

PUBLIC COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

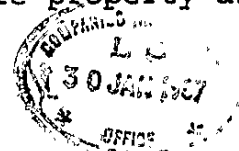
OF

BRITISH AIRWAYS Plc

1. The Name of the Company is "BRITISH AIRWAYS Plc".
2. The Company is to be a public company.
3. The Registered Office of the Company will be situate in England and Wales.
4. The Objects for which the Company is established are:-
 - (A) To succeed to the undertaking of the British Airways Board (a corporation established by the Civil Aviation Act 1971 and constituted in accordance with the British Airways Board Act 1977) including all property, rights, liabilities and obligations of the Board, both inside and outside the United Kingdom, which are to be vested in the Company by virtue of section 3 of the Civil Aviation Act 1980.
 - (B) To carry on business as an airline and air transport undertaking and to provide air transport services and carry out all other forms of aerial work, whether on charter terms or otherwise, and to carry on any other trade or business or do anything which is calculated to facilitate or is auxiliary to or associated with such business including to carry on any business now or formerly carried on by British Airways Board and its subsidiary and associated companies.
 - (C) To buy, sell, manufacture, repair, alter, improve, manipulate, prepare for market, let and take on hire, and generally deal in all kinds of aircraft, plant, machinery, apparatus, tools, utensils, materials, produce, substances, articles and things.
 - (D) To carry on any business involving the ownership or possession of land or other immovable property and to

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LINKLATERS & PAINES
BARRINGTON HOUSE,
59 67 GRESHAM STREET,
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build, construct, maintain, alter, enlarge, pull down and remove or replace any buildings, shops, factories, offices, works, machinery, engines and to clear sites for the same or to join with any person, firm or company in doing any of the things aforesaid and to work, manage and control the same or join with others in so doing.

- (E) To provide for any person technical advice or assistance, including research services, as respects any matter in which the British Airways Board had or the Company has skill or experience.
- (F) To maintain, unless and until terminated in accordance with its provisions, any scheme for the payment of pensions, allowances or gratuities which has been established by virtue of any enactment for the benefit of members, or employees, of the British Overseas Airways Corporation, the British European Airways Corporation or the British Airways Board, or for the benefit of other persons entitled to benefit under such a scheme who are connected with the Corporations or the Board, and which is in force when the Company succeeds to the property, rights, liabilities and obligations of the Board.
- (G) To act as an investment holding company and to co-ordinate the business of any companies in which the Company is for the time being interested, and to acquire (whether by original subscription, tender, purchase, exchange or otherwise) the whole of, or any part of the stock, shares, debentures, debenture stocks, bonds or other securities issued or guaranteed by any body corporate, constituted or carrying on business in any of the world or by any Government, sovereign ruler, commissioner, public body or municipal or local authority and to hold the same as investments and to sell, exchange, carry and dispose of the same.
- (H) To enter into contracts, agreements and arrangements with any other company for the carrying out by such other company on behalf of the Company of any of the objects for which the Company is formed.
- (I) To acquire, undertake and carry on the whole or any part of the business, property and liabilities of any person or company carrying on any business which the Company is authorised to carry on or possess, or which may seem to the Company capable of being conveniently carried on or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or rights, or any property suitable for the purposes of the Company.
- (J) To enter into any arrangements with any Government or authorities, supreme, municipal, local or otherwise, that may seem conducive to the Company's objects or any of them, and to obtain from any such Government or

the Company may think it desirable to obtain, and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions.

- (K) To apply for, or join in applying for, purchase or by other means acquire and protect, prolong and renew whether in the United Kingdom or elsewhere any patents, patent rights, brevets d'invention, licences, registered designs, protections and concessions, which may appear likely to be advantageous or useful to the Company, and to use and turn to account and to manufacture under or grant licences or privileges in respect of the same, and to expend money in experimenting and testing and making researches, and in improving or seeking to improve any patents, inventions or rights which the Company may acquire or propose to acquire.
- (L) To enter into partnership or into any arrangement for sharing profits, union of interests, co-operation, joint adventure, reciprocal concession, or otherwise with any company, or with any employees of the Company, including in such case if thought fit the conferring of a participation in the management or its directorate, or with any company carrying on or engaged in any business or transaction capable of being conducted so as directly or indirectly to benefit the Company. And to lend money to, guarantee the contracts of, or otherwise assist any such company, and to take or otherwise acquire shares or securities of any such company, and to sell, hold, re-issue, with or without guarantee, or otherwise deal with the same.
- (M) To subsidise, and assist any persons or companies and to act as agents for the collection, receipt or payment of money and generally to act as advisers, consultants, brokers and agents for and render services to customers and others.
- (N) To enter into any guarantee contract of indemnity or suretyship and in particular either with or without the Company receiving any consideration or advantage, direct or indirect, from giving any such guarantee, and to guarantee or secure by personal covenant or by mortgaging or charging all or any part of the undertaking, property and assets present and future and uncalled capital or by both such methods or by any other means whatsoever the performance of the obligations and the payment of any moneys (including but not limited to capital or principal, premiums, dividends or interest, commissions, charges, discount and any costs or expenses relating thereto whether on any stocks, shares or securities or in any other manner whatsoever) by any company, firm or person including but not limited to any company which is for the time being the Company's holding company as defined by Section 154 of the Companies Act, 1948 or a subsidiary

of the Company or of the Company's holding company as so defined or any company, firm or person who is for the time being a member or otherwise has any interest in the Company or is associated with the Company in any business or venture or any other person, firm or company whatsoever.

- (O) To promote any company for the purpose of acquiring all or any of the property and liabilities of this Company, or for any other purpose which may seem directly or indirectly calculated to benefit this Company.
- (P) To pay out of the funds of the Company all expenses which the Company may lawfully pay of or incident to the formation and registration of the Company.
- (Q) To issue and allot shares or securities of the Company credited as paid up in full or in part or otherwise for cash or for any real or personal property purchased or otherwise acquired or any services rendered to the Company or for any other purpose.
- (R) Generally to purchase, take on lease or exchange, hire, take options over or otherwise acquire for any estate or interest any real or personal property and any rights or privileges for the purposes of its business.
- (S) To receive money on deposit.
- (T) To invest the moneys of the Company in any investments and to hold sell or otherwise deal with such investments and to carry on the business of a property or investment company.
- (U) To lend money with or without security and grant or provide credit to and financial accommodation to any other person or company and to carry on the business of a banking insurance or finance company.
- (V) To borrow or raise or secure the payment of money in any manner, and in particular by the issue of debentures or debenture stock, perpetual or otherwise charged upon all or any of the Company's undertaking property and assets (both present and future), including its uncalled capital, and to purchase, redeem or pay off any such securities.
- (W) To remunerate any company for services rendered or to be rendered, in placing, or assisting to place, or guaranteeing the placing or procuring the underwriting of any of the shares or debentures, or other securities of the Company or of any company in which the Company may be interested or proposes to be interested, or in or about the formation of the Company or the conduct of the business of the Company.

- (X) To subscribe for either absolutely or conditionally or

otherwise acquire and hold shares, stocks, debentures, debenture stock or other obligations of any other company having objects altogether or in part similar to those of the Company.

- (Y) To draw, make, accept, endorse, discount, execute, issue and deal in bills of exchange, promissory notes, bills of lading, warrants, debentures and other instruments whether negotiable or not.
- (Z) To sell, lease, exchange, let on hire, or grant licences, easements, options, servitudes and other rights over and in any other manner dispose of any real or personal property or the undertaking of the Company, or any part or parts thereof, for any consideration and, in particular, for shares whether fully or partly paid up, debentures or securities of any other company, whether or not having objects altogether, or in part, similar to those of the Company, and to hold and retain any shares, debentures or securities so acquired, and to improve, manage, develop, sell, exchange, lease, mortgage, dispose of or turn to account or otherwise deal with all or any part of the property or rights of the Company.
- (AA) To adopt such means of making known the business, services and products of the Company as may seem expedient, and in particular by advertising in the Press, by circulars, by the promotion of cultural, sporting or recreational events, by purchase and exhibition of works of art or interest, by publication of books and periodicals, and by granting prizes, rewards and donations.
- (BB) To pay, or make payments for the provision of, pensions, allowances or gratuities, or establish and maintain schemes (whether contributory or not) for such payment for the benefit of any person who is or has been a Director or employee of the Company or any subsidiary, allied or associated company or who has been a member or employee of the British Overseas Airways Corporation, or the British Airways Board or who is the wife, child or other relative or dependant of such a person.
- (CC) To support or subscribe to any charitable or public object and any association, institution, society or club which may be for the benefit of the Company or its Directors, officers or employees, or the Directors, officers and employees of its predecessors in business, or of any company which is or was a subsidiary, allied or associated company of the Company, or may be connected with any town or place where the Company carries on business; to give charitable aid to any person (including any Directors or former Directors) who may have served the Company or its predecessors in

business, or any subsidiary allied or associated company as aforesaid or to the wives, children or other relatives or dependants of such persons or any person for whom the British Airways Board was empowered to pay pensions allowances or gratuities; to make payments towards insurance and to form and contribute to provident and benefit funds for the benefit of any Directors or officers of or persons employed by the Company, or of or by its predecessors in business, or of or by any subsidiary, allied or associated company as aforesaid; to subsidise or assist any association of employers or employees, or any trade association and to subscribe guarantee or pay money for any purpose likely, directly or indirectly to further the interests of the Company or for any national charitable benevolent educational social public or general or useful object.

- (DD) To establish and maintain, and to contribute to, any scheme for encouraging or facilitating the holding of shares or debentures in the Company by or for the benefit of its employees or former employees, or those of any of its subsidiaries, or by or for the benefit of such other persons as may for the time being be permitted by law, or any scheme for sharing profits with its employees or those of any of its subsidiaries, and (so far as for the time being permitted by law) to lend money to employees of the Company or of any subsidiary of the Company or of any company which otherwise is allied to or associated with the Company with a view to enabling them to acquire shares in the Company.
- (EE) To obtain any Provisional Order or Act of Parliament for enabling the Company to carry any of its objects into effect or for effecting any modifications of the Company's constitution or for any other purposes which may seem expedient, and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests.
- (FF) To establish, grant and take up agencies in any part of the world, and to do all such other things as the Company may deem conducive to the carrying on of the Company's business, either as principals, or agents, and to remunerate any persons in connection with the establishment or granting of such agencies upon such terms and conditions as the Company may think fit.
- (GG) To do all or any of the above things in any part of the world and as principals, agents, contractors, trustees or otherwise, and by or through trustees, agents or otherwise, and either alone or in conjunction with others and to procure the company to be registered or recognised in any foreign country or place.

- (HH) To cease carrying on or wind up any business or activity of the company and to cancel any registration of land to wind up or procure the dissolution of any company in any state or territory.
- (II) To distribute any of the property of the Company in specie among its creditors or members.
- (JJ) To amalgamate with any other company having objects altogether or in part similar to those of the Company.
- (KK) To carry on any other business or activity and do anything of any nature which in the opinion of the Directors of the Company is or may be capable of being conveniently carried on or done in connection with the above, or likely directly or indirectly to enhance the value of or render more profitable all or any part of the Company's undertaking property or assets or otherwise to advance the interests of the Company or of its members.
- (LL) To do all such other things as in the opinion of the Directors of the Company are or may be incidental or conducive to the attainment of the above objects or any of them.

And it is hereby declared that the word "company" in this Clause shall be deemed to include any person or partnership or other body of persons whether domiciled in the United Kingdom or elsewhere, and words denoting the singular number only shall include the plural number and vice versa, and so that the objects specified in each paragraph of this Clause shall, except where otherwise expressed in such paragraph, be regarded as independent objects, and in nowise limited or restricted by reference to or inference from the terms of any other paragraph or the name of the Company.

5. The liability of the Members is limited.

6. The Share Capital of the Company is £180,050,000 divided into 720,200,000 Shares of 25p each.*

* The Company was incorporated on 13th December, 1983 with a Share Capital of £50,000 divided into 50,000 Shares of £1 each.

By an Ordinary Resolution passed on 23rd March, 1984 the Authorised Share Capital was increased from £50,000 to £180,050,000 divided into £180,050,000 Shares of £1 each.

By an Ordinary Resolution passed on 4th November, 1986 the 180,050,000 Ordinary Shares of £1 each were divided into 720,200,000 Ordinary Shares of 25p each.

By an Ordinary Resolution passed on 26th January, 1987 the Authorised Share Capital was increased (conditionally on the whole of the issued share capital being admitted to the Official List by The Stock Exchange not later than 27th February, 1987) from £180,050,000 to £240,000,000 by the creation of 239,800,000 Ordinary shares of 25p each.

We, the several persons whose names and addresses are subscribed, are desirous of being formed into a Company, in pursuance of this Memorandum of Association, and we respectively agree to take the number of Shares in the Capital of the Company set opposite our respective names.

<u>NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS</u>	<u>Number of shares taken by each Subscriber</u>
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LAURENCE OATES,
Wavendon.
Wych Hill Lane,
Woking,
Surrey.

Civil Servant

One

ROGER ERIC CLARKE,
64 Scotts Lane,
Shortlands,
Bromley,
Kent,
BR2 OLX.

Civil Servant

One

DATED

1987.

WITNESS to all the above Signatures:-

PETER GEORGE HANDLEY,
44 Eighth Avenue,
Sundon Park,
Luton,
Bedfordshire,
LV3 3DW.

Civil Servant