generally and either before or after the date of this Mortgage);
- (c) any TTG Shares acquired by the Chargor,

or any part of them;

"Security Interest" means any mortgage, pledge, lien, charge, assignment, encumbrance, right of set-off, guarantee, title transfer or retention arrangement or security interest whatsoever, howsoever created or arising, including any "flawed asset" arrangement and "secured" will be construed accordingly.

"Security Trustee" means The Sumitomo Bank, Limited (and any permitted successor or assign or any replacement Security Trustee) acting in accordance with the rights and obligations granted and imposed on it under the Intercreditor Deed;

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Particulars of a mortgage or charge (continued)

Continuation sheet No 6
to Form No 395 and 410 (Scot)

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Company Number

1777777

Name of Company

BRITISH AIRWAYS PLC (the "Chargor")

Limited*

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

Mortgage of Securities (see front page)

Note: in this Form and Continuation Sheets:

"Shareholder" means any and each of The Tussauds Group Limited, British Airways PLC, David Joseph Marks, Gunilla Henriette Marta Marks and Julia Barbara Barfield;

"Shareholders Agreement" means the agreement made between the Shareholders and the Company dated 12 October 1998;

"Site" means the land and all rights over land, buildings, rights of access to part of the Riverside Building at County Hall together with the adjoining land at the Jubilee Gardens, Queens Walk, London SE1 as more fully described in the Underleases and the River Works Licences;

"Technical Adviser" means Allott & Lomax in its capacity as technical adviser to the Banks and/or such other technical adviser as the Agent may appoint from time to time;

"Technical Advisers Appointment Agreement" means the agreement between the Technical Adviser and the Banks relating to the appointment of the Technical Adviser;

"Transfer Certificate" has the meaning given to it in Clause 25.3 of the Credit Facility Agreement;

"TTG" means The Tussauds Group Limited (Registered No: 215035);

"TTG Shares" means the shares of the company acquired or to be acquired by the Chargor from The Tussauds Group Limited pursuant to Clause 9.9 of the Shareholders Agreement.

"Underleases" means the First Underlease and the Second Underlease; and

"Wheel" means the ferris wheel to be constructed and operated at the Site.

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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 MORTGAGE OF SECURITIES DATED THE 12th OCTOBER 1998 AND CREATED BY BRITISH AIRWAYS PLC FOR SECURING ALL OBLIGATIONS AND LIABILITIES WHATSOEVER OF THE MILLENNIUM WHEEL COMPANY LIMITED TO EACH FINANCE PARTY (AS DEFINED) UNDER EACH FINANCE DOCUMENT (AS DEFINED) WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 22nd OCTOBER 1998.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 26th OCTOBER 1998.

A handwritten signature in dark ink, appearing to read 'J. M. Evans'.

J. M. EVANS

for the Registrar of Companies



C O M P A N I E S H O U S E

ROA
26/10/98