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CHFP041

COMPANIES FORM No. 155(6)(a)

155(6)a

Declaration in relation to
assistance for the acquisition
of sharesPlease do not
write in
this margin

Pursuant to section 155(6) of the Companies Act 1985

Please complete
legibly, preferably
in black type, or
bold block letteringTo the Registrar of Companies
(Address overleaf - Note 5)

For official use

Company number

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01970855

Note
Please read the
notes on page 3
before completing
this form

Name of company

* BAA Limited (the Company)

*Insert full name
of companyWe ~~or~~ Please see Schedule 1Insert name(s) and
address(es) of all
the directorsDelete as
appropriate

~~the sole director~~ [all the directors]† of the above company do solemnly and sincerely declare that
The business of the company is.

Delete whichever
is inappropriate

~~(a) that of a recognised bank licensed institution within the meaning of the Banking Act 1979 §~~

~~(b) that of a person authorised under section 3 or 4 of the Insurance Companies Act 1982 to carry on
insurance business in the United Kingdom §~~

(c) something other than the above §

The company is proposing to give financial assistance in connection with the acquisition of shares in the
[company] ~~[company's holding company]~~

limited†

The assistance is for the purpose of [that acquisition] ~~[reducing or discharging a liability incurred for the
purpose of that acquisition]~~†

The number and class of the shares acquired or to be acquired is

1,102,400,315 ordinary shares of £1 00

Presenter's name address and
reference (if any)

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

For official Use (02/06)

Gene

MONDAY



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LD6

18/08/2008

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COMPANIES HOUSE

The assistance is to be given to (note 2) Please see Schedule 6

Please do not
write in
this margin

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

The assistance will take the form of

Please see Schedule 2

The person who ~~has acquired~~ will acquire† the shares is

BAA (D&ND Holdco) Limited (06408400) of of 130 Wilton Road, London SW1V 1LQ

† Delete as
appropriate

The principal terms on which the assistance will be given are

Please see Schedule 3

The amount of cash to be transferred to the person assisted is £ Please see Schedule 7

The value of any asset to be transferred to the person assisted is £ Please see Schedule 8

The date on which the assistance is to be given is on a date falling within 8 weeks of the date hereof

CO155(6)(a)/2

Please do not
write in
this margin

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

*Delete either (a) or
(b) as appropriate

~~✗~~We have formed the opinion, as regards the company's initial situation immediately following the date on which the assistance is proposed to be given, that there will be no ground on which it could then be found to be unable to pay its debts (note 3)

- (a) ~~✗~~We have formed the opinion that the company will be able to pay its debts as they fall due during the year immediately following that date]* (note 3)
- (b) ~~✗~~

~~✗~~We intended to commence the winding up of the company within 12 months of that date and
~~✗~~We have formed the opinion that the company will be able to pay its debts in full within 12 months of the commencement of the winding up.* (note 3)

And ~~✗~~we make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835

Declared at 234 Bath Road, London, UB3 5AP Declarants to sign below

by Jose Leo, Imgo Mouras, Jose Maria
Rivero Triunfo, Luis Angel Sanchez
Salmeron, Sir Anthony Nigel Russell

Day Month Year

on

0 7 0 8 2 0 0 8

André, Nicolas
Villen Jimenez
and Colin
Steven Matthews.

before me

LHA A Commissioner for Oaths or Notary Public or Justice of the Peace or a Solicitor having the powers conferred on a Commissioner for Oaths

NOTES

1 For the meaning of "a person incurring a liability" and "reducing or discharging a liability" see section 152(3) of the Companies Act 1985

2 Insert full name(s) and address(es) of the person(s) to whom assistance is to be given, if a recipient is a company the registered office address should be shown

3 Contingent and prospective liabilities of the company are to be taken into account - see section 156(3) of the Companies Act 1985

4 The auditor's report required by section 156(4) of the Companies Act 1985 must be annexed to this form

5 The address for companies registered in England and Wales or Wales is -

The Registrar of Companies
Companies House
Crown Way
Cardiff
CF14 3UZ

DX 33050 Cardiff

or, for companies registered in Scotland -

The Registrar of Companies
37 Castle Terrace
Edinburgh
EH1 2EB

DX 235 Edinburgh

or LP-4 Edinburgh 2

A Commissioner for Oaths
Bankside House, 107 Leadenhall Street,
London EC3A 4AF
England
(Luis N Hyde-Vaamonde)

Schedule 1 – List of Directors

BAA Limited
Company Number 01970855
(the *Company*)

	DIRECTOR	ADDRESS
1	Sir Anthony Nigel Russell Rudd	1 Churchill Place Canary Wharf London E14 5HP
2	Colin Steven Matthews	130 Wilton Road London SW1V 1LQ
3	Eng Seng Ang	130 Wilton Road London SW1V 1LQ
4	Ghislain Gauthier	130 Wilton Road London SW1V 1LQ
5	Inigo Meiras	130 Wilton Road London SW1V 1LQ
6	Lord John Stevens	LGC, Queens Road Teddington Middlesex TW11 0LY
7	Jose Leo	130 Wilton Road London SW1V 1LQ
8	Jose Maria Perez Tremps	130 Wilton Road London SW1V 1LQ
9	Luis Angel Sanchez Salmeron	130 Wilton Road London SW1V 1LQ
10	Nicholas Villen Jimenez	130 Wilton Road London SW1V 1LQ
11	Renaud Faucher	130 Wilton Road London SW1V 1LQ
12	Richard Ross Drouin	130 Wilton Road London SW1V 1LQ
13	Stuart Baldwin	130 Wilton Road London SW1V 1LQ

Form 155(6)(a) in relation to BAA Limited

Schedule 2 – Form of Financial Assistance

BAA Limited
Company Number 01970855
(the *Company*)

Defined terms used in this Schedule shall have the same meanings as those given to them in the relevant documents referred to below, unless otherwise defined in any of the Schedules to this statutory declaration

The Company will or might provide financial assistance by way of the execution and performance of the documents specified in Schedule 4, each such document being in such form as the directors or any authorised signatory may approve and as may be amended, supplemented, novated and/or replaced from time to time) together with the performance by the Company of other acts (including, without limitation, the payment of all fees to professionals, third parties and others) and/or the execution of any other documents (as the same shall be amended, supplemented, novated and/or replaced from time to time), ancillary or otherwise, in connection with the Proposed Financing or the refinancing from time to time of the Proposed Financing, including the execution and performance of

- (a) the following documents, and the provision of all financial assistance thereunder, including the leaving of consideration payable in connection with such documents outstanding on intercompany balance
 - (i) the EAL 2 SPA, the EAL 2 STF, the EAL 2 Declaration of Trust and the EAL 2 GTRA,
 - (ii) the GLAL 2 SPA, the GLAL 2 STF, GLAL 2 Declaration of Trust and the GLAL 2 GTRA,
 - (iii) the AAL 2 SPA, the AAL 2 STF, the AAL 2 Declaration of Trust and the AAL 2 GTRA,
 - (iv) the SIAL 1 SPA, the SIAL 1 STF, the SIAL 1 Declaration of Trust, and the SIAL 1 GTRA, and
 - (v) the Lynton SPA, the Lynton STF, the Lynton Declaration of Trust and the Lynton GTRA
- (b) the BAA SPA, the BAA Trust Deed, the BAA STF and the BAA GTRA, and the provision of all financial assistance thereunder, including agreement to the novation of the Company's receivable from ADIL to Newco (to the extent Newco might be considered a weaker credit),
- (c) the BAA-ADIL EAL Payables Assignment, and the provision of all financial assistance thereunder, including the transfer of receivables owing to the Company by EAL to ADIL in consideration for receiving a payable from ADIL of equivalent amount;

- (d) the BAA-ADIL GLAL Payables Assignment, and the provision of all financial assistance thereunder, including the transfer of receivables owing to the Company by GLAL to ADIL in consideration for receiving a payable from ADIL of equivalent amount,
- (e) the SP Debenture Assignment Agreement and the SP Debenture Assignment Acknowledgement, and the provision of all financial assistance thereunder, including the leaving of consideration outstanding on intercompany balance,
- (f) the BAA Bond Guarantee, and the provision of all financial assistance thereunder, including the provision of a guarantee;
- (g) the Deed of Termination and Release, and the provision of all financial assistance thereunder, including amending the terms of Convertible Debt to facilitate early prepayment of convertible debt together with payment of any costs,
- (h) the Subscription Agreement, and the provision of all financial assistance thereunder, including the giving of the indemnities to the relevant Dealers by reference to the Dealership Agreement thereunder to enable the Issuer to issue notes and lend the proceeds thereof to the Borrowers pursuant to the Borrower Loan Agreement,
- (i) the STID, and the provision of all financial assistance thereunder, including the subordination of certain claims, the provision of indemnities and the payment of fees,
- (j) the Tax Deed of Covenant, and the provision of all financial assistance thereunder, including the giving of representations, warranties and covenants;
- (k) the Subordinated Facility Novation and Amendment Agreements and the Senior Junior Intercreditor Amendment and Restatement Agreement, and the provision of all financial assistance thereunder, including the making of any amendments to existing security and guarantees and the agreement to provide any further security or guarantees on the terms set out therein,
- (l) the ADIL and BAA Hedging Novation Agreements, the Payment Letter, and the Transferor Consideration Letter and the provision of all financial assistance hereunder, including the leaving of consideration owing by one counterparty to another (as the case may be, depending on whether such swaps are “in the money” or “out of the money”);
- (m) the ADIL-BAA ADIL Hedge Receivables Novation, and the provision of all financial assistance thereunder, including the assumption of new debt obligations to ADIL by the Company in consideration for the assumption of a right to receive new receivables from the Borrowers,
- (n) the ADIL-BAA ADIL Hedge Payables Novation, and the provision of all financial assistance thereunder, including the assumption of new debt obligations to Issuer by the Company in consideration for the assumption of a right to receive new receivables from the ADIL;
- (o) the Hedging Deed of Set-off and the Hedging Deed of Set-off Receivable Novation, and the provision of all financial assistance thereunder, including agreeing to the

transfer of receivables owing to the Company to Newco in consideration for acquiring the right to receive new receivables from Newco (to the extent Newco might be considered a weaker credit than ADIL), and

- (p) the Parent Support Letter, and the provision of all financial assistance thereunder, including offering to make available to certain addressees financial support on the terms set out therein,
- (q) any other document entered into or step taken pursuant to the Steps Paper, and the provision of all financial assistance thereunder,

which, in each case, would or might amount to financial assistance by the Company for the purpose of the acquisition of shares in the Company, and

the performance of

- (a) the Bond Surrender, the New Bond Delivery, the Bond Compensation Payment and the provision of all financial assistance thereunder, including the payment of an early incentive fee to the holders of bonds migrating into the Securitisation Group,
- (b) the Convertible Debt Prepayment and the provision of all financial assistance thereunder, including the early prepayment of convertible debt,
- (c) the Ineligible Bonds Escrow, and the provision of all financial assistance thereunder, including the early redemption of certain qualifying bonds plus the payment of costs incurred and the entry into of the Ineligible Bonds Escrow Agreement,
- (d) the Capex Debt Prepayment, and the provision of all financial assistance thereunder, including making early repayment of the capital expenditure facility made available to it,
- (e) any other document entered into or step taken pursuant to the Steps Paper, and the provision of all financial assistance thereunder,

which, in each case, would or might amount to financial assistance by the Company for the purpose the acquisition of shares in the Company

Form 155(6)a in relation to BAA Limited

Schedule 3 – Principal terms upon which financial assistance will be given

BAA Limited
Company Number 01970855
(*the Company*)

Defined terms used in this Schedule shall have the same meanings as those given to them in the relevant documents referred to below, unless otherwise defined in any of the Schedules to this statutory declaration.

Reorganisation

(a) EAL Transfer 2

Pursuant to the EAL 2 SPA, the Company was to agree to transfer all of the issued share capital of EAL to ADIL for the consideration set out therein, being approximately £635 million, all of which was to be left outstanding on intercompany balance between the Company and ADIL. The beneficial title to the shares was to be transferred pursuant to the AAL 2 Declaration of Trust. Additionally, a group tax relief application for group relief from stamp duty was to be made in respect of the transfer of EAL pursuant to the EAL 2 GTRA.

(b) GLAL Transfer 2

Pursuant to the GLAL 2 SPA, the Company was to agree to transfer all of the issued share capital of GLAL to ADIL for the consideration set out therein, being approximately £611 million, all of which was to be left outstanding on intercompany balance between the Company and ADIL. The beneficial title to the shares was to be transferred pursuant to the GLAL 2 Declaration of Trust. Additionally, a group tax relief application for group relief from stamp duty was to be made in respect of the transfer of GLAL 2 pursuant to the EAL 2 GTRA.

(c) AAL Transfer 2

Pursuant to the AAL 2 SPA, the Company was to agree to transfer all of the issued share capital of AAL to ADIL for the consideration set out therein, being approximately £296 million, all of which was to be left outstanding on intercompany balance between the Company and ADIL. The beneficial title to the shares was to be transferred pursuant to the AAL 2 Declaration of Trust. Additionally, a group tax relief application for group relief from stamp duty was to be made in respect of the transfer of AAL 2 pursuant to the AAL 2 GTRA.

(d) SIAL Transfer

Pursuant to the SIAL 1 SPA, the Company was to agree to transfer all of the issued share capital of SIAL to ADIL for the consideration set out therein, being approximately £237 million, all of which was to be left outstanding on intercompany balance between the Company and ADIL. The legal title to the shares was to be transferred pursuant to the SIAL 1 STF and that beneficial title to the shares was to be transferred pursuant to the SIAL 1 Declaration of Trust. Additionally, an application for group relief from stamp duty was to be made in respect of the transfer of SIAL pursuant to the SIAL 1 GTRA.

(e) Lynton Transfer

Pursuant to the Lynton SPA, the Company was to agree to transfer all of the issued share capital of BAA Lynton to ADIL for the consideration set out therein, being approximately £402 million, all of which was to be left outstanding on intercompany balance between the Company and ADIL. The legal title to the shares was to be transferred pursuant to the Lynton 1 STF and that beneficial title to the shares was to be transferred pursuant to the Lynton Declaration of Trust. Additionally, an application for group tax relief from stamp duty was to be made in respect of BAA Lynton pursuant to the Lynton GTRA.

(f) BAA Transfer

Pursuant to the BAA 1 SPA, ADIL was to agree to transfer 50.5 per cent of the issued share capital of the Company to Newco in consideration of Newco acquiring from ADIL a payable of the amount set out therein, being approximately £6,157 million, to the Company, it was noted that the Company was to agree that its receivable should be from Newco rather than ADIL. The legal title to such shares was to be transferred pursuant to the BAA 1 STF and that an application for group relief from stamp duty was to be made in respect of the transfer of 50.5 per cent. of the shares in the Company pursuant to the BAA 1 GTRA.

(g) SP Debenture Assignment Agreement

Pursuant to the terms of the SP Debenture Assignment Agreement, ADIL was to acquire the Securitisation Parent Debenture for £1,600 million plus interest of £78 million from the Company, which consideration was to be left outstanding on intercompany balance and which assignment was to be perfected pursuant to the SP Debenture Assignment Acknowledgment.

Pursuant to the SP Debenture Amendment Agreement the terms on the Securitisation Debenture would to be amended to provide for a reduction in the principal value of the note from £1,600 million to £1,566 million.

(h) BAA-ADIL GLAL Payables Assignment

Pursuant to the BAA-ADIL GLAL Payables Assignment, the Company was to agree to assign to ADIL its receivable, of the amount to be determined on or around the Closing Date set out therein, but estimated as at 31 July 2008 to be £119 million (pre-working capital repayment), from GLAL in consideration for a payable of equivalent value from ADIL to be left outstanding on intercompany balance between the Company and ADIL.

(i) BAA-ADIL EAL Payables Assignment

Pursuant to the BAA-ADIL EAL Payables Assignment, the Company was to agree to assign to ADIL its receivable, of the amount to be determined on or around the Closing Date set out therein, but estimated as at 31 July 2008 to be £142 million (pre-working capital repayment), from EAL in consideration for a payable of equivalent value from ADIL to be left outstanding on intercompany balance between the Company and ADIL

(j) BAA Payables Assignment

Pursuant to the terms of the BAA Payables Assignment, the Borrowers were each to acquire from Issuer a proportion of Issuer's right to receive the BAA Payables (as hereinafter defined) from the Company (being consideration in respect of the bonds to be issued by Issuer to the Company, projected as at 31 July 2008 to be £4,214 million), in consideration of the Borrowers assuming payables to the Issuer in an equivalent amount estimated to be as follows

- (i) HAL - £3,260 million,
- (ii) GAL - £530 million, and
- (iii) STAL - £289 million

Pursuant to the Borrower Deeds of Set-Off, each Borrower's corresponding debt to the Issuer was to be constituted by the relevant Borrower Loan Agreement under which an advance in an amount calculable by reference to the value of the proportion of the BAA Payables assigned to that Borrower would be deemed to have been made

Pursuant to the HAL Deed of Set-off, the GAL Deed of Set-off and the STAL Deed of Set-off, HAL, GAL and STAL respectively were to off-set the proportion of the BAA Payables owed to each of them against existing downstream loans then outstanding

(k) ADIL and BAA Hedging Novation Agreements

Pursuant to the terms of the ADIL and BAA Hedging Novation Agreements

- (i) ADIL was to novate to the Borrowers,
- (ii) ADIL was to novate to Issuer;
- (iii) the Company was to novate to the Borrowers, and
- (iv) the Company was to novate to the Issuer,

certain swaps entered into pursuant to certain ISDA Master Agreements (together with their Schedules and credit support annexes) and for fair value. Additionally, it was noted that in relation to the ADIL Hedging Novation Agreement, the Payment Letter was to be entered into, and that in relation to the BAA Hedging Novation Agreement, the Transferor Consideration Letter was to be entered into in each case with consideration to be left outstanding on intercompany balance

The ADIL and BAA Hedging Novation Agreements were contingent upon the issue of bonds in accordance with the final terms contained within the prospectus of the Issuer. If the transfers of swaps by way of novation pursuant to the terms of the ADIL and BAA Hedging Novation Agreements occurs depending on whether each such swap was “in the money” or “out of the money”:

- (i) ADIL was to leave such fair value consideration owing to the Borrowers or the Borrowers were to leave such fair value consideration owing to ADIL (as the case may be);
- (ii) ADIL was to leave such fair value consideration owing to Issuer or Issuer was to leave such fair value consideration owing to ADIL (as the case may be);
- (iii) the Company was to leave such fair value consideration owing to the Borrowers or the Borrowers were to leave such fair value consideration owing to the Company (as the case may be), and
- (iv) the Company was to leave such fair value consideration owing to Issuer or Issuer was to leave such fair value consideration, owing to the Company (as the case may be),

in each case on the relevant intercompany balance

Additionally

- (i) the hedges to be novated from ADIL to the Borrowers were, in aggregate, in the money, giving rise to net intercompany payables post-novation owing by the Borrowers to ADIL (estimated at 31 July 2008 to be £142 million) (being absorbed in a ratio of 78 13 9 by HAL, GAL, STAL) (the *ADIL Hedge Receivables*), and that
- (ii) the hedges to be novated from ADIL to Issuer were, in aggregate, out of the money, giving rise to net intercompany payables post-novation owing by ADIL to Issuer (estimated at 31 July 2008 to be £247 million) (the *ADIL Hedge Payables*);
- (iii) the hedges to be novated from BAA to the Borrowers were (net of prepayment), in aggregate, in the money, giving rise to net intercompany payables post-novation owing by the Borrowers to BAA (estimated at 31 July 2008 to be £38 million, being £30 million HAL, £5 million GAL and £3 million STAL), and
- (iv) the hedges to be novated from BAA to Issuer were (net of prepayment), in aggregate, in the money, giving rise to net intercompany payables post-novation owing by Issuer to BAA (estimated at 31 July 2008 to be £383 million)

The ADIL and BAA Hedging Novation Agreements were to be contingent upon the issue of bonds in accordance with the final terms contained within the prospectus of the Issuer

There was to be made a prepayment in respect of certain hedges identified in the ADIL and BAA Hedging Novation Agreements. The prepayment was to be made by the Company (i.e. pre-novation), and that each of the Borrowers or Issuer (as appropriate) was to pay fair value for the benefit of such prepayment, although this consideration was to be left outstanding on intercompany balance. It was noted that as at 21 July 2008, the fair value of the prepayment to be made by the Company in respect of hedges being novated to the Borrowers was £164 million and in respect of hedges being novated to Issuer was £149 million.

(l) ADIL- BAA ADIL Hedge Receivables Novation

Pursuant to the ADIL-BAA ADIL Hedge Receivables Novation, ADIL was to agree to novate to the Company the right to receive the ADIL Hedge Receivables from the Borrowers in consideration for a payable of equivalent value from the Company to be left outstanding on intercompany balance between the Company and ADIL.

(m) ADIL-BAA ADIL Hedge Payables Novation

Pursuant to the ADIL-BAA ADIL Hedge Payables Novation, ADIL was to novate to the Company its obligations to pay the ADIL Hedge Payables to the Issuer in consideration for a receivable of equivalent value from ADIL to be left outstanding on intercompany balance between the Company and ADIL.

(n) Hedging Deed of Set-off and Hedging Deed of Set-off Receivable Novation

Pursuant to the Hedging Deed of Set-off and the Hedging Deed of Set-off Receivable Novation, the Company was to agree to being owed an amount equal to the Hedging Deed of Set-off Receivable by Newco in consideration for the right to receive the Hedging Deed of Set-off Receivable from ADIL being novated from the Company to Newco.

The Securitisation Group Financing

Common Terms Agreement and Master Definitions Agreement

A number of other documents were to incorporate the terms of the Common Terms Agreement and Master Definitions Agreement.

The Common Terms Agreement contained, in particular, a hedging policy which would govern the hedging arrangements entered into by the Borrowers and the Issuer post-refinancing, principles of Borrower cash management and principles of the liquidity arrangements the Borrowers were to enter into to provide support for amounts payable by the Borrowers under hedging agreements, EIB Facility Agreement and the Refinancing Facility Agreement. In addition, the Common Terms Agreement contained representations, warranties, covenants and indemnities, which are to be given by each Obligor and incorporated into the various Authorised Credit Facilities they would enter into on the Initial Issue Date.

The Master Definitions Agreement contained defined terms used in the Transaction Documents including the definitions for Permitted Disposals and Restricted Payments.

Conditions Precedent Agreement

The Conditions Precedent Agreement the Obligors and the Company were to provide a number of documentary conditions precedent to the Initial Issue Date including Ratings Confirmation Letters and listing confirmations

Dealership Agreement and Subscription Agreement

The Dealership Agreement formed the framework for the subscription of the Bonds by the Dealers and that the Obligors, the Company and the Issuer would be required to provide certain representations, warranties, covenants and indemnities to the Dealers thereunder which would be incorporated into each Subscription Agreement entered into in connection with each issue of Bonds under the Programme. The form of the Subscription Agreement was attached as Schedule 5 to the Dealership Agreement

The STID

Each of the Borrowers, HEX, Asset Holdco and Securitisation Parent were to be Obligors

The STID regulated the intercreditor arrangements between the Borrower Secured Creditors, including (a) the claims of the Borrower Secured Creditors, (b) the exercise, acceleration and enforcement of rights by the Borrower Secured Creditors, (c) the rights of the Borrower Secured Creditors to instruct the Borrower Security Trustee, and (d) the giving of consents and waivers and the making of modifications to the Common Terms Agreement, the Security Documents, the Shared Services Agreement, the STID, the Master Definitions Agreement and the Tax Deed of Covenant

The STID sets out the ranking in point of payment of the claims of the Borrower Secured Creditors after delivery of a Loan Enforcement Notice and provides for the subordination and postponement of all claims in respect of Financial Indebtedness of any BAA group company or affiliate thereof that is not a member of the Security Group (other than, prior to delivery of a Loan Acceleration Notice, payments under the Shared Services Agreement and certain other contracts otherwise entered into in accordance with the Common Terms Agreement)

Under the STID, post-enforcement amounts were to be paid on the terms set out in Schedule 2, including the application of proceeds recovered in favour of the BAA Pensions Trustee in respect of the BAA Pension Liabilities in an amount up to the Maximum Pension Liability Amount.

Under the terms of the STID the Obligors agree to jointly and severally (a) indemnify the Borrower Security Trustee in respect of (i) any breach by an Obligor of any of its obligations under the STID or any other document to which the Borrower Security Trustee is a party, and (ii) any costs, expenses, losses and claims suffered by the Borrower Security Trustee in respect of any matter done in relation to the STID or any Transaction Document, and (b) pay the Borrower Security Trustee an annual fee and any additional remuneration agreed in accordance with the provisions of the STID, together with any costs, charges and expenses properly incurred by the Borrower Security Trustee in relation to, *inter alia*, the preparation, negotiation and execution of the STID or any Borrower Security Document

Tax Deed of Covenant

Pursuant to the Tax Deed of Covenant, each of the Tax Covenantors will make representations and give warranties and covenants given for the benefit of, *inter alios*, the

Issuer, the Bond Trustee and the Borrower Security Trustee with a view to protecting the Issuer and the members of the Security Group from various tax related risks. Among the matters covered by those representations, warranties and covenants are VAT grouping, tax residency, group tax matters, secondary tax liabilities and the Issuer's status as a securitisation company for the purposes of The Taxation of Securitisation Companies Regulations 2006.

The Subordinated Facility Novation and Amendment Agreement including restated Subordinated Facility Agreement

As at the Closing Date, Sub Holdco would acquire ADIL's debt obligations under the original Subordinated Facility Agreement entered into on 7 April 2006.

Upon entering into the Subordinated Facility Novation and Amendment Agreement, ADF2, BAAP, World Duty Free Limited, LAL, LAL 92 Limited, LAL 93 and SAL would be released as guarantors together with any related security granted by these companies. The remaining Obligor (i.e. ADIL, the Company, HAL, GAL, STAL, Sub Holdco, Asset Holdco, Securitisation Parent and Des Sub Holdco) will continue to provide security and guarantees post novation and the Obligor may be required to enter into any amendment and restatement agreements in relation to the existing security and guarantee agreements in relation to the existing security and guarantees originally given.

It was noted that HEX and Newco were to accede as guarantors to the Subordinated Facility Agreement on novation and enter into a debenture granting security.

The terms of the Subordinated Facility were to be restated in the form scheduled to the Subordinated Debt Novation and Amendment Agreement. Pursuant to the terms of the restated Subordinated Facility Agreement, the Obligor (as defined therein) irrevocably and unconditionally jointly and severally undertake

- (a) to guarantee to each Finance Party (as defined therein) punctual performance by each other Obligor of all of that Obligor's obligations under the Finance Documents,
- (b) with each Finance Party that whenever an Obligor does not pay any amount when due under or in connection with any Finance Document, the Obligor shall immediately on demand pay that amount as if it was the principal obligor,
- (c) to indemnify each Finance Party immediately on demand against any cost, loss or liability suffered by that Finance Party if any obligation guaranteed by the Obligor is or becomes unenforceable, invalid or illegal. The amount of the cost, loss or liability shall be equal to the amount which that Finance Party would otherwise have been entitled to recover.

It was further noted that by entering into any amendment and restatement agreements in relation to the existing security and guarantees originally given, the Company would continue to grant and/or floating charges over some or all of its undertakings.

The Senior Junior Intercreditor Amendment and Restatement Agreement

Pursuant to the Senior Junior Intercreditor Amendment and Restatement Agreement the parties were to agree to amend and restate the intercreditor agreement to allow the Proposed Refinancing to be effected. Pursuant to the restated Intercreditor Agreement (as scheduled in the Senior Junior Intercreditor Amendment and Restatement Agreement), the Obligor were

to covenant to pay the amounts owing under the Finance Documents and to agree to the order of ranking and priority for the repayment of the Liabilities and subordination of the Intra-Group Liabilities.

The BAA Bond Guarantee

Pursuant to the BAA Bond Guarantee, the Company was to provide a guarantee in respect of certain existing bonds issued by the Company that are to be migrated to the Issuer on the Initial Issue Date (being the BAA Guaranteed Bonds as defined in the Master Definitions Agreement). Under the BAA Bond Guarantee, the Company will unconditionally and irrevocably guarantee to Deutsche Trustee Company Limited, as bond trustee for the holders for the time being of the BAA Guaranteed Bonds, and will undertake to pay to the Bond Trustee on demand, if the Issuer fails to pay them or any part thereof, all amounts whatsoever payable by the Issuer to the BAA Guaranteed Bondholders for the time being of the BAA Guaranteed Bonds. The BAA Bond Guarantee would only be callable in circumstances where a Bond Enforcement Notice has been served. It was further noted that under the BAA Bond Guarantee, the Company would agree to indemnify the Bond Trustee on demand against any loss or liability suffered by it or by any of the BAA Guaranteed Bondholders.

Although the Company was to provide this guarantee, it would cease to have primary liability in respect of the bonds which are to be migrated into the Securitisation Group structure. It was noted, however, that pursuant to FRS 25 and 26, the Company would be required to recognise a liability in its accounts in respect of such guarantee, thus reducing net assets by such an amount. It was noted that such a provision would only need to be made when it came to report, however for the purposes of the whitewash an estimated contingent liability in the sum of £177 million would be provided for.

Re-financing of ADIL Group indebtedness

Bond Exchange

By undertaking the Bond Exchange, the Company was to deliver to the holders of the Bonds either the New Bonds subscribed for from the Issuer by the Company or the relevant Bond Compensation Payment, together with an early incentive fee and accrued interest the aggregate value of which fee and interest was to be determined upon delivery of all the relevant bonds to the existing Bondholders but which was estimated as at 31 July 2008 to be £4214 million.

As at 1 August 2008, it was projected that all Bonds would be exchanged for New Bonds pursuant to the Bond Surrender and New Bond Delivery and that the total Bond Compensation Payment would be £12 million in respect of incentives and £13 million in respect of liability management fees (assuming that the Ineligible Bonds Escrow is not implemented by the Company).

However, it would only be possible for the Bond Exchange to take place after holders of the existing Bonds had held meetings to be held in accordance with the terms of each such series of Bonds to consider resolutions sanctioning the Bond Exchange.

If at any meeting of the holders of existing Bonds the resolution were not to be passed, those holders of Bonds issued after 2002 who had voted in favour of the resolutions would be deemed to make to the Company an offer (the *Exchange Offer*) to exchange their Bonds in the same manner as if the resolutions had passed. If the Company were to accept the

Exchange Offer, the Bond Exchange would go forward with regard to those Bonds only and the remainder would be Non Migrated Bonds

If on the Closing Date any such meeting had been adjourned, that the New Bond Delivery would only take place in relation to those Bonds for which the applicable procedures had been undertaken and that the remaining Bonds would in the interim remain Non Migrated Bonds. The Chairman further explained that once the adjourned meeting had been held, if a positive resolution had been obtained, then such Bonds would be migrated in the same manner as those which had been migrated on the Closing Date (the *Second Bond Migration*)

The Second Bond Migration would entail the same steps being undertaken as had been undertaken in relation to the Bonds which had transferred previously and that a separate Borrower Loan Agreement would be entered into. It was noted, however, that the aggregate number of bonds being transferred pursuant to the New Bond Delivery and the Second Bond Migration (and the nature and value of financial assistance being provided) would remain the same as would have been the case had all Bonds been migrated in one go at the Closing Date

Ineligible Bonds Escrow

The Bonds, due for repayment at principal by the Company on dates falling from 2012 to 2031 and until then carrying interest at the rates (and on the terms) specified on each such bond, were to be redeemed early on the Closing Date.

If the Company so elected, the Issuer would issue new bonds to the Company with a principal amount equal to those Bonds held by Ineligible Bondholders (other than those who were retail holders (being Bondholders with holdings of less than £50,000 or €50,000, as applicable) or in the U S) (*Qualified Ineligible Bondholders*) which would be deposited in an escrow account pursuant to the terms of the Ineligible Bonds Escrow Agreement pending sale at least six months later by the Company. It was noted that the Company would pay the net proceeds of such sale to the Qualified Ineligible Bondholders pro rata in discharge of their entitlement, but that prior to sale the Company could deliver new bonds to any holders of ineligible bonds who were able to certify eligibility.

These Bonds remaining were to be redeemed on completion and, if the Company so elected, would be replaced with a claim on the Company for the net proceeds of sale of the new bonds being issued by the Issuer to the Company.

Whilst the number and class of Bonds held by Qualified Ineligible Bondholders was to remain unknown until the end of the offer period on 8 August 2008, these had for the purposes of the model been estimated to have a par value of £70 million, with costs associated with the exchange totalling £7 million.

The Convertible Debt Prepayment

The Convertible Debt, owing to ADIL, was due for repayment of principal by the Company in 2009 and until then carried interest at 2.625 per cent per annum.

Pursuant to the Deed of Termination and Release, the final redemption date of the Convertible Debt was to be brought forward from 19 August 2009 to the Closing Date (with the trust deed and the agency agreement being terminated upon such redemption). It was noted that initially the consideration payable in respect of the Convertible Debt Prepayment was to be left outstanding from the Company to ADIL but would later be settled in full by cash from the proceeds of the Proposed Refinancing.

The Capex Debt Prepayment

The Capex Debt, owing by the Company to the lenders thereunder and outstanding in an amount of £2,660 million, was to be prepaid on the Closing Date

Whilst the proceeds of the Capex Debt were not permitted to be applied in connection with funding the BAA Acquisition (which was to be funded from drawings under Facility A of the Senior Facilities Agreement), the Company would nonetheless undertake the whitewash procedure in relation to the prepayment of such debt for the sake of certainty

Intra-group loans

The terms of the existing inter-company payables were undocumented, save as in relation to those payables referred to below, but that interest between the Company and its subsidiaries carried interest at a rate of 1.5 per cent over the Base Rate of the Bank of England. These loans are hereinafter referred to as the *Undocumented Intercompany Balances*

There were three documented intra-group loans in place prior to the commencement of the Proposed Financing, being:

- (a) a loan agreement between the Company and GAL dated March 2003, pursuant to which the Company as Lender made available to GAL as Borrower a loan in the sum of £200 million bearing interest at the rate of 5.75 per cent per annum with interest payable twice-annually and repayable in full on the tenth anniversary of the agreement,
- (b) a loan agreement between LAL 92 and HAL dated 23 March 2005, pursuant to which LAL 92 as Lender made available to HAL as Borrower a loan in the sum of £740 million bearing interest at a rate of 1 per cent per annum over the Bank of England Base Rate, payable quarterly and repayable on demand. It was noted that the benefit of this loan agreement had been assigned by LAL 92 to the Company, and
- (c) a loan agreement between the Company and HAL dated 30 March 2005, pursuant to which the Company as Lender made available a loan to HAL in the sum of £451,760,943 bearing interest at a rate of 1 per cent per annum over the Bank of England Base Rate, payable quarterly and repayable on demand,

together the *Documented Loans*

As a result of the Proposed Financing, the Documented Loans would be extinguished pursuant to the Documented Loans Deed of Acknowledgement and Set-Off and that other intercompany balances would be satisfied such that, *inter alia*, the following material loans would remain

- (a) a downstream loan from the Company to each of the Borrowers in an amount to be determined on or around the Closing Date but sufficient to service the Non Migrated Bonds (projected as at 1 August 2008 to be nil from the Company to HAL, nil from the Company to GAL and nil from the Company to STAL)

It was noted that pursuant to the terms of the Downstream Loan (Stranded Bonds) Amendment Agreement, the terms of such downstream loans were to be amended on or around the Closing Date, from those of the Undocumented Intercompany Balances to being on terms similar to the Non Migrated Bonds which the loan would be used to

service, including an interest rate marginally in excess of the cost of funding the Non Migrated Bonds, and

- (b) an upstream loan from each of the Borrowers to Securitisation Parent in an amount to be determined on or around the Closing Date but projected as at 1 August 2008 to be nil (in the case of HAL), £379 million (in the case of GAL) and £251 million (in the case of STAL) to be made pursuant to the Borrower Upstream Loan Agreement with interest calculated and payable on a compound basis annually at the rates projected as at 31 July 2008 to be those set out in the Transfer Pricing Schedule (the ***Borrower Upstream Loan***). It was noted that the projected rates were to be amended to facilitate a pass through of fees arising under the relevant external funding

Under the Borrower Upstream Loan Agreement, further advances were to be made on request by each of the Borrowers to Securitisation Parent for so long as the relevant Borrower Upstream Loan was outstanding which were to be applied by Securitisation Parent for the purpose of discharging its annual interest payment obligations in relation to that Borrower as they were to fall due

Any advances made by a particular lender constituted by the Borrower Upstream Loan Agreement were to be repaid together with any accrued interest on the earlier of an event of default and demand being made by the relevant lender.

The tenor of each such loan might be increased by an amount equal to the excess repayment made by the Company to each of the Borrowers to fund each such company's working capital needs for the period from 1 August 2008 until the Closing Date, over the amount actually required by that company during that period

The Company was to undertake the Whitewash Procedure in relation to the Intercompany Loan Transactions, the Borrower Upstream Loans and any further loans that may be made by the Borrowers to Securitisation Parent replacing, amending or supplemental to the Borrower Upstream Loans

The Parent Support Letter

It was noted that pursuant to the terms of the Parent Support Letter the Company was to state that it was its present intention to afford to the recipients financial comfort on the terms set out therein until 31 December 2009

Form 155(6)a in relation to BAA Limited

Schedule 4 – The Documents

BAA Limited
Company Number 01970855
(the *Company*)

2. THE REORGANISATION

- (a) Share Purchase Agreement between SAL and BAA to be dated the Closing Date, with respect to the sale and purchase of all issued shares of EAL (the *EAL 1 SPA*)
- (b) Stamp duty group relief application in respect of EAL together with shareholders' register of SAL (the *EAL 1 GTRA*)
- (c) Declaration of trust to transfer the beneficial interest in shares of EAL from SAL to BAA dated the Closing Date (the *EAL 1 Declaration of Trust*)
- (d) Stock transfer forms to transfer shares of AAL, from SAL to BAA (the *AAL 1 STF*)
- (e) Share Purchase Agreement between SAL and BAA to be dated the Closing Date, with respect to the sale and purchase of all issued shares of GLAL (the *GLAL 1 SPA*)
- (f) Share Purchase Agreement between SAL and BAA to be dated the Closing Date, with respect to the sale and purchase of all issued shares of AAL (the *AAL 1 SPA*)
- (g) Stock transfer forms to transfer shares of EAL, from SAL to BAA (the *EAL 1 STF*)
- (h) Stock transfer forms to transfer shares of GLAL, from SAL to BAA (the *GLAL 1 STF*)
- (i) Stamp duty group relief application in respect of GLAL together with shareholders' register of SAL (the *GLAL 1 GTRA*)
- (j) Deed of trust to transfer the beneficial interest in shares of GLAL from SAL to BAA (the *GLAL 1 Declaration of Trust*)
- (k) Stamp duty group relief application in respect of AAL together with shareholders' register of SAL (the *AAL 1 GTRA*)
- (l) Declaration of trust to transfer the beneficial interest in shares of AAL from SAL to BAA dated the Closing Date (the *AAL 1 Declaration of Trust*)
- (m) Share Purchase Agreement between BAA and ADIL to be dated the Closing Date with respect to the sale and purchase of all issued shares of EAL (the *EAL 2 SPA*)
- (n) Stock transfer form to transfer shares of EAL from BAA to ADIL (the *EAL 2 STF*)
- (o) Stamp duty group relief application re EAL (the *EAL 2 GTRA*)
- (p) Declaration of trust to transfer the beneficial interest in shares of EAL from BAA to ADIL dated the Closing Date (the *EAL 2 Declaration of Trust*).

- (q) Share Purchase Agreement between BAA and ADIL to be dated the Closing Date with respect to the sale and purchase of all issued shares of GLAL (the **GLAL 2 SPA**)
- (r) Stock transfer form to transfer shares of GLAL from BAA to ADIL (the **GLAL 2 STF**).
- (s) Stamp duty group relief application re GLAL (the **GLAL 2 GTRA**)
- (t) Declaration of trust to transfer the beneficial interest in shares of GLAL from BAA to ADIL dated the Closing Date (the **GLAL 2 Declaration of Trust**)
- (u) Share Purchase Agreement between BAA and ADIL to be dated the Closing Date with respect to the sale and purchase of all issued shares of AAL (the **AAL 2 SPA**)
- (v) Stock transfer form to transfer shares of AAL from BAA to ADIL (the **AAL 2 STF**).
- (w) Stamp duty group relief application re AAL (the **AAL 2 GTRA**)
- (x) Declaration of trust to transfer the beneficial interest in shares of AAL from BAA to ADIL dated the Closing Date (the **ADIL 2 Declaration of Trust**)
- (y) Share Purchase Agreement between BAA and ADIL to be dated the Closing Date with respect to the sale and purchase of all issued shares of SIAL (the **SIAL 1 SPA**)
- (z) Stock transfer form to transfer shares of SIAL from BAA to ADIL (the **SIAL 1 STF**)
- (aa) Stamp duty group relief application, together with shareholders' register of BAA (the **SIAL 1 GTRA**)
- (bb) Declaration of trust to transfer the beneficial interest in shares of SIAL from BAA to ADIL dated the Closing Date (the **SIAL 1 Declaration of Trust**).
- (cc) Share Purchase Agreement between BAA and ADIL to be dated the Closing Date with respect to the sale and purchase of all issued shares on BAA Lynton (the **BAA Lynton SPA**)
- (dd) Stock transfers form to transfer shares of BAA Lynton from BAA to ADIL (the **BAA Lynton STF**)
- (ee) Stamp duty group relief application re BAA Lynton (the **BAA Lynton GTRA**)
- (ff) Declaration of trust to transfer the beneficial interest in shares of BAA Lynton from BAA to ADIL dated the Closing Date (the **BAA Lynton Declaration of Trust**)
- (gg) Deed of novation between BAA and ADIL, acknowledged by SIAL, transferring debt of £1 million owed by BAA to SIAL to ADIL so that ADIL owes £1 million to SIAL (the **BAA-ADIL SIAL Receivables Novation**)
- (hh) Deed of novation between ADIL and Non Des Topco, acknowledged by SIAL, transferring debt of £1 million owed by ADIL to SIAL to Non Des Topco so that Non Des Topco owes £1 million to SIAL (the **ADIL-NDT SIAL Receivables Novation**)

- (ii) Deed of novation between Non Des Topco and Non Des Holdco, acknowledged by SIAL, transferring debt of £1 million owed by Non Des Topco to SIAL to Non Des Holdco so that Non Des Holdco owes £1 million to SIAL (the *NDT-NDH SIAL Receivables Novation*)
- (jj) Assignment and assumption agreement to be dated the Closing Date between BAA and ADIL and BAA(SH), acknowledged by BAA(SP), with respect to the Securitisation Debenture dated 31 January 2008 in the principal amount of £1,600 million (the *SP Debenture Assignment Agreement*)
- (kk) Written notice of the assignment of the BAA (SP) Debenture sent from BAA to BAA (SP) (the *SP Debenture Assignment Acknowledgment*)
- (ll) Amendment agreement to be dated the Closing Date between ADIL and Securitisation Parent amending the terms of the Securitisation Debenture (the *SP Debenture Amendment Agreement*)
- (mm) Deed of assignment between BAA and ADIL, acknowledged by EAL, transferring debt in the amount set out therein, being approximately £142 million owed to BAA by EAL to ADIL so that ADIL is owed such amount by EAL and BAA is owed a further £142 million by ADIL (the *BAA-ADIL EAL Payables Assignment*)
- (nn) Deed of assignment between BAA and ADIL, acknowledged by GLAL, transferring debt of £119 million owed to BAA by GLAL to ADIL so that ADIL is owed in the amount set out therein, being approximately by GLAL and BAA is owed a further £119 million by ADIL (the *BAA-ADIL GLAL Payables Assignment*)
- (oo) Agreement (the *BAA SPA*) between ADIL, BAA and Newco dated on or around the Closing Date
 - (i) with respect to the sale and purchase of approximately 50.5% of the shares of BAA; and
 - (ii) with respect to the novation of the intercompany payable owned by ADIL to BAA in an amount to be ascertained, but estimated to be £6,157 million to BAA.
- (pp) Declaration of trust executed by ADIL dated the Closing Date, transferring beneficial title to the shares of BAA sold pursuant to the BAA SPA to Newco (the *BAA Trust Deed*)
- (qq) Stock transfer form to transfer legal title to shares of BAA from ADIL to Newco (the *BAA STF*)
- (rr) Stamp duty group relief application together with shareholders' register of Newco (the *BAA GTRA*)
- (ss) a novation agreement or novation agreements under which ADIL (as *Transferor*) transfers (by way of novation) certain interest rate swaps and/or currency swaps between Transferor, Hedge Counterparty (as *Remaining Party*) and BAA (as *Transferee*) on terms that Transferor's rights and obligations to the Remaining Party are discharged in consideration for Transferee acquiring similar rights and obligations as against the Remaining Party (the *ADIL Hedging Novation Agreements*)

- (tt) The letter between BAA and ADIL to be dated on or around the Closing Date under which BAA may make a payment (which payment will be left outstanding on intercompany balance between the two parties) to ADIL in relation to the novation of certain interest swaps and currency swap derivative transaction or ADIL may make a payment to BAA in relation to the novation of certain interest rate swaps, inflation swaps and currency swap derivative transactions (the *Payment Letter*)

whereby the Hedge Counterparty is one of the following parties Banco Santander S A., CAYLON S A , Citibank N A , London Branch, HSBC Bank plc, Royal Bank of Scotland plc, and

A novation agreement or novation agreements under which BAA (as *Transferor*) transfers (by way of novation) certain interest rate swaps and/or currency swaps between BAA, Hedge Counterparty (as *Remaining Party*) and the Issuer and/or Borrower(s) (as *Transferee*) on terms that Transferor's rights and obligations to the Remaining Party are discharged in consideration for Transferee acquiring similar rights and obligations as against the Remaining Party (the *BAA Hedging Novation Agreements*)

A letter between the Issuer and/or Borrower(s) and BAA dated on or around the Closing Date under which each Issuer and/or Borrower(s) may make a payment (which payment will be left outstanding on intercompany balance between the two parties) to BAA in relation to the novation of certain interest rate swaps, inflation swaps and currency swap derivative transactions under a novation agreement or BAA may make a payment to any of Issuer and/or Borrower(s) in relation to the novation of certain interest rate swaps and currency swap derivative transactions under a novation agreement (the *Transferor Consideration Letter*)

whereby the relevant Hedge Counterparty is one of the following parties ABN AMRO Bank N V , Banco Santander S A , Barclays Bank PLC, BNP Paribas, CALYON S.A, Citibank NA, London Branch, Deutsche Bank AG, HSBC Bank PLC, Morgan Stanley & Co International Limited, Royal Bank of Scotland PLC

(the ADIL Hedging Novation Agreements and the BAA Hedging Novation Agreements being together referred to as the *ADIL and BAA Hedging Novation Agreements*)

- (uu) Deed of novation between Newco and ADIL, acknowledged by BAA, transferring debt in the amount set out therein, being approximately £105 million owed by ADIL to BAA to Newco so that Newco owes such amount to BAA (the *BAA Hedge Receivables Novation*)
- (vv) Assignment agreement (the *BAA Payables Assignment*) dated the Closing Date between Issuer, HAL, GAL and STAL, acknowledged by BAA, with respect to the assignment of receivables (the *BAA Payables*) from BAA owing to Issuer in the following amounts
- (i) £3,260 million assigned to and assumed by HAL,
 - (ii) £530 million assigned to and assumed by GAL; and
 - (iii) £289 million assigned to and assumed by STAL

(ww) Deeds of set-off between

- (i) Issuer and HAL dated the Closing Date setting off Issuer's obligation to advance the Borrower Loan against HAL's obligation to pay the Issuer consideration for its proportion of the BAA Payables received,
- (ii) Issuer and GAL dated the Closing Date setting off Issuer's obligation to advance the Borrower Loan against GAL's obligation to pay the Issuer consideration for its proportion of the BAA Payables received,
- (iii) Issuer and STAL dated the Closing Date setting off Issuer's obligation to advance the Borrower Loan against STAL's obligation to pay the Issuer consideration for its proportion of the BAA Payables received,

together, the ***Borrower Deeds of Set-Off***

- (xx) Deed of set-off dated the Closing Date between BAA and HAL offsetting a payable by BAA to HAL in an amount of approximately £3,260 against payable by HAL to BAA of the same amount (the ***BAA-HAL Deed of Set-Off***)
- (yy) Deed of set-off dated the Closing Date between BAA and GAL offsetting a payable by BAA to GL in an amount of approximately £530 million against a payable by G AL to BAA of the same amount (the ***BAA-GAL Deed of Set-Off***)
- (zz) Deed of set-off dated the Closing Date between BAA and STAL offsetting a payable by BAA to STAL in an amount of approximately £289 against payable by STAL to BAA of the same amount (the ***BAA-STAL Deed of Set-Off***)
- (aaa) Amendment agreement to be dated on or around the Closing Date between HAL, GAS, STAL, and BAA pursuant to which the Borrowers acknowledge payables to BAA in the amounts set out therein, but estimated to be nil, and the terms at which loans are amended such that the Borrowers make repayments on terms mirroring those of the Non Migrated Bonds (the ***Downstream Loans (Stranded Bonds) Amendment Agreement***).
- (bbb) Deed of Termination and Release between BAA (as Issuer), ADIL Prudential Trustee Company Limited, The Bank of New York (as Principal Paying and Conversion Agent) and JP Morgan Bank Luxembourg S A (as Paying and Conversion Agent in respect of the Convertible Debt (the ***Deed of Termination and Release***)
- (ccc) The escrow agreement to be dated on or around the Closing Date pursuant to which bonds issued by the Issuer equal in principal value to the Bonds held by Qualified Ineligible Bondholders will be placed in escrow for six months, after which bonds will be dealt with in accordance with the document's terms (the ***Ineligible Bonds Escrow Agreement***)
- (ddd) Deed of novation between ADIL and BAA, acknowledged by the Borrowers, transferring the ADIL Hedge Receivables owed to ADIL by the Borrowers so that ADIL is owed an amount equal to the ADIL Hedge Receivables by BAA and BAA is owed the ADIL Hedge Receivables by the Borrowers (***ADIL-BAA ADIL Hedge Receivables Novation***)

- (eee) Deed of novation between ADIL and BAA, acknowledged by the Issuer, transferring the ADIL Hedge Payables owed by ADIL to the Issuer so that the Issuer is owed an amount equal to the ADIL Hedge Payables by BAA and BAA is owed the ADIL Hedge Payables by ADIL (*ADIL-BAA ADIL Hedge Payables Novation*)
- (fff) Deed of set off (the ADIL-BAA Hedging Deed of set-off) between ADIL and BAA setting off the intragroup payable in an amount equal to the ADIL Hedge Receivables which ADIL is owed by BAA against the ADIL Hedge Payables which BAA is owed by ADIL (the balance owing by ADIL to BAA being the *Hedging Deed of Set-off Receivable*)
- (ggg) Deed of novation between BAA and Newco, acknowledged by ADIL, transferring the Hedging Deed of Set-off Receivable owed to BAA by ADIL so that BAA is owed an amount equal to the Hedging Deed of Set-off Receivable by Newco and Newco is owed the Hedging Deed of Set-off Receivable by ADIL (*BAA-Newco Hedging Deed of Set-off Receivable Novation*)

3. THE SECURITISATION

- (a) The Dealership Agreement to be dated on or around the Closing Date between the Dealers (the *Dealership Agreement*)
- (b) The Subscription Agreement (per class) to be dated on or around the Closing Date between the Issuer, Arrangers, Borrowers and Obligors (the *Subscription Agreement*)
- (c) The BAA Bond Guarantee to be dated on or around the Closing Date provided by BAA (the *BAA Bond Guarantee*)
- (d) The Common Terms Agreement to be dated on or around the Closing Date between each member of the Security Group, the Borrower Security Trustee, each ACF provider and the Issuer (the *Common Terms Agreement*).
- (e) The Master Definitions Agreement to be dated on or around the Closing Date between all parties (the *Master Definitions Agreement*)
- (f) The Borrower Loan Agreement to be dated on or around the Closing Date between each Borrower, the Issuer and the Borrower Security Trustee (the *Borrower Loan Agreement*)
- (g) The Shared Services Agreement to be dated on or around the Closing Date between BAA, the Obligors and the Borrower Security Trustee (the *Shared Services Agreement*)
- (h) The Obligor Floating Charge Agreement to be dated on or around the Closing Date between the Obligor, Issuer, Borrower, Security Trustee and Issuer Security Trustee (the *Obligor Floating Charge Agreement*)
- (i) The Security Agreement to be dated on or around the Closing Date between Borrower Security Trustee, the Secured Creditors and each Obligor (the *Security Agreement*)
- (j) The HAL Legal Charge to be dated on or around the Closing Date between HAL and the Borrower Security Trustee (the *HAL Legal Charge*).

- (k) The GAL Legal Charge to be dated on or around the Closing Date between GAL and the Borrower Security Trustee (the ***GAL Legal Charge***)
- (l) The STAL Legal Charge to be dated on or around the Closing Date between STAL and the Borrower Security Trustee (the ***STAL Legal Charge***)
- (m) The Security Trust and Intercreditor Deed to be dated on or around the Closing Date between the Borrower Security Trustee, the Secured Creditors and the Obligors (the ***Security Trust and Intercreditor Deed***)
- (n) The Tax Deed of Covenant to be dated on or around the Closing Date between the Issuer, Obligors, Berlin and the Borrower Security Trustee (the ***Tax Deed of Covenant***)
- (o) The EIB Facility Novation Agreement to be dated on or around the Closing Date between HAL, BAA and EIB (the ***EIB Facility Novation Agreement***)
- (p) The Borrower Liquidity Facility Agreement to be dated on or around the Closing Date between each Borrower, Borrower Liquidity Facility, the Provider and the Borrower Security Trustee (the ***Borrower Liquidity Facility Agreement***)
- (q) The Borrower Liquidity Reserve Account Trust Deed to be dated on or around the Closing Date between each Borrower, the Borrower Security Trustee, Facility Agent, Initial Borrower, Borrower Liquidity Facility Providers, Borrower Cash Manager, Security Group Agent, the Borrower Liquidity Reserve Account Trustee and the Borrower Account Bank (the ***Borrower Liquidity Reserve Account Trust Deed***)

a series of ISDA Master Agreements (together with Schedule, Credit Support annex and if any Confirmations thereto) in relation to cross currency swap transactions and a series of ISDA Master Agreements (together with Schedules Credit Support annex and, if any, Confirmations thereto) in relation to interest rate swap transactions, in each case to be dated on or around the Closing Date between each of the parties listed in column A and each of the parties listed in Column B.

A	B
HAL	RBS
GAL	Citibank
STAL	Bilbao
	BNP
	Caja
	Calyon
	HSBC
	RBC

	Santander
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(together the *Borrower Hedging Documents*).

- (r) The Conditions Precedent Agreement to be dated on or around the Closing Date between each Financial Guarantor, the Borrowers and the Issuer (the *Conditions Precedent Agreement*)
- (s) The Borrower Account Bank Agreement to be dated on or around the Closing Date between the Borrowers, the Borrower Bank Account and the Borrower Security Trustee (the *Borrower Account Bank Agreement*)
- (t) The Borrower Account Bank Fee Letter to be dated on or around the Closing Date between the Borrower Bank Account and the Borrowers (the *Borrower Account Bank Fee Letter*)
- (u) The Non-Migrated Bond Facility Agreement to be dated on or around the Closing Date between Date between the Borrowers, the Original Guarantors, BAA as Security Group Agent, RBS as NMB Facility Agent, certain parties as Mandated Lead Arrangers and the Facility Providers (the *Non-Migrated Bond Facility Agreement*)
- (v) The Amendment and Restatement Agreement relating to the Subordinated Facility Agreement to be dated on or around the Closing Date between the BAA Group, the Obligors, RBS and the MLAs (the *Subordinated Facility Novation and Amendment Agreement*)
- (w) The Amendment and Restatement Agreement relating to the Intercreditor Agreement to be dated on or around the Closing Date between the BAA Group, the Obligors, RBS and the MLAs (the *Senior Junior Intercreditor Amendment and Restatement Agreement*)
- (x) An English law debenture to be dated on or around the Closing Date under which HEX will grant fixed and/or floating charges over some or all its assets and undertakings present and future by way of security for the Liabilities (as such term is defined in the Senior Junior Intercreditor Amendment Agreement) (the *Hex Debenture*)
- (y) Any amendment and restatement agreements relating to the Subordinated Facility Novation and Amendment Agreements and the Senior Junior Intercreditor Amendment and Restatement Agreement including
 - (i) an amendment and restatement agreement relating to the Debenture dated 30 January 2008 made between Des Sub Holdco, Sub Holdco, Securitisation Parent and Asset Holdco as Chargors and The Royal Bank of Scotland plc as Security Trustee,
 - (ii) an amendment and restatement agreement and partial release deed relating to the Debenture dated 19 January 2007 made between, among others, HAL, GAL and STAL as Chargors and The Royal Bank of Scotland plc as Security Trustee (releasing the security granted by certain companies but not, for the avoidance of doubt, HAL, GAL and STAL),

- (iii) an amendment and restatement agreement relating to the Mortgage dated 19 January 2007 between HAL and The Royal Bank of Scotland plc as Security Trustee,
 - (iv) an amendment and restatement agreement relating to the Mortgage dated 19 January 2007 between GAL and The Royal Bank of Scotland plc as Security Trustee,
 - (v) an amendment and restatement agreement relating to the Mortgage dated 19 January 2007 between STAL and The Royal Bank of Scotland plc as Security Trustee, and
 - (vi) an amendment and restatement agreement relating to the Mortgage dated 19 January 2007 between BAA and The Royal Bank of Scotland plc as Security Trustee
- (z) The Refinancing Facility Agreement to be dated on or around the Closing Date between the Borrowers, the Original Guarantors, BAA as Security Group Agent, RBS as Refinancing Facility Agent, certain parties as Mandated Lead Arrangers and the Facility Providers (the *Refinancing Facility Agreement*)
- (aa) The Initial Credit Facility Agreement to be dated on or around the Closing Date between the Borrowers, the Original Guarantors, BAA as Security Group Agent, RBS as ICFA Facility Agent, certain parties as Mandated Lead Arrangers and the Facility Providers (the *Initial Credit Facility Agreement*)

4. THE NON-DESIGNATED FINANCING

- (d) A £1,255 million Facilities Agreement to be dated the Closing Date and made between, inter alios, Non Des Holdco 1 (as the Original Borrower and Original Guarantor), the financial institutions listed therein as Original Lenders, the parties listed therein as Mandated Lead Arrangers and the Agent, Security Trustee, LNG Bank and Issuing Bank (the *Facilities Agreement*) under which the Obligors will grant guarantees and indemnities to the Finance Parties (each term as defined in the Facilities Agreement)
- (e) The accession letter to be entered into by AAL, EAL, GLAL and SIAL pursuant to the Facilities Agreement (the *Facilities Agreement Accession Letter*) under which the AAL, EAL, GLAL and SIAL agree to become Additional Guarantors and to be bound by the terms of the Facilities Agreement, the Intercreditor Agreement (as defined below) and the other Finance Documents and grant guarantees and indemnities to the Finance Parties (each term as defined in the Facilities Agreement)
- (f) The intercreditor agreement to be dated on or around the Closing Date and made between, inter alios, Non Des Holdco 1, Lenders, the Agent, the Security Trustee and certain others (the *Non-Designated Group Intercreditor Agreement*) (each term as defined in the Non-Designated Group Intercreditor Agreement).
- (g) The accession letter to the Intercreditor Agreement to be entered into by each of EAL, GLAL, AAL and SIAL which sets out priorities for the repayment of indebtedness and subordination of the intergroup debt (the *Non-Designated Group Intercreditor Agreement Accession Letter*).

- (h) The English law debenture to be entered into pursuant to the terms of the Facilities Agreement in favour of The Royal Bank of Scotland plc as Security Trustee (the Debenture) under which AAL, EAL, GLAL, SIAL and certain other group companies will grant fixed and/or floating charges over some or all of their assets and undertakings present and future by way of security for the Liabilities (as such term is defined in the Non-Designated Group Intercreditor Agreement and as is hereinafter referred to as the *Liabilities*)
- (i) The terms of the Scottish law charge to be dated on or around the Closing Date pursuant to the terms of the Facilities Agreement, in favour of the Security Trustee (the *GLAL Standard Security*) under which GLAL will charge, inter alia, all or part of its real property situate in Scotland.
- (j) The terms of the Scottish law charge to be dated on or around the Closing Date pursuant to the terms of the Facilities Agreement, in favour of the Security Trustee (the *EAL Standard Security*) under which EAL will charge, inter alia, all or part of its real property situate in Scotland
- (k) The terms of the Scottish law charge to be dated on or around the Closing Date pursuant to the terms of the Facilities Agreement, in favour of the Security Trustee (the *AAL Standard Security*) under which AAL will charge, inter alia, all or part of its real property situate in Scotland

Form 155(6)a in relation to BAA Limited

Schedule 5 – Defined Terms

BAA Limited
Company Number 01970855
(the *Company*)

AAL means Aberdeen Airport Limited, a company registered under the laws of Scotland with registered number SC096622

ADIL means Airport Development and Investment Limited, a company registered under the laws of England and Wales with registered number 05757208

ADIL Group means ADIL and its subsidiaries

Arranger means Citigroup Global Markets Limited and the Royal Bank of Scotland plc

Asset Holdco means BAA (AH) Limited, a company registered under the laws of England and Wales with registered number 06458657

BAA Bond Migration means the majority of the Bonds in issuance by BAA Limited which would be migrated to within the Securitisation Group structure

BAA Lynton means BAA Lynton Limited, a company registered under the laws of England and Wales with registered number 03330278

BAA Pension Scheme means the BAA Pensions Scheme (as amended from time to time) governed by the Consolidated Definitive Trust Deed and Rules dated 29 August 2002

Bilbao means Banco Bilbao Vizcaya Argentaria S A

BNP means BNP Paribas, London branch

Bondholders means the holders of the Bonds

Bonds means the following bonds and notes in issuance by the BAA Limited

- (a) £300,000,000 11³/₄ per cent Bonds due 2016 first issued on 28 February 1991 (ISIN XS0030487051),
- (b) £250,000,000 8¹/₂ per cent Bonds due 2021 issued on 31 January 1996 (ISIN XS0063290711);
- (c) £200,000,000 6.375 per cent Bonds due 2028 issued on 4 August 1998 (ISIN XS0089000516),
- (d) £900,000,000 5.75 per cent Notes due 2031 first issued on 10 December 2001 (ISIN: XS0138797021),
- (e) €1,000,000,000 3.875 per cent Notes due 2012 issued on 15 February 2006 (ISIN XS0243520052),

- (f) £400,000,000 5 75 per cent Notes due 2013 issued on 27 November 2003 (ISIN: XS0181263202),
- (g) €750,000,000 4 5 per cent Notes due 2014 issued on 30 September 2004 (ISIN XS0201491163),
- (h) €750,000,000 4 50 per cent Notes due 2018 issued on 15 February 2006 (ISIN XS0243518403),
- (i) £750,000,000 5 125 per cent Notes due 2023 issued on 15 February 2006 (ISIN XS0243520722), and
- (j) £30,000,000 10 25 per cent First Mortgage Debenture Stock due 2017

Borrowers means, together HAL, GAL and STAL, and a **Borrower** means any one of them.

Borrowers Security Trustee means Deutsche Trustee Company Limited

Caja means Caja de Ahorros y Monte de Piedad de Madrid

Calyon means Calyon, Sucursal en España

Capex Debt means amounts drawn under Facility B of the Senior Facilities Agreement

Citibank means Citigroup Global Markets Limited.

Closing Date means on a date falling not later than 56 days after the date of the Meeting

Convertible Debt means the £425,000,000 2 625 per cent Convertible Bonds issued by the Company and presently held by ADIL, due 2009

Designated Assets means the Borrowers and HEX

Des Sub Holdco means BAA (DSH) Limited, a company registered under the laws of England and Wales with registered number 06458597

EAL means Edinburgh Airport Limited, a company registered under the laws of Scotland with registered number SC096623

FGP Topco means FGP Topco Limited, a company registered under the laws of England and Wales with registered number 05723961

GAL means Gatwick Airport Limited, a company registered under the laws of England and Wales with registered number 01991018

GLAL means Glasgow Airport Limited, a company registered under the laws of Scotland with registered number SC096624

HAL means Heathrow Airport Limited, a company registered under the laws of England and Wales with registered number 01991017

HEX means Heathrow Express Operating Company Limited, a company registered under the laws of England and Wales with registered number 3145133

HSBC means HSBC Bank plc.

Initial Credit Facilities means syndicated loan facilities for the purposes of funding capital expenditure and working capital facilities made available to the Borrowers

Issuer means BAA Funding Limited, a company registered under the laws of Jersey with registered number 99529.

LAL means London Airports Limited, a company registered under the laws of England and Wales with registered number 02333108

LAL92 means London Airports 1992 Limited, a company registered under the laws of England and Wales with registered number 02736819

LAL93 means London Airports 1993 Limited, a company registered under the laws of England and Wales with registered number 02777128

Newco means BAA (D&ND Holdco) Limited, a company registered under the laws of England and Wales with registered number 06408400

Non-Designated Assets means certain companies within the ADIL Group, namely AAL, EAL, GLAL, SIAL and BAA Lynton

Non-Designated Financing means syndicated bank loans raised by Non Des Holdco 1 against the Non-Designated Assets for the benefit of the Non-Designated Group

Non-Designated Group means the new sub group comprised of the Non Designated Assets, once ultimately transferred to Non Des Holdco 1

Non Des Holdco 2 means BAA (NDH2) Limited, a company registered under the laws of England and Wales with registered number 06408385.

Non Des Holdco 1 means BAA (NDH1) Limited, a company registered under the laws of England and Wales with registered number 06408392.

Non Migrated Bonds means those Bonds, not being the ineligible bonds, with an estimated par value of £30 million, which it is anticipated will not migrate into the new Securitisation Group structure

Proposed Financing means the re-organisation, the Securitisation Group financing, the Non-Designated Financing, the subordinated debt novation and the repayment of certain debt by ADIL and its subsidiaries on or around the Closing Date, as described in the Steps Paper

Refinancing Facility means a backstop facility to provide funding to the Borrowers

RBC means Royal Bank of Canada

RBS means The Royal Bank of Scotland plc.

SAL means Scottish Airports Limited, a company registered under the laws of Scotland with registered number SC096637

Santander means Banco Santander S.A..

Securitisation Debenture means the loan agreement dated 31 January 2008 between Securitisation Parent and BAA Limited pursuant to which Securitisation Parent advanced an interest-bearing loan in the principal amount of £1,600 million

Securitisation Group means the group comprising Securitisation Parent, Asset Holdco, Issuer and the Designated Assets

Securitisation Parent means BAA (SP) Limited, a company registered under the laws of England and Wales with registered number 06458621.

SIAL means Southampton International Airport Limited, a company registered under the laws of England and Wales with registered number 02431858

STAL means Stansted Airport Limited, a company registered under the laws of England and Wales with registered number 01990920

Steps Paper means the document prepared by PricewaterhouseCoopers LLP dated 21 July 2008 examining the accounting implications of the actions and transactions to be undertaken by the Company and other companies within the ADIL Group in order to implement the Proposed Financing

Sub Holdco means BAA (SH) Limited, a company registered under the laws of England and Wales with registered number 06458635

Security Group means Securitisation Parent and each of its subsidiaries

Transfer Pricing Schedule means the document prepared by the Company's advisers, PricewaterhouseCoopers LLP, setting out projected interest rates to apply between certain members of the ADIL Group to implement effective arm's length financing arrangements which were to take into account the external cost of funding to each of the Borrowers under the Securitisation and the Non Designated Financing

Schedule 6 – Persons to whom assistance to be given

Defined terms used in this schedule shall have the same meanings as those given to them in the relevant document referred to below, unless otherwise defined in any of the Schedules to this statutory declaration

The assistance to be given to

ADIL

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

and/or any of the following companies

BAA

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

Des Sub Holdco

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

Sub Holdco

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

Securitisation Parent

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

Asset Holdco

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

HAL

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

GAL

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

STAL

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

HEX

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

Issuer

(Registered Office Address 22 Grenville Street, St Helier, JE4 8PX)

SAL

(Registered Office Address: St Andrews Drive, Glasgow Airport, Paisley, PA3 2SW)

Newco

(Registered Office Address: 130 Wilton Road, London, SW1V 1LQ)

Form 155(6)a in relation to BAA Limited**Schedule 7 - Amount of cash to be transferred**

BAA Limited
Company Number 01970855
(the *Company*)

Defined terms used in this Schedule shall have the same meanings as those given to them in the relevant documents referred to below, unless otherwise defined in any of the Schedules to this statutory declaration

The amount of cash to be transferred to the person assisted is, in respect of the financial assistance being provided pursuant to the documents specified in the first column, the amount specified in the second column

Document	Amount of cash to be transferred
AAL 2 SPA / AAL 2 Declaration of Trust	NIL
GLAL 2 SPA / GLAL 2 Declaration of Trust	NIL
EAL 2 SPA / EAL 2 Declaration of Trust	NIL
SIAL SPA / SIAL Declaration of Trust	NIL
BAA Lynton SPA / BAA Lynton Declaration of Trust	NIL
SP Debenture Assignment Agreement	NIL
BAA-ADIL EAL Payables Assignment	NIL
BAA-ADIL GLAL Payables Assignment	NIL
BAA SPA and BAA Trust Deed	NIL
ADIL and BAA Hedging Novation Agreements	NIL
BAA Hedge Receivables Novation	NIL
BAA-HAL Deed of Set-Off	NIL
BAA-GAL Deed of Set-Off	NIL
BAA-STAL Deed of Set-Off	NIL
Downstream Loans (Stranded Bonds) Amendment Agreement	NIL
Borrower Upstream Loan Agreement and	Such amounts as are specified in the documents, being an aggregate amount not

HAL No 2 Prepayment	exceeding £7,000 million
Borrower Upstream Loan Agreement and GAL No 2 Prepayment	Such amounts as are specified in the documents, being an aggregate amount not exceeding £1,250 million
Borrower Upstream Loan Agreement and STAL No 2 Prepayment	Such amounts as are specified in the documents, being an aggregate amount not exceeding £750 million
Deed of Termination and Release	Such amount as is specified in the document, being an amount not exceeding £450 million
Ineligible Bonds Escrow Agreement	NIL
ADIL-BAA ADIL Hedge Receivables Novation	NIL
ADIL-BAA ADIL Hedge Payables Novation	NIL
Hedging Deed of Set-off Receivable	NIL
BAA-Newco Hedging Deed of Set-off Receivable Novation	NIL
BAA Bond Guarantee	NIL
Common Terms Agreement	NIL
Tax Deed of Covenant	NIL
Subordinated Facility Novation and Amendment Agreement	NIL
Senior Junior Intercreditor Amendment and Restatement Agreement	NIL

and

the amount of cash to be transferred to the person assisted is, in respect of the financial assistance being provided pursuant to the matters specified in the first column, the amount of cash specified in the second column

Matter	Amount of cash to be transferred
the Bond Surrender, the New Bond Delivery, the Bond Compensation Payment	NIL
the Capex Debt Prepayment	Such amount as is specified in the document, being an amount not exceeding £2,800

Form 155(6)a in relation to BAA Limited**Schedule 8 - Value of any asset to be transferred**

BAA Limited
Company Number 01970855
(the *Company*)

Defined terms used in this Schedule shall have the same meanings as those given to them in the relevant documents referred to below, unless otherwise defined in any of the Schedules to this statutory declaration.

The value of any asset to be transferred to the person assisted is, in respect of the financial assistance being provided pursuant to the documents specified in the first column, the value specified in the second column

Document	Value of any asset to be transferred
AAL 2 SPA / AAL 2 Declaration of Trust	Such amount as is specified in the document, being an amount not exceeding £350 million
GLAL 2 SPA / GLAL 2 Declaration of Trust	Such amount as is specified in the document, being an amount not exceeding £750 million
EAL 2 SPA / EAL 2 Declaration of Trust	Such amount as is specified in the document, being an amount not exceeding £700 million
SIAL SPA / SIAL Declaration of Trust	Such amount as is specified in the document, being an amount not exceeding £300 million
BAA Lynton SPA / BAA Lynton Declaration of Trust	Such amount as is specified in the document, being an amount not exceeding £300 million
SP Debenture Assignment Agreement	Such amount as is specified in the document, being an amount not exceeding £1,700 million
BAA-ADIL EAL Payables Assignment	NIL
BAA-ADIL GLAL Payables Assignment	NIL
BAA SPA and BAA Trust Deed	NIL
ADIL and BAA Hedging Novation Agreements	Such amounts as are specified in the documents, being an amount not exceeding £450 million in aggregate
BAA Hedge Receivables Novation	NIL
BAA-HAL Deed of Set-Off	NIL
BAA-GAL Deed of Set-Off	NIL

BAA-STAL Deed of Set-Off	NIL
Downstream Loans (Stranded Bonds) Amendment Agreement	NIL
Borrower Upstream Loan Agreement	NIL
Deed of Termination and Release	NIL
Ineligible Bonds Escrow Agreement	NIL
ADIL-BAA ADIL Hedge Receivables Novation	NIL
ADIL-BAA ADIL Hedge Payables Novation	NIL
Hedging Deed of Set-off Receivable	NIL
BAA-Newco Hedging Deed of Set-off Receivable Novation	NIL
Tax Deed of Covenant	NIL
Subordinated Facility Novation and Amendment Agreement	NIL
Senior Junior Intercreditor Amendment and Restatement Agreement	NIL

and

the value of any asset to be transferred to the person assisted is, in respect of the financial assistance being provided pursuant to the matters specified in the first column, the value specified in the second column

Matter	Value of asset to be transferred
the Bond Surrender, the New Bond Delivery, the Bond Compensation Payment	NIL
the Capex Debt Prepayment	NIL

The assistance is to be given to (note 2) Please see Schedule 6

Please do not
write in
this margin
**Please complete
legibly, preferably
in black type, or
bold block
lettering**

The assistance will take the form of

Please see Schedule 2

The person who ~~has acquired~~ will acquire† the shares is

BAA (D&ND Holdco) Limited (06408400) of of 130 Wilton Road, London SW1V 1LQ

† Delete as
appropriate

The principal terms on which the assistance will be given are

Please see Schedule 3

The amount of cash to be transferred to the person assisted is £ Please see Schedule 7

The value of any asset to be transferred to the person assisted is £ Please see Schedule 8

The date on which the assistance is to be given is on a date falling within 8 weeks of the date hereof

CO155(6)(a)2

CHFP041

COMPANIES FORM No. 155(6)(a)

155(6)a

Declaration in relation to
assistance for the acquisition
of sharesPlease do not
write in
this margin

Pursuant to section 155(6) of the Companies Act 1985

Please complete
legibly, preferably
in black type, or
bold block letteringTo the Registrar of Companies
(Address overleaf - Note 5)

For official use

Company number

--	--	--

01970855

Note
Please read the
notes on page 3
before completing
this form

Name of company

* BAA Limited (the Company)

*Insert full name
of companyWe ~~are~~ Please see Schedule 1Insert name(s) and
address(es) of all
the directorsDelete as
appropriate

~~the sole director~~ [all the directors] of the above company do solemnly and sincerely declare that
The business of the company is

Delete whichever
is inappropriate(a) ~~that of a recognised bank (licensed institution) within the meaning of the Banking Act 1979~~ x(b) ~~that of a person authorised under section 3 or 4 of the Insurance Companies Act 1982 to carry on
insurance business in the United Kingdom~~ x

(c) something other than the above §

The company is proposing to give financial assistance in connection with the acquisition of shares in the
[company] ~~[company's holding company]~~

limited

The assistance is for the purpose of [that acquisition] ~~[reducing or discharging a liability incurred for the
purpose of that acquisition]~~ †

The number and class of the shares acquired or to be acquired is

1,102,400,315 ordinary shares of £1.00

Presenter's name address and
reference (if any)

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

For official Use (02/06)
General Section

Post room

The assistance is to be given to (note 2) Please see Schedule 6

Please do not
write in
this margin

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

The assistance will take the form of

Please see Schedule 2

The person who ~~has acquired~~ will acquire† the shares is

BAA (D&ND Holdco) Limited (06408400) of of 130 Wilton Road, London SW1V 1LQ

† Delete as
appropriate

The principal terms on which the assistance will be given are

Please see Schedule 3

The amount of cash to be transferred to the person assisted is £ Please see Schedule 7

The value of any asset to be transferred to the person assisted is £ Please see Schedule 8

The date on which the assistance is to be given is on a date falling within 8 weeks of the date hereof

CO155(6)(a)/2

Please do not
write in
this margin

Please complete
legibly, preferably
in black type, or
bold black lettering
*Delete either (a) or
(b) as appropriate

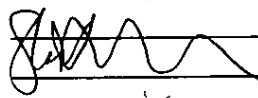
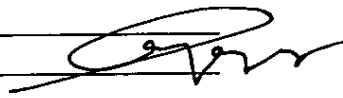
~~1/~~We have formed the opinion, as regards the company's initial situation immediately following the date on which the assistance is proposed to be given, that there will be no ground on which it could then be found to be unable to pay its debts (note 3)

- (a) ~~1/~~We have formed the opinion that the company will be able to pay its debts as they fall due during the year immediately following that date]* (note 3)
- (b) ~~1/~~We have formed the opinion that the company will be able to pay its debts in full within 12 months of the commencement of the winding up]* (note 3)

~~It is intended to commence the winding up of the company within 12 months of that date and~~
~~1/We have formed the opinion that the company will be able to pay its debts in full within 12 months of the commencement of the winding up.] (note 3)~~

And ~~1/~~we make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835.

Declared at SINGAPORE Declarants to sign below

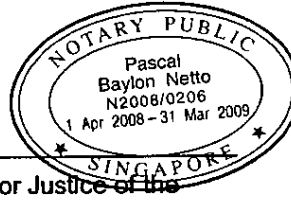
 

on

Day	Month	Year
07	08	2008

before me

A Commissioner for Oaths or Notary Public or Justice of the Peace or a Solicitor having the powers conferred on a Commissioner for Oaths.



NOTES

- For the meaning of "a person incurring a liability" and "reducing or discharging a liability" see section 152(3) of the Companies Act 1985
- Insert full name(s) and address(es) of the person(s) to whom assistance is to be given, if a recipient is a company the registered office address should be shown
- Contingent and prospective liabilities of the company are to be taken into account - see section 156(3) of the Companies Act 1985
- The auditor's report required by section 156(4) of the Companies Act 1985 must be annexed to this form
- The address for companies registered in England and Wales or Wales is -

The Registrar of Companies
Companies House
Crown Way
Cardiff
CF14 3UZ

DX 33050 Cardiff

or, for companies registered in Scotland -

The Registrar of Companies
37 Castle Terrace
Edinburgh
EH1 2EB

DX 235 Edinburgh

or LP-4 Edinburgh 2

Schedule 1 – List of Directors

BAA Limited
Company Number 01970855
(the *Company*)

	DIRECTOR	ADDRESS
1	Sir Anthony Nigel Russell Rudd	1 Churchill Place Canary Wharf London E14 5HP
2	Colin Steven Matthews	130 Wilton Road London SW1V 1LQ
3	Eng Seng Ang	130 Wilton Road London SW1V 1LQ
4	Ghislain Gauthier	130 Wilton Road London SW1V 1LQ
5	Inigo Meiras	130 Wilton Road London SW1V 1LQ
6	Lord John Stevens	LGC, Queens Road Teddington Middlesex TW11 OLY
7	Jose Leo	130 Wilton Road London SW1V 1LQ
8	Jose Maria Perez Tremps	130 Wilton Road London SW1V 1LQ
9	Luis Angel Sanchez Salmeron	130 Wilton Road London SW1V 1LQ
10	Nicholas Villen Jimenez	130 Wilton Road London SW1V 1LQ
11	Renaud Faucher	130 Wilton Road London SW1V 1LQ
12	Richard Ross Drouin	130 Wilton Road London SW1V 1LQ
13	Stuart Baldwin	130 Wilton Road London SW1V 1LQ

Form 155(6)(a) in relation to BAA Limited

Schedule 2 – Form of Financial Assistance

BAA Limited
Company Number 01970855
(the *Company*)

Defined terms used in this Schedule shall have the same meanings as those given to them in the relevant documents referred to below, unless otherwise defined in any of the Schedules to this statutory declaration

The Company will or might provide financial assistance by way of the execution and performance of the documents specified in Schedule 4, each such document being in such form as the directors or any authorised signatory may approve and as may be amended, supplemented, novated and/or replaced from time to time) together with the performance by the Company of other acts (including, without limitation, the payment of all fees to professionals, third parties and others) and/or the execution of any other documents (as the same shall be amended, supplemented, novated and/or replaced from time to time), ancillary or otherwise, in connection with the Proposed Financing or the refinancing from time to time of the Proposed Financing, including the execution and performance of

- (a) the following documents, and the provision of all financial assistance thereunder, including the leaving of consideration payable in connection with such documents outstanding on intercompany balance
 - (i) the EAL 2 SPA, the EAL 2 STF, the EAL 2 Declaration of Trust and the EAL 2 GTRA,
 - (ii) the GLAL 2 SPA, the GLAL 2 STF, GLAL 2 Declaration of Trust and the GLAL 2 GTRA;
 - (iii) the AAL 2 SPA, the AAL 2 STF, the AAL 2 Declaration of Trust and the AAL 2 GTRA,
 - (iv) the SIAL 1 SPA, the SIAL 1 STF, the SIAL 1 Declaration of Trust, and the SIAL 1 GTRA, and
 - (v) the Lynton SPA, the Lynton STF, the Lynton Declaration of Trust and the Lynton GTRA
- (b) the BAA SPA, the BAA Trust Deed, the BAA STF and the BAA GTRA, and the provision of all financial assistance thereunder, including agreement to the novation of the Company's receivable from ADIL to Newco (to the extent Newco might be considered a weaker credit),
- (c) the BAA-ADIL EAL Payables Assignment, and the provision of all financial assistance thereunder, including the transfer of receivables owing to the Company by EAL to ADIL in consideration for receiving a payable from ADIL of equivalent amount,

- (d) the BAA-ADIL GLAL Payables Assignment, and the provision of all financial assistance thereunder, including the transfer of receivables owing to the Company by GLAL to ADIL in consideration for receiving a payable from ADIL of equivalent amount,
- (e) the SP Debenture Assignment Agreement and the SP Debenture Assignment Acknowledgement, and the provision of all financial assistance thereunder, including the leaving of consideration outstanding on intercompany balance,
- (f) the BAA Bond Guarantee, and the provision of all financial assistance thereunder, including the provision of a guarantee;
- (g) the Deed of Termination and Release, and the provision of all financial assistance thereunder, including amending the terms of Convertible Debt to facilitate early prepayment of convertible debt together with payment of any costs,
- (h) the Subscription Agreement, and the provision of all financial assistance thereunder, including the giving of the indemnities to the relevant Dealers by reference to the Dealership Agreement thereunder to enable the Issuer to issue notes and lend the proceeds thereof to the Borrowers pursuant to the Borrower Loan Agreement,
- (i) the STID, and the provision of all financial assistance thereunder, including the subordination of certain claims, the provision of indemnities and the payment of fees,
- (j) the Tax Deed of Covenant, and the provision of all financial assistance thereunder, including the giving of representations, warranties and covenants,
- (k) the Subordinated Facility Novation and Amendment Agreements and the Senior Junior Intercreditor Amendment and Restatement Agreement, and the provision of all financial assistance thereunder, including the making of any amendments to existing security and guarantees and the agreement to provide any further security or guarantees on the terms set out therein,
- (l) the ADIL and BAA Hedging Novation Agreements, the Payment Letter, and the Transferor Consideration Letter and the provision of all financial assistance hereunder, including the leaving of consideration owing by one counterparty to another (as the case may be, depending on whether such swaps are “in the money” or “out of the money”),
- (m) the ADIL-BAA ADIL Hedge Receivables Novation, and the provision of all financial assistance thereunder, including the assumption of new debt obligations to ADIL by the Company in consideration for the assumption of a right to receive new receivables from the Borrowers,
- (n) the ADIL-BAA ADIL Hedge Payables Novation, and the provision of all financial assistance thereunder, including the assumption of new debt obligations to Issuer by the Company in consideration for the assumption of a right to receive new receivables from the ADIL,
- (o) the Hedging Deed of Set-off and the Hedging Deed of Set-off Receivable Novation, and the provision of all financial assistance thereunder, including agreeing to the

transfer of receivables owing to the Company to Newco in consideration for acquiring the right to receive new receivables from Newco (to the extent Newco might be considered a weaker credit than ADIL), and

- (p) the Parent Support Letter, and the provision of all financial assistance thereunder, including offering to make available to certain addressees financial support on the terms set out therein,
- (q) any other document entered into or step taken pursuant to the Steps Paper, and the provision of all financial assistance thereunder,

which, in each case, would or might amount to financial assistance by the Company for the purpose of the acquisition of shares in the Company, and

the performance of

- (a) the Bond Surrender, the New Bond Delivery, the Bond Compensation Payment and the provision of all financial assistance thereunder, including the payment of an early incentive fee to the holders of bonds migrating into the Securitisation Group,
- (b) the Convertible Debt Prepayment and the provision of all financial assistance thereunder, including the early prepayment of convertible debt,
- (c) the Ineligible Bonds Escrow, and the provision of all financial assistance thereunder, including the early redemption of certain qualifying bonds plus the payment of costs incurred and the entry into of the Ineligible Bonds Escrow Agreement,
- (d) the Capex Debt Prepayment, and the provision of all financial assistance thereunder, including making early repayment of the capital expenditure facility made available to it,
- (e) any other document entered into or step taken pursuant to the Steps Paper, and the provision of all financial assistance thereunder,

which, in each case, would or might amount to financial assistance by the Company for the purpose the acquisition of shares in the Company

Form 155(6)a in relation to BAA Limited

Schedule 3 – Principal terms upon which financial assistance will be given

BAA Limited
Company Number 01970855
(*the Company*)

Defined terms used in this Schedule shall have the same meanings as those given to them in the relevant documents referred to below, unless otherwise defined in any of the Schedules to this statutory declaration

Reorganisation

(a) EAL Transfer 2

Pursuant to the EAL 2 SPA, the Company was to agree to transfer all of the issued share capital of EAL to ADIL for the consideration set out therein, being approximately £635 million, all of which was to be left outstanding on intercompany balance between the Company and ADIL. The beneficial title to the shares was to be transferred pursuant to the AAL 2 Declaration of Trust. Additionally, a group tax relief application for group relief from stamp duty was to be made in respect of the transfer of EAL pursuant to the EAL 2 GTRA.

(b) GLAL Transfer 2

Pursuant to the GLAL 2 SPA, the Company was to agree to transfer all of the issued share capital of GLAL to ADIL for the consideration set out therein, being approximately £611 million, all of which was to be left outstanding on intercompany balance between the Company and ADIL. The beneficial title to the shares was to be transferred pursuant to the GLAL 2 Declaration of Trust. Additionally, a group tax relief application for group relief from stamp duty was to be made in respect of the transfer of GLAL 2 pursuant to the EAL 2 GTRA.

(c) AAL Transfer 2

Pursuant to the AAL 2 SPA, the Company was to agree to transfer all of the issued share capital of AAL to ADIL for the consideration set out therein, being approximately £296 million, all of which was to be left outstanding on intercompany balance between the Company and ADIL. The beneficial title to the shares was to be transferred pursuant to the AAL 2 Declaration of Trust. Additionally, a group tax relief application for group relief from stamp duty was to be made in respect of the transfer of AAL 2 pursuant to the AAL 2 GTRA.

(d) **SIAL Transfer**

Pursuant to the SIAL 1 SPA, the Company was to agree to transfer all of the issued share capital of SIAL to ADIL for the consideration set out therein, being approximately £237 million, all of which was to be left outstanding on intercompany balance between the Company and ADIL. The legal title to the shares was to be transferred pursuant to the SIAL 1 STF and that beneficial title to the shares was to be transferred pursuant to the SIAL 1 Declaration of Trust. Additionally, an application for group relief from stamp duty was to be made in respect of the transfer of SIAL pursuant to the SIAL 1 GTRA.

(e) **Lynton Transfer**

Pursuant to the Lynton SPA, the Company was to agree to transfer all of the issued share capital of BAA Lynton to ADIL for the consideration set out therein, being approximately £402 million, all of which was to be left outstanding on intercompany balance between the Company and ADIL. The legal title to the shares was to be transferred pursuant to the Lynton 1 STF and that beneficial title to the shares was to be transferred pursuant to the Lynton Declaration of Trust. Additionally, an application for group tax relief from stamp duty was to be made in respect of BAA Lynton pursuant to the Lynton GTRA.

(f) **BAA Transfer**

Pursuant to the BAA 1 SPA, ADIL was to agree to transfer 50.5 per cent of the issued share capital of the Company to Newco in consideration of Newco acquiring from ADIL a payable of the amount set out therein, being approximately £6,157 million, to the Company, it was noted that the Company was to agree that its receivable should be from Newco rather than ADIL. The legal title to such shares was to be transferred pursuant to the BAA 1 STF and that an application for group relief from stamp duty was to be made in respect of the transfer of 50.5 per cent of the shares in the Company pursuant to the BAA 1 GTRA.

(g) **SP Debenture Assignment Agreement**

Pursuant to the terms of the SP Debenture Assignment Agreement, ADIL was to acquire the Securitisation Parent Debenture for £1,600 million plus interest of £78 million from the Company, which consideration was to be left outstanding on intercompany balance and which assignment was to be perfected pursuant to the SP Debenture Assignment Acknowledgment.

Pursuant to the SP Debenture Amendment Agreement the terms on the Securitisation Debenture would to be amended to provide for a reduction in the principal value of the note from £1,600 million to £1,566 million.

(h) **BAA-ADIL GLAL Payables Assignment**

Pursuant to the BAA-ADIL GLAL Payables Assignment, the Company was to agree to assign to ADIL its receivable, of the amount to be determined on or around the Closing Date set out therein, but estimated as at 31 July 2008 to be £119 million (pre-working capital repayment), from GLAL in consideration for a payable of equivalent value from ADIL to be left outstanding on intercompany balance between the Company and ADIL.

(i) BAA-ADIL EAL Payables Assignment

Pursuant to the BAA-ADIL EAL Payables Assignment, the Company was to agree to assign to ADIL its receivable, of the amount to be determined on or around the Closing Date set out therein, but estimated as at 31 July 2008 to be £142 million (pre-working capital repayment), from EAL in consideration for a payable of equivalent value from ADIL to be left outstanding on intercompany balance between the Company and ADIL

(j) BAA Payables Assignment

Pursuant to the terms of the BAA Payables Assignment, the Borrowers were each to acquire from Issuer a proportion of Issuer's right to receive the BAA Payables (as hereinafter defined) from the Company (being consideration in respect of the bonds to be issued by Issuer to the Company, projected as at 31 July 2008 to be £4,214 million), in consideration of the Borrowers assuming payables to the Issuer in an equivalent amount estimated to be as follows

- (i) HAL - £3,260 million,
- (ii) GAL - £530 million, and
- (iii) STAL - £289 million

Pursuant to the Borrower Deeds of Set-Off, each Borrower's corresponding debt to the Issuer was to be constituted by the relevant Borrower Loan Agreement under which an advance in an amount calculable by reference to the value of the proportion of the BAA Payables assigned to that Borrower would be deemed to have been made

Pursuant to the HAL Deed of Set-off, the GAL Deed of Set-off and the STAL Deed of Set-off, HAL, GAL and STAL respectively were to off-set the proportion of the BAA Payables owed to each of them against existing downstream loans then outstanding

(k) ADIL and BAA Hedging Novation Agreements

Pursuant to the terms of the ADIL and BAA Hedging Novation Agreements

- (i) ADIL was to novate to the Borrowers,
- (ii) ADIL was to novate to Issuer,
- (iii) the Company was to novate to the Borrowers; and
- (iv) the Company was to novate to the Issuer,

certain swaps entered into pursuant to certain ISDA Master Agreements (together with their Schedules and credit support annexes) and for fair value. Additionally, it was noted that in relation to the ADIL Hedging Novation Agreement, the Payment Letter was to be entered into, and that in relation to the BAA Hedging Novation Agreement, the Transferor Consideration Letter was to be entered into in each case with consideration to be left outstanding on intercompany balance

The ADIL and BAA Hedging Novation Agreements were contingent upon the issue of bonds in accordance with the final terms contained within the prospectus of the Issuer. If the transfers of swaps by way of novation pursuant to the terms of the ADIL and BAA Hedging Novation Agreements occurs depending on whether each such swap was “in the money” or “out of the money”

- (i) ADIL was to leave such fair value consideration owing to the Borrowers or the Borrowers were to leave such fair value consideration owing to ADIL (as the case may be),
- (ii) ADIL was to leave such fair value consideration owing to Issuer or Issuer was to leave such fair value consideration owing to ADIL (as the case may be),
- (iii) the Company was to leave such fair value consideration owing to the Borrowers or the Borrowers were to leave such fair value consideration owing to the Company (as the case may be), and
- (iv) the Company was to leave such fair value consideration owing to Issuer or Issuer was to leave such fair value consideration, owing to the Company (as the case may be),

in each case on the relevant intercompany balance

Additionally

- (i) the hedges to be novated from ADIL to the Borrowers were, in aggregate, in the money, giving rise to net intercompany payables post-novation owing by the Borrowers to ADIL (estimated at 31 July 2008 to be £142 million) (being absorbed in a ratio of 78 13 9 by HAL GAL STAL) (the *ADIL Hedge Receivables*), and that
- (ii) the hedges to be novated from ADIL to Issuer were, in aggregate, out of the money, giving rise to net intercompany payables post-novation owing by ADIL to Issuer (estimated at 31 July 2008 to be £247 million) (the *ADIL Hedge Payables*),
- (iii) the hedges to be novated from BAA to the Borrowers were (net of prepayment), in aggregate, in the money, giving rise to net intercompany payables post-novation owing by the Borrowers to BAA (estimated at 31 July 2008 to be £38 million, being £30 million HAL, £5 million GAL and £3 million STAL), and
- (iv) the hedges to be novated from BAA to Issuer were (net of prepayment), in aggregate, in the money, giving rise to net intercompany payables post-novation owing by Issuer to BAA (estimated at 31 July 2008 to be £383 million)

The ADIL and BAA Hedging Novation Agreements were to be contingent upon the issue of bonds in accordance with the final terms contained within the prospectus of the Issuer

There was to be made a prepayment in respect of certain hedges identified in the ADIL and BAA Hedging Novation Agreements. The prepayment was to be made by the Company (i.e. pre-novation), and that each of the Borrowers or Issuer (as appropriate) was to pay fair value for the benefit of such prepayment, although this consideration was to be left outstanding on intercompany balance. It was noted that as at 21 July 2008, the fair value of the prepayment to be made by the Company in respect of hedges being novated to the Borrowers was £164 million and in respect of hedges being novated to Issuer was £149 million.

(l) ADIL- BAA ADIL Hedge Receivables Novation

Pursuant to the ADIL-BAA ADIL Hedge Receivables Novation, ADIL was to agree to novate to the Company the right to receive the ADIL Hedge Receivables from the Borrowers in consideration for a payable of equivalent value from the Company to be left outstanding on intercompany balance between the Company and ADIL.

(m) ADIL-BAA ADIL Hedge Payables Novation

Pursuant to the ADIL-BAA ADIL Hedge Payables Novation, ADIL was to novate to the Company its obligations to pay the ADIL Hedge Payables to the Issuer in consideration for a receivable of equivalent value from ADIL to be left outstanding on intercompany balance between the Company and ADIL.

(n) Hedging Deed of Set-off and Hedging Deed of Set-off Receivable Novation

Pursuant to the Hedging Deed of Set-off and the Hedging Deed of Set-off Receivable Novation, the Company was to agree to being owed an amount equal to the Hedging Deed of Set-off Receivable by Newco in consideration for the right to receive the Hedging Deed of Set-off Receivable from ADIL being novated from the Company to Newco.

The Securitisation Group Financing

Common Terms Agreement and Master Definitions Agreement

A number of other documents were to incorporate the terms of the Common Terms Agreement and Master Definitions Agreement.

The Common Terms Agreement contained, in particular, a hedging policy which would govern the hedging arrangements entered into by the Borrowers and the Issuer post-refinancing, principles of Borrower cash management and principles of the liquidity arrangements the Borrowers were to enter into to provide support for amounts payable by the Borrowers under hedging agreements, EIB Facility Agreement and the Refinancing Facility Agreement. In addition, the Common Terms Agreement contained representations, warranties, covenants and indemnities, which are to be given by each Obligor and incorporated into the various Authorised Credit Facilities they would enter into on the Initial Issue Date.

The Master Definitions Agreement contained defined terms used in the Transaction Documents including the definitions for Permitted Disposals and Restricted Payments.

Conditions Precedent Agreement

The Conditions Precedent Agreement the Obligors and the Company were to provide a number of documentary conditions precedent to the Initial Issue Date including Ratings Confirmation Letters and listing confirmations

Dealership Agreement and Subscription Agreement

The Dealership Agreement formed the framework for the subscription of the Bonds by the Dealers and that the Obligors, the Company and the Issuer would be required to provide certain representations, warranties, covenants and indemnities to the Dealers thereunder which would be incorporated into each Subscription Agreement entered into in connection with each issue of Bonds under the Programme. The form of the Subscription Agreement was attached as Schedule 5 to the Dealership Agreement

The STID

Each of the Borrowers, HEX, Asset Holdco and Securitisation Parent were to be Obligors

The STID regulated the intercreditor arrangements between the Borrower Secured Creditors, including (a) the claims of the Borrower Secured Creditors, (b) the exercise, acceleration and enforcement of rights by the Borrower Secured Creditors, (c) the rights of the Borrower Secured Creditors to instruct the Borrower Security Trustee, and (d) the giving of consents and waivers and the making of modifications to the Common Terms Agreement, the Security Documents, the Shared Services Agreement, the STID, the Master Definitions Agreement and the Tax Deed of Covenant.

The STID sets out the ranking in point of payment of the claims of the Borrower Secured Creditors after delivery of a Loan Enforcement Notice and provides for the subordination and postponement of all claims in respect of Financial Indebtedness of any BAA group company or affiliate thereof that is not a member of the Security Group (other than, prior to delivery of a Loan Acceleration Notice, payments under the Shared Services Agreement and certain other contracts otherwise entered into in accordance with the Common Terms Agreement)

Under the STID, post-enforcement amounts were to be paid on the terms set out in Schedule 2, including the application of proceeds recovered in favour of the BAA Pensions Trustee in respect of the BAA Pension Liabilities in an amount up to the Maximum Pension Liability Amount

Under the terms of the STID the Obligors agree to jointly and severally (a) indemnify the Borrower Security Trustee in respect of (i) any breach by an Obligor of any of its obligations under the STID or any other document to which the Borrower Security Trustee is a party, and (ii) any costs, expenses, losses and claims suffered by the Borrower Security Trustee in respect of any matter done in relation to the STID or any Transaction Document, and (b) pay the Borrower Security Trustee an annual fee and any additional remuneration agreed in accordance with the provisions of the STID, together with any costs, charges and expenses properly incurred by the Borrower Security Trustee in relation to, *inter alia*, the preparation, negotiation and execution of the STID or any Borrower Security Document

Tax Deed of Covenant

Pursuant to the Tax Deed of Covenant, each of the Tax Covenantors will make representations and give warranties and covenants given for the benefit of, *inter alios*, the

Issuer, the Bond Trustee and the Borrower Security Trustee with a view to protecting the Issuer and the members of the Security Group from various tax related risks. Among the matters covered by those representations, warranties and covenants are VAT grouping, tax residency, group tax matters, secondary tax liabilities and the Issuer's status as a securitisation company for the purposes of The Taxation of Securitisation Companies Regulations 2006

The Subordinated Facility Novation and Amendment Agreement including restated Subordinated Facility Agreement

As at the Closing Date, Sub Holdco would acquire ADIL's debt obligations under the original Subordinated Facility Agreement entered into on 7 April 2006

Upon entering into the Subordinated Facility Novation and Amendment Agreement, ADF2, BAAP, World Duty Free Limited, LAL, LAL 92 Limited, LAL 93 and SAL would be released as guarantors together with any related security granted by these companies. The remaining Obligor (i.e. ADIL, the Company, HAL, GAL, STAL, Sub Holdco, Asset Holdco, Securitisation Parent and Des Sub Holdco) will continue to provide security and guarantees post novation and the Obligor may be required to enter into any amendment and restatement agreements in relation to the existing security and guarantee agreements in relation to the existing security and guarantees originally given

It was noted that HEX and Newco were to accede as guarantors to the Subordinated Facility Agreement on novation and enter into a debenture granting security

The terms of the Subordinated Facility were to be restated in the form scheduled to the Subordinated Debt Novation and Amendment Agreement. Pursuant to the terms of the restated Subordinated Facility Agreement, the Obligor (as defined therein) irrevocably and unconditionally jointly and severally undertake

- (a) to guarantee to each Finance Party (as defined therein) punctual performance by each other Obligor of all of that Obligor's obligations under the Finance Documents,
- (b) with each Finance Party that whenever an Obligor does not pay any amount when due under or in connection with any Finance Document, the Obligor shall immediately on demand pay that amount as if it was the principal obligor,
- (c) to indemnify each Finance Party immediately on demand against any cost, loss or liability suffered by that Finance Party if any obligation guaranteed by the Obligor is or becomes unenforceable, invalid or illegal. The amount of the cost, loss or liability shall be equal to the amount which that Finance Party would otherwise have been entitled to recover

It was further noted that by entering into any amendment and restatement agreements in relation to the existing security and guarantees originally given, the Company would continue to grant and/or floating charges over some or all of its undertakings

The Senior Junior Intercreditor Amendment and Restatement Agreement

Pursuant to the Senior Junior Intercreditor Amendment and Restatement Agreement the parties were to agree to amend and restate the intercreditor agreement to allow the Proposed Refinancing to be effected. Pursuant to the restated Intercreditor Agreement (as scheduled in the Senior Junior Intercreditor Amendment and Restatement Agreement), the Obligor were

to covenant to pay the amounts owing under the Finance Documents and to agree to the order of ranking and priority for the repayment of the Liabilities and subordination of the Intra-Group Liabilities

The BAA Bond Guarantee

Pursuant to the BAA Bond Guarantee, the Company was to provide a guarantee in respect of certain existing bonds issued by the Company that are to be migrated to the Issuer on the Initial Issue Date (being the BAA Guaranteed Bonds as defined in the Master Definitions Agreement). Under the BAA Bond Guarantee, the Company will unconditionally and irrevocably guarantee to Deutsche Trustee Company Limited, as bond trustee for the holders for the time being of the BAA Guaranteed Bonds, and will undertake to pay to the Bond Trustee on demand, if the Issuer fails to pay them or any part thereof, all amounts whatsoever payable by the Issuer to the BAA Guaranteed Bondholders for the time being of the BAA Guaranteed Bonds. The BAA Bond Guarantee would only be callable in circumstances where a Bond Enforcement Notice has been served. It was further noted that under the BAA Bond Guarantee, the Company would agree to indemnify the Bond Trustee on demand against any loss or liability suffered by it or by any of the BAA Guaranteed Bondholders.

Although the Company was to provide this guarantee, it would cease to have primary liability in respect of the bonds which are to be migrated into the Securitisation Group structure. It was noted, however, that pursuant to FRS 25 and 26, the Company would be required to recognise a liability in its accounts in respect of such guarantee, thus reducing net assets by such an amount. It was noted that such a provision would only need to be made when it came to report, however for the purposes of the whitewash an estimated contingent liability in the sum of £177 million would be provided for.

Re-financing of ADIL Group indebtedness

Bond Exchange

By undertaking the Bond Exchange, the Company was to deliver to the holders of the Bonds either the New Bonds subscribed for from the Issuer by the Company or the relevant Bond Compensation Payment, together with an early incentive fee and accrued interest the aggregate value of which fee and interest was to be determined upon delivery of all the relevant bonds to the existing Bondholders but which was estimated as at 31 July 2008 to be £4214 million.

As at 1 August 2008, it was projected that all Bonds would be exchanged for New Bonds pursuant to the Bond Surrender and New Bond Delivery and that the total Bond Compensation Payment would be £12 million in respect of incentives and £13 million in respect of liability management fees (assuming that the Ineligible Bonds Escrow is not implemented by the Company).

However, it would only be possible for the Bond Exchange to take place after holders of the existing Bonds had held meetings to be held in accordance with the terms of each such series of Bonds to consider resolutions sanctioning the Bond Exchange.

If at any meeting of the holders of existing Bonds the resolution were not to be passed, those holders of Bonds issued after 2002 who had voted in favour of the resolutions would be deemed to make to the Company an offer (the *Exchange Offer*) to exchange their Bonds in the same manner as if the resolutions had passed. If the Company were to accept the

Exchange Offer, the Bond Exchange would go forward with regard to those Bonds only and the remainder would be Non Migrated Bonds

If on the Closing Date any such meeting had been adjourned, that the New Bond Delivery would only take place in relation to those Bonds for which the applicable procedures had been undertaken and that the remaining Bonds would in the interim remain Non Migrated Bonds. The Chairman further explained that once the adjourned meeting had been held, if a positive resolution had been obtained, then such Bonds would be migrated in the same manner as those which had been migrated on the Closing Date (the *Second Bond Migration*)

The Second Bond Migration would entail the same steps being undertaken as had been undertaken in relation to the Bonds which had transferred previously and that a separate Borrower Loan Agreement would be entered into. It was noted, however, that the aggregate number of bonds being transferred pursuant to the New Bond Delivery and the Second Bond Migration (and the nature and value of financial assistance being provided) would remain the same as would have been the case had all Bonds been migrated in one go at the Closing Date

Ineligible Bonds Escrow

The Bonds, due for repayment at principal by the Company on dates falling from 2012 to 2031 and until then carrying interest at the rates (and on the terms) specified on each such bond, were to be redeemed early on the Closing Date

If the Company so elected, the Issuer would issue new bonds to the Company with a principal amount equal to those Bonds held by Ineligible Bondholders (other than those who were retail holders (being Bondholders with holdings of less than £50,000 or €50,000, as applicable) or in the U S) (*Qualified Ineligible Bondholders*) which would be deposited in an escrow account pursuant to the terms of the Ineligible Bonds Escrow Agreement pending sale at least six months later by the Company. It was noted that the Company would pay the net proceeds of such sale to the Qualified Ineligible Bondholders pro rata in discharge of their entitlement, but that prior to sale the Company could deliver new bonds to any holders of ineligible bonds who were able to certify eligibility

These Bonds remaining were to be redeemed on completion and, if the Company so elected, would be replaced with a claim on the Company for the net proceeds of sale of the new bonds being issued by the Issuer to the Company

Whilst the number and class of Bonds held by Qualified Ineligible Bondholders was to remain unknown until the end of the offer period on 8 August 2008, these had for the purposes of the model been estimated to have a par value of £70 million, with costs associated with the exchange totalling £7 million

The Convertible Debt Prepayment

The Convertible Debt, owing to ADIL, was due for repayment of principal by the Company in 2009 and until then carried interest at 2.625 per cent per annum

Pursuant to the Deed of Termination and Release, the final redemption date of the Convertible Debt was to be brought forward from 19 August 2009 to the Closing Date (with the trust deed and the agency agreement being terminated upon such redemption). It was noted that initially the consideration payable in respect of the Convertible Debt Prepayment was to be left outstanding from the Company to ADIL but would later be settled in full by cash from the proceeds of the Proposed Refinancing

The Capex Debt Prepayment

The Capex Debt, owing by the Company to the lenders thereunder and outstanding in an amount of £2,660 million, was to be prepaid on the Closing Date

Whilst the proceeds of the Capex Debt were not permitted to be applied in connection with funding the BAA Acquisition (which was to be funded from drawings under Facility A of the Senior Facilities Agreement), the Company would nonetheless undertake the whitewash procedure in relation to the prepayment of such debt for the sake of certainty

Intra-group loans

The terms of the existing inter-company payables were undocumented, save as in relation to those payables referred to below, but that interest between the Company and its subsidiaries carried interest at a rate of 1.5 per cent over the Base Rate of the Bank of England. These loans are hereinafter referred to as the *Undocumented Intercompany Balances*

There were three documented intra-group loans in place prior to the commencement of the Proposed Financing, being

- (a) a loan agreement between the Company and GAL dated March 2003, pursuant to which the Company as Lender made available to GAL as Borrower a loan in the sum of £200 million bearing interest at the rate of 5.75 per cent per annum with interest payable twice-annually and repayable in full on the tenth anniversary of the agreement,
- (b) a loan agreement between LAL 92 and HAL dated 23 March 2005, pursuant to which LAL 92 as Lender made available to HAL as Borrower a loan in the sum of £740 million bearing interest at a rate of 1 per cent per annum over the Bank of England Base Rate, payable quarterly and repayable on demand. It was noted that the benefit of this loan agreement had been assigned by LAL 92 to the Company, and
- (c) a loan agreement between the Company and HAL dated 30 March 2005, pursuant to which the Company as Lender made available a loan to HAL in the sum of £451,760,943 bearing interest at a rate of 1 per cent per annum over the Bank of England Base Rate, payable quarterly and repayable on demand,

together the *Documented Loans*

As a result of the Proposed Financing, the Documented Loans would be extinguished pursuant to the Documented Loans Deed of Acknowledgement and Set-Off and that other intercompany balances would be satisfied such that, *inter alia*, the following material loans would remain

- (a) a downstream loan from the Company to each of the Borrowers in an amount to be determined on or around the Closing Date but sufficient to service the Non Migrated Bonds (projected as at 1 August 2008 to be nil from the Company to HAL, nil from the Company to GAL and nil from the Company to STAL)

It was noted that pursuant to the terms of the Downstream Loan (Stranded Bonds) Amendment Agreement, the terms of such downstream loans were to be amended on or around the Closing Date, from those of the Undocumented Intercompany Balances to being on terms similar to the Non Migrated Bonds which the loan would be used to

service, including an interest rate marginally in excess of the cost of funding the Non Migrated Bonds, and

- (b) an upstream loan from each of the Borrowers to Securitisation Parent in an amount to be determined on or around the Closing Date but projected as at 1 August 2008 to be nil (in the case of HAL), £379 million (in the case of GAL) and £251 million (in the case of STAL) to be made pursuant to the Borrower Upstream Loan Agreement with interest calculated and payable on a compound basis annually at the rates projected as at 31 July 2008 to be those set out in the Transfer Pricing Schedule (the ***Borrower Upstream Loan***) It was noted that the projected rates were to be amended to facilitate a pass through of fees arising under the relevant external funding

Under the Borrower Upstream Loan Agreement, further advances were to be made on request by each of the Borrowers to Securitisation Parent for so long as the relevant Borrower Upstream Loan was outstanding which were to be applied by Securitisation Parent for the purpose of discharging its annual interest payment obligations in relation to that Borrower as they were to fall due

Any advances made by a particular lender constituted by the Borrower Upstream Loan Agreement were to be repaid together with any accrued interest on the earlier of an event of default and demand being made by the relevant lender

The tenor of each such loan might be increased by an amount equal to the excess repayment made by the Company to each of the Borrowers to fund each such company's working capital needs for the period from 1 August 2008 until the Closing Date, over the amount actually required by that company during that period

The Company was to undertake the Whitewash Procedure in relation to the Intercompany Loan Transactions, the Borrower Upstream Loans and any further loans that may be made by the Borrowers to Securitisation Parent replacing, amending or supplemental to the Borrower Upstream Loans

The Parent Support Letter

It was noted that pursuant to the terms of the Parent Support Letter the Company was to state that it was its present intention to afford to the recipients financial comfort on the terms set out therein until 31 December 2009

Form 155(6)a in relation to BAA Limited

Schedule 4 – The Documents

BAA Limited
Company Number 01970855
(the *Company*)

2. THE REORGANISATION

- (a) Share Purchase Agreement between SAL and BAA to be dated the Closing Date, with respect to the sale and purchase of all issued shares of EAL (the *EAL 1 SPA*)
- (b) Stamp duty group relief application in respect of EAL together with shareholders' register of SAL (the *EAL 1 GTRA*)
- (c) Declaration of trust to transfer the beneficial interest in shares of EAL from SAL to BAA dated the Closing Date (the *EAL 1 Declaration of Trust*)
- (d) Stock transfer forms to transfer shares of AAL, from SAL to BAA (the *AAL 1 STF*)
- (e) Share Purchase Agreement between SAL and BAA to be dated the Closing Date, with respect to the sale and purchase of all issued shares of GLAL (the *GLAL 1 SPA*)
- (f) Share Purchase Agreement between SAL and BAA to be dated the Closing Date, with respect to the sale and purchase of all issued shares of AAL (the *AAL 1 SPA*)
- (g) Stock transfer forms to transfer shares of EAL, from SAL to BAA (the *EAL 1 STF*)
- (h) Stock transfer forms to transfer shares of GLAL, from SAL to BAA (the *GLAL 1 STF*)
- (i) Stamp duty group relief application in respect of GLAL together with shareholders' register of SAL (the *GLAL 1 GTRA*)
- (j) Deed of trust to transfer the beneficial interest in shares of GLAL from SAL to BAA (the *GLAL 1 Declaration of Trust*)
- (k) Stamp duty group relief application in respect of AAL together with shareholders' register of SAL (the *AAL 1 GTRA*)
- (l) Declaration of trust to transfer the beneficial interest in shares of AAL from SAL to BAA dated the Closing Date (the *AAL 1 Declaration of Trust*)
- (m) Share Purchase Agreement between BAA and ADIL to be dated the Closing Date with respect to the sale and purchase of all issued shares of EAL (the *EAL 2 SPA*)
- (n) Stock transfer form to transfer shares of EAL from BAA to ADIL (the *EAL 2 STF*)
- (o) Stamp duty group relief application re EAL (the *EAL 2 GTRA*)
- (p) Declaration of trust to transfer the beneficial interest in shares of EAL from BAA to ADIL dated the Closing Date (the *EAL 2 Declaration of Trust*)

- (q) Share Purchase Agreement between BAA and ADIL to be dated the Closing Date with respect to the sale and purchase of all issued shares of GLAL (the *GLAL 2 SPA*)
- (r) Stock transfer form to transfer shares of GLAL from BAA to ADIL (the *GLAL 2 STF*)
- (s) Stamp duty group relief application re GLAL (the *GLAL 2 GTRA*)
- (t) Declaration of trust to transfer the beneficial interest in shares of GLAL from BAA to ADIL dated the Closing Date (the *GLAL 2 Declaration of Trust*)
- (u) Share Purchase Agreement between BAA and ADIL to be dated the Closing Date with respect to the sale and purchase of all issued shares of AAL (the *AAL 2 SPA*)
- (v) Stock transfer form to transfer shares of AAL from BAA to ADIL (the *AAL 2 STF*)
- (w) Stamp duty group relief application re AAL (the *AAL 2 GTRA*)
- (x) Declaration of trust to transfer the beneficial interest in shares of AAL from BAA to ADIL dated the Closing Date (the *ADIL 2 Declaration of Trust*)
- (y) Share Purchase Agreement between BAA and ADIL to be dated the Closing Date with respect to the sale and purchase of all issued shares of SIAL (the *SIAL 1 SPA*)
- (z) Stock transfer form to transfer shares of SIAL from BAA to ADIL (the *SIAL 1 STF*)
- (aa) Stamp duty group relief application, together with shareholders' register of BAA (the *SIAL 1 GTRA*)
- (bb) Declaration of trust to transfer the beneficial interest in shares of SIAL from BAA to ADIL dated the Closing Date (the *SIAL 1 Declaration of Trust*)
- (cc) Share Purchase Agreement between BAA and ADIL to be dated the Closing Date with respect to the sale and purchase of all issued shares on BAA Lynton (the *BAA Lynton SPA*)
- (dd) Stock transfers form to transfer shares of BAA Lynton from BAA to ADIL (the *BAA Lynton STF*)
- (ee) Stamp duty group relief application re BAA Lynton (the *BAA Lynton GTRA*)
- (ff) Declaration of trust to transfer the beneficial interest in shares of BAA Lynton from BAA to ADIL dated the Closing Date (the *BAA Lynton Declaration of Trust*).
- (gg) Deed of novation between BAA and ADIL, acknowledged by SIAL, transferring debt of £1 million owed by BAA to SIAL to ADIL so that ADIL owes £1 million to SIAL (the *BAA-ADIL SIAL Receivables Novation*)
- (hh) Deed of novation between ADIL and Non Des Topco, acknowledged by SIAL, transferring debt of £1 million owed by ADIL to SIAL to Non Des Topco so that Non Des Topco owes £1 million to SIAL (the *ADIL-NDT SIAL Receivables Novation*)

- (ii) Deed of novation between Non Des Topco and Non Des Holdco, acknowledged by SIAL, transferring debt of £1 million owed by Non Des Topco to SIAL to Non Des Holdco so that Non Des Holdco owes £1 million to SIAL (the **NDT-NDH SIAL Receivables Novation**)
- (jj) Assignment and assumption agreement to be dated the Closing Date between BAA and ADIL and BAA(SH), acknowledged by BAA(SP), with respect to the Securitisation Debenture dated 31 January 2008 in the principal amount of £1,600 million (the **SP Debenture Assignment Agreement**)
- (kk) Written notice of the assignment of the BAA (SP) Debenture sent from BAA to BAA (SP) (the **SP Debenture Assignment Acknowledgment**)
- (ll) Amendment agreement to be dated the Closing Date between ADIL and Securitisation Parent amending the terms of the Securitisation Debenture (the **SP Debenture Amendment Agreement**)
- (mm) Deed of assignment between BAA and ADIL, acknowledged by EAL, transferring debt in the amount set out therein, being approximately £142 million owed to BAA by EAL to ADIL so that ADIL is owed such amount by EAL and BAA is owed a further £142 million by ADIL (the **BAA-ADIL EAL Payables Assignment**)
- (nn) Deed of assignment between BAA and ADIL, acknowledged by GLAL, transferring debt of £119 million owed to BAA by GLAL to ADIL so that ADIL is owed in the amount set out therein, being approximately by GLAL and BAA is owed a further £119 million by ADIL (the **BAA-ADIL GLAL Payables Assignment**)
- (oo) Agreement (the **BAA SPA**) between ADIL, BAA and Newco dated on or around the Closing Date
 - (i) with respect to the sale and purchase of approximately 50.5% of the shares of BAA; and
 - (ii) with respect to the novation of the intercompany payable owned by ADIL to BAA in an amount to be ascertained, but estimated to be £6,157 million to BAA.
- (pp) Declaration of trust executed by ADIL dated the Closing Date, transferring beneficial title to the shares of BAA sold pursuant to the BAA SPA to Newco (the **BAA Trust Deed**)
- (qq) Stock transfer form to transfer legal title to shares of BAA from ADIL to Newco (the **BAA STF**)
- (rr) Stamp duty group relief application together with shareholders' register of Newco (the **BAA GTRA**)
- (ss) a novation agreement or novation agreements under which ADIL (as **Transferor**) transfers (by way of novation) certain interest rate swaps and/or currency swaps between Transferor, Hedge Counterparty (as **Remaining Party**) and BAA (as **Transferee**) on terms that Transferor's rights and obligations to the Remaining Party are discharged in consideration for Transferee acquiring similar rights and obligations as against the Remaining Party (the **ADIL Hedging Novation Agreements**)

- (tt) The letter between BAA and ADIL to be dated on or around the Closing Date under which BAA may make a payment (which payment will be left outstanding on intercompany balance between the two parties) to ADIL in relation to the novation of certain interest swaps and currency swap derivative transaction or ADIL may make a payment to BAA in relation to the novation of certain interest rate swaps, inflation swaps and currency swap derivative transactions (the ***Payment Letter***)

whereby the Hedge Counterparty is one of the following parties Banco Santander S A , CAYLON S A , Citibank N A , London Branch, HSBC Bank plc, Royal Bank of Scotland plc, and

A novation agreement or novation agreements under which BAA (as ***Transferor***) transfers (by way of novation) certain interest rate swaps and/or currency swaps between BAA, Hedge Counterparty (as ***Remaining Party***) and the Issuer and/or Borrower(s) (as ***Transferee***) on terms that Transferor's rights and obligations to the Remaining Party are discharged in consideration for Transferee acquiring similar rights and obligations as against the Remaining Party (the ***BAA Hedging Novation Agreements***)

A letter between the Issuer and/or Borrower(s) and BAA dated on or around the Closing Date under which each Issuer and/or Borrower(s) may make a payment (which payment will be left outstanding on intercompany balance between the two parties) to BAA in relation to the novation of certain interest rate swaps, inflation swaps and currency swap derivative transactions under a novation agreement or BAA may make a payment to any of Issuer and/or Borrower(s) in relation to the novation of certain interest rate swaps and currency swap derivative transactions under a novation agreement (the ***Transferor Consideration Letter***)

whereby the relevant Hedge Counterparty is one of the following parties ABN AMRO Bank N V , Banco Santander S A , Barclays Bank PLC, BNP Paribas; CALYON S A, Citibank NA, London Branch, Deutsche Bank AG, HSBC Bank PLC, Morgan Stanley & Co International Limited, Royal Bank of Scotland PLC

(the ADIL Hedging Novation Agreements and the BAA Hedging Novation Agreements being together referred to as the ***ADIL and BAA Hedging Novation Agreements***)

- (uu) Deed of novation between Newco and ADIL, acknowledged by BAA, transferring debt in the amount set out therein, being approximately £105 million owed by ADIL to BAA to Newco so that Newco owes such amount to BAA (the ***BAA Hedge Receivables Novation***)

- (vv) Assignment agreement (the ***BAA Payables Assignment***) dated the Closing Date between Issuer, HAL, GAL and STAL, acknowledged by BAA, with respect to the assignment of receivables (the ***BAA Payables***) from BAA owing to Issuer in the following amounts

- (i) £3,260 million assigned to and assumed by HAL,
- (ii) £530 million assigned to and assumed by GAL, and
- (iii) £289 million assigned to and assumed by STAL.

(ww) Deeds of set-off between

- (i) Issuer and HAL dated the Closing Date setting off Issuer's obligation to advance the Borrower Loan against HAL's obligation to pay the Issuer consideration for its proportion of the BAA Payables received,
- (ii) Issuer and GAL dated the Closing Date setting off Issuer's obligation to advance the Borrower Loan against GAL's obligation to pay the Issuer consideration for its proportion of the BAA Payables received,
- (iii) Issuer and STAL dated the Closing Date setting off Issuer's obligation to advance the Borrower Loan against STAL's obligation to pay the Issuer consideration for its proportion of the BAA Payables received,

together, the ***Borrower Deeds of Set-Off***

- (xx) Deed of set-off dated the Closing Date between BAA and HAL offsetting a payable by BAA to HAL in an amount of approximately £3,260 against payable by HAL to BAA of the same amount (the ***BAA-HAL Deed of Set-Off***)
- (yy) Deed of set-off dated the Closing Date between BAA and GAL offsetting a payable by BAA to GAL in an amount of approximately £530 million against a payable by GAL to BAA of the same amount (the ***BAA-GAL Deed of Set-Off***)
- (zz) Deed of set-off dated the Closing Date between BAA and STAL offsetting a payable by BAA to STAL in an amount of approximately £289 against payable by STAL to BAA of the same amount (the ***BAA-STAL Deed of Set-Off***)
- (aaa) Amendment agreement to be dated on or around the Closing Date between HAL, GAS, STAL, and BAA pursuant to which the Borrowers acknowledge payables to BAA in the amounts set out therein, but estimated to be nil, and the terms at which loans are amended such that the Borrowers make repayments on terms mirroring those of the Non Migrated Bonds (the ***Downstream Loans (Stranded Bonds) Amendment Agreement***).
- (bbb) Deed of Termination and Release between BAA (as Issuer), ADIL Prudential Trustee Company Limited, The Bank of New York (as Principal Paying and Conversion Agent) and JP Morgan Bank Luxembourg S A (as Paying and Conversion Agent in respect of the Convertible Debt (the ***Deed of Termination and Release***)
- (ccc) The escrow agreement to be dated on or around the Closing Date pursuant to which bonds issued by the Issuer equal in principal value to the Bonds held by Qualified Ineligible Bondholders will be placed in escrow for six months, after which bonds will be dealt with in accordance with the document's terms (the ***Ineligible Bonds Escrow Agreement***)
- (ddd) Deed of novation between ADIL and BAA, acknowledged by the Borrowers, transferring the ADIL Hedge Receivables owed to ADIL by the Borrowers so that ADIL is owed an amount equal to the ADIL Hedge Receivables by BAA and BAA is owed the ADIL Hedge Receivables by the Borrowers (***ADIL-BAA ADIL Hedge Receivables Novation***)

- (eee) Deed of novation between ADIL and BAA, acknowledged by the Issuer, transferring the ADIL Hedge Payables owed by ADIL to the Issuer so that the Issuer is owed an amount equal to the ADIL Hedge Payables by BAA and BAA is owed the ADIL Hedge Payables by ADIL (***ADIL-BAA ADIL Hedge Payables Novation***)
- (fff) Deed of set off (the ADIL-BAA Hedging Deed of set-off) between ADIL and BAA setting off the intragroup payable in an amount equal to the ADIL Hedge Receivables which ADIL is owed by BAA against the ADIL Hedge Payables which BAA is owed by ADIL (the balance owing by ADIL to BAA being the ***Hedging Deed of Set-off Receivable***)
- (ggg) Deed of novation between BAA and Newco, acknowledged by ADIL, transferring the Hedging Deed of Set-off Receivable owed to BAA by ADIL so that BAA is owed an amount equal to the Hedging Deed of Set-off Receivable by Newco and Newco is owed the Hedging Deed of Set-off Receivable by ADIL (***BAA-Newco Hedging Deed of Set-off Receivable Novation***)

3. THE SECURITISATION

- (a) The Dealership Agreement to be dated on or around the Closing Date between the Dealers (the ***Dealership Agreement***)
- (b) The Subscription Agreement (per class) to be dated on or around the Closing Date between the Issuer, Arrangers, Borrowers and Obligors (the ***Subscription Agreement***).
- (c) The BAA Bond Guarantee to be dated on or around the Closing Date provided by BAA (the ***BAA Bond Guarantee***)
- (d) The Common Terms Agreement to be dated on or around the Closing Date between each member of the Security Group, the Borrower Security Trustee, each ACF provider and the Issuer (the ***Common Terms Agreement***)
- (e) The Master Definitions Agreement to be dated on or around the Closing Date between all parties (the ***Master Definitions Agreement***).
- (f) The Borrower Loan Agreement to be dated on or around the Closing Date between each Borrower, the Issuer and the Borrower Security Trustee (the ***Borrower Loan Agreement***)
- (g) The Shared Services Agreement to be dated on or around the Closing Date between BAA, the Obligors and the Borrower Security Trustee (the ***Shared Services Agreement***)
- (h) The Obligor Floating Charge Agreement to be dated on or around the Closing Date between the Obligor, Issuer, Borrower, Security Trustee and Issuer Security Trustee (the ***Obligor Floating Charge Agreement***)
- (i) The Security Agreement to be dated on or around the Closing Date between Borrower Security Trustee, the Secured Creditors and each Obligor (the ***Security Agreement***)
- (j) The HAL Legal Charge to be dated on or around the Closing Date between HAL and the Borrower Security Trustee (the ***HAL Legal Charge***)

- (k) The GAL Legal Charge to be dated on or around the Closing Date between GAL and the Borrower Security Trustee (the ***GAL Legal Charge***)
- (l) The STAL Legal Charge to be dated on or around the Closing Date between STAL and the Borrower Security Trustee (the ***STAL Legal Charge***)
- (m) The Security Trust and Intercreditor Deed to be dated on or around the Closing Date between the Borrower Security Trustee, the Secured Creditors and the Obligors (the ***Security Trust and Intercreditor Deed***).
- (n) The Tax Deed of Covenant to be dated on or around the Closing Date between the Issuer, Obligors, Berlin and the Borrower Security Trustee (the ***Tax Deed of Covenant***)
- (o) The EIB Facility Novation Agreement to be dated on or around the Closing Date between HAL, BAA and EIB (the ***EIB Facility Novation Agreement***)
- (p) The Borrower Liquidity Facility Agreement to be dated on or around the Closing Date between each Borrower, Borrower Liquidity Facility, the Provider and the Borrower Security Trustee (the ***Borrower Liquidity Facility Agreement***)
- (q) The Borrower Liquidity Reserve Account Trust Deed to be dated on or around the Closing Date between each Borrower, the Borrower Security Trustee, Facility Agent, Initial Borrower, Borrower Liquidity Facility Providers, Borrower Cash Manager, Security Group Agent, the Borrower Liquidity Reserve Account Trustee and the Borrower Account Bank (the ***Borrower Liquidity Reserve Account Trust Deed***)

a series of ISDA Master Agreements (together with Schedule, Credit Support annex and if any Confirmations thereto) in relation to cross currency swap transactions and a series of ISDA Master Agreements (together with Schedules Credit Support annex and, if any, Confirmations thereto) in relation to interest rate swap transactions, in each case to be dated on or around the Closing Date between each of the parties listed in column A and each of the parties listed in Column B

A	B
HAL	RBS
GAL	Citibank
STAL	Bilbao
	BNP
	Caja
	Calyon
	HSBC
	RBC

	Santander
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(together the *Borrower Hedging Documents*)

- (r) The Conditions Precedent Agreement to be dated on or around the Closing Date between each Financial Guarantor, the Borrowers and the Issuer (the *Conditions Precedent Agreement*)
- (s) The Borrower Account Bank Agreement to be dated on or around the Closing Date between the Borrowers, the Borrower Bank Account and the Borrower Security Trustee (the *Borrower Account Bank Agreement*)
- (t) The Borrower Account Bank Fee Letter to be dated on or around the Closing Date between the Borrower Bank Account and the Borrowers (the *Borrower Account Bank Fee Letter*)
- (u) The Non-Migrated Bond Facility Agreement to be dated on or around the Closing Date between Date between the Borrowers, the Original Guarantors, BAA as Security Group Agent, RBS as NMB Facility Agent, certain parties as Mandated Lead Arrangers and the Facility Providers (the *Non-Migrated Bond Facility Agreement*)
- (v) The Amendment and Restatement Agreement relating to the Subordinated Facility Agreement to be dated on or around the Closing Date between the BAA Group, the Obligors, RBS and the MLAs (the *Subordinated Facility Novation and Amendment Agreement*)
- (w) The Amendment and Restatement Agreement relating to the Intercreditor Agreement to be dated on or around the Closing Date between the BAA Group, the Obligors, RBS and the MLAs (the *Senior Junior Intercreditor Amendment and Restatement Agreement*)
- (x) An English law debenture to be dated on or around the Closing Date under which HEX will grant fixed and/or floating charges over some or all its assets and undertakings present and future by way of security for the Liabilities (as such term is defined in the Senior Junior Intercreditor Amendment Agreement) (the *Hex Debenture*)
- (y) Any amendment and restatement agreements relating to the Subordinated Facility Novation and Amendment Agreements and the Senior Junior Intercreditor Amendment and Restatement Agreement including
 - (i) an amendment and restatement agreement relating to the Debenture dated 30 January 2008 made between Des Sub Holdco, Sub Holdco, Securitisation Parent and Asset Holdco as Chargors and The Royal Bank of Scotland plc as Security Trustee,
 - (ii) an amendment and restatement agreement and partial release deed relating to the Debenture dated 19 January 2007 made between, among others, HAL, GAL and STAL as Chargors and The Royal Bank of Scotland plc as Security Trustee (releasing the security granted by certain companies but not, for the avoidance of doubt, HAL, GAL and STAL),

- (iii) an amendment and restatement agreement relating to the Mortgage dated 19 January 2007 between HAL and The Royal Bank of Scotland plc as Security Trustee,
 - (iv) an amendment and restatement agreement relating to the Mortgage dated 19 January 2007 between GAL and The Royal Bank of Scotland plc as Security Trustee,
 - (v) an amendment and restatement agreement relating to the Mortgage dated 19 January 2007 between STAL and The Royal Bank of Scotland plc as Security Trustee, and
 - (vi) an amendment and restatement agreement relating to the Mortgage dated 19 January 2007 between BAA and The Royal Bank of Scotland plc as Security Trustee
- (z) The Refinancing Facility Agreement to be dated on or around the Closing Date between the Borrowers, the Original Guarantors, BAA as Security Group Agent, RBS as Refinancing Facility Agent, certain parties as Mandated Lead Arrangers and the Facility Providers (the *Refinancing Facility Agreement*)
 - (aa) The Initial Credit Facility Agreement to be dated on or around the Closing Date between the Borrowers, the Original Guarantors, BAA as Security Group Agent, RBS as ICFA Facility Agent, certain parties as Mandated Lead Arrangers and the Facility Providers (the *Initial Credit Facility Agreement*)

4. THE NON-DESIGNATED FINANCING

- (d) A £1,255 million Facilities Agreement to be dated the Closing Date and made between, inter alios, Non Des Holdco 1 (as the Original Borrower and Original Guarantor), the financial institutions listed therein as Original Lenders, the parties listed therein as Mandated Lead Arrangers and the Agent, Security Trustee, LNG Bank and Issuing Bank (the *Facilities Agreement*) under which the Obligor will grant guarantees and indemnities to the Finance Parties (each term as defined in the Facilities Agreement).
- (e) The accession letter to be entered into by AAL, EAL, GLAL and SIAL pursuant to the Facilities Agreement (the *Facilities Agreement Accession Letter*) under which the AAL, EAL, GLAL and SIAL agree to become Additional Guarantors and to be bound by the terms of the Facilities Agreement, the Intercreditor Agreement (as defined below) and the other Finance Documents and grant guarantees and indemnities to the Finance Parties (each term as defined in the Facilities Agreement)
- (f) The intercreditor agreement to be dated on or around the Closing Date and made between, inter alios, Non Des Holdco 1, Lenders, the Agent, the Security Trustee and certain others (the *Non-Designated Group Intercreditor Agreement*) (each term as defined in the Non-Designated Group Intercreditor Agreement)
- (g) The accession letter to the Intercreditor Agreement to be entered into by each of EAL, GLAL, AAL and SIAL which sets out priorities for the repayment of indebtedness and subordination of the intergroup debt (the *Non-Designated Group Intercreditor Agreement Accession Letter*)

- (h) The English law debenture to be entered into pursuant to the terms of the Facilities Agreement in favour of The Royal Bank of Scotland plc as Security Trustee (the Debenture) under which AAL, EAL, GLAL, SIAL and certain other group companies will grant fixed and/or floating charges over some or all of their assets and undertakings present and future by way of security for the Liabilities (as such term is defined in the Non-Designated Group Intercreditor Agreement and as is hereinafter referred to as the *Liabilities*)
- (i) The terms of the Scottish law charge to be dated on or around the Closing Date pursuant to the terms of the Facilities Agreement, in favour of the Security Trustee (the *GLAL Standard Security*) under which GLAL will charge, inter alia, all or part of its real property situate in Scotland
- (j) The terms of the Scottish law charge to be dated on or around the Closing Date pursuant to the terms of the Facilities Agreement, in favour of the Security Trustee (the *EAL Standard Security*) under which EAL will charge, inter alia, all or part of its real property situate in Scotland
- (k) The terms of the Scottish law charge to be dated on or around the Closing Date pursuant to the terms of the Facilities Agreement, in favour of the Security Trustee (the *AAL Standard Security*) under which AAL will charge, inter alia, all or part of its real property situate in Scotland

Form 155(6)a in relation to BAA Limited

Schedule 5 – Defined Terms

BAA Limited
Company Number 01970855
(the *Company*)

AAL means Aberdeen Airport Limited, a company registered under the laws of Scotland with registered number SC096622

ADIL means Airport Development and Investment Limited, a company registered under the laws of England and Wales with registered number 05757208

ADIL Group means ADIL and its subsidiaries

Arranger means Citigroup Global Markets Limited and the Royal Bank of Scotland plc

Asset Holdco means BAA (AH) Limited, a company registered under the laws of England and Wales with registered number 06458657

BAA Bond Migration means the majority of the Bonds in issuance by BAA Limited which would be migrated to within the Securitisation Group structure

BAA Lynton means BAA Lynton Limited, a company registered under the laws of England and Wales with registered number 03330278

BAA Pension Scheme means the BAA Pensions Scheme (as amended from time to time) governed by the Consolidated Definitive Trust Deed and Rules dated 29 August 2002

Bilbao means Banco Bilbao Vizcaya Argentaria S A

BNP means BNP Paribas, London branch

Bondholders means the holders of the Bonds

Bonds means the following bonds and notes in issuance by the BAA Limited

- (a) £300,000,000 11³/₄ per cent Bonds due 2016 first issued on 28 February 1991 (ISIN XS0030487051),
- (b) £250,000,000 8¹/₂ per cent Bonds due 2021 issued on 31 January 1996 (ISIN XS0063290711),
- (c) £200,000,000 6.375 per cent Bonds due 2028 issued on 4 August 1998 (ISIN XS0089000516),
- (d) £900,000,000 5.75 per cent Notes due 2031 first issued on 10 December 2001 (ISIN XS0138797021),
- (e) €1,000,000,000 3.875 per cent Notes due 2012 issued on 15 February 2006 (ISIN XS0243520052),

- (f) £400,000,000 5 75 per cent Notes due 2013 issued on 27 November 2003 (ISIN XS0181263202),
- (g) €750,000,000 4 5 per cent Notes due 2014 issued on 30 September 2004 (ISIN XS0201491163),
- (h) €750,000,000 4.50 per cent Notes due 2018 issued on 15 February 2006 (ISIN XS0243518403),
- (i) £750,000,000 5 125 per cent Notes due 2023 issued on 15 February 2006 (ISIN XS0243520722), and
- (j) £30,000,000 10 25 per cent First Mortgage Debenture Stock due 2017

Borrowers means, together HAL, GAL and STAL, and a **Borrower** means any one of them

Borrowers Security Trustee means Deutsche Trustee Company Limited

Caja means Caja de Ahorros y Monte de Piedad de Madrid

Calyon means Calyon, Sucursal en España

Capex Debt means amounts drawn under Facility B of the Senior Facilities Agreement

Citibank means Citigroup Global Markets Limited

Closing Date means on a date falling not later than 56 days after the date of the Meeting

Convertible Debt means the £425,000,000 2 625 per cent Convertible Bonds issued by the Company and presently held by ADIL, due 2009

Designated Assets means the Borrowers and HEX

Des Sub Holdco means BAA (DSH) Limited, a company registered under the laws of England and Wales with registered number 06458597

EAL means Edinburgh Airport Limited, a company registered under the laws of Scotland with registered number SC096623

FGP Topco means FGP Topco Limited, a company registered under the laws of England and Wales with registered number 05723961

GAL means Gatwick Airport Limited, a company registered under the laws of England and Wales with registered number 01991018

GLAL means Glasgow Airport Limited, a company registered under the laws of Scotland with registered number SC096624

HAL means Heathrow Airport Limited, a company registered under the laws of England and Wales with registered number 01991017

HEX means Heathrow Express Operating Company Limited, a company registered under the laws of England and Wales with registered number 3145133

HSBC means HSBC Bank plc

Initial Credit Facilities means syndicated loan facilities for the purposes of funding capital expenditure and working capital facilities made available to the Borrowers

Issuer means BAA Funding Limited, a company registered under the laws of Jersey with registered number 99529

LAL means London Airports Limited, a company registered under the laws of England and Wales with registered number 02333108

LAL92 means London Airports 1992 Limited, a company registered under the laws of England and Wales with registered number 02736819

LAL93 means London Airports 1993 Limited, a company registered under the laws of England and Wales with registered number 02777128

Newco means BAA (D&ND Holdco) Limited, a company registered under the laws of England and Wales with registered number 06408400

Non-Designated Assets means certain companies within the ADIL Group, namely AAL, EAL, GLAL, SIAL and BAA Lynton

Non-Designated Financing means syndicated bank loans raised by Non Des Holdco 1 against the Non-Designated Assets for the benefit of the Non-Designated Group

Non-Designated Group means the new sub group comprised of the Non Designated Assets, once ultimately transferred to Non Des Holdco 1

Non Des Holdco 2 means BAA (NDH2) Limited, a company registered under the laws of England and Wales with registered number 06408385

Non Des Holdco 1 means BAA (NDH1) Limited, a company registered under the laws of England and Wales with registered number 06408392

Non Migrated Bonds means those Bonds, not being the ineligible bonds, with an estimated par value of £30 million, which it is anticipated will not migrate into the new Securitisation Group structure

Proposed Financing means the re-organisation, the Securitisation Group financing, the Non-Designated Financing, the subordinated debt novation and the repayment of certain debt by ADIL and its subsidiaries on or around the Closing Date, as described in the Steps Paper

Refinancing Facility means a backstop facility to provide funding to the Borrowers

RBC means Royal Bank of Canada

RBS means The Royal Bank of Scotland plc

SAL means Scottish Airports Limited, a company registered under the laws of Scotland with registered number SC096637

Santander means Banco Santander S A

Securitisation Debenture means the loan agreement dated 31 January 2008 between Securitisation Parent and BAA Limited pursuant to which Securitisation Parent advanced an interest-bearing loan in the principal amount of £1,600 million

Securitisation Group means the group comprising Securitisation Parent, Asset Holdco, Issuer and the Designated Assets

Securitisation Parent means BAA (SP) Limited, a company registered under the laws of England and Wales with registered number 06458621

SIAL means Southampton International Airport Limited, a company registered under the laws of England and Wales with registered number 02431858

STAL means Stansted Airport Limited, a company registered under the laws of England and Wales with registered number 01990920

Steps Paper means the document prepared by PricewaterhouseCoopers LLP dated 21 July 2008 examining the accounting implications of the actions and transactions to be undertaken by the Company and other companies within the ADIL Group in order to implement the Proposed Financing

Sub Holdco means BAA (SH) Limited, a company registered under the laws of England and Wales with registered number 06458635

Security Group means Securitisation Parent and each of its subsidiaries

Transfer Pricing Schedule means the document prepared by the Company's advisers, PricewaterhouseCoopers LLP, setting out projected interest rates to apply between certain members of the ADIL Group to implement effective arm's length financing arrangements which were to take into account the external cost of funding to each of the Borrowers under the Securitisation and the Non Designated Financing

Schedule 6 – Persons to whom assistance to be given

Defined terms used in this schedule shall have the same meanings as those given to them in the relevant document referred to below, unless otherwise defined in any of the Schedules to this statutory declaration

The assistance to be given to

ADIL

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

and/or any of the following companies

BAA

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

Des Sub Holdco

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

Sub Holdco

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

Securitisation Parent

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

Asset Holdco

(Registered Office Address: 130 Wilton Road, London, SW1V 1LQ)

HAL

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

GAL

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

STAL

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

HEX

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

Issuer

(Registered Office Address 22 Grenville Street, St Helier, JE4 8PX)

SAL

(Registered Office Address: St Andrews Drive, Glasgow Airport, Paisley, PA3 2SW)

Newco

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

Form 155(6)a in relation to BAA Limited**Schedule 7 - Amount of cash to be transferred**

BAA Limited
Company Number 01970855
(the *Company*)

Defined terms used in this Schedule shall have the same meanings as those given to them in the relevant documents referred to below, unless otherwise defined in any of the Schedules to this statutory declaration

The amount of cash to be transferred to the person assisted is, in respect of the financial assistance being provided pursuant to the documents specified in the first column, the amount specified in the second column

Document	Amount of cash to be transferred
AAL 2 SPA / AAL 2 Declaration of Trust	NIL
GLAL 2 SPA / GLAL 2 Declaration of Trust	NIL
EAL 2 SPA / EAL 2 Declaration of Trust	NIL
SIAL SPA / SIAL Declaration of Trust	NIL
BAA Lynton SPA / BAA Lynton Declaration of Trust	NIL
SP Debenture Assignment Agreement	NIL
BAA-ADIL EAL Payables Assignment	NIL
BAA-ADIL GLAL Payables Assignment	NIL
BAA SPA and BAA Trust Deed	NIL
ADIL and BAA Hedging Novation Agreements	NIL
BAA Hedge Receivables Novation	NIL
BAA-HAL Deed of Set-Off	NIL
BAA-GAL Deed of Set-Off	NIL
BAA-STAL Deed of Set-Off	NIL
Downstream Loans (Stranded Bonds) Amendment Agreement	NIL
Borrower Upstream Loan Agreement and	Such amounts as are specified in the documents, being an aggregate amount not

HAL No 2 Prepayment	exceeding £7,000 million
Borrower Upstream Loan Agreement and GAL No 2 Prepayment	Such amounts as are specified in the documents, being an aggregate amount not exceeding £1,250 million
Borrower Upstream Loan Agreement and STAL No 2 Prepayment	Such amounts as are specified in the documents, being an aggregate amount not exceeding £750 million
Deed of Termination and Release	Such amount as is specified in the document, being an amount not exceeding £450 million
Ineligible Bonds Escrow Agreement	NIL
ADIL-BAA ADIL Hedge Receivables Novation	NIL
ADIL-BAA ADIL Hedge Payables Novation	NIL
Hedging Deed of Set-off Receivable	NIL
BAA-Newco Hedging Deed of Set-off Receivable Novation	NIL
BAA Bond Guarantee	NIL
Common Terms Agreement	NIL
Tax Deed of Covenant	NIL
Subordinated Facility Novation and Amendment Agreement	NIL
Senior Junior Intercreditor Amendment and Restatement Agreement	NIL

and

the amount of cash to be transferred to the person assisted is, in respect of the financial assistance being provided pursuant to the matters specified in the first column, the amount of cash specified in the second column

Matter	Amount of cash to be transferred
the Bond Surrender, the New Bond Delivery, the Bond Compensation Payment	NIL
the Capex Debt Prepayment	Such amount as is specified in the document, being an amount not exceeding £2,800

Form 155(6)a in relation to BAA Limited**Schedule 8 - Value of any asset to be transferred**

BAA Limited
Company Number 01970855
(the *Company*)

Defined terms used in this Schedule shall have the same meanings as those given to them in the relevant documents referred to below, unless otherwise defined in any of the Schedules to this statutory declaration

The value of any asset to be transferred to the person assisted is, in respect of the financial assistance being provided pursuant to the documents specified in the first column, the value specified in the second column:

Document	Value of any asset to be transferred
AAL 2 SPA / AAL 2 Declaration of Trust	Such amount as is specified in the document, being an amount not exceeding £350 million
GLAL 2 SPA / GLAL 2 Declaration of Trust	Such amount as is specified in the document, being an amount not exceeding £750 million
EAL 2 SPA / EAL 2 Declaration of Trust	Such amount as is specified in the document, being an amount not exceeding £700 million
SIAL SPA / SIAL Declaration of Trust	Such amount as is specified in the document, being an amount not exceeding £300 million
BAA Lynton SPA / BAA Lynton Declaration of Trust	Such amount as is specified in the document, being an amount not exceeding £300 million
SP Debenture Assignment Agreement	Such amount as is specified in the document, being an amount not exceeding £1,700 million
BAA-ADIL EAL Payables Assignment	NIL
BAA-ADIL GLAL Payables Assignment	NIL
BAA SPA and BAA Trust Deed	NIL
ADIL and BAA Hedging Novation Agreements	Such amounts as are specified in the documents, being an amount not exceeding £450 million in aggregate
BAA Hedge Receivables Novation	NIL
BAA-HAL Deed of Set-Off	NIL
BAA-GAL Deed of Set-Off	NIL

BAA-STAL Deed of Set-Off	NIL
Downstream Loans (Stranded Bonds) Amendment Agreement	NIL
Borrower Upstream Loan Agreement	NIL
Deed of Termination and Release	NIL
Ineligible Bonds Escrow Agreement	NIL
ADIL-BAA ADIL Hedge Receivables Novation	NIL
ADIL-BAA ADIL Hedge Payables Novation	NIL
Hedging Deed of Set-off Receivable	NIL
BAA-Newco Hedging Deed of Set-off Receivable Novation	NIL
Tax Deed of Covenant	NIL
Subordinated Facility Novation and Amendment Agreement	NIL
Senior Junior Intercreditor Amendment and Restatement Agreement	NIL

and

the value of any asset to be transferred to the person assisted is, in respect of the financial assistance being provided pursuant to the matters specified in the first column, the value specified in the second column

Matter	Value of asset to be transferred
the Bond Surrender, the New Bond Delivery, the Bond Compensation Payment	NIL
the Capex Debt Prepayment	NIL

CHFP041

COMPANIES FORM No. 155(6)(a)

Declaration in relation to assistance for the acquisition of shares

155(6)a

Please do not
write in
this margin

Pursuant to section 155(6) of the Companies Act 1985

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

To the Registrar of Companies
(Address overleaf - Note 5)

For official use

Company number

--	--	--

01970855

Note
Please read the
notes on page 3
before completing
this form

Name of company

* BAA Limited (the Company)

*Insert full name
of company

~~/We~~ Please see Schedule 1

Insert name(s) and
address(es) of all
the directors

Delete as
appropriate

~~(the sole director)~~ [all the directors]† of the above company do solemnly and sincerely declare that
The business of the company is

Delete whichever
is inappropriate

~~(a) that of a recognised bank (licensed institution) within the meaning of the Banking Act 1979; or~~

~~(b) that of a person authorised under section 3 or 4 of the Insurance Companies Act 1982 to carry on
insurance business in the United Kingdom; or~~

(c) something other than the above §

The company is proposing to give financial assistance in connection with the acquisition of shares in the
[company] ~~[company's holding company]~~

limited†

The assistance is for the purpose of [that acquisition] ~~[reducing or discharging a liability incurred for the
purpose of that acquisition]~~†

The number and class of the shares acquired or to be acquired is

1,102,400,315 ordinary shares of £1 00

Presenter's name address and
reference (if any)

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

For official Use (02/06)
General Sec

The assistance is to be given to (note 2) Please see Schedule 6

Please do not
write in
this margin

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

The assistance will take the form of

Please see Schedule 2

The person who ~~has acquired~~ will acquire[†] the shares is

BAA (D&ND Holdco) Limited (06408400) of of 130 Wilton Road, London SW1V 1LQ

[†] Delete as
appropriate

The principal terms on which the assistance will be given are

Please see Schedule 3

The amount of cash to be transferred to the person assisted is £ Please see Schedule 7

The value of any asset to be transferred to the person assisted is £ Please see Schedule 8

The date on which the assistance is to be given is on a date falling within 8 weeks of the date hereof

CO155(6)(a)/2

Please do not
write in
this margin

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

*Delete either (a) or
(b) as appropriate

~~/~~We have formed the opinion, as regards the company's initial situation immediately following the date on which the assistance is proposed to be given, that there will be no ground on which it could then be found to be unable to pay its debts (note 3)

- (a) ~~/~~We have formed the opinion that the company will be able to pay its debts as they fall due during the year immediately following that date]* (note 3)
- (b) ~~/~~We have formed the opinion that the company will be able to pay its debts in full within 12 months of the commencement of the winding-up.* (note 3)

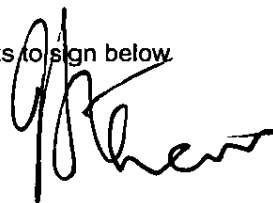
~~It is intended to commence the winding-up of the company within 12 months of that date and~~

~~/We have formed the opinion that the company will be able to pay its debts in full within 12 months of the commencement of the winding-up.* (note 3)~~

And ~~/~~we make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835

Declared at The Millhouse
Kirkwhelpington, Northumberland
NE19 2RT

Declarants to sign below



on

Day	Month	Year
07	08	2008

before me

J. S. Mackay

A Commissioner for Oaths or Notary Public or Justice of the Peace or a Solicitor having the powers conferred on a Commissioner for Oaths

David Shaw Priestley
Notary Public
PO Box 53 Ponteland
Newcastle upon Tyne
NE18 0YZ England

NOTES

- For the meaning of "a person incurring a liability" and "reducing or discharging a liability" see section 152(3) of the Companies Act 1985
- Insert full name(s) and address(es) of the person(s) to whom assistance is to be given, if a recipient is a company the registered office address should be shown
- Contingent and prospective liabilities of the company are to be taken into account - see section 156(3) of the Companies Act 1985
- The auditor's report required by section 156(4) of the Companies Act 1985 must be annexed to this form
- The address for companies registered in England and Wales or Wales is -

The Registrar of Companies
Companies House
Crown Way
Cardiff
CF14 3UZ

DX 33050 Cardiff

or, for companies registered in Scotland -

The Registrar of Companies
37 Castle Terrace
Edinburgh
EH1 2EB

DX 235 Edinburgh

or LP-4 Edinburgh 2

Schedule 1 – List of Directors

BAA Limited
Company Number 01970855
(the *Company*)

	DIRECTOR	ADDRESS
1	Sir Anthony Nigel Russell Rudd	1 Churchill Place Canary Wharf London E14 5HP
2	Colin Steven Matthews	130 Wilton Road London SW1V 1LQ
3	Eng Seng Ang	130 Wilton Road London SW1V 1LQ
4	Ghislain Gauthier	130 Wilton Road London SW1V 1LQ
5	Inigo Meiras	130 Wilton Road London SW1V 1LQ
6	Lord John Stevens	LGC, Queens Road Teddington Middlesex TW11 OLY
7	Jose Leo	130 Wilton Road London SW1V 1LQ
8	Jose Maria Perez Tremps	130 Wilton Road London SW1V 1LQ
9	Luis Angel Sanchez Salmeron	130 Wilton Road London SW1V 1LQ
10	Nicholas Villen Jimenez	130 Wilton Road London SW1V 1LQ
11	Renaud Faucher	130 Wilton Road London SW1V 1LQ
12	Richard Ross Drouin	130 Wilton Road London SW1V 1LQ
13	Stuart Baldwin	130 Wilton Road London SW1V 1LQ

Form 155(6)(a) in relation to BAA Limited

Schedule 2 – Form of Financial Assistance

BAA Limited
Company Number 01970855
(the *Company*)

Defined terms used in this Schedule shall have the same meanings as those given to them in the relevant documents referred to below, unless otherwise defined in any of the Schedules to this statutory declaration

The Company will or might provide financial assistance by way of the execution and performance of the documents specified in Schedule 4, each such document being in such form as the directors or any authorised signatory may approve and as may be amended, supplemented, novated and/or replaced from time to time) together with the performance by the Company of other acts (including, without limitation, the payment of all fees to professionals, third parties and others) and/or the execution of any other documents (as the same shall be amended, supplemented, novated and/or replaced from time to time), ancillary or otherwise, in connection with the Proposed Financing or the refinancing from time to time of the Proposed Financing, including the execution and performance of

- (a) the following documents, and the provision of all financial assistance thereunder, including the leaving of consideration payable in connection with such documents outstanding on intercompany balance
 - (i) the EAL 2 SPA, the EAL 2 STF, the EAL 2 Declaration of Trust and the EAL 2 GTRA,
 - (ii) the GLAL 2 SPA, the GLAL 2 STF, GLAL 2 Declaration of Trust and the GLAL 2 GTRA,
 - (iii) the AAL 2 SPA, the AAL 2 STF, the AAL 2 Declaration of Trust and the AAL 2 GTRA,
 - (iv) the SIAL 1 SPA, the SIAL 1 STF, the SIAL 1 Declaration of Trust, and the SIAL 1 GTRA, and
 - (v) the Lynton SPA, the Lynton STF, the Lynton Declaration of Trust and the Lynton GTRA
- (b) the BAA SPA, the BAA Trust Deed, the BAA STF and the BAA GTRA, and the provision of all financial assistance thereunder, including agreement to the novation of the Company's receivable from ADIL to Newco (to the extent Newco might be considered a weaker credit),
- (c) the BAA-ADIL EAL Payables Assignment, and the provision of all financial assistance thereunder, including the transfer of receivables owing to the Company by EAL to ADIL in consideration for receiving a payable from ADIL of equivalent amount,

- (d) the BAA-ADIL GLAL Payables Assignment, and the provision of all financial assistance thereunder, including the transfer of receivables owing to the Company by GLAL to ADIL in consideration for receiving a payable from ADIL of equivalent amount,
- (e) the SP Debenture Assignment Agreement and the SP Debenture Assignment Acknowledgement, and the provision of all financial assistance thereunder, including the leaving of consideration outstanding on intercompany balance,
- (f) the BAA Bond Guarantee, and the provision of all financial assistance thereunder, including the provision of a guarantee;
- (g) the Deed of Termination and Release, and the provision of all financial assistance thereunder, including amending the terms of Convertible Debt to facilitate early prepayment of convertible debt together with payment of any costs,
- (h) the Subscription Agreement, and the provision of all financial assistance thereunder, including the giving of the indemnities to the relevant Dealers by reference to the Dealership Agreement thereunder to enable the Issuer to issue notes and lend the proceeds thereof to the Borrowers pursuant to the Borrower Loan Agreement,
- (i) the STID, and the provision of all financial assistance thereunder, including the subordination of certain claims, the provision of indemnities and the payment of fees,
- (j) the Tax Deed of Covenant, and the provision of all financial assistance thereunder, including the giving of representations, warranties and covenants,
- (k) the Subordinated Facility Novation and Amendment Agreements and the Senior Junior Intercreditor Amendment and Restatement Agreement, and the provision of all financial assistance thereunder, including the making of any amendments to existing security and guarantees and the agreement to provide any further security or guarantees on the terms set out therein,
- (l) the ADIL and BAA Hedging Novation Agreements, the Payment Letter, and the Transferor Consideration Letter and the provision of all financial assistance hereunder, including the leaving of consideration owing by one counterparty to another (as the case may be, depending on whether such swaps are “in the money” or “out of the money”),
- (m) the ADIL-BAA ADIL Hedge Receivables Novation, and the provision of all financial assistance thereunder, including the assumption of new debt obligations to ADIL by the Company in consideration for the assumption of a right to receive new receivables from the Borrowers,
- (n) the ADIL-BAA ADIL Hedge Payables Novation, and the provision of all financial assistance thereunder, including the assumption of new debt obligations to Issuer by the Company in consideration for the assumption of a right to receive new receivables from the ADIL,
- (o) the Hedging Deed of Set-off and the Hedging Deed of Set-off Receivable Novation, and the provision of all financial assistance thereunder, including agreeing to the

transfer of receivables owing to the Company to Newco in consideration for acquiring the right to receive new receivables from Newco (to the extent Newco might be considered a weaker credit than ADIL); and

- (p) the Parent Support Letter, and the provision of all financial assistance thereunder, including offering to make available to certain addressees financial support on the terms set out therein;
- (q) any other document entered into or step taken pursuant to the Steps Paper, and the provision of all financial assistance thereunder,

which, in each case, would or might amount to financial assistance by the Company for the purpose of the acquisition of shares in the Company, and

the performance of

- (a) the Bond Surrender, the New Bond Delivery, the Bond Compensation Payment and the provision of all financial assistance thereunder, including the payment of an early incentive fee to the holders of bonds migrating into the Securitisation Group,
- (b) the Convertible Debt Prepayment and the provision of all financial assistance thereunder, including the early prepayment of convertible debt,
- (c) the Ineligible Bonds Escrow, and the provision of all financial assistance thereunder, including the early redemption of certain qualifying bonds plus the payment of costs incurred and the entry into of the Ineligible Bonds Escrow Agreement;
- (d) the Capex Debt Prepayment, and the provision of all financial assistance thereunder, including making early repayment of the capital expenditure facility made available to it,
- (e) any other document entered into or step taken pursuant to the Steps Paper, and the provision of all financial assistance thereunder,

which, in each case, would or might amount to financial assistance by the Company for the purpose the acquisition of shares in the Company

Form 155(6)a in relation to BAA Limited

Schedule 3 – Principal terms upon which financial assistance will be given

BAA Limited
Company Number 01970855
(*the Company*)

Defined terms used in this Schedule shall have the same meanings as those given to them in the relevant documents referred to below, unless otherwise defined in any of the Schedules to this statutory declaration

Reorganisation

(a) EAL Transfer 2

Pursuant to the EAL 2 SPA, the Company was to agree to transfer all of the issued share capital of EAL to ADIL for the consideration set out therein, being approximately £635 million, all of which was to be left outstanding on intercompany balance between the Company and ADIL. The beneficial title to the shares was to be transferred pursuant to the AAL 2 Declaration of Trust. Additionally, a group tax relief application for group relief from stamp duty was to be made in respect of the transfer of EAL pursuant to the EAL 2 GTRA.

(b) GLAL Transfer 2

Pursuant to the GLAL 2 SPA, the Company was to agree to transfer all of the issued share capital of GLAL to ADIL for the consideration set out therein, being approximately £611 million, all of which was to be left outstanding on intercompany balance between the Company and ADIL. The beneficial title to the shares was to be transferred pursuant to the GLAL 2 Declaration of Trust. Additionally, a group tax relief application for group relief from stamp duty was to be made in respect of the transfer of GLAL 2 pursuant to the EAL 2 GTRA.

(c) AAL Transfer 2

Pursuant to the AAL 2 SPA, the Company was to agree to transfer all of the issued share capital of AAL to ADIL for the consideration set out therein, being approximately £296 million, all of which was to be left outstanding on intercompany balance between the Company and ADIL. The beneficial title to the shares was to be transferred pursuant to the AAL 2 Declaration of Trust. Additionally, a group tax relief application for group relief from stamp duty was to be made in respect of the transfer of AAL 2 pursuant to the AAL 2 GTRA.

(d) **SIAL Transfer**

Pursuant to the SIAL 1 SPA, the Company was to agree to transfer all of the issued share capital of SIAL to ADIL for the consideration set out therein, being approximately £237 million, all of which was to be left outstanding on intercompany balance between the Company and ADIL. The legal title to the shares was to be transferred pursuant to the SIAL 1 STF and that beneficial title to the shares was to be transferred pursuant to the SIAL 1 Declaration of Trust. Additionally, an application for group relief from stamp duty was to be made in respect of the transfer of SIAL pursuant to the SIAL 1 GTRA.

(e) **Lynton Transfer**

Pursuant to the Lynton SPA, the Company was to agree to transfer all of the issued share capital of BAA Lynton to ADIL for the consideration set out therein, being approximately £402 million, all of which was to be left outstanding on intercompany balance between the Company and ADIL. The legal title to the shares was to be transferred pursuant to the Lynton 1 STF and that beneficial title to the shares was to be transferred pursuant to the Lynton Declaration of Trust. Additionally, an application for group tax relief from stamp duty was to be made in respect of BAA Lynton pursuant to the Lynton GTRA.

(f) **BAA Transfer**

Pursuant to the BAA 1 SPA, ADIL was to agree to transfer 50.5 per cent of the issued share capital of the Company to Newco in consideration of Newco acquiring from ADIL a payable of the amount set out therein, being approximately £6,157 million, to the Company; it was noted that the Company was to agree that its receivable should be from Newco rather than ADIL. The legal title to such shares was to be transferred pursuant to the BAA 1 STF and that an application for group relief from stamp duty was to be made in respect of the transfer of 50.5 per cent of the shares in the Company pursuant to the BAA 1 GTRA.

(g) **SP Debenture Assignment Agreement**

Pursuant to the terms of the SP Debenture Assignment Agreement, ADIL was to acquire the Securitisation Parent Debenture for £1,600 million plus interest of £78 million from the Company, which consideration was to be left outstanding on intercompany balance and which assignment was to be perfected pursuant to the SP Debenture Assignment Acknowledgment.

Pursuant to the SP Debenture Amendment Agreement the terms on the Securitisation Debenture would be amended to provide for a reduction in the principal value of the note from £1,600 million to £1,566 million.

(h) **BAA-ADIL GLAL Payables Assignment**

Pursuant to the BAA-ADIL GLAL Payables Assignment, the Company was to agree to assign to ADIL its receivable, of the amount to be determined on or around the Closing Date set out therein, but estimated as at 31 July 2008 to be £119 million (pre-working capital repayment), from GLAL in consideration for a payable of equivalent value from ADIL to be left outstanding on intercompany balance between the Company and ADIL.

(i) BAA-ADIL EAL Payables Assignment

Pursuant to the BAA-ADIL EAL Payables Assignment, the Company was to agree to assign to ADIL its receivable, of the amount to be determined on or around the Closing Date set out therein, but estimated as at 31 July 2008 to be £142 million (pre-working capital repayment), from EAL in consideration for a payable of equivalent value from ADIL to be left outstanding on intercompany balance between the Company and ADIL

(j) BAA Payables Assignment

Pursuant to the terms of the BAA Payables Assignment, the Borrowers were each to acquire from Issuer a proportion of Issuer's right to receive the BAA Payables (as hereinafter defined) from the Company (being consideration in respect of the bonds to be issued by Issuer to the Company, projected as at 31 July 2008 to be £4,214 million), in consideration of the Borrowers assuming payables to the Issuer in an equivalent amount estimated to be as follows

- (i) HAL - £3,260 million,
- (ii) GAL - £530 million, and
- (iii) STAL - £289 million

Pursuant to the Borrower Deeds of Set-Off, each Borrower's corresponding debt to the Issuer was to be constituted by the relevant Borrower Loan Agreement under which an advance in an amount calculable by reference to the value of the proportion of the BAA Payables assigned to that Borrower would be deemed to have been made

Pursuant to the HAL Deed of Set-off, the GAL Deed of Set-off and the STAL Deed of Set-off, HAL, GAL and STAL respectively were to off-set the proportion of the BAA Payables owed to each of them against existing downstream loans then outstanding

(k) ADIL and BAA Hedging Novation Agreements

Pursuant to the terms of the ADIL and BAA Hedging Novation Agreements

- (i) ADIL was to novate to the Borrowers;
- (ii) ADIL was to novate to Issuer,
- (iii) the Company was to novate to the Borrowers, and
- (iv) the Company was to novate to the Issuer,

certain swaps entered into pursuant to certain ISDA Master Agreements (together with their Schedules and credit support annexes) and for fair value. Additionally, it was noted that in relation to the ADIL Hedging Novation Agreement, the Payment Letter was to be entered into, and that in relation to the BAA Hedging Novation Agreement, the Transferor Consideration Letter was to be entered into in each case with consideration to be left outstanding on intercompany balance

The ADIL and BAA Hedging Novation Agreements were contingent upon the issue of bonds in accordance with the final terms contained within the prospectus of the Issuer. If the transfers of swaps by way of novation pursuant to the terms of the ADIL and BAA Hedging Novation Agreements occurs depending on whether each such swap was “in the money” or “out of the money”

- (i) ADIL was to leave such fair value consideration owing to the Borrowers or the Borrowers were to leave such fair value consideration owing to ADIL (as the case may be),
- (ii) ADIL was to leave such fair value consideration owing to Issuer or Issuer was to leave such fair value consideration owing to ADIL (as the case may be),
- (iii) the Company was to leave such fair value consideration owing to the Borrowers or the Borrowers were to leave such fair value consideration owing to the Company (as the case may be), and
- (iv) the Company was to leave such fair value consideration owing to Issuer or Issuer was to leave such fair value consideration, owing to the Company (as the case may be),

in each case on the relevant intercompany balance

Additionally

- (i) the hedges to be novated from ADIL to the Borrowers were, in aggregate, in the money, giving rise to net intercompany payables post-novation owing by the Borrowers to ADIL (estimated at 31 July 2008 to be £142 million) (being absorbed in a ratio of 78:13.9 by HAL, GAL, STAL) (the *ADIL Hedge Receivables*); and that
- (ii) the hedges to be novated from ADIL to Issuer were, in aggregate, out of the money, giving rise to net intercompany payables post-novation owing by ADIL to Issuer (estimated at 31 July 2008 to be £247 million) (the *ADIL Hedge Payables*),
- (iii) the hedges to be novated from BAA to the Borrowers were (net of prepayment), in aggregate, in the money, giving rise to net intercompany payables post-novation owing by the Borrowers to BAA (estimated at 31 July 2008 to be £38 million, being £30 million HAL, £5 million GAL and £3 million STAL), and
- (iv) the hedges to be novated from BAA to Issuer were (net of prepayment), in aggregate, in the money, giving rise to net intercompany payables post-novation owing by Issuer to BAA (estimated at 31 July 2008 to be £383 million)

The ADIL and BAA Hedging Novation Agreements were to be contingent upon the issue of bonds in accordance with the final terms contained within the prospectus of the Issuer

There was to be made a prepayment in respect of certain hedges identified in the ADIL and BAA Hedging Novation Agreements. The prepayment was to be made by the Company (i.e. pre-novation), and that each of the Borrowers or Issuer (as appropriate) was to pay fair value for the benefit of such prepayment, although this consideration was to be left outstanding on intercompany balance. It was noted that as at 21 July 2008, the fair value of the prepayment to be made by the Company in respect of hedges being novated to the Borrowers was £164 million and in respect of hedges being novated to Issuer was £149 million.

(l) ADIL- BAA ADIL Hedge Receivables Novation

Pursuant to the ADIL-BAA ADIL Hedge Receivables Novation, ADIL was to agree to novate to the Company the right to receive the ADIL Hedge Receivables from the Borrowers in consideration for a payable of equivalent value from the Company to be left outstanding on intercompany balance between the Company and ADIL.

(m) ADIL-BAA ADIL Hedge Payables Novation

Pursuant to the ADIL-BAA ADIL Hedge Payables Novation, ADIL was to novate to the Company its obligations to pay the ADIL Hedge Payables to the Issuer in consideration for a receivable of equivalent value from ADIL to be left outstanding on intercompany balance between the Company and ADIL.

(n) Hedging Deed of Set-off and Hedging Deed of Set-off Receivable Novation

Pursuant to the Hedging Deed of Set-off and the Hedging Deed of Set-off Receivable Novation, the Company was to agree to being owed an amount equal to the Hedging Deed of Set-off Receivable by Newco in consideration for the right to receive the Hedging Deed of Set-off Receivable from ADIL being novated from the Company to Newco.

The Securitisation Group Financing

Common Terms Agreement and Master Definitions Agreement

A number of other documents were to incorporate the terms of the Common Terms Agreement and Master Definitions Agreement.

The Common Terms Agreement contained, in particular, a hedging policy which would govern the hedging arrangements entered into by the Borrowers and the Issuer post-refinancing, principles of Borrower cash management and principles of the liquidity arrangements the Borrowers were to enter into to provide support for amounts payable by the Borrowers under hedging agreements, EIB Facility Agreement and the Refinancing Facility Agreement. In addition, the Common Terms Agreement contained representations, warranties, covenants and indemnities, which are to be given by each Obligor and incorporated into the various Authorised Credit Facilities they would enter into on the Initial Issue Date.

The Master Definitions Agreement contained defined terms used in the Transaction Documents including the definitions for Permitted Disposals and Restricted Payments.

Conditions Precedent Agreement

The Conditions Precedent Agreement the Obligors and the Company were to provide a number of documentary conditions precedent to the Initial Issue Date including Ratings Confirmation Letters and listing confirmations

Dealership Agreement and Subscription Agreement

The Dealership Agreement formed the framework for the subscription of the Bonds by the Dealers and that the Obligors, the Company and the Issuer would be required to provide certain representations, warranties, covenants and indemnities to the Dealers thereunder which would be incorporated into each Subscription Agreement entered into in connection with each issue of Bonds under the Programme. The form of the Subscription Agreement was attached as Schedule 5 to the Dealership Agreement

The STID

Each of the Borrowers, HEX, Asset Holdco and Securitisation Parent were to be Obligors

The STID regulated the intercreditor arrangements between the Borrower Secured Creditors, including (a) the claims of the Borrower Secured Creditors, (b) the exercise, acceleration and enforcement of rights by the Borrower Secured Creditors, (c) the rights of the Borrower Secured Creditors to instruct the Borrower Security Trustee, and (d) the giving of consents and waivers and the making of modifications to the Common Terms Agreement, the Security Documents, the Shared Services Agreement, the STID, the Master Definitions Agreement and the Tax Deed of Covenant

The STID sets out the ranking in point of payment of the claims of the Borrower Secured Creditors after delivery of a Loan Enforcement Notice and provides for the subordination and postponement of all claims in respect of Financial Indebtedness of any BAA group company or affiliate thereof that is not a member of the Security Group (other than, prior to delivery of a Loan Acceleration Notice, payments under the Shared Services Agreement and certain other contracts otherwise entered into in accordance with the Common Terms Agreement)

Under the STID, post-enforcement amounts were to be paid on the terms set out in Schedule 2, including the application of proceeds recovered in favour of the BAA Pensions Trustee in respect of the BAA Pension Liabilities in an amount up to the Maximum Pension Liability Amount.

Under the terms of the STID the Obligors agree to jointly and severally (a) indemnify the Borrower Security Trustee in respect of (i) any breach by an Obligor of any of its obligations under the STID or any other document to which the Borrower Security Trustee is a party, and (ii) any costs, expenses, losses and claims suffered by the Borrower Security Trustee in respect of any matter done in relation to the STID or any Transaction Document; and (b) pay the Borrower Security Trustee an annual fee and any additional remuneration agreed in accordance with the provisions of the STID, together with any costs, charges and expenses properly incurred by the Borrower Security Trustee in relation to, *inter alia*, the preparation, negotiation and execution of the STID or any Borrower Security Document

Tax Deed of Covenant

Pursuant to the Tax Deed of Covenant, each of the Tax Covenantors will make representations and give warranties and covenants given for the benefit of, *inter alios*, the

Issuer, the Bond Trustee and the Borrower Security Trustee with a view to protecting the Issuer and the members of the Security Group from various tax related risks. Among the matters covered by those representations, warranties and covenants are VAT grouping, tax residency, group tax matters, secondary tax liabilities and the Issuer's status as a securitisation company for the purposes of The Taxation of Securitisation Companies Regulations 2006.

The Subordinated Facility Novation and Amendment Agreement including restated Subordinated Facility Agreement

As at the Closing Date, Sub Holdco would acquire ADIL's debt obligations under the original Subordinated Facility Agreement entered into on 7 April 2006.

Upon entering into the Subordinated Facility Novation and Amendment Agreement, ADF2, BAAP, World Duty Free Limited, LAL, LAL 92 Limited, LAL 93 and SAL would be released as guarantors together with any related security granted by these companies. The remaining Obligor (i.e. ADIL, the Company, HAL, GAL, STAL, Sub Holdco, Asset Holdco, Securitisation Parent and Des Sub Holdco) will continue to provide security and guarantees post novation and the Obligor may be required to enter into any amendment and restatement agreements in relation to the existing security and guarantee agreements in relation to the existing security and guarantees originally given.

It was noted that HEX and Newco were to accede as guarantors to the Subordinated Facility Agreement on novation and enter into a debenture granting security.

The terms of the Subordinated Facility were to be restated in the form scheduled to the Subordinated Debt Novation and Amendment Agreement. Pursuant to the terms of the restated Subordinated Facility Agreement, the Obligor (as defined therein) irrevocably and unconditionally jointly and severally undertake

- (a) to guarantee to each Finance Party (as defined therein) punctual performance by each other Obligor of all of that Obligor's obligations under the Finance Documents,
- (b) with each Finance Party that whenever an Obligor does not pay any amount when due under or in connection with any Finance Document, the Obligor shall immediately on demand pay that amount as if it was the principal obligor,
- (c) to indemnify each Finance Party immediately on demand against any cost, loss or liability suffered by that Finance Party if any obligation guaranteed by the Obligor is or becomes unenforceable, invalid or illegal. The amount of the cost, loss or liability shall be equal to the amount which that Finance Party would otherwise have been entitled to recover.

It was further noted that by entering into any amendment and restatement agreements in relation to the existing security and guarantees originally given, the Company would continue to grant and/or floating charges over some or all of its undertakings.

The Senior Junior Intercreditor Amendment and Restatement Agreement

Pursuant to the Senior Junior Intercreditor Amendment and Restatement Agreement the parties were to agree to amend and restate the intercreditor agreement to allow the Proposed Refinancing to be effected. Pursuant to the restated Intercreditor Agreement (as scheduled in the Senior Junior Intercreditor Amendment and Restatement Agreement), the Obligor were

to covenant to pay the amounts owing under the Finance Documents and to agree to the order of ranking and priority for the repayment of the Liabilities and subordination of the Intra-Group Liabilities

The BAA Bond Guarantee

Pursuant to the BAA Bond Guarantee, the Company was to provide a guarantee in respect of certain existing bonds issued by the Company that are to be migrated to the Issuer on the Initial Issue Date (being the BAA Guaranteed Bonds as defined in the Master Definitions Agreement). Under the BAA Bond Guarantee, the Company will unconditionally and irrevocably guarantee to Deutsche Trustee Company Limited, as bond trustee for the holders for the time being of the BAA Guaranteed Bonds, and will undertake to pay to the Bond Trustee on demand, if the Issuer fails to pay them or any part thereof, all amounts whatsoever payable by the Issuer to the BAA Guaranteed Bondholders for the time being of the BAA Guaranteed Bonds. The BAA Bond Guarantee would only be callable in circumstances where a Bond Enforcement Notice has been served. It was further noted that under the BAA Bond Guarantee, the Company would agree to indemnify the Bond Trustee on demand against any loss or liability suffered by it or by any of the BAA Guaranteed Bondholders.

Although the Company was to provide this guarantee, it would cease to have primary liability in respect of the bonds which are to be migrated into the Securitisation Group structure. It was noted, however, that pursuant to FRS 25 and 26, the Company would be required to recognise a liability in its accounts in respect of such guarantee, thus reducing net assets by such an amount. It was noted that such a provision would only need to be made when it came to report, however for the purposes of the whitewash an estimated contingent liability in the sum of £177 million would be provided for.

Re-financing of ADIL Group indebtedness

Bond Exchange

By undertaking the Bond Exchange, the Company was to deliver to the holders of the Bonds either the New Bonds subscribed for from the Issuer by the Company or the relevant Bond Compensation Payment, together with an early incentive fee and accrued interest the aggregate value of which fee and interest was to be determined upon delivery of all the relevant bonds to the existing Bondholders but which was estimated as at 31 July 2008 to be £4214 million.

As at 1 August 2008, it was projected that all Bonds would be exchanged for New Bonds pursuant to the Bond Surrender and New Bond Delivery and that the total Bond Compensation Payment would be £12 million in respect of incentives and £13 million in respect of liability management fees (assuming that the Ineligible Bonds Escrow is not implemented by the Company).

However, it would only be possible for the Bond Exchange to take place after holders of the existing Bonds had held meetings to be held in accordance with the terms of each such series of Bonds to consider resolutions sanctioning the Bond Exchange.

If at any meeting of the holders of existing Bonds the resolution were not to be passed, those holders of Bonds issued after 2002 who had voted in favour of the resolutions would be deemed to make to the Company an offer (the *Exchange Offer*) to exchange their Bonds in the same manner as if the resolutions had passed. If the Company were to accept the

Exchange Offer, the Bond Exchange would go forward with regard to those Bonds only and the remainder would be Non Migrated Bonds

If on the Closing Date any such meeting had been adjourned, that the New Bond Delivery would only take place in relation to those Bonds for which the applicable procedures had been undertaken and that the remaining Bonds would in the interim remain Non Migrated Bonds. The Chairman further explained that once the adjourned meeting had been held, if a positive resolution had been obtained, then such Bonds would be migrated in the same manner as those which had been migrated on the Closing Date (the *Second Bond Migration*)

The Second Bond Migration would entail the same steps being undertaken as had been undertaken in relation to the Bonds which had transferred previously and that a separate Borrower Loan Agreement would be entered into. It was noted, however, that the aggregate number of bonds being transferred pursuant to the New Bond Delivery and the Second Bond Migration (and the nature and value of financial assistance being provided) would remain the same as would have been the case had all Bonds been migrated in one go at the Closing Date

Ineligible Bonds Escrow

The Bonds, due for repayment at principal by the Company on dates falling from 2012 to 2031 and until then carrying interest at the rates (and on the terms) specified on each such bond, were to be redeemed early on the Closing Date

If the Company so elected, the Issuer would issue new bonds to the Company with a principal amount equal to those Bonds held by Ineligible Bondholders (other than those who were retail holders (being Bondholders with holdings of less than £50,000 or €50,000, as applicable) or in the U S) (*Qualified Ineligible Bondholders*) which would be deposited in an escrow account pursuant to the terms of the Ineligible Bonds Escrow Agreement pending sale at least six months later by the Company. It was noted that the Company would pay the net proceeds of such sale to the Qualified Ineligible Bondholders pro rata in discharge of their entitlement, but that prior to sale the Company could deliver new bonds to any holders of ineligible bonds who were able to certify eligibility

These Bonds remaining were to be redeemed on completion and, if the Company so elected, would be replaced with a claim on the Company for the net proceeds of sale of the new bonds being issued by the Issuer to the Company

Whilst the number and class of Bonds held by Qualified Ineligible Bondholders was to remain unknown until the end of the offer period on 8 August 2008, these had for the purposes of the model been estimated to have a par value of £70 million, with costs associated with the exchange totalling £7 million

The Convertible Debt Prepayment

The Convertible Debt, owing to ADIL, was due for repayment of principal by the Company in 2009 and until then carried interest at 2 625 per cent per annum

Pursuant to the Deed of Termination and Release, the final redemption date of the Convertible Debt was to be brought forward from 19 August 2009 to the Closing Date (with the trust deed and the agency agreement being terminated upon such redemption). It was noted that initially the consideration payable in respect of the Convertible Debt Prepayment was to be left outstanding from the Company to ADIL but would later be settled in full by cash from the proceeds of the Proposed Refinancing.

The Capex Debt Prepayment

The Capex Debt, owing by the Company to the lenders thereunder and outstanding in an amount of £2,660 million, was to be prepaid on the Closing Date.

Whilst the proceeds of the Capex Debt were not permitted to be applied in connection with funding the BAA Acquisition (which was to be funded from drawings under Facility A of the Senior Facilities Agreement), the Company would nonetheless undertake the whitewash procedure in relation to the prepayment of such debt for the sake of certainty

Intra-group loans

The terms of the existing inter-company payables were undocumented, save as in relation to those payables referred to below, but that interest between the Company and its subsidiaries carried interest at a rate of 1.5 per cent. over the Base Rate of the Bank of England. These loans are hereinafter referred to as the *Undocumented Intercompany Balances*

There were three documented intra-group loans in place prior to the commencement of the Proposed Financing, being

- (a) a loan agreement between the Company and GAL dated March 2003, pursuant to which the Company as Lender made available to GAL as Borrower a loan in the sum of £200 million bearing interest at the rate of 5.75 per cent. per annum with interest payable twice-annually and repayable in full on the tenth anniversary of the agreement,
- (b) a loan agreement between LAL 92 and HAL dated 23 March 2005, pursuant to which LAL 92 as Lender made available to HAL as Borrower a loan in the sum of £740 million bearing interest at a rate of 1 per cent. per annum over the Bank of England Base Rate, payable quarterly and repayable on demand. It was noted that the benefit of this loan agreement had been assigned by LAL 92 to the Company, and
- (c) a loan agreement between the Company and HAL dated 30 March 2005, pursuant to which the Company as Lender made available a loan to HAL in the sum of £451,760,943 bearing interest at a rate of 1 per cent. per annum over the Bank of England Base Rate, payable quarterly and repayable on demand,

together the *Documented Loans*

As a result of the Proposed Financing, the Documented Loans would be extinguished pursuant to the Documented Loans Deed of Acknowledgement and Set-Off and that other intercompany balances would be satisfied such that, *inter alia*, the following material loans would remain

- (a) a downstream loan from the Company to each of the Borrowers in an amount to be determined on or around the Closing Date but sufficient to service the Non Migrated Bonds (projected as at 1 August 2008 to be nil from the Company to HAL, nil from the Company to GAL and nil from the Company to STAL)

It was noted that pursuant to the terms of the Downstream Loan (Stranded Bonds) Amendment Agreement, the terms of such downstream loans were to be amended on or around the Closing Date, from those of the Undocumented Intercompany Balances to being on terms similar to the Non Migrated Bonds which the loan would be used to

service, including an interest rate marginally in excess of the cost of funding the Non Migrated Bonds, and

- (b) an upstream loan from each of the Borrowers to Securitisation Parent in an amount to be determined on or around the Closing Date but projected as at 1 August 2008 to be nil (in the case of HAL), £379 million (in the case of GAL) and £251 million (in the case of STAL) to be made pursuant to the Borrower Upstream Loan Agreement with interest calculated and payable on a compound basis annually at the rates projected as at 31 July 2008 to be those set out in the Transfer Pricing Schedule (the ***Borrower Upstream Loan***) It was noted that the projected rates were to be amended to facilitate a pass through of fees arising under the relevant external funding

Under the Borrower Upstream Loan Agreement, further advances were to be made on request by each of the Borrowers to Securitisation Parent for so long as the relevant Borrower Upstream Loan was outstanding which were to be applied by Securitisation Parent for the purpose of discharging its annual interest payment obligations in relation to that Borrower as they were to fall due

Any advances made by a particular lender constituted by the Borrower Upstream Loan Agreement were to be repaid together with any accrued interest on the earlier of an event of default and demand being made by the relevant lender

The tenor of each such loan might be increased by an amount equal to the excess repayment made by the Company to each of the Borrowers to fund each such company's working capital needs for the period from 1 August 2008 until the Closing Date, over the amount actually required by that company during that period

The Company was to undertake the Whitewash Procedure in relation to the Intercompany Loan Transactions, the Borrower Upstream Loans and any further loans that may be made by the Borrowers to Securitisation Parent replacing, amending or supplemental to the Borrower Upstream Loans

The Parent Support Letter

It was noted that pursuant to the terms of the Parent Support Letter the Company was to state that it was its present intention to afford to the recipients financial comfort on the terms set out therein until 31 December 2009

Form 155(6)a in relation to BAA Limited

Schedule 4 – The Documents

BAA Limited
Company Number 01970855
(the *Company*)

2. THE REORGANISATION

- (a) Share Purchase Agreement between SAL and BAA to be dated the Closing Date, with respect to the sale and purchase of all issued shares of EAL (the *EAL 1 SPA*)
- (b) Stamp duty group relief application in respect of EAL together with shareholders' register of SAL (the *EAL 1 GTRA*)
- (c) Declaration of trust to transfer the beneficial interest in shares of EAL from SAL to BAA dated the Closing Date (the *EAL 1 Declaration of Trust*)
- (d) Stock transfer forms to transfer shares of AAL, from SAL to BAA (the *AAL 1 STF*)
- (e) Share Purchase Agreement between SAL and BAA to be dated the Closing Date, with respect to the sale and purchase of all issued shares of GLAL (the *GLAL 1 SPA*)
- (f) Share Purchase Agreement between SAL and BAA to be dated the Closing Date, with respect to the sale and purchase of all issued shares of AAL (the *AAL 1 SPA*)
- (g) Stock transfer forms to transfer shares of EAL, from SAL to BAA (the *EAL 1 STF*).
- (h) Stock transfer forms to transfer shares of GLAL, from SAL to BAA (the *GLAL 1 STF*)
- (i) Stamp duty group relief application in respect of GLAL together with shareholders' register of SAL (the *GLAL 1 GTRA*)
- (j) Deed of trust to transfer the beneficial interest in shares of GLAL from SAL to BAA (the *GLAL 1 Declaration of Trust*)
- (k) Stamp duty group relief application in respect of AAL together with shareholders' register of SAL (the *AAL 1 GTRA*)
- (l) Declaration of trust to transfer the beneficial interest in shares of AAL from SAL to BAA dated the Closing Date (the *AAL 1 Declaration of Trust*)
- (m) Share Purchase Agreement between BAA and ADIL to be dated the Closing Date with respect to the sale and purchase of all issued shares of EAL (the *EAL 2 SPA*)
- (n) Stock transfer form to transfer shares of EAL from BAA to ADIL (the *EAL 2 STF*).
- (o) Stamp duty group relief application re EAL (the *EAL 2 GTRA*).
- (p) Declaration of trust to transfer the beneficial interest in shares of EAL from BAA to ADIL dated the Closing Date (the *EAL 2 Declaration of Trust*).

- (q) Share Purchase Agreement between BAA and ADIL to be dated the Closing Date with respect to the sale and purchase of all issued shares of GLAL (the *GLAL 2 SPA*)
- (r) Stock transfer form to transfer shares of GLAL from BAA to ADIL (the *GLAL 2 STF*)
- (s) Stamp duty group relief application re GLAL (the *GLAL 2 GTRA*)
- (t) Declaration of trust to transfer the beneficial interest in shares of GLAL from BAA to ADIL dated the Closing Date (the *GLAL 2 Declaration of Trust*)
- (u) Share Purchase Agreement between BAA and ADIL to be dated the Closing Date with respect to the sale and purchase of all issued shares of AAL (the *AAL 2 SPA*)
- (v) Stock transfer form to transfer shares of AAL from BAA to ADIL (the *AAL 2 STF*)
- (w) Stamp duty group relief application re AAL (the *AAL 2 GTRA*)
- (x) Declaration of trust to transfer the beneficial interest in shares of AAL from BAA to ADIL dated the Closing Date (the *ADIL 2 Declaration of Trust*)
- (y) Share Purchase Agreement between BAA and ADIL to be dated the Closing Date with respect to the sale and purchase of all issued shares of SIAL (the *SIAL 1 SPA*)
- (z) Stock transfer form to transfer shares of SIAL from BAA to ADIL (the *SIAL 1 STF*)
- (aa) Stamp duty group relief application, together with shareholders' register of BAA (the *SIAL 1 GTRA*)
- (bb) Declaration of trust to transfer the beneficial interest in shares of SIAL from BAA to ADIL dated the Closing Date (the *SIAL 1 Declaration of Trust*)
- (cc) Share Purchase Agreement between BAA and ADIL to be dated the Closing Date with respect to the sale and purchase of all issued shares on BAA Lynton (the *BAA Lynton SPA*)
- (dd) Stock transfers form to transfer shares of BAA Lynton from BAA to ADIL (the *BAA Lynton STF*)
- (ee) Stamp duty group relief application re BAA Lynton (the *BAA Lynton GTRA*)
- (ff) Declaration of trust to transfer the beneficial interest in shares of BAA Lynton from BAA to ADIL dated the Closing Date (the *BAA Lynton Declaration of Trust*)
- (gg) Deed of novation between BAA and ADIL, acknowledged by SIAL, transferring debt of £1 million owed by BAA to SIAL to ADIL so that ADIL owes £1 million to SIAL (the *BAA-ADIL SIAL Receivables Novation*)
- (hh) Deed of novation between ADIL and Non Des Topco, acknowledged by SIAL, transferring debt of £1 million owed by ADIL to SIAL to Non Des Topco so that Non Des Topco owes £1 million to SIAL (the *ADIL-NDT SIAL Receivables Novation*)

- (ii) Deed of novation between Non Des Topco and Non Des Holdco, acknowledged by SIAL, transferring debt of £1 million owed by Non Des Topco to SIAL to Non Des Holdco so that Non Des Holdco owes £1 million to SIAL (the *NDT-NDH SIAL Receivables Novation*)
- (jj) Assignment and assumption agreement to be dated the Closing Date between BAA and ADIL and BAA(SH), acknowledged by BAA(SP), with respect to the Securitisation Debenture dated 31 January 2008 in the principal amount of £1,600 million (the *SP Debenture Assignment Agreement*)
- (kk) Written notice of the assignment of the BAA (SP) Debenture sent from BAA to BAA (SP) (the *SP Debenture Assignment Acknowledgment*)
- (ll) Amendment agreement to be dated the Closing Date between ADIL and Securitisation Parent amending the terms of the Securitisation Debenture (the *SP Debenture Amendment Agreement*)
- (mm) Deed of assignment between BAA and ADIL, acknowledged by EAL, transferring debt in the amount set out therein, being approximately £142 million owed to BAA by EAL to ADIL so that ADIL is owed such amount by EAL and BAA is owed a further £142 million by ADIL (the *BAA-ADIL EAL Payables Assignment*)
- (nn) Deed of assignment between BAA and ADIL, acknowledged by GLAL, transferring debt of £119 million owed to BAA by GLAL to ADIL so that ADIL is owed in the amount set out therein, being approximately by GLAL and BAA is owed a further £119 million by ADIL (the *BAA-ADIL GLAL Payables Assignment*)
- (oo) Agreement (the *BAA SPA*) between ADIL, BAA and Newco dated on or around the Closing Date:
 - (i) with respect to the sale and purchase of approximately 50.5% of the shares of BAA, and
 - (ii) with respect to the novation of the intercompany payable owned by ADIL to BAA in an amount to be ascertained, but estimated to be £6,157 million to BAA
- (pp) Declaration of trust executed by ADIL dated the Closing Date, transferring beneficial title to the shares of BAA sold pursuant to the BAA SPA to Newco (the *BAA Trust Deed*)
- (qq) Stock transfer form to transfer legal title to shares of BAA from ADIL to Newco (the *BAA STF*).
- (rr) Stamp duty group relief application together with shareholders' register of Newco (the *BAA GTRA*)
- (ss) a novation agreement or novation agreements under which ADIL (as *Transferor*) transfers (by way of novation) certain interest rate swaps and/or currency swaps between Transferor, Hedge Counterparty (as *Remaining Party*) and BAA (as *Transferee*) on terms that Transferor's rights and obligations to the Remaining Party are discharged in consideration for Transferee acquiring similar rights and obligations as against the Remaining Party (the *ADIL Hedging Novation Agreements*)

- (tt) The letter between BAA and ADIL to be dated on or around the Closing Date under which BAA may make a payment (which payment will be left outstanding on intercompany balance between the two parties) to ADIL in relation to the novation of certain interest swaps and currency swap derivative transaction or ADIL may make a payment to BAA in relation to the novation of certain interest rate swaps, inflation swaps and currency swap derivative transactions (the *Payment Letter*)

whereby the Hedge Counterparty is one of the following parties Banco Santander S A , CAYLON S A , Citibank N A , London Branch; HSBC Bank plc, Royal Bank of Scotland plc, and

A novation agreement or novation agreements under which BAA (as *Transferor*) transfers (by way of novation) certain interest rate swaps and/or currency swaps between BAA, Hedge Counterparty (as *Remaining Party*) and the Issuer and/or Borrower(s) (as *Transferee*) on terms that Transferor's rights and obligations to the Remaining Party are discharged in consideration for Transferee acquiring similar rights and obligations as against the Remaining Party (the *BAA Hedging Novation Agreements*)

A letter between the Issuer and/or Borrower(s) and BAA dated on or around the Closing Date under which each Issuer and/or Borrower(s) may make a payment (which payment will be left outstanding on intercompany balance between the two parties) to BAA in relation to the novation of certain interest rate swaps, inflation swaps and currency swap derivative transactions under a novation agreement or BAA may make a payment to any of Issuer and/or Borrower(s) in relation to the novation of certain interest rate swaps and currency swap derivative transactions under a novation agreement (the *Transferor Consideration Letter*)

whereby the relevant Hedge Counterparty is one of the following parties. ABN AMRO Bank N V., Banco Santander S A , Barclays Bank PLC, BNP Paribas, CALYON S A, Citibank NA, London Branch; Deutsche Bank AG; HSBC Bank PLC, Morgan Stanley & Co International Limited; Royal Bank of Scotland PLC

(the ADIL Hedging Novation Agreements and the BAA Hedging Novation Agreements being together referred to as the *ADIL and BAA Hedging Novation Agreements*).

- (uu) Deed of novation between Newco and ADIL, acknowledged by BAA, transferring debt in the amount set out therein, being approximately £105 million owed by ADIL to BAA to Newco so that Newco owes such amount to BAA (the *BAA Hedge Receivables Novation*)
- (vv) Assignment agreement (the *BAA Payables Assignment*) dated the Closing Date between Issuer, HAL, GAL and STAL, acknowledged by BAA, with respect to the assignment of receivables (the *BAA Payables*) from BAA owing to Issuer in the following amounts
- (i) £3,260 million assigned to and assumed by HAL,
 - (ii) £530 million assigned to and assumed by GAL; and
 - (iii) £289 million assigned to and assumed by STAL

(ww) Deeds of set-off between

- (i) Issuer and HAL dated the Closing Date setting off Issuer's obligation to advance the Borrower Loan against HAL's obligation to pay the Issuer consideration for its proportion of the BAA Payables received,
- (ii) Issuer and GAL dated the Closing Date setting off Issuer's obligation to advance the Borrower Loan against GAL's obligation to pay the Issuer consideration for its proportion of the BAA Payables received,
- (iii) Issuer and STAL dated the Closing Date setting off Issuer's obligation to advance the Borrower Loan against STAL's obligation to pay the Issuer consideration for its proportion of the BAA Payables received,

together, the *Borrower Deeds of Set-Off*

- (xx) Deed of set-off dated the Closing Date between BAA and HAL offsetting a payable by BAA to HAL in an amount of approximately £3,260 against payable by HAL to BAA of the same amount (the *BAA-HAL Deed of Set-Off*)
- (yy) Deed of set-off dated the Closing Date between BAA and GAL offsetting a payable by BAA to GL in an amount of approximately £530 million against a payable by GAL to BAA of the same amount (the *BAA-GAL Deed of Set-Off*)
- (zz) Deed of set-off dated the Closing Date between BAA and STAL offsetting a payable by BAA to STAL in an amount of approximately £289 against payable by STAL to BAA of the same amount (the *BAA-STAL Deed of Set-Off*)
- (aaa) Amendment agreement to be dated on or around the Closing Date between HAL, GAS, STAL, and BAA pursuant to which the Borrowers acknowledge payables to BAA in the amounts set out therein, but estimated to be nil, and the terms at which loans are amended such that the Borrowers make repayments on terms mirroring those of the Non Migrated Bonds (the *Downstream Loans (Stranded Bonds) Amendment Agreement*)
- (bbb) Deed of Termination and Release between BAA (as Issuer), ADIL Prudential Trustee Company Limited, The Bank of New York (as Principal Paying and Conversion Agent) and JP Morgan Bank Luxembourg S A (as Paying and Conversion Agent in respect of the Convertible Debt (the *Deed of Termination and Release*)
- (ccc) The escrow agreement to be dated on or around the Closing Date pursuant to which bonds issued by the Issuer equal in principal value to the Bonds held by Qualified Ineligible Bondholders will be placed in escrow for six months, after which bonds will be dealt with in accordance with the document's terms (the *Ineligible Bonds Escrow Agreement*)
- (ddd) Deed of novation between ADIL and BAA, acknowledged by the Borrowers, transferring the ADIL Hedge Receivables owed to ADIL by the Borrowers so that ADIL is owed an amount equal to the ADIL Hedge Receivables by BAA and BAA is owed the ADIL Hedge Receivables by the Borrowers (*ADIL-BAA ADIL Hedge Receivables Novation*)

- (eee) Deed of novation between ADIL and BAA, acknowledged by the Issuer, transferring the ADIL Hedge Payables owed by ADIL to the Issuer so that the Issuer is owed an amount equal to the ADIL Hedge Payables by BAA and BAA is owed the ADIL Hedge Payables by ADIL (*ADIL-BAA ADIL Hedge Payables Novation*)
- (fff) Deed of set off (the ADIL-BAA Hedging Deed of set-off) between ADIL and BAA setting off the intragroup payable in an amount equal to the ADIL Hedge Receivables which ADIL is owed by BAA against the ADIL Hedge Payables which BAA is owed by ADIL (the balance owing by ADIL to BAA being the *Hedging Deed of Set-off Receivable*)
- (ggg) Deed of novation between BAA and Newco, acknowledged by ADIL, transferring the Hedging Deed of Set-off Receivable owed to BAA by ADIL so that BAA is owed an amount equal to the Hedging Deed of Set-off Receivable by Newco and Newco is owed the Hedging Deed of Set-off Receivable by ADIL (*BAA-Newco Hedging Deed of Set-off Receivable Novation*)

3. THE SECURITISATION

- (a) The Dealership Agreement to be dated on or around the Closing Date between the Dealers (the *Dealership Agreement*)
- (b) The Subscription Agreement (per class) to be dated on or around the Closing Date between the Issuer, Arrangers, Borrowers and Obligors (the *Subscription Agreement*)
- (c) The BAA Bond Guarantee to be dated on or around the Closing Date provided by BAA (the *BAA Bond Guarantee*).
- (d) The Common Terms Agreement to be dated on or around the Closing Date between each member of the Security Group, the Borrower Security Trustee, each ACF provider and the Issuer (the *Common Terms Agreement*)
- (e) The Master Definitions Agreement to be dated on or around the Closing Date between all parties (the *Master Definitions Agreement*)
- (f) The Borrower Loan Agreement to be dated on or around the Closing Date between each Borrower, the Issuer and the Borrower Security Trustee (the *Borrower Loan Agreement*).
- (g) The Shared Services Agreement to be dated on or around the Closing Date between BAA, the Obligors and the Borrower Security Trustee (the *Shared Services Agreement*).
- (h) The Obligor Floating Charge Agreement to be dated on or around the Closing Date between the Obligor, Issuer, Borrower, Security Trustee and Issuer Security Trustee (the *Obligor Floating Charge Agreement*)
- (i) The Security Agreement to be dated on or around the Closing Date between Borrower Security Trustee, the Secured Creditors and each Obligor (the *Security Agreement*).
- (j) The HAL Legal Charge to be dated on or around the Closing Date between HAL and the Borrower Security Trustee (the *HAL Legal Charge*)

- (k) The GAL Legal Charge to be dated on or around the Closing Date between GAL and the Borrower Security Trustee (the *GAL Legal Charge*)
- (l) The STAL Legal Charge to be dated on or around the Closing Date between STAL and the Borrower Security Trustee (the *STAL Legal Charge*)
- (m) The Security Trust and Intercreditor Deed to be dated on or around the Closing Date between the Borrower Security Trustee, the Secured Creditors and the Obligors (the *Security Trust and Intercreditor Deed*)
- (n) The Tax Deed of Covenant to be dated on or around the Closing Date between the Issuer, Obligors, Berlin and the Borrower Security Trustee (the *Tax Deed of Covenant*)
- (o) The EIB Facility Novation Agreement to be dated on or around the Closing Date between HAL, BAA and EIB (the *EIB Facility Novation Agreement*)
- (p) The Borrower Liquidity Facility Agreement to be dated on or around the Closing Date between each Borrower, Borrower Liquidity Facility, the Provider and the Borrower Security Trustee (the *Borrower Liquidity Facility Agreement*)
- (q) The Borrower Liquidity Reserve Account Trust Deed to be dated on or around the Closing Date between each Borrower, the Borrower Security Trustee, Facility Agent, Initial Borrower, Borrower Liquidity Facility Providers, Borrower Cash Manager, Security Group Agent, the Borrower Liquidity Reserve Account Trustee and the Borrower Account Bank (the *Borrower Liquidity Reserve Account Trust Deed*)

a series of ISDA Master Agreements (together with Schedule, Credit Support annex and if any Confirmations thereto) in relation to cross currency swap transactions and a series of ISDA Master Agreements (together with Schedules Credit Support annex and, if any, Confirmations thereto) in relation to interest rate swap transactions, in each case to be dated on or around the Closing Date between each of the parties listed in column A and each of the parties listed in Column B

A	B
HAL	RBS
GAL	Citibank
STAL	Bilbao
	BNP
	Caja
	Calyon
	HSBC
	RBC

	Santander
--	-----------

(together the *Borrower Hedging Documents*)

- (r) The Conditions Precedent Agreement to be dated on or around the Closing Date between each Financial Guarantor, the Borrowers and the Issuer (the *Conditions Precedent Agreement*)
- (s) The Borrower Account Bank Agreement to be dated on or around the Closing Date between the Borrowers, the Borrower Bank Account and the Borrower Security Trustee (the *Borrower Account Bank Agreement*)
- (t) The Borrower Account Bank Fee Letter to be dated on or around the Closing Date between the Borrower Bank Account and the Borrowers (the *Borrower Account Bank Fee Letter*)
- (u) The Non-Migrated Bond Facility Agreement to be dated on or around the Closing Date between Date between the Borrowers, the Original Guarantors, BAA as Security Group Agent, RBS as NMB Facility Agent, certain parties as Mandated Lead Arrangers and the Facility Providers (the *Non-Migrated Bond Facility Agreement*)
- (v) The Amendment and Restatement Agreement relating to the Subordinated Facility Agreement to be dated on or around the Closing Date between the BAA Group, the Obligors, RBS and the MLAs (the *Subordinated Facility Novation and Amendment Agreement*)
- (w) The Amendment and Restatement Agreement relating to the Intercreditor Agreement to be dated on or around the Closing Date between the BAA Group, the Obligors, RBS and the MLAs (the *Senior Junior Intercreditor Amendment and Restatement Agreement*)
- (x) An English law debenture to be dated on or around the Closing Date under which HEX will grant fixed and/or floating charges over some or all its assets and undertakings present and future by way of security for the Liabilities (as such term is defined in the Senior Junior Intercreditor Amendment Agreement) (the *Hex Debenture*)
- (y) Any amendment and restatement agreements relating to the Subordinated Facility Novation and Amendment Agreements and the Senior Junior Intercreditor Amendment and Restatement Agreement including
 - (i) an amendment and restatement agreement relating to the Debenture dated 30 January 2008 made between Des Sub Holdco, Sub Holdco, Securitisation Parent and Asset Holdco as Chargors and The Royal Bank of Scotland plc as Security Trustee,
 - (ii) an amendment and restatement agreement and partial release deed relating to the Debenture dated 19 January 2007 made between, among others, HAL, GAL and STAL as Chargors and The Royal Bank of Scotland plc as Security Trustee (releasing the security granted by certain companies but not, for the avoidance of doubt, HAL, GAL and STAL);

- (iii) an amendment and restatement agreement relating to the Mortgage dated 19 January 2007 between HAL and The Royal Bank of Scotland plc as Security Trustee,
 - (iv) an amendment and restatement agreement relating to the Mortgage dated 19 January 2007 between GAL and The Royal Bank of Scotland plc as Security Trustee,
 - (v) an amendment and restatement agreement relating to the Mortgage dated 19 January 2007 between STAL and The Royal Bank of Scotland plc as Security Trustee, and
 - (vi) an amendment and restatement agreement relating to the Mortgage dated 19 January 2007 between BAA and The Royal Bank of Scotland plc as Security Trustee
- (z) The Refinancing Facility Agreement to be dated on or around the Closing Date between the Borrowers, the Original Guarantors, BAA as Security Group Agent, RBS as Refinancing Facility Agent, certain parties as Mandated Lead Arrangers and the Facility Providers (the *Refinancing Facility Agreement*)
 - (aa) The Initial Credit Facility Agreement to be dated on or around the Closing Date between the Borrowers, the Original Guarantors, BAA as Security Group Agent, RBS as ICFA Facility Agent, certain parties as Mandated Lead Arrangers and the Facility Providers (the *Initial Credit Facility Agreement*)

4. THE NON-DESIGNATED FINANCING

- (d) A £1,255 million Facilities Agreement to be dated the Closing Date and made between, inter alios, Non Des Holdco 1 (as the Original Borrower and Original Guarantor), the financial institutions listed therein as Original Lenders, the parties listed therein as Mandated Lead Arrangers and the Agent, Security Trustee, LNG Bank and Issuing Bank (the *Facilities Agreement*) under which the Obligor will grant guarantees and indemnities to the Finance Parties (each term as defined in the Facilities Agreement)
- (e) The accession letter to be entered into by AAL, EAL, GLAL and SIAL pursuant to the Facilities Agreement (the *Facilities Agreement Accession Letter*) under which the AAL, EAL, GLAL and SIAL agree to become Additional Guarantors and to be bound by the terms of the Facilities Agreement, the Intercreditor Agreement (as defined below) and the other Finance Documents and grant guarantees and indemnities to the Finance Parties (each term as defined in the Facilities Agreement)
- (f) The intercreditor agreement to be dated on or around the Closing Date and made between, inter alios, Non Des Holdco 1, Lenders, the Agent, the Security Trustee and certain others (the *Non-Designated Group Intercreditor Agreement*) (each term as defined in the Non-Designated Group Intercreditor Agreement).
- (g) The accession letter to the Intercreditor Agreement to be entered into by each of EAL, GLAL, AAL and SIAL which sets out priorities for the repayment of indebtedness and subordination of the intergroup debt (the *Non-Designated Group Intercreditor Agreement Accession Letter*)

- (h) The English law debenture to be entered into pursuant to the terms of the Facilities Agreement in favour of The Royal Bank of Scotland plc as Security Trustee (the Debenture) under which AAL, EAL, GLAL, SIAL and certain other group companies will grant fixed and/or floating charges over some or all of their assets and undertakings present and future by way of security for the Liabilities (as such term is defined in the Non-Designated Group Intercreditor Agreement and as is hereinafter referred to as the *Liabilities*)
- (i) The terms of the Scottish law charge to be dated on or around the Closing Date pursuant to the terms of the Facilities Agreement, in favour of the Security Trustee (the *GLAL Standard Security*) under which GLAL will charge, inter alia, all or part of its real property situate in Scotland
- (j)- The terms of the Scottish law charge to be dated on or around the Closing Date pursuant to the terms of the Facilities Agreement, in favour of the Security Trustee (the *EAL Standard Security*) under which EAL will charge, inter alia, all or part of its real property situate in Scotland
- (k) The terms of the Scottish law charge to be dated on or around the Closing Date pursuant to the terms of the Facilities Agreement, in favour of the Security Trustee (the *AAL Standard Security*) under which AAL will charge, inter alia, all or part of its real property situate in Scotland

Form 155(6)a in relation to BAA Limited

Schedule 5 – Defined Terms

BAA Limited
Company Number 01970855
(the *Company*)

AAL means Aberdeen Airport Limited, a company registered under the laws of Scotland with registered number SC096622

ADIL means Airport Development and Investment Limited, a company registered under the laws of England and Wales with registered number 05757208

ADIL Group means ADIL and its subsidiaries

Arranger means Citigroup Global Markets Limited and the Royal Bank of Scotland plc

Asset Holdco means BAA (AH) Limited, a company registered under the laws of England and Wales with registered number 06458657

BAA Bond Migration means the majority of the Bonds in issuance by BAA Limited which would be migrated to within the Securitisation Group structure

BAA Lynton means BAA Lynton Limited, a company registered under the laws of England and Wales with registered number 03330278

BAA Pension Scheme means the BAA Pensions Scheme (as amended from time to time) governed by the Consolidated Definitive Trust Deed and Rules dated 29 August 2002

Bilbao means Banco Bilbao Vizcaya Argentaria S A

BNP means BNP Paribas, London branch

Bondholders means the holders of the Bonds.

Bonds means the following bonds and notes in issuance by the BAA Limited

- (a) £300,000,000 11³/₄ per cent Bonds due 2016 first issued on 28 February 1991 (ISIN XS0030487051),
- (b) £250,000,000 8¹/₂ per cent Bonds due 2021 issued on 31 January 1996 (ISIN: XS0063290711),
- (c) £200,000,000 6 3/8 per cent Bonds due 2028 issued on 4 August 1998 (ISIN: XS0089000516),
- (d) £900,000,000 5 7/8 per cent Notes due 2031 first issued on 10 December 2001 (ISIN: XS0138797021);
- (e) €1,000,000,000 3 7/8 per cent Notes due 2012 issued on 15 February 2006 (ISIN: XS0243520052);

- (f) £400,000,000 5.75 per cent Notes due 2013 issued on 27 November 2003 (ISIN XS0181263202),
- (g) €750,000,000 4.5 per cent Notes due 2014 issued on 30 September 2004 (ISIN XS0201491163),
- (h) €750,000,000 4.50 per cent Notes due 2018 issued on 15 February 2006 (ISIN: XS0243518403),
- (i) £750,000,000 5.125 per cent Notes due 2023 issued on 15 February 2006 (ISIN: XS0243520722), and
- (j) £30,000,000 10.25 per cent First Mortgage Debenture Stock due 2017

Borrowers means, together HAL, GAL and STAL, and a **Borrower** means any one of them

Borrowers Security Trustee means Deutsche Trustee Company Limited

Caja means Caja de Ahorros y Monte de Piedad de Madrid

Calyon means Calyon, Sucursal en España

Capex Debt means amounts drawn under Facility B of the Senior Facilities Agreement

Citibank means Citigroup Global Markets Limited

Closing Date means on a date falling not later than 56 days after the date of the Meeting

Convertible Debt means the £425,000,000 2.625 per cent Convertible Bonds issued by the Company and presently held by ADIL, due 2009

Designated Assets means the Borrowers and HEX

Des Sub Holdco means BAA (DSH) Limited, a company registered under the laws of England and Wales with registered number 06458597

EAL means Edinburgh Airport Limited, a company registered under the laws of Scotland with registered number SC096623

FGP Topco means FGP Topco Limited, a company registered under the laws of England and Wales with registered number 05723961

GAL means Gatwick Airport Limited, a company registered under the laws of England and Wales with registered number 01991018

GLAL means Glasgow Airport Limited, a company registered under the laws of Scotland with registered number SC096624

HAL means Heathrow Airport Limited, a company registered under the laws of England and Wales with registered number 01991017

HEX means Heathrow Express Operating Company Limited, a company registered under the laws of England and Wales with registered number 3145133

HSBC means HSBC Bank plc.

Initial Credit Facilities means syndicated loan facilities for the purposes of funding capital expenditure and working capital facilities made available to the Borrowers

Issuer means BAA Funding Limited, a company registered under the laws of Jersey with registered number 99529

LAL means London Airports Limited, a company registered under the laws of England and Wales with registered number 02333108

LAL92 means London Airports 1992 Limited, a company registered under the laws of England and Wales with registered number 02736819

LAL93 means London Airports 1993 Limited, a company registered under the laws of England and Wales with registered number 02777128

Newco means BAA (D&ND Holdco) Limited, a company registered under the laws of England and Wales with registered number 06408400

Non-Designated Assets means certain companies within the ADIL Group, namely AAL, EAL, GLAL, SIAL and BAA Lynton

Non-Designated Financing means syndicated bank loans raised by Non Des Holdco 1 against the Non-Designated Assets for the benefit of the Non-Designated Group

Non-Designated Group means the new sub group comprised of the Non Designated Assets, once ultimately transferred to Non Des Holdco 1

Non Des Holdco 2 means BAA (NDH2) Limited, a company registered under the laws of England and Wales with registered number 06408385

Non Des Holdco 1 means BAA (NDH1) Limited, a company registered under the laws of England and Wales with registered number 06408392

Non Migrated Bonds means those Bonds, not being the ineligible bonds, with an estimated par value of £30 million, which it is anticipated will not migrate into the new Securitisation Group structure

Proposed Financing means the re-organisation, the Securitisation Group financing, the Non-Designated Financing, the subordinated debt novation and the repayment of certain debt by ADIL and its subsidiaries on or around the Closing Date, as described in the Steps Paper

Refinancing Facility means a backstop facility to provide funding to the Borrowers

RBC means Royal Bank of Canada.

RBS means The Royal Bank of Scotland plc.

SAL means Scottish Airports Limited, a company registered under the laws of Scotland with registered number SC096637.

Santander means Banco Santander S.A.

Securitisation Debenture means the loan agreement dated 31 January 2008 between Securitisation Parent and BAA Limited pursuant to which Securitisation Parent advanced an interest-bearing loan in the principal amount of £1,600 million.

Securitisation Group means the group comprising Securitisation Parent, Asset Holdco, Issuer and the Designated Assets

Securitisation Parent means BAA (SP) Limited, a company registered under the laws of England and Wales with registered number 06458621

SIAL means Southampton International Airport Limited, a company registered under the laws of England and Wales with registered number 02431858

STAL means Stansted Airport Limited, a company registered under the laws of England and Wales with registered number 01990920

Steps Paper means the document prepared by PricewaterhouseCoopers LLP dated 21 July 2008 examining the accounting implications of the actions and transactions to be undertaken by the Company and other companies within the ADIL Group in order to implement the Proposed Financing

Sub Holdco means BAA (SH) Limited, a company registered under the laws of England and Wales with registered number 06458635

Security Group means Securitisation Parent and each of its subsidiaries

Transfer Pricing Schedule means the document prepared by the Company's advisers, PricewaterhouseCoopers LLP, setting out projected interest rates to apply between certain members of the ADIL Group to implement effective arm's length financing arrangements which were to take into account the external cost of funding to each of the Borrowers under the Securitisation and the Non Designated Financing

Schedule 6 – Persons to-whom assistance to be given

Defined terms used in this-schedule shall have the same meanings as those given to them in the relevant document referred to below, unless otherwise defined in any of the Schedules to this statutory declaration.

The assistance to be given to

ADIL

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

and/or any of the following companies

BAA

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

Des Sub Holdco

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

Sub Holdco

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

Securitisation Parent

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

Asset Holdco

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

HAL

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

GAL

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

STAL

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

HEX

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

Issuer

(Registered Office Address 22 Grenville Street, St Helier, JE4 8PX)

SAL

(Registered Office Address St Andrews Drive, Glasgow Airport, Paisley, PA3 2SW)

Newco

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

Form 155(6)a in relation to BAA Limited**Schedule 7 - Amount of cash to be transferred**

BAA Limited
Company Number 01970855
(the *Company*)

Defined terms used in this Schedule shall have the same meanings as those given to them in the relevant documents referred to below, unless otherwise defined in any of the Schedules to this statutory declaration

The amount of cash to be transferred to the person assisted is, in respect of the financial assistance being provided pursuant to the documents specified in the first column, the amount specified in the second column

Document	Amount of cash to be transferred
AAL 2 SPA / AAL 2 Declaration of Trust	NIL
GLAL 2 SPA / GLAL 2 Declaration of Trust	NIL
EAL 2 SPA / EAL 2 Declaration of Trust	NIL
SIAL SPA / SIAL Declaration of Trust	NIL
BAA Lynton SPA / BAA Lynton Declaration of Trust	NIL
SP Debenture Assignment Agreement	NIL
BAA-ADIL EAL Payables Assignment	NIL
BAA-ADIL GLAL Payables Assignment	NIL
BAA SPA and BAA Trust Deed	NIL
ADIL and BAA Hedging Novation Agreements	NIL
BAA Hedge Receivables Novation	NIL
BAA-HAL Deed of Set-Off	NIL
BAA-GAL Deed of Set-Off	NIL
BAA-STAL Deed of Set-Off	NIL
Downstream Loans (Stranded Bonds) Amendment Agreement	NIL
Borrower Upstream Loan Agreement and	Such amounts as are specified in the documents, being an aggregate amount not

HAL No 2 Prepayment	exceeding £7,000 million
Borrower Upstream Loan Agreement and GAL No 2 Prepayment	Such amounts as are specified in the documents, being an aggregate amount not exceeding £1,250 million
Borrower Upstream Loan Agreement and STAL No 2 Prepayment	Such amounts as are specified in the documents, being an aggregate amount not exceeding £750 million
Deed of Termination and Release	Such amount as is specified in the document, being an amount not exceeding £450 million
Ineligible Bonds Escrow Agreement	NIL
ADIL-BAA ADIL Hedge Receivables Novation	NIL
ADIL-BAA ADIL Hedge Payables Novation	NIL
Hedging Deed of Set-off Receivable	NIL.
BAA-Newco Hedging Deed of Set-off Receivable Novation	NIL
BAA Bond Guarantee	NIL
Common Terms Agreement	NIL
Tax Deed of Covenant	NIL
Subordinated Facility Novation and Amendment Agreement	NIL
Senior Junior Intercreditor Amendment and Restatement Agreement	NIL

and

the amount of cash to be transferred to the person assisted is, in respect of the financial assistance being provided pursuant to the matters specified in the first column, the amount of cash specified in the second column

Matter	Amount of cash to be transferred
the Bond Surrender, the New Bond Delivery, the Bond Compensation Payment	NIL
the Capex Debt Prepayment	Such amount as is specified in the document, being an amount not exceeding £2,800

Form 155(6)a in relation to BAA Limited**Schedule 8 - Value of any asset to be transferred**

BAA Limited
Company Number 01970855
(the *Company*)

Defined terms used in this Schedule shall have the same meanings as those given to them in the relevant documents referred to below, unless otherwise defined in any of the Schedules to this statutory declaration

The value of any asset to be transferred to the person assisted is, in respect of the financial assistance being provided pursuant to the documents specified in the first column, the value specified in the second column:

Document	Value of any asset to be transferred
AAL 2 SPA / AAL 2 Declaration of Trust	Such amount as is specified in the document, being an amount not exceeding £350 million
GLAL 2 SPA / GLAL 2 Declaration of Trust	Such amount as is specified in the document, being an amount not exceeding £750 million
EAL 2 SPA / EAL 2 Declaration of Trust	Such amount as is specified in the document, being an amount not exceeding £700 million
SIAL SPA / SIAL Declaration of Trust	Such amount as is specified in the document, being an amount not exceeding £300 million
BAA Lynton SPA / BAA Lynton Declaration of Trust	Such amount as is specified in the document, being an amount not exceeding £300 million
SP Debenture Assignment Agreement	Such amount as is specified in the document, being an amount not exceeding £1,700 million
BAA-ADIL EAL Payables Assignment	NIL
BAA-ADIL GLAL Payables Assignment	NIL
BAA SPA and BAA Trust Deed	NIL
ADIL and BAA Hedging Novation Agreements	Such amounts as are specified in the documents, being an amount not exceeding £450 million in aggregate.
BAA Hedge Receivables Novation	NIL
BAA-HAL Deed of Set-Off	NIL
BAA-GAL Deed of Set-Off	NIL

BAA-STAL Deed of Set-Off	NIL
Downstream Loans (Stranded Bonds) Amendment Agreement	NIL
Borrower Upstream Loan Agreement	NIL
Deed of Termination and Release	NIL
Ineligible Bonds Escrow Agreement	NIL
ADIL-BAA ADIL Hedge Receivables Novation	NIL
ADIL-BAA ADIL Hedge Payables Novation	NIL
Hedging Deed of Set-off Receivable	NIL
BAA-Newco Hedging Deed of Set-off Receivable Novation	NIL
Tax Deed of Covenant	NIL
Subordinated Facility Novation and Amendment Agreement	NIL
Senior Junior Intercreditor Amendment and Restatement Agreement	NIL

and

the value of any asset to be transferred to the person assisted is, in respect of the financial assistance being provided pursuant to the matters specified in the first column, the value specified in the second column

Matter	Value of asset to be transferred
the Bond Surrender, the New Bond Delivery, the Bond Compensation Payment	NIL
the Capex Debt Prepayment	NIL

CHFP041

COMPANIES FORM No. 155(6)(a)

155(6)a**Declaration in relation to
assistance for the acquisition
of shares**Please do not
write in
this margin

Pursuant to section 155(6) of the Companies Act 1985

Please complete
legibly, preferably
in black type, or
bold block letteringTo the Registrar of Companies
(Address overleaf - Note 5)

For official use

Company number

--	--	--

01970855

NotePlease read the
notes on page 3
before completing
this form*Insert full name
of company

Name of company

* BAA Limited (the Company)

We ~~or~~ Please see Schedule 1Insert name(s) and
address(es) of all
the directors

Delete as
appropriate[the sole director] [all the directors] † of the above company do solemnly and sincerely declare that
The business of the company isDelete whichever
is inappropriate(a) ~~that of a recognised bank licensed institution within the meaning of the Banking Act 1979~~ x(b) ~~that of a person authorised under section 3 or 4 of the Insurance Companies Act 1982 to carry on
insurance business in the United Kingdom~~ x

(c) something other than the above §

The company is proposing to give financial assistance in connection with the acquisition of shares in the
[company] ~~[company's holding company]~~ xThe assistance is for the purpose of [that acquisition] ~~[reducing or discharging a liability incurred for the
purpose of that acquisition]~~ †

The number and class of the shares acquired or to be acquired is:

1,102,400,315 ordinary shares of £1 00

Presenter's name address and
reference (if any)FRESHFIELDS BRUCKHAUS
DERINGER LLP
65 FLEET STREET, LONDON
ENGLAND
UNITED KINGDOM EC4Y 1HS
DX 23 LONDON/CHANCERY LANEFor official
General Sec

The assistance is to be given to (note 2) Please see Schedule 6

Please do not
write in
this margin
*Please complete
legibly, preferably
in black type, or
bold block
lettering*

The assistance will take the form of

Please see Schedule 2

The person who ~~[has acquired]~~ [will acquire][†] the shares is

BAA (D&ND Holdco) Limited (06408400) of of 130 Wilton Road, London SW1V 1LQ

[†] Delete as
appropriate

The principal terms on which the assistance will be given are

Please see Schedule 3

The amount of cash to be transferred to the person assisted is £ Please see Schedule 7

The value of any asset to be transferred to the person assisted is £ Please see Schedule 8

The date on which the assistance is to be given is on a date falling within 8 weeks of the date hereof

CO155(6)(a)/2

Please do not
write in
this margin

Please complete
legibly, preferably
in black type, or
bold block lettering
*Delete either (a) or
(b) as appropriate

~~1/~~We have formed the opinion, as regards the company's initial situation immediately following the date on which the assistance is proposed to be given, that there will be no ground on which it could then be found to be unable to pay its debts (note 3)

- (a) ~~1/~~We have formed the opinion that the company will be able to pay its debts as they fall due during the year immediately following that date)* (note 3)
- (b) ~~1/~~We have formed the opinion that the company will be able to pay its debts in full within 12 months of the commencement of the winding up.* (note 3)

~~We intended to commence the winding up of the company within 12 months of that date and~~
~~1/~~We have formed the opinion that the company will be able to pay its debts in full within 12 months of the commencement of the winding up.* (note 3)

And ~~1/~~we make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835.

Declared at 64 Jackson Road Declarants to sign below
Devens MADS
U.S.A

on

Day	Month	Year
07	08	2008

before me

Susan C. Desmarret My Commissioner ^{exp. 10/11/13}
A Commissioner for Oaths or Notary Public or Justice of the Peace or a Solicitor having the powers conferred on a Commissioner for Oaths
May 10, 2013

NOTES

- For the meaning of "a person incurring a liability" and "reducing or discharging a liability" see section 152(3) of the Companies Act 1985
- Insert full name(s) and address(es) of the person(s) to whom assistance is to be given, if a recipient is a company the registered office address should be shown
- Contingent and prospective liabilities of the company are to be taken into account - see section 156(3) of the Companies Act 1985
- The auditor's report required by section 156(4) of the Companies Act 1985 must be annexed to this form
- The address for companies registered in England and Wales or Wales is -

The Registrar of Companies
Companies House
Crown Way
Cardiff
CF14 3UZ

DX 33050 Cardiff

or, for companies registered in Scotland -

The Registrar of Companies
37 Castle Terrace
Edinburgh
EH1 2EB

DX 235 Edinburgh

or LP-4 Edinburgh 2

Schedule 1 – List of Directors

BAA Limited
Company Number 01970855
(the *Company*)

	DIRECTOR	ADDRESS
1	Sir Anthony Nigel Russell Rudd	1 Churchill Place Canary Wharf London E14 5HP
2	Colin Steven Matthews	130 Wilton Road London SW1V 1LQ
3	Eng Seng Ang	130 Wilton Road London SW1V 1LQ
4	Ghislain Gauthier	130 Wilton Road London SW1V 1LQ
5	Inigo Meiras	130 Wilton Road London SW1V 1LQ
6	Lord John Stevens	LGC, Queens Road Teddington Middlesex TW11 OLY
7	Jose Leo	130 Wilton Road London SW1V 1LQ
8	Jose Maria Perez Tremps	130 Wilton Road London SW1V 1LQ
9	Luis Angel Sanchez Salmeron	130 Wilton Road London SW1V 1LQ
10	Nicholas Villen Jimenez	130 Wilton Road London SW1V 1LQ
11	Renaud Faucher	130 Wilton Road London SW1V 1LQ
12	Richard Ross Drouin	130 Wilton Road London SW1V 1LQ
13	Stuart Baldwin	130 Wilton Road London SW1V 1LQ

Form 155(6)(a) in relation to BAA Limited

Schedule 2 – Form of Financial Assistance

BAA Limited
Company Number 01970855
(the *Company*)

Defined terms used in this Schedule shall have the same meanings as those given to them in the relevant documents referred to below, unless otherwise defined in any of the Schedules to this statutory declaration.

The Company will or might provide financial assistance by way of the execution and performance of the documents specified in Schedule 4, each such document being in such form as the directors or any authorised signatory may approve and as may be amended, supplemented, novated and/or replaced from time to time) together with the performance by the Company of other acts (including, without limitation, the payment of all fees to professionals, third parties and others) and/or the execution of any other documents (as the same shall be amended, supplemented, novated and/or replaced from time to time), ancillary or otherwise, in connection with the Proposed Financing or the refinancing from time to time of the Proposed Financing, including the execution and performance of

- (a) the following documents, and the provision of all financial assistance thereunder, including the leaving of consideration payable in connection with such documents outstanding on intercompany balance
 - (i) the EAL 2 SPA, the EAL 2 STF, the EAL 2 Declaration of Trust and the EAL 2 GTRA,
 - (ii) the GLAL 2 SPA, the GLAL 2 STF, GLAL 2 Declaration of Trust and the GLAL 2 GTRA,
 - (iii) the AAL 2 SPA, the AAL 2 STF, the AAL 2 Declaration of Trust and the AAL 2 GTRA,
 - (iv) the SIAL 1 SPA, the SIAL 1 STF, the SIAL 1 Declaration of Trust, and the SIAL 1 GTRA, and
 - (v) the Lynton SPA, the Lynton STF, the Lynton Declaration of Trust and the Lynton GTRA
- (b) the BAA SPA, the BAA Trust Deed, the BAA STF and the BAA GTRA, and the provision of all financial assistance thereunder, including agreement to the novation of the Company's receivable from ADIL to Newco (to the extent Newco might be considered a weaker credit),
- (c) the BAA-ADIL EAL Payables Assignment, and the provision of all financial assistance thereunder, including the transfer of receivables owing to the Company by EAL to ADIL in consideration for receiving a payable from ADIL of equivalent amount,

- (d) the BAA-ADIL GLAL Payables Assignment, and the provision of all financial assistance thereunder, including the transfer of receivables owing to the Company by GLAL to ADIL in consideration for receiving a payable from ADIL of equivalent amount,
- (e) the SP Debenture Assignment Agreement and the SP Debenture Assignment Acknowledgement, and the provision of all financial assistance thereunder, including the leaving of consideration outstanding on intercompany balance,
- (f) the BAA Bond Guarantee, and the provision of all financial assistance thereunder, including the provision of a guarantee,
- (g) the Deed of Termination and Release, and the provision of all financial assistance thereunder, including amending the terms of Convertible Debt to facilitate early prepayment of convertible debt together with payment of any costs,
- (h) the Subscription Agreement, and the provision of all financial assistance thereunder, including the giving of the indemnities to the relevant Dealers by reference to the Dealership Agreement thereunder to enable the Issuer to issue notes and lend the proceeds thereof to the Borrowers pursuant to the Borrower Loan Agreement,
- (i) the STID, and the provision of all financial assistance thereunder, including the subordination of certain claims, the provision of indemnities and the payment of fees,
- (j) the Tax Deed of Covenant, and the provision of all financial assistance thereunder, including the giving of representations, warranties and covenants,
- (k) the Subordinated Facility Novation and Amendment Agreements and the Senior Junior Intercreditor Amendment and Restatement Agreement, and the provision of all financial assistance thereunder, including the making of any amendments to existing security and guarantees and the agreement to provide any further security or guarantees on the terms set out therein,
- (l) the ADIL and BAA Hedging Novation Agreements, the Payment Letter, and the Transferor Consideration Letter and the provision of all financial assistance hereunder, including the leaving of consideration owing by one counterparty to another (as the case may be, depending on whether such swaps are “in the money” or “out of the money”),
- (m) the ADIL-BAA ADIL Hedge Receivables Novation, and the provision of all financial assistance thereunder, including the assumption of new debt obligations to ADIL by the Company in consideration for the assumption of a right to receive new receivables from the Borrowers,
- (n) the ADIL-BAA ADIL Hedge Payables Novation, and the provision of all financial assistance thereunder, including the assumption of new debt obligations to Issuer by the Company in consideration for the assumption of a right to receive new receivables from the ADIL,
- (o) the Hedging Deed of Set-off and the Hedging Deed of Set-off Receivable Novation, and the provision of all financial assistance thereunder, including agreeing to the

transfer of receivables owing to the Company to Newco in consideration for acquiring the right to receive new receivables from Newco (to the extent Newco might be considered a weaker credit than ADIL), and

- (p) the Parent Support Letter, and the provision of all financial assistance thereunder, including offering to make available to certain addressees financial support on the terms set out therein,
- (q) any other document entered into or step taken pursuant to the Steps Paper, and the provision of all financial assistance thereunder,

which, in each case, would or might amount to financial assistance by the Company for the purpose of the acquisition of shares in the Company, and

the performance of

- (a) the Bond Surrender, the New Bond Delivery, the Bond Compensation Payment and the provision of all financial assistance thereunder, including the payment of an early incentive fee to the holders of bonds migrating into the Securitisation Group,
- (b) the Convertible Debt Prepayment and the provision of all financial assistance thereunder, including the early prepayment of convertible debt,
- (c) the Ineligible Bonds Escrow, and the provision of all financial assistance thereunder, including the early redemption of certain qualifying bonds plus the payment of costs incurred and the entry into of the Ineligible Bonds Escrow Agreement,
- (d) the Capex Debt Prepayment, and the provision of all financial assistance thereunder, including making early repayment of the capital expenditure facility made available to it,
- (e) any other document entered into or step taken pursuant to the Steps Paper, and the provision of all financial assistance thereunder,

which, in each case, would or might amount to financial assistance by the Company for the purpose the acquisition of shares in the Company

Form 155(6)a in relation to BAA Limited

Schedule 3 – Principal terms upon which financial assistance will be given

BAA Limited
Company Number 01970855
(*the Company*)

Defined terms used in this Schedule shall have the same meanings as those given to them in the relevant documents referred to below, unless otherwise defined in any of the Schedules to this statutory declaration

Reorganisation

(a) EAL Transfer 2

Pursuant to the EAL 2 SPA, the Company was to agree to transfer all of the issued share capital of EAL to ADIL for the consideration set out therein, being approximately £635 million, all of which was to be left outstanding on intercompany balance between the Company and ADIL. The beneficial title to the shares was to be transferred pursuant to the AAL 2 Declaration of Trust. Additionally, a group tax relief application for group relief from stamp duty was to be made in respect of the transfer of EAL pursuant to the EAL 2 GTRA.

(b) GLAL Transfer 2

Pursuant to the GLAL 2 SPA, the Company was to agree to transfer all of the issued share capital of GLAL to ADIL for the consideration set out therein, being approximately £611 million, all of which was to be left outstanding on intercompany balance between the Company and ADIL. The beneficial title to the shares was to be transferred pursuant to the GLAL 2 Declaration of Trust. Additionally, a group tax relief application for group relief from stamp duty was to be made in respect of the transfer of GLAL 2 pursuant to the EAL 2 GTRA.

(c) AAL Transfer 2

Pursuant to the AAL 2 SPA, the Company was to agree to transfer all of the issued share capital of AAL to ADIL for the consideration set out therein, being approximately £296 million, all of which was to be left outstanding on intercompany balance between the Company and ADIL. The beneficial title to the shares was to be transferred pursuant to the AAL 2 Declaration of Trust. Additionally, a group tax relief application for group relief from stamp duty was to be made in respect of the transfer of AAL 2 pursuant to the AAL 2 GTRA.

(d) SIAL Transfer

Pursuant to the SIAL 1 SPA, the Company was to agree to transfer all of the issued share capital of SIAL to ADIL for the consideration set out therein, being approximately £237 million, all of which was to be left outstanding on intercompany balance between the Company and ADIL. The legal title to the shares was to be transferred pursuant to the SIAL 1 STF and that beneficial title to the shares was to be transferred pursuant to the SIAL 1 Declaration of Trust. Additionally, an application for group relief from stamp duty was to be made in respect of the transfer of SIAL pursuant to the SIAL 1 GTRA.

(e) Lynton Transfer

Pursuant to the Lynton SPA, the Company was to agree to transfer all of the issued share capital of BAA Lynton to ADIL for the consideration set out therein, being approximately £402 million, all of which was to be left outstanding on intercompany balance between the Company and ADIL. The legal title to the shares was to be transferred pursuant to the Lynton 1 STF and that beneficial title to the shares was to be transferred pursuant to the Lynton Declaration of Trust. Additionally, an application for group tax relief from stamp duty was to be made in respect of BAA Lynton pursuant to the Lynton GTRA.

(f) BAA Transfer

Pursuant to the BAA 1 SPA, ADIL was to agree to transfer 50.5 per cent of the issued share capital of the Company to Newco in consideration of Newco acquiring from ADIL a payable of the amount set out therein, being approximately £6,157 million, to the Company, it was noted that the Company was to agree that its receivable should be from Newco rather than ADIL. The legal title to such shares was to be transferred pursuant to the BAA 1 STF and that an application for group relief from stamp duty was to be made in respect of the transfer of 50.5 per cent of the shares in the Company pursuant to the BAA 1 GTRA.

(g) SP Debenture Assignment Agreement

Pursuant to the terms of the SP Debenture Assignment Agreement, ADIL was to acquire the Securitisation Parent Debenture for £1,600 million plus interest of £78 million from the Company, which consideration was to be left outstanding on intercompany balance and which assignment was to be perfected pursuant to the SP Debenture Assignment Acknowledgment.

Pursuant to the SP Debenture Amendment Agreement the terms on the Securitisation Debenture would be amended to provide for a reduction in the principal value of the note from £1,600 million to £1,566 million.

(h) BAA-ADIL GLAL Payables Assignment

Pursuant to the BAA-ADIL GLAL Payables Assignment, the Company was to agree to assign to ADIL its receivable, of the amount to be determined on or around the Closing Date set out therein, but estimated as at 31 July 2008 to be £119 million (pre-working capital repayment), from GLAL in consideration for a payable of equivalent value from ADIL to be left outstanding on intercompany balance between the Company and ADIL.

(i) BAA-ADIL EAL Payables Assignment

Pursuant to the BAA-ADIL EAL Payables Assignment, the Company was to agree to assign to ADIL its receivable, of the amount to be determined on or around the Closing Date set out therein, but estimated as at 31 July 2008 to be £142 million (pre-working capital repayment), from EAL in consideration for a payable of equivalent value from ADIL to be left outstanding on intercompany balance between the Company and ADIL

(j) BAA Payables Assignment

Pursuant to the terms of the BAA Payables Assignment, the Borrowers were each to acquire from Issuer a proportion of Issuer's right to receive the BAA Payables (as hereinafter defined) from the Company (being consideration in respect of the bonds to be issued by Issuer to the Company, projected as at 31 July 2008 to be £4,214 million), in consideration of the Borrowers assuming payables to the Issuer in an equivalent amount estimated to be as follows

- (i) HAL - £3,260 million,
- (ii) GAL - £530 million, and
- (iii) STAL - £289 million

Pursuant to the Borrower Deeds of Set-Off, each Borrower's corresponding debt to the Issuer was to be constituted by the relevant Borrower Loan Agreement under which an advance in an amount calculable by reference to the value of the proportion of the BAA Payables assigned to that Borrower would be deemed to have been made

Pursuant to the HAL Deed of Set-off, the GAL Deed of Set-off and the STAL Deed of Set-off, HAL, GAL and STAL respectively were to off-set the proportion of the BAA Payables owed to each of them against existing downstream loans then outstanding

(k) ADIL and BAA Hedging Novation Agreements

Pursuant to the terms of the ADIL and BAA Hedging Novation Agreements

- (i) ADIL was to novate to the Borrowers,
- (ii) ADIL was to novate to Issuer,
- (iii) the Company was to novate to the Borrowers, and
- (iv) the Company was to novate to the Issuer,

certain swaps entered into pursuant to certain ISDA Master Agreements (together with their Schedules and credit support annexes) and for fair value. Additionally, it was noted that in relation to the ADIL Hedging Novation Agreement, the Payment Letter was to be entered into, and that in relation to the BAA Hedging Novation Agreement, the Transferor Consideration Letter was to be entered into in each case with consideration to be left outstanding on intercompany balance

The ADIL and BAA Hedging Novation Agreements were contingent upon the issue of bonds in accordance with the final terms contained within the prospectus of the Issuer. If the transfers of swaps by way of novation pursuant to the terms of the ADIL and BAA Hedging Novation Agreements occurs depending on whether each such swap was “in the money” or “out of the money”

- (i) ADIL was to leave such fair value consideration owing to the Borrowers or the Borrowers were to leave such fair value consideration owing to ADIL (as the case may be),
- (ii) ADIL was to leave such fair value consideration owing to Issuer or Issuer was to leave such fair value consideration owing to ADIL (as the case may be);
- (iii) the Company was to leave such fair value consideration owing to the Borrowers or the Borrowers were to leave such fair value consideration owing to the Company (as the case may be), and
- (iv) the Company was to leave such fair value consideration owing to Issuer or Issuer was to leave such fair value consideration, owing to the Company (as the case may be),

in each case on the relevant intercompany balance

Additionally

- (i) the hedges to be novated from ADIL to the Borrowers were, in aggregate, in the money, giving rise to net intercompany payables post-novation owing by the Borrowers to ADIL (estimated at 31 July 2008 to be £142 million) (being absorbed in a ratio of 78:13:9 by HAL, GAL, STAL) (the *ADIL Hedge Receivables*), and that
- (ii) the hedges to be novated from ADIL to Issuer were, in aggregate, out of the money, giving rise to net intercompany payables post-novation owing by ADIL to Issuer (estimated at 31 July 2008 to be £247 million) (the *ADIL Hedge Payables*),
- (iii) the hedges to be novated from BAA to the Borrowers were (net of prepayment), in aggregate, in the money, giving rise to net intercompany payables post-novation owing by the Borrowers to BAA (estimated at 31 July 2008 to be £38 million, being £30 million HAL, £5 million GAL and £3 million STAL), and
- (iv) the hedges to be novated from BAA to Issuer were (net of prepayment), in aggregate, in the money, giving rise to net intercompany payables post-novation owing by Issuer to BAA (estimated at 31 July 2008 to be £383 million)

The ADIL and BAA Hedging Novation Agreements were to be contingent upon the issue of bonds in accordance with the final terms contained within the prospectus of the Issuer

There was to be made a prepayment in respect of certain hedges identified in the ADIL and BAA Hedging Novation Agreements. The prepayment was to be made by the Company (i.e. pre-novation), and that each of the Borrowers or Issuer (as appropriate) was to pay fair value for the benefit of such prepayment, although this consideration was to be left outstanding on intercompany balance. It was noted that as at 21 July 2008, the fair value of the prepayment to be made by the Company in respect of hedges being novated to the Borrowers was £164 million and in respect of hedges being novated to Issuer was £149 million.

(l) ADIL- BAA ADIL Hedge Receivables Novation

Pursuant to the ADIL-BAA ADIL Hedge Receivables Novation, ADIL was to agree to novate to the Company the right to receive the ADIL Hedge Receivables from the Borrowers in consideration for a payable of equivalent value from the Company to be left outstanding on intercompany balance between the Company and ADIL.

(m) ADIL-BAA ADIL Hedge Payables Novation

Pursuant to the ADIL-BAA ADIL Hedge Payables Novation, ADIL was to novate to the Company its obligations to pay the ADIL Hedge Payables to the Issuer in consideration for a receivable of equivalent value from ADIL to be left outstanding on intercompany balance between the Company and ADIL.

(n) Hedging Deed of Set-off and Hedging Deed of Set-off Receivable Novation

Pursuant to the Hedging Deed of Set-off and the Hedging Deed of Set-off Receivable Novation, the Company was to agree to being owed an amount equal to the Hedging Deed of Set-off Receivable by Newco in consideration for the right to receive the Hedging Deed of Set-off Receivable from ADIL being novated from the Company to Newco.

The Securitisation Group Financing

Common Terms Agreement and Master Definitions Agreement

A number of other documents were to incorporate the terms of the Common Terms Agreement and Master Definitions Agreement.

The Common Terms Agreement contained, in particular, a hedging policy which would govern the hedging arrangements entered into by the Borrowers and the Issuer post-refinancing, principles of Borrower cash management and principles of the liquidity arrangements the Borrowers were to enter into to provide support for amounts payable by the Borrowers under hedging agreements, EIB Facility Agreement and the Refinancing Facility Agreement. In addition, the Common Terms Agreement contained representations, warranties, covenants and indemnities, which are to be given by each Obligor and incorporated into the various Authorised Credit Facilities they would enter into on the Initial Issue Date.

The Master Definitions Agreement contained defined terms used in the Transaction Documents including the definitions for Permitted Disposals and Restricted Payments.

Conditions Precedent Agreement

The Conditions Precedent Agreement the Obligors and the Company were to provide a number of documentary conditions precedent to the Initial Issue Date including Ratings Confirmation Letters and listing confirmations

Dealership Agreement and Subscription Agreement

The Dealership Agreement formed the framework for the subscription of the Bonds by the Dealers and that the Obligors, the Company and the Issuer would be required to provide certain representations, warranties, covenants and indemnities to the Dealers thereunder which would be incorporated into each Subscription Agreement entered into in connection with each issue of Bonds under the Programme. The form of the Subscription Agreement was attached as Schedule 5 to the Dealership Agreement

The STID

Each of the Borrowers, HEX, Asset Holdco and Securitisation Parent were to be Obligors

The STID regulated the intercreditor arrangements between the Borrower Secured Creditors, including (a) the claims of the Borrower Secured Creditors, (b) the exercise, acceleration and enforcement of rights by the Borrower Secured Creditors, (c) the rights of the Borrower Secured Creditors to instruct the Borrower Security Trustee, and (d) the giving of consents and waivers and the making of modifications to the Common Terms Agreement, the Security Documents, the Shared Services Agreement, the STID, the Master Definitions Agreement and the Tax Deed of Covenant

The STID sets out the ranking in point of payment of the claims of the Borrower Secured Creditors after delivery of a Loan Enforcement Notice and provides for the subordination and postponement of all claims in respect of Financial Indebtedness of any BAA group company or affiliate thereof that is not a member of the Security Group (other than, prior to delivery of a Loan Acceleration Notice, payments under the Shared Services Agreement and certain other contracts otherwise entered into in accordance with the Common Terms Agreement)

Under the STID, post-enforcement amounts were to be paid on the terms set out in Schedule 2, including the application of proceeds recovered in favour of the BAA Pensions Trustee in respect of the BAA Pension Liabilities in an amount up to the Maximum Pension Liability Amount

Under the terms of the STID the Obligors agree to jointly and severally (a) indemnify the Borrower Security Trustee in respect of (i) any breach by an Obligor of any of its obligations under the STID or any other document to which the Borrower Security Trustee is a party, and (ii) any costs, expenses, losses and claims suffered by the Borrower Security Trustee in respect of any matter done in relation to the STID or any Transaction Document, and (b) pay the Borrower Security Trustee an annual fee and any additional remuneration agreed in accordance with the provisions of the STID, together with any costs, charges and expenses properly incurred by the Borrower Security Trustee in relation to, *inter alia*, the preparation, negotiation and execution of the STID or any Borrower Security Document

Tax Deed of Covenant

Pursuant to the Tax Deed of Covenant, each of the Tax Covenantors will make representations and give warranties and covenants given for the benefit of, *inter alios*, the

Issuer, the Bond Trustee and the Borrower Security Trustee with a view to protecting the Issuer and the members of the Security Group from various tax related risks. Among the matters covered by those representations, warranties and covenants are VAT grouping, tax residency, group tax matters, secondary tax liabilities and the Issuer's status as a securitisation company for the purposes of The Taxation of Securitisation Companies Regulations 2006.

The Subordinated Facility Novation and Amendment Agreement including restated Subordinated Facility Agreement

As at the Closing Date, Sub Holdco would acquire ADIL's debt obligations under the original Subordinated Facility Agreement entered into on 7 April 2006.

Upon entering into the Subordinated Facility Novation and Amendment Agreement, ADF2, BAAP, World Duty Free Limited, LAL, LAL 92 Limited, LAL 93 and SAL would be released as guarantors together with any related security granted by these companies. The remaining Obligor (i.e. ADIL, the Company, HAL, GAL, STAL, Sub Holdco, Asset Holdco, Securitisation Parent and Des Sub Holdco) will continue to provide security and guarantees post novation and the Obligor may be required to enter into any amendment and restatement agreements in relation to the existing security and guarantee agreements in relation to the existing security and guarantees originally given.

It was noted that HEX and Newco were to accede as guarantors to the Subordinated Facility Agreement on novation and enter into a debenture granting security.

The terms of the Subordinated Facility were to be restated in the form scheduled to the Subordinated Debt Novation and Amendment Agreement. Pursuant to the terms of the restated Subordinated Facility Agreement, the Obligor (as defined therein) irrevocably and unconditionally jointly and severally undertake

- (a) to guarantee to each Finance Party (as defined therein) punctual performance by each other Obligor of all of that Obligor's obligations under the Finance Documents,
- (b) with each Finance Party that whenever an Obligor does not pay any amount when due under or in connection with any Finance Document, the Obligor shall immediately on demand pay that amount as if it was the principal obligor,
- (c) to indemnify each Finance Party immediately on demand against any cost, loss or liability suffered by that Finance Party if any obligation guaranteed by the Obligor is or becomes unenforceable, invalid or illegal. The amount of the cost, loss or liability shall be equal to the amount which that Finance Party would otherwise have been entitled to recover.

It was further noted that by entering into any amendment and restatement agreements in relation to the existing security and guarantees originally given, the Company would continue to grant and/or floating charges over some or all of its undertakings.

The Senior Junior Intercreditor Amendment and Restatement Agreement

Pursuant to the Senior Junior Intercreditor Amendment and Restatement Agreement the parties were to agree to amend and restate the intercreditor agreement to allow the Proposed Refinancing to be effected. Pursuant to the restated Intercreditor Agreement (as scheduled in the Senior Junior Intercreditor Amendment and Restatement Agreement), the Obligor were

to covenant to pay the amounts owing under the Finance Documents and to agree to the order of ranking and priority for the repayment of the Liabilities and subordination of the Intra-Group Liabilities

The BAA Bond Guarantee

Pursuant to the BAA Bond Guarantee, the Company was to provide a guarantee in respect of certain existing bonds issued by the Company that are to be migrated to the Issuer on the Initial Issue Date (being the BAA Guaranteed Bonds as defined in the Master Definitions Agreement). Under the BAA Bond Guarantee, the Company will unconditionally and irrevocably guarantee to Deutsche Trustee Company Limited, as bond trustee for the holders for the time being of the BAA Guaranteed Bonds, and will undertake to pay to the Bond Trustee on demand, if the Issuer fails to pay them or any part thereof, all amounts whatsoever payable by the Issuer to the BAA Guaranteed Bondholders for the time being of the BAA Guaranteed Bonds. The BAA Bond Guarantee would only be callable in circumstances where a Bond Enforcement Notice has been served. It was further noted that under the BAA Bond Guarantee, the Company would agree to indemnify the Bond Trustee on demand against any loss or liability suffered by it or by any of the BAA Guaranteed Bondholders.

Although the Company was to provide this guarantee, it would cease to have primary liability in respect of the bonds which are to be migrated into the Securitisation Group structure. It was noted, however, that pursuant to FRS 25 and 26, the Company would be required to recognise a liability in its accounts in respect of such guarantee, thus reducing net assets by such an amount. It was noted that such a provision would only need to be made when it came to report, however for the purposes of the whitewash an estimated contingent liability in the sum of £177 million would be provided for.

Re-financing of ADIL Group indebtedness

Bond Exchange

By undertaking the Bond Exchange, the Company was to deliver to the holders of the Bonds either the New Bonds subscribed for from the Issuer by the Company or the relevant Bond Compensation Payment, together with an early incentive fee and accrued interest the aggregate value of which fee and interest was to be determined upon delivery of all the relevant bonds to the existing Bondholders but which was estimated as at 31 July 2008 to be £4214 million.

As at 1 August 2008, it was projected that all Bonds would be exchanged for New Bonds pursuant to the Bond Surrender and New Bond Delivery and that the total Bond Compensation Payment would be £12 million in respect of incentives and £13 million in respect of liability management fees (assuming that the Ineligible Bonds Escrow is not implemented by the Company).

However, it would only be possible for the Bond Exchange to take place after holders of the existing Bonds had held meetings to be held in accordance with the terms of each such series of Bonds to consider resolutions sanctioning the Bond Exchange.

If at any meeting of the holders of existing Bonds the resolution were not to be passed, those holders of Bonds issued after 2002 who had voted in favour of the resolutions would be deemed to make to the Company an offer (the *Exchange Offer*) to exchange their Bonds in the same manner as if the resolutions had passed. If the Company were to accept the

Exchange Offer, the Bond Exchange would go forward with regard to those Bonds only and the remainder would be Non Migrated Bonds

If on the Closing Date any such meeting had been adjourned, that the New Bond Delivery would only take place in relation to those Bonds for which the applicable procedures had been undertaken and that the remaining Bonds would in the interim remain Non Migrated Bonds. The Chairman further explained that once the adjourned meeting had been held, if a positive resolution had been obtained, then such Bonds would be migrated in the same manner as those which had been migrated on the Closing Date (the **Second Bond Migration**)

The Second Bond Migration would entail the same steps being undertaken as had been undertaken in relation to the Bonds which had transferred previously and that a separate Borrower Loan Agreement would be entered into. It was noted, however, that the aggregate number of bonds being transferred pursuant to the New Bond Delivery and the Second Bond Migration (and the nature and value of financial assistance being provided) would remain the same as would have been the case had all Bonds been migrated in one go at the Closing Date

Ineligible Bonds Escrow

The Bonds, due for repayment at principal by the Company on dates falling from 2012 to 2031 and until then carrying interest at the rates (and on the terms) specified on each such bond, were to be redeemed early on the Closing Date

If the Company so elected, the Issuer would issue new bonds to the Company with a principal amount equal to those Bonds held by Ineligible Bondholders (other than those who were retail holders (being Bondholders with holdings of less than £50,000 or €50,000, as applicable) or in the U S) (**Qualified Ineligible Bondholders**) which would be deposited in an escrow account pursuant to the terms of the Ineligible Bonds Escrow Agreement pending sale at least six months later by the Company. It was noted that the Company would pay the net proceeds of such sale to the Qualified Ineligible Bondholders pro rata in discharge of their entitlement, but that prior to sale the Company could deliver new bonds to any holders of ineligible bonds who were able to certify eligibility

These Bonds remaining were to be redeemed on completion and, if the Company so elected, would be replaced with a claim on the Company for the net proceeds of sale of the new bonds being issued by the Issuer to the Company

Whilst the number and class of Bonds held by Qualified Ineligible Bondholders was to remain unknown until the end of the offer period on 8 August 2008, these had for the purposes of the model been estimated to have a par value of £70 million, with costs associated with the exchange totalling £7 million

The Convertible Debt Prepayment

The Convertible Debt, owing to ADIL, was due for repayment of principal by the Company in 2009 and until then carried interest at 2 625 per cent per annum

Pursuant to the Deed of Termination and Release, the final redemption date of the Convertible Debt was to be brought forward from 19 August 2009 to the Closing Date (with the trust deed and the agency agreement being terminated upon such redemption). It was noted that initially the consideration payable in respect of the Convertible Debt Prepayment was to be left outstanding from the Company to ADIL but would later be settled in full by cash from the proceeds of the Proposed Refinancing

The Capex Debt Prepayment

The Capex Debt, owing by the Company to the lenders thereunder and outstanding in an amount of £2,660 million, was to be prepaid on the Closing Date

Whilst the proceeds of the Capex Debt were not permitted to be applied in connection with funding the BAA Acquisition (which was to be funded from drawings under Facility A of the Senior Facilities Agreement), the Company would nonetheless undertake the whitewash procedure in relation to the prepayment of such debt for the sake of certainty

Intra-group loans

The terms of the existing inter-company payables were undocumented, save as in relation to those payables referred to below, but that interest between the Company and its subsidiaries carried interest at a rate of 1.5 per cent over the Base Rate of the Bank of England. These loans are hereinafter referred to as the *Undocumented Intercompany Balances*

There were three documented intra-group loans in place prior to the commencement of the Proposed Financing, being

- (a) a loan agreement between the Company and GAL dated March 2003, pursuant to which the Company as Lender made available to GAL as Borrower a loan in the sum of £200 million bearing interest at the rate of 5.75 per cent per annum with interest payable twice-annually and repayable in full on the tenth anniversary of the agreement,
- (b) a loan agreement between LAL 92 and HAL dated 23 March 2005, pursuant to which LAL 92 as Lender made available to HAL as Borrower a loan in the sum of £740 million bearing interest at a rate of 1 per cent per annum over the Bank of England Base Rate, payable quarterly and repayable on demand. It was noted that the benefit of this loan agreement had been assigned by LAL 92 to the Company, and
- (c) a loan agreement between the Company and HAL dated 30 March 2005, pursuant to which the Company as Lender made available a loan to HAL in the sum of £451,760,943 bearing interest at a rate of 1 per cent per annum over the Bank of England Base Rate, payable quarterly and repayable on demand,

together the *Documented Loans*

As a result of the Proposed Financing, the Documented Loans would be extinguished pursuant to the Documented Loans Deed of Acknowledgement and Set-Off and that other intercompany balances would be satisfied such that, *inter alia*, the following material loans would remain

- (a) a downstream loan from the Company to each of the Borrowers in an amount to be determined on or around the Closing Date but sufficient to service the Non Migrated Bonds (projected as at 1 August 2008 to be nil from the Company to HAL, nil from the Company to GAL and nil from the Company to STAL)

It was noted that pursuant to the terms of the Downstream Loan (Stranded Bonds) Amendment Agreement, the terms of such downstream loans were to be amended on or around the Closing Date, from those of the Undocumented Intercompany Balances to being on terms similar to the Non Migrated Bonds which the loan would be used to

service, including an interest rate marginally in excess of the cost of funding the Non Migrated Bonds, and

- (b) an upstream loan from each of the Borrowers to Securitisation Parent in an amount to be determined on or around the Closing Date but projected as at 1 August 2008 to be nil (in the case of HAL), £379 million (in the case of GAL) and £251 million (in the case of STAL) to be made pursuant to the Borrower Upstream Loan Agreement with interest calculated and payable on a compound basis annually at the rates projected as at 31 July 2008 to be those set out in the Transfer Pricing Schedule (the ***Borrower Upstream Loan***) It was noted that the projected rates were to be amended to facilitate a pass through of fees arising under the relevant external funding

Under the Borrower Upstream Loan Agreement, further advances were to be made on request by each of the Borrowers to Securitisation Parent for so long as the relevant Borrower Upstream Loan was outstanding which were to be applied by Securitisation Parent for the purpose of discharging its annual interest payment obligations in relation to that Borrower as they were to fall due

Any advances made by a particular lender constituted by the Borrower Upstream Loan Agreement were to be repaid together with any accrued interest on the earlier of an event of default and demand being made by the relevant lender

The tenor of each such loan might be increased by an amount equal to the excess repayment made by the Company to each of the Borrowers to fund each such company's working capital needs for the period from 1 August 2008 until the Closing Date, over the amount actually required by that company during that period

The Company was to undertake the Whitewash Procedure in relation to the Intercompany Loan Transactions, the Borrower Upstream Loans and any further loans that may be made by the Borrowers to Securitisation Parent replacing, amending or supplemental to the Borrower Upstream Loans

The Parent Support Letter

It was noted that pursuant to the terms of the Parent Support Letter the Company was to state that it was its present intention to afford to the recipients financial comfort on the terms set out therein until 31 December 2009

Form 155(6)a in relation to BAA Limited

Schedule 4 – The Documents

BAA Limited
Company Number 01970855
(the *Company*)

2. THE REORGANISATION

- (a) Share Purchase Agreement between SAL and BAA to be dated the Closing Date, with respect to the sale and purchase of all issued shares of EAL (the *EAL 1 SPA*)
- (b) Stamp duty group relief application in respect of EAL together with shareholders' register of SAL (the *EAL 1 GTRA*)
- (c) Declaration of trust to transfer the beneficial interest in shares of EAL from SAL to BAA dated the Closing Date (the *EAL 1 Declaration of Trust*)
- (d) Stock transfer forms to transfer shares of AAL, from SAL to BAA (the *AAL 1 STF*)
- (e) Share Purchase Agreement between SAL and BAA to be dated the Closing Date, with respect to the sale and purchase of all issued shares of GLAL (the *GLAL 1 SPA*)
- (f) Share Purchase Agreement between SAL and BAA to be dated the Closing Date, with respect to the sale and purchase of all issued shares of AAL (the *AAL 1 SPA*)
- (g) Stock transfer forms to transfer shares of EAL, from SAL to BAA (the *EAL 1 STF*)
- (h) Stock transfer forms to transfer shares of GLAL, from SAL to BAA (the *GLAL 1 STF*)
- (i) Stamp duty group relief application in respect of GLAL together with shareholders' register of SAL (the *GLAL 1 GTRA*)
- (j) Deed of trust to transfer the beneficial interest in shares of GLAL from SAL to BAA (the *GLAL 1 Declaration of Trust*)
- (k) Stamp duty group relief application in respect of AAL together with shareholders' register of SAL (the *AAL 1 GTRA*)
- (l) Declaration of trust to transfer the beneficial interest in shares of AAL from SAL to BAA dated the Closing Date (the *AAL 1 Declaration of Trust*)
- (m) Share Purchase Agreement between BAA and ADIL to be dated the Closing Date with respect to the sale and purchase of all issued shares of EAL (the *EAL 2 SPA*)
- (n) Stock transfer form to transfer shares of EAL from BAA to ADIL (the *EAL 2 STF*)
- (o) Stamp duty group relief application re EAL (the *EAL 2 GTRA*)
- (p) Declaration of trust to transfer the beneficial interest in shares of EAL from BAA to ADIL dated the Closing Date (the *EAL 2 Declaration of Trust*)

- (q) Share Purchase Agreement between BAA and ADIL to be dated the Closing Date with respect to the sale and purchase of all issued shares of GLAL (the **GLAL 2 SPA**)
- (r) Stock transfer form to transfer shares of GLAL from BAA to ADIL (the **GLAL 2 STF**)
- (s) Stamp duty group relief application re GLAL (the **GLAL 2 GTRA**)
- (t) Declaration of trust to transfer the beneficial interest in shares of GLAL from BAA to ADIL dated the Closing Date (the **GLAL 2 Declaration of Trust**)
- (u) Share Purchase Agreement between BAA and ADIL to be dated the Closing Date with respect to the sale and purchase of all issued shares of AAL (the **AAL 2 SPA**)
- (v) Stock transfer form to transfer shares of AAL from BAA to ADIL (the **AAL 2 STF**)
- (w) Stamp duty group relief application re AAL (the **AAL 2 GTRA**)
- (x) Declaration of trust to transfer the beneficial interest in shares of AAL from BAA to ADIL dated the Closing Date (the **ADIL 2 Declaration of Trust**)
- (y) Share Purchase Agreement between BAA and ADIL to be dated the Closing Date with respect to the sale and purchase of all issued shares of SIAL (the **SIAL 1 SPA**)
- (z) Stock transfer form to transfer shares of SIAL from BAA to ADIL (the **SIAL 1 STF**)
- (aa) Stamp duty group relief application, together with shareholders' register of BAA (the **SIAL 1 GTRA**)
- (bb) Declaration of trust to transfer the beneficial interest in shares of SIAL from BAA to ADIL dated the Closing Date (the **SIAL 1 Declaration of Trust**)
- (cc) Share Purchase Agreement between BAA and ADIL to be dated the Closing Date with respect to the sale and purchase of all issued shares on BAA Lynton (the **BAA Lynton SPA**)
- (dd) Stock transfers form to transfer shares of BAA Lynton from BAA to ADIL (the **BAA Lynton STF**)
- (ee) Stamp duty group relief application re BAA Lynton (the **BAA Lynton GTRA**)
- (ff) Declaration of trust to transfer the beneficial interest in shares of BAA Lynton from BAA to ADIL dated the Closing Date (the **BAA Lynton Declaration of Trust**)
- (gg) Deed of novation between BAA and ADIL, acknowledged by SIAL, transferring debt of £1 million owed by BAA to SIAL to ADIL so that ADIL owes £1 million to SIAL (the **BAA-ADIL SIAL Receivables Novation**)
- (hh) Deed of novation between ADIL and Non Des Topco, acknowledged by SIAL, transferring debt of £1 million owed by ADIL to SIAL to Non Des Topco so that Non Des Topco owes £1 million to SIAL (the **ADIL-NDT SIAL Receivables Novation**)

- (ii) Deed of novation between Non Des Topco and Non Des Holdco, acknowledged by SIAL, transferring debt of £1 million owed by Non Des Topco to SIAL to Non Des Holdco so that Non Des Holdco owes £1 million to SIAL (the *NDT-NDH SIAL Receivables Novation*)
- (jj) Assignment and assumption agreement to be dated the Closing Date between BAA and ADIL and BAA(SH), acknowledged by BAA(SP), with respect to the Securitisation Debenture dated 31 January 2008 in the principal amount of £1,600 million (the *SP Debenture Assignment Agreement*)
- (kk) Written notice of the assignment of the BAA (SP) Debenture sent from BAA to BAA (SP) (the *SP Debenture Assignment Acknowledgment*)
- (ll) Amendment agreement to be dated the Closing Date between ADIL and Securitisation Parent amending the terms of the Securitisation Debenture (the *SP Debenture Amendment Agreement*)
- (mm) Deed of assignment between BAA and ADIL, acknowledged by EAL, transferring debt in the amount set out therein, being approximately £142 million owed to BAA by EAL to ADIL so that ADIL is owed such amount by EAL and BAA is owed a further £142 million by ADIL (the *BAA-ADIL EAL Payables Assignment*)
- (nn) Deed of assignment between BAA and ADIL, acknowledged by GLAL, transferring debt of £119 million owed to BAA by GLAL to ADIL so that ADIL is owed in the amount set out therein, being approximately by GLAL and BAA is owed a further £119 million by ADIL (the *BAA-ADIL GLAL Payables Assignment*)
- (oo) Agreement (the *BAA SPA*) between ADIL, BAA and Newco dated on or around the Closing Date
 - (i) with respect to the sale and purchase of approximately 50.5% of the shares of BAA, and
 - (ii) with respect to the novation of the intercompany payable owned by ADIL to BAA in an amount to be ascertained, but estimated to be £6,157 million to BAA
- (pp) Declaration of trust executed by ADIL dated the Closing Date, transferring beneficial title to the shares of BAA sold pursuant to the BAA SPA to Newco (the *BAA Trust Deed*)
- (qq) Stock transfer form to transfer legal title to shares of BAA from ADIL to Newco (the *BAA STF*)
- (rr) Stamp duty group relief application together with shareholders' register of Newco (the *BAA GTRA*)
- (ss) a novation agreement or novation agreements under which ADIL (as *Transferor*) transfers (by way of novation) certain interest rate swaps and/or currency swaps between Transferor, Hedge Counterparty (as *Remaining Party*) and BAA (as *Transferee*) on terms that Transferor's rights and obligations to the Remaining Party are discharged in consideration for Transferee acquiring similar rights and obligations as against the Remaining Party (the *ADIL Hedging Novation Agreements*)

- (tt) The letter between BAA and ADIL to be dated on or around the Closing Date under which BAA may make a payment (which payment will be left outstanding on intercompany balance between the two parties) to ADIL in relation to the novation of certain interest swaps and currency swap derivative transaction or ADIL may make a payment to BAA in relation to the novation of certain interest rate swaps, inflation swaps and currency swap derivative transactions (the *Payment Letter*)

whereby the Hedge Counterparty is one of the following parties Banco Santander S A , CAYLON S A , Citibank N A , London Branch, HSBC Bank plc, Royal Bank of Scotland plc, and

A novation agreement or novation agreements under which BAA (as *Transferor*) transfers (by way of novation) certain interest rate swaps and/or currency swaps between BAA, Hedge Counterparty (as *Remaining Party*) and the Issuer and/or Borrower(s) (as *Transferee*) on terms that Transferor's rights and obligations to the Remaining Party are discharged in consideration for Transferee acquiring similar rights and obligations as against the Remaining Party (the *BAA Hedging Novation Agreements*)

A letter between the Issuer and/or Borrower(s) and BAA dated on or around the Closing Date under which each Issuer and/or Borrower(s) may make a payment (which payment will be left outstanding on intercompany balance between the two parties) to BAA in relation to the novation of certain interest rate swaps, inflation swaps and currency swap derivative transactions under a novation agreement or BAA may make a payment to any of Issuer and/or Borrower(s) in relation to the novation of certain interest rate swaps and currency swap derivative transactions under a novation agreement (the *Transferor Consideration Letter*)

whereby the relevant Hedge Counterparty is one of the following parties ABN AMRO Bank N V , Banco Santander S A , Barclays Bank PLC, BNP Paribas, CALYON S A , Citibank NA, London Branch, Deutsche Bank AG, HSBC Bank PLC, Morgan Stanley & Co International Limited, Royal Bank of Scotland PLC

(the ADIL Hedging Novation Agreements and the BAA Hedging Novation Agreements being together referred to as the *ADIL and BAA Hedging Novation Agreements*)

- (uu) Deed of novation between Newco and ADIL, acknowledged by BAA, transferring debt in the amount set out therein, being approximately £105 million owed by ADIL to BAA to Newco so that Newco owes such amount to BAA (the *BAA Hedge Receivables Novation*)
- (vv) Assignment agreement (the *BAA Payables Assignment*) dated the Closing Date between Issuer, HAL, GAL and STAL, acknowledged by BAA, with respect to the assignment of receivables (the *BAA Payables*) from BAA owing to Issuer in the following amounts
- (i) £3,260 million assigned to and assumed by HAL,
 - (ii) £530 million assigned to and assumed by GAL, and
 - (iii) £289 million assigned to and assumed by STAL

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(ww) Deeds of set-off between

- (i) Issuer and HAL dated the Closing Date setting off Issuer's obligation to advance the Borrower Loan against HAL's obligation to pay the Issuer consideration for its proportion of the BAA Payables received,
- (ii) Issuer and GAL dated the Closing Date setting off Issuer's obligation to advance the Borrower Loan against GAL's obligation to pay the Issuer consideration for its proportion of the BAA Payables received,
- (iii) Issuer and STAL dated the Closing Date setting off Issuer's obligation to advance the Borrower Loan against STAL's obligation to pay the Issuer consideration for its proportion of the BAA Payables received,

together, the ***Borrower Deeds of Set-Off***

- (xx) Deed of set-off dated the Closing Date between BAA and HAL offsetting a payable by BAA to HAL in an amount of approximately £3,260 against payable by HAL to BAA of the same amount (the ***BAA-HAL Deed of Set-Off***)
- (yy) Deed of set-off dated the Closing Date between BAA and GAL offsetting a payable by BAA to GL in an amount of approximately £530 million against a payable by G AL to BAA of the same amount (the ***BAA-GAL Deed of Set-Off***)
- (zz) Deed of set-off dated the Closing Date between BAA and STAL offsetting a payable by BAA to STAL in an amount of approximately £289 against payable by STAL to BAA of the same amount (the ***BAA-STAL Deed of Set-Off***)
- (aaa) Amendment agreement to be dated on or around the Closing Date between HAL, GAS, STAL, and BAA pursuant to which the Borrowers acknowledge payables to BAA in the amounts set out therein, but estimated to be nil, and the terms at which loans are amended such that the Borrowers make repayments on terms mirroring those of the Non Migrated Bonds (the ***Downstream Loans (Stranded Bonds) Amendment Agreement***)
- (bbb) Deed of Termination and Release between BAA (as Issuer), ADIL Prudential Trustee Company Limited, The Bank of New York (as Principal Paying and Conversion Agent) and JP Morgan Bank Luxembourg S A (as Paying and Conversion Agent in respect of the Convertible Debt (the ***Deed of Termination and Release***)
- (ccc) The escrow agreement to be dated on or around the Closing Date pursuant to which bonds issued by the Issuer equal in principal value to the Bonds held by Qualified Ineligible Bondholders will be placed in escrow for six months, after which bonds will be dealt with in accordance with the document's terms (the ***Ineligible Bonds Escrow Agreement***)
- (ddd) Deed of novation between ADIL and BAA, acknowledged by the Borrowers, transferring the ADIL Hedge Receivables owed to ADIL by the Borrowers so that ADIL is owed an amount equal to the ADIL Hedge Receivables by BAA and BAA is owed the ADIL Hedge Receivables by the Borrowers (***ADIL-BAA ADIL Hedge Receivables Novation***)

- (eee) Deed of novation between ADIL and BAA, acknowledged by the Issuer, transferring the ADIL Hedge Payables owed by ADIL to the Issuer so that the Issuer is owed an amount equal to the ADIL Hedge Payables by BAA and BAA is owed the ADIL Hedge Payables by ADIL (*ADIL-BAA ADIL Hedge Payables Novation*)
- (fff) Deed of set off (the ADIL-BAA Hedging Deed of set-off) between ADIL and BAA setting off the intragroup payable in an amount equal to the ADIL Hedge Receivables which ADIL is owed by BAA against the ADIL Hedge Payables which BAA is owed by ADIL (the balance owing by ADIL to BAA being the *Hedging Deed of Set-off Receivable*)
- (ggg) Deed of novation between BAA and Newco, acknowledged by ADIL, transferring the Hedging Deed of Set-off Receivable owed to BAA by ADIL so that BAA is owed an amount equal to the Hedging Deed of Set-off Receivable by Newco and Newco is owed the Hedging Deed of Set-off Receivable by ADIL (*BAA-Newco Hedging Deed of Set-off Receivable Novation*)

3. THE SECURITISATION

- (a) The Dealership Agreement to be dated on or around the Closing Date between the Dealers (the *Dealership Agreement*).
- (b) The Subscription Agreement (per class) to be dated on or around the Closing Date between the Issuer, Arrangers, Borrowers and Obligors (the *Subscription Agreement*)
- (c) The BAA Bond Guarantee to be dated on or around the Closing Date provided by BAA (the *BAA Bond Guarantee*)
- (d) The Common Terms Agreement to be dated on or around the Closing Date between each member of the Security Group, the Borrower Security Trustee, each ACF provider and the Issuer (the *Common Terms Agreement*)
- (e) The Master Definitions Agreement to be dated on or around the Closing Date between all parties (the *Master Definitions Agreement*)
- (f) The Borrower Loan Agreement to be dated on or around the Closing Date between each Borrower, the Issuer and the Borrower Security Trustee (the *Borrower Loan Agreement*)
- (g) The Shared Services Agreement to be dated on or around the Closing Date between BAA, the Obligors and the Borrower Security Trustee (the *Shared Services Agreement*)
- (h) The Obligor Floating Charge Agreement to be dated on or around the Closing Date between the Obligor, Issuer, Borrower, Security Trustee and Issuer Security Trustee (the *Obligor Floating Charge Agreement*)
- (i) The Security Agreement to be dated on or around the Closing Date between Borrower Security Trustee, the Secured Creditors and each Obligor (the *Security Agreement*)
- (j) The HAL Legal Charge to be dated on or around the Closing Date between HAL and the Borrower Security Trustee (the *HAL Legal Charge*)

- (k) The GAL Legal Charge to be dated on or around the Closing Date between GAL and the Borrower Security Trustee (the ***GAL Legal Charge***)
- (l) The STAL Legal Charge to be dated on or around the Closing Date between STAL and the Borrower Security Trustee (the ***STAL Legal Charge***)
- (m) The Security Trust and Intercreditor Deed to be dated on or around the Closing Date between the Borrower Security Trustee, the Secured Creditors and the Obligors (the ***Security Trust and Intercreditor Deed***)
- (n) The Tax Deed of Covenant to be dated on or around the Closing Date between the Issuer, Obligors, Berlin and the Borrower Security Trustee (the ***Tax Deed of Covenant***)
- (o) The EIB Facility Novation Agreement to be dated on or around the Closing Date between HAL, BAA and EIB (the ***EIB Facility Novation Agreement***)
- (p) The Borrower Liquidity Facility Agreement to be dated on or around the Closing Date between each Borrower, Borrower Liquidity Facility, the Provider and the Borrower Security Trustee (the ***Borrower Liquidity Facility Agreement***)
- (q) The Borrower Liquidity Reserve Account Trust Deed to be dated on or around the Closing Date between each Borrower, the Borrower Security Trustee, Facility Agent, Initial Borrower, Borrower Liquidity Facility Providers, Borrower Cash Manager, Security Group Agent, the Borrower Liquidity Reserve Account Trustee and the Borrower Account Bank (the ***Borrower Liquidity Reserve Account Trust Deed***)

a series of ISDA Master Agreements (together with Schedule, Credit Support annex and if any Confirmations thereto) in relation to cross currency swap transactions and a series of ISDA Master Agreements (together with Schedules Credit Support annex and, if any, Confirmations thereto) in relation to interest rate swap transactions, in each case to be dated on or around the Closing Date between each of the parties listed in column A and each of the parties listed in Column B

A	B
HAL	RBS
GAL	Citibank
STAL	Bilbao
	BNP
	Caja
	Calyon
	HSBC
	RBC

	Santander
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(together the *Borrower Hedging Documents*)

- (r) The Conditions Precedent Agreement to be dated on or around the Closing Date between each Financial Guarantor, the Borrowers and the Issuer (the *Conditions Precedent Agreement*)
- (s) The Borrower Account Bank Agreement to be dated on or around the Closing Date between the Borrowers, the Borrower Bank Account and the Borrower Security Trustee (the *Borrower Account Bank Agreement*)
- (t) The Borrower Account Bank Fee Letter to be dated on or around the Closing Date between the Borrower Bank Account and the Borrowers (the *Borrower Account Bank Fee Letter*)
- (u) The Non-Migrated Bond Facility Agreement to be dated on or around the Closing Date between Date between the Borrowers, the Original Guarantors, BAA as Security Group Agent, RBS as NMB Facility Agent, certain parties as Mandated Lead Arrangers and the Facility Providers (the *Non-Migrated Bond Facility Agreement*)
- (v) The Amendment and Restatement Agreement relating to the Subordinated Facility Agreement to be dated on or around the Closing Date between the BAA Group, the Obligor, RBS and the MLAs (the *Subordinated Facility Novation and Amendment Agreement*)
- (w) The Amendment and Restatement Agreement relating to the Intercreditor Agreement to be dated on or around the Closing Date between the BAA Group, the Obligor, RBS and the MLAs (the *Senior Junior Intercreditor Amendment and Restatement Agreement*)
- (x) An English law debenture to be dated on or around the Closing Date under which HEX will grant fixed and/or floating charges over some or all its assets and undertakings present and future by way of security for the Liabilities (as such term is defined in the Senior Junior Intercreditor Amendment Agreement) (the *Hex Debenture*)
- (y) Any amendment and restatement agreements relating to the Subordinated Facility Novation and Amendment Agreements and the Senior Junior Intercreditor Amendment and Restatement Agreement including
 - (i) an amendment and restatement agreement relating to the Debenture dated 30 January 2008 made between Des Sub Holdco, Sub Holdco, Securitisation Parent and Asset Holdco as Chargors and The Royal Bank of Scotland plc as Security Trustee,
 - (ii) an amendment and restatement agreement and partial release deed relating to the Debenture dated 19 January 2007 made between, among others, HAL, GAL and STAL as Chargors and The Royal Bank of Scotland plc as Security Trustee (releasing the security granted by certain companies but not, for the avoidance of doubt, HAL, GAL and STAL),

- (iii) an amendment and restatement agreement relating to the Mortgage dated 19 January 2007 between HAL and The Royal Bank of Scotland plc as Security Trustee,
- (iv) an amendment and restatement agreement relating to the Mortgage dated 19 January 2007 between GAL and The Royal Bank of Scotland plc as Security Trustee,
- (v) an amendment and restatement agreement relating to the Mortgage dated 19 January 2007 between STAL and The Royal Bank of Scotland plc as Security Trustee, and
- (vi) an amendment and restatement agreement relating to the Mortgage dated 19 January 2007 between BAA and The Royal Bank of Scotland plc as Security Trustee
- (z) The Refinancing Facility Agreement to be dated on or around the Closing Date between the Borrowers, the Original Guarantors, BAA as Security Group Agent, RBS as Refinancing Facility Agent, certain parties as Mandated Lead Arrangers and the Facility Providers (the *Refinancing Facility Agreement*)
- (aa) The Initial Credit Facility Agreement to be dated on or around the Closing Date between the Borrowers, the Original Guarantors, BAA as Security Group Agent, RBS as ICFA Facility Agent, certain parties as Mandated Lead Arrangers and the Facility Providers (the *Initial Credit Facility Agreement*)

4. THE NON-DESIGNATED FINANCING

- (d) A £1,255 million Facilities Agreement to be dated the Closing Date and made between, inter alios, Non Des Holdco 1 (as the Original Borrower and Original Guarantor), the financial institutions listed therein as Original Lenders, the parties listed therein as Mandated Lead Arrangers and the Agent, Security Trustee, LNG Bank and Issuing Bank (the *Facilities Agreement*) under which the Obligors will grant guarantees and indemnities to the Finance Parties (each term as defined in the Facilities Agreement)
- (e) The accession letter to be entered into by AAL, EAL, GLAL and SIAL pursuant to the Facilities Agreement (the *Facilities Agreement Accession Letter*) under which the AAL, EAL, GLAL and SIAL agree to become Additional Guarantors and to be bound by the terms of the Facilities Agreement, the Intercreditor Agreement (as defined below) and the other Finance Documents and grant guarantees and indemnities to the Finance Parties (each term as defined in the Facilities Agreement)
- (f) The intercreditor agreement to be dated on or around the Closing Date and made between, inter alios, Non Des Holdco 1, Lenders, the Agent, the Security Trustee and certain others (the *Non-Designated Group Intercreditor Agreement*) (each term as defined in the Non-Designated Group Intercreditor Agreement)
- (g) The accession letter to the Intercreditor Agreement to be entered into by each of EAL, GLAL, AAL and SIAL which sets out priorities for the repayment of indebtedness and subordination of the intergroup debt (the *Non-Designated Group Intercreditor Agreement Accession Letter*)

- (h) The English law debenture to be entered into pursuant to the terms of the Facilities Agreement in favour of The Royal Bank of Scotland plc as Security Trustee (the Debenture) under which AAL, EAL, GLAL, SIAL and certain other group companies will grant fixed and/or floating charges over some or all of their assets and undertakings present and future by way of security for the Liabilities (as such term is defined in the Non-Designated Group Intercreditor Agreement and as is hereinafter referred to as the *Liabilities*)
- (i) The terms of the Scottish law charge to be dated on or around the Closing Date pursuant to the terms of the Facilities Agreement, in favour of the Security Trustee (the *GLAL Standard Security*) under which GLAL will charge, inter alia, all or part of its real property situate in Scotland
- (j) The terms of the Scottish law charge to be dated on or around the Closing Date pursuant to the terms of the Facilities Agreement, in favour of the Security Trustee (the *EAL Standard Security*) under which EAL will charge, inter alia, all or part of its real property situate in Scotland
- (k) The terms of the Scottish law charge to be dated on or around the Closing Date pursuant to the terms of the Facilities Agreement, in favour of the Security Trustee (the *AAL Standard Security*) under which AAL will charge, inter alia, all or part of its real property situate in Scotland

Form 155(6)a in relation to BAA Limited

Schedule 5 – Defined Terms

BAA Limited
Company Number 01970855
(the *Company*)

AAL means Aberdeen Airport Limited, a company registered under the laws of Scotland with registered number SC096622

ADIL means Airport Development and Investment Limited, a company registered under the laws of England and Wales with registered number 05757208

ADIL Group means ADIL and its subsidiaries

Arranger means Citigroup Global Markets Limited and the Royal Bank of Scotland plc

Asset Holdco means BAA (AH) Limited, a company registered under the laws of England and Wales with registered number 06458657

BAA Bond Migration means the majority of the Bonds in issuance by BAA Limited which would be migrated to within the Securitisation Group structure

BAA Lynton means BAA Lynton Limited, a company registered under the laws of England and Wales with registered number 03330278

BAA Pension Scheme means the BAA Pensions Scheme (as amended from time to time) governed by the Consolidated Definitive Trust Deed and Rules dated 29 August 2002

Bilbao means Banco Bilbao Vizcaya Argentaria S A

BNP means BNP Paribas, London branch

Bondholders means the holders of the Bonds

Bonds means the following bonds and notes in issuance by the BAA Limited

- (a) £300,000,000 11³/₄ per cent Bonds due 2016 first issued on 28 February 1991 (ISIN XS0030487051),
- (b) £250,000,000 8¹/₂ per cent Bonds due 2021 issued on 31 January 1996 (ISIN XS0063290711),
- (c) £200,000,000 6.375 per cent Bonds due 2028 issued on 4 August 1998 (ISIN XS0089000516);
- (d) £900,000,000 5.75 per cent Notes due 2031 first issued on 10 December 2001 (ISIN XS0138797021),
- (e) €1,000,000,000 3.875 per cent Notes due 2012 issued on 15 February 2006 (ISIN XS0243520052),

- (f) £400,000,000 5 75 per cent Notes due 2013 issued on 27 November 2003 (ISIN XS0181263202),
- (g) €750,000,000 4 5 per cent Notes due 2014 issued on 30 September 2004 (ISIN XS0201491163),
- (h) €750,000,000 4 50 per cent Notes due 2018 issued on 15 February 2006 (ISIN XS0243518403),
- (i) £750,000,000 5 125 per cent Notes due 2023 issued on 15 February 2006 (ISIN XS0243520722), and
- (j) £30,000,000 10 25 per cent First Mortgage Debenture Stock due 2017

Borrowers means, together HAL, GAL and STAL, and a **Borrower** means any one of them

Borrowers Security Trustee means Deutsche Trustee Company Limited

Caja means Caja de Ahorros y Monte de Piedad de Madrid

Calyon means Calyon, Sucursal en España

Capex Debt means amounts drawn under Facility B of the Senior Facilities Agreement

Citibank means Citigroup Global Markets Limited

Closing Date means on a date falling not later than 56 days after the date of the Meeting

Convertible Debt means the £425,000,000 2 625 per cent Convertible Bonds issued by the Company and presently held by ADIL, due 2009

Designated Assets means the Borrowers and HEX

Des Sub Holdco means BAA (DSH) Limited, a company registered under the laws of England and Wales with registered number 06458597

EAL means Edinburgh Airport Limited, a company registered under the laws of Scotland with registered number SC096623

FGP Topco means FGP Topco Limited, a company registered under the laws of England and Wales with registered number 05723961

GAL means Gatwick Airport Limited, a company registered under the laws of England and Wales with registered number 01991018

GLAL means Glasgow Airport Limited, a company registered under the laws of Scotland with registered number SC096624

HAL means Heathrow Airport Limited, a company registered under the laws of England and Wales with registered number 01991017

HEX means Heathrow Express Operating Company Limited, a company registered under the laws of England and Wales with registered number 3145133

HSBC means HSBC Bank plc

Initial Credit Facilities means syndicated loan facilities for the purposes of funding capital expenditure and working capital facilities made available to the Borrowers

Issuer means BAA Funding Limited, a company registered under the laws of Jersey with registered number 99529

LAL means London Airports Limited, a company registered under the laws of England and Wales with registered number 02333108

LAL92 means London Airports 1992 Limited, a company registered under the laws of England and Wales with registered number 02736819

LAL93 means London Airports 1993 Limited, a company registered under the laws of England and Wales with registered number 02777128

Newco means BAA (D&ND Holdco) Limited, a company registered under the laws of England and Wales with registered number 06408400

Non-Designated Assets means certain companies within the ADIL Group, namely AAL, EAL, GLAL, SIAL and BAA Lynton

Non-Designated Financing means syndicated bank loans raised by Non Des Holdco 1 against the Non-Designated Assets for the benefit of the Non-Designated Group

Non-Designated Group means the new sub group comprised of the Non Designated Assets, once ultimately transferred to Non Des Holdco 1

Non Des Holdco 2 means BAA (NDH2) Limited, a company registered under the laws of England and Wales with registered number 06408385

Non Des Holdco 1 means BAA (NDH1) Limited, a company registered under the laws of England and Wales with registered number 06408392

Non Migrated Bonds means those Bonds, not being the ineligible bonds, with an estimated par value of £30 million, which it is anticipated will not migrate into the new Securitisation Group structure

Proposed Financing means the re-organisation, the Securitisation Group financing, the Non-Designated Financing, the subordinated debt novation and the repayment of certain debt by ADIL and its subsidiaries on or around the Closing Date, as described in the Steps Paper

Refinancing Facility means a backstop facility to provide funding to the Borrowers

RBC means Royal Bank of Canada

RBS means The Royal Bank of Scotland plc

SAL means Scottish Airports Limited, a company registered under the laws of Scotland with registered number SC096637

Santander means Banco Santander S A

Securitisation Debenture means the loan agreement dated 31 January 2008 between Securitisation Parent and BAA Limited pursuant to which Securitisation Parent advanced an interest-bearing loan in the principal amount of £1,600 million

Securitisation Group means the group comprising Securitisation Parent, Asset Holdco, Issuer and the Designated Assets

Securitisation Parent means BAA (SP) Limited, a company registered under the laws of England and Wales with registered number 06458621

SIAL means Southampton International Airport Limited, a company registered under the laws of England and Wales with registered number 02431858

STAL means Stansted Airport Limited, a company registered under the laws of England and Wales with registered number 01990920

Steps Paper means the document prepared by PricewaterhouseCoopers LLP dated 21 July 2008 examining the accounting implications of the actions and transactions to be undertaken by the Company and other companies within the ADIL Group in order to implement the Proposed Financing

Sub Holdco means BAA (SH) Limited, a company registered under the laws of England and Wales with registered number 06458635

Security Group means Securitisation Parent and each of its subsidiaries

Transfer Pricing Schedule means the document prepared by the Company's advisers, PricewaterhouseCoopers LLP, setting out projected interest rates to apply between certain members of the ADIL Group to implement effective arm's length financing arrangements which were to take into account the external cost of funding to each of the Borrowers under the Securitisation and the Non Designated Financing

Schedule 6 – Persons to whom assistance to be given

Defined terms used in this schedule shall have the same meanings as those given to them in the relevant document referred to below, unless otherwise defined in any of the Schedules to this statutory declaration

The assistance to be given to

ADIL

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

and/or any of the following companies

BAA

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

Des Sub Holdco

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

Sub Holdco

(Registered Office Address: 130 Wilton Road, London, SW1V 1LQ)

Securitisation Parent

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

Asset Holdco

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

HAL

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

GAL

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

STAL

(Registered Office Address: 130 Wilton Road, London, SW1V 1LQ)

HEX

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

Issuer

(Registered Office Address: 22 Grenville Street, St Helier, JE4 8PX)

SAL

(Registered Office Address St Andrews Drive, Glasgow Airport, Paisley, PA3 2SW)

Newco

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

Form 155(6)a in relation to BAA Limited**Schedule 7 - Amount of cash to be transferred**

BAA Limited
Company Number 01970855
(the *Company*)

Defined terms used in this Schedule shall have the same meanings as those given to them in the relevant documents referred to below, unless otherwise defined in any of the Schedules to this statutory declaration

The amount of cash to be transferred to the person assisted is, in respect of the financial assistance being provided pursuant to the documents specified in the first column, the amount specified in the second column

Document	Amount of cash to be transferred
AAL 2 SPA / AAL 2 Declaration of Trust	NIL
GLAL 2 SPA / GLAL 2 Declaration of Trust	NIL
EAL 2 SPA / EAL 2 Declaration of Trust	NIL
SIAL SPA / SIAL Declaration of Trust	NIL
BAA Lynton SPA / BAA Lynton Declaration of Trust	NIL
SP Debenture Assignment Agreement	NIL
BAA-ADIL EAL Payables Assignment	NIL
BAA-ADIL GLAL Payables Assignment	NIL
BAA SPA and BAA Trust Deed	NIL
ADIL and BAA Hedging Novation Agreements	NIL
BAA Hedge Receivables Novation	NIL
BAA-HAL Deed of Set-Off	NIL
BAA-GAL Deed of Set-Off	NIL
BAA-STAL Deed of Set-Off	NIL
Downstream Loans (Stranded Bonds) Amendment Agreement	NIL
Borrower Upstream Loan Agreement and	Such amounts as are specified in the documents, being an aggregate amount not

HAL No 2 Prepayment	exceeding £7,000 million
Borrower Upstream Loan Agreement and GAL No 2 Prepayment	Such amounts as are specified in the documents, being an aggregate amount not exceeding £1,250 million
Borrower Upstream Loan Agreement and STAL No 2 Prepayment	Such amounts as are specified in the documents, being an aggregate amount not exceeding £750 million
Deed of Termination and Release	Such amount as is specified in the document, being an amount not exceeding £450 million
Ineligible Bonds Escrow Agreement	NIL
ADIL-BAA ADIL Hedge Receivables Novation	NIL
ADIL-BAA ADIL Hedge Payables Novation	NIL
Hedging Deed of Set-off Receivable	NIL
BAA-Newco Hedging Deed of Set-off Receivable Novation	NIL
BAA Bond Guarantee	NIL
Common Terms Agreement	NIL
Tax Deed of Covenant	NIL
Subordinated Facility Novation and Amendment Agreement	NIL
Senior Junior Intercreditor Amendment and Restatement Agreement	NIL

and

the amount of cash to be transferred to the person assisted is, in respect of the financial assistance being provided pursuant to the matters specified in the first column, the amount of cash specified in the second column

Matter	Amount of cash to be transferred
the Bond Surrender, the New Bond Delivery, the Bond Compensation Payment	NIL
the Capex Debt Prepayment	Such amount as is specified in the document, being an amount not exceeding £2,800

Form 155(6)a in relation to BAA Limited**Schedule 8 – Value of any asset to be transferred**

BAA Limited
Company Number 01970855
(the *Company*)

Defined terms used in this Schedule shall have the same meanings as those given to them in the relevant documents referred to below, unless otherwise defined in any of the Schedules to this statutory declaration

The value of any asset to be transferred to the person assisted is, in respect of the financial assistance being provided pursuant to the documents specified in the first column, the value specified in the second column

Document	Value of any asset to be transferred
AAL 2 SPA / AAL 2 Declaration of Trust	Such amount as is specified in the document, being an amount not exceeding £350 million
GLAL 2 SPA / GLAL 2 Declaration of Trust	Such amount as is specified in the document, being an amount not exceeding £750 million
EAL 2 SPA / EAL 2 Declaration of Trust	Such amount as is specified in the document, being an amount not exceeding £700 million
SIAL SPA / SIAL Declaration of Trust	Such amount as is specified in the document, being an amount not exceeding £300 million
BAA Lynton SPA / BAA Lynton Declaration of Trust	Such amount as is specified in the document, being an amount not exceeding £300 million
SP Debenture Assignment Agreement	Such amount as is specified in the document, being an amount not exceeding £1,700 million
BAA-ADIL EAL Payables Assignment	NIL
BAA-ADIL GLAL Payables Assignment	NIL
BAA SPA and BAA Trust Deed	NIL
ADIL and BAA Hedging Novation Agreements	Such amounts as are specified in the documents, being an amount not exceeding £450 million in aggregate
BAA Hedge Receivables Novation	NIL
BAA-HAL Deed of Set-Off	NIL
BAA-GAL Deed of Set-Off	NIL

BAA-STAL Deed of Set-Off	NIL
Downstream Loans (Stranded Bonds) Amendment Agreement	NIL
Borrower Upstream Loan Agreement	NIL
Deed of Termination and Release	NIL
Ineligible Bonds Escrow Agreement	NIL
ADIL-BAA ADIL Hedge Receivables Novation	NIL
ADIL-BAA ADIL Hedge Payables Novation	NIL
Hedging Deed of Set-off Receivable	NIL
BAA-Newco Hedging Deed of Set-off Receivable Novation	NIL
Tax Deed of Covenant	NIL
Subordinated Facility Novation and Amendment Agreement	NIL
Senior Junior Intercreditor Amendment and Restatement Agreement	NIL

and

the value of any asset to be transferred to the person assisted is, in respect of the financial assistance being provided pursuant to the matters specified in the first column, the value specified in the second column

Matter	Value of asset to be transferred
the Bond Surrender, the New Bond Delivery, the Bond Compensation Payment	NIL
the Capex Debt Prepayment	NIL

CHFP041

COMPANIES FORM No. 155(6)(a)**155(6)a****Declaration in relation to
assistance for the acquisition
of shares**Please do not
write in
this margin

Pursuant to section 155(6) of the Companies Act 1985

Please complete
legibly, preferably
in black type, or
bold block letteringTo the Registrar of Companies
(Address overleaf - Note 5)

For official use

Company number

--	--	--	--

01970855

Note
Please read the
notes on page 3
before completing
this form

Name of company

* BAA Limited (the Company)

We ~~are~~ Please see Schedule 1Insert name(s) and
address(es) of all
the directors

~~the sole director~~ [all the directors] † of the above company do solemnly and sincerely declare that
The business of the company is

~~(a) that of a (recognised bank) licensed institution within the meaning of the Banking Act 1979 §~~

~~(b) that of a person authorised under section 3 or 4 of the Insurance Companies Act 1982 to carry on
insurance business in the United Kingdom §~~

(c) something other than the above §

The company is proposing to give financial assistance in connection with the acquisition of shares in the
[company] ~~[company's holding company]~~

limited §

The assistance is for the purpose of [that acquisition] ~~[reducing or discharging a liability incurred for the
purpose of that acquisition]~~ †

The number and class of the shares acquired or to be acquired is

1,102,400,315 ordinary shares of £1 00

Presenter's name address and
reference (if any)

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

For official Use (02/06)

General

The assistance is to be given to (note 2) Please see Schedule 6

Please do not
write in
this margin
**Please complete
legibly, preferably
in black type, or
bold block
lettering**

The assistance will take the form of

Please see Schedule 2

The person who ~~[has acquired]~~ [will acquire]† the shares is

BAA (D&ND Holdco) Limited (06408400) of of 130 Wilton Road, London SW1V 1LQ

† Delete as
appropriate

The principal terms on which the assistance will be given are

Please see Schedule 3

The amount of cash to be transferred to the person assisted is £ Please see Schedule 7

The value of any asset to be transferred to the person assisted is £ Please see Schedule 8

The date on which the assistance is to be given is on a date falling within 8 weeks of the date hereof

CO155(6)(a)/2

Please do not
write in
this margin

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

*Delete either (a) or
(b) as appropriate

~~1/~~We have formed the opinion, as regards the company's initial situation immediately following the date on which the assistance is proposed to be given, that there will be no ground on which it could then be found to be unable to pay its debts (note 3)

- (a) ~~1/~~We have formed the opinion that the company will be able to pay its debts as they fall due during the year immediately following that date]* (note 3)

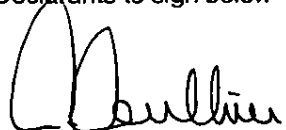
~~1/~~It is intended to commence the winding-up of the company within 12 months of that date, and

~~1/~~We have formed the opinion that the company will be able to pay its debts in full within 12 months of the commencement of the winding-up.]* (note 3)

And ~~1/~~we make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835

Declared at Montreal, Province
of Quebec, Canada


Declarants to sign below



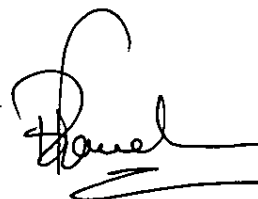
on

Day	Month	Year
07	08	2008

before me

 KEVIN LEONARD

A Commissioner for Oaths or Notary Public or Justice of the Peace or a Solicitor having the powers conferred on a Commissioner for Oaths



NOTES

1 For the meaning of "a person incurring a liability" and "reducing or discharging a liability" see section 152(3) of the Companies Act 1985

2 Insert full name(s) and address(es) of the person(s) to whom assistance is to be given, if a recipient is a company the registered office address should be shown

3 Contingent and prospective liabilities of the company are to be taken into account - see section 156(3) of the Companies Act 1985

4 The auditor's report required by section 156(4) of the Companies Act 1985 must be annexed to this form

5 The address for companies registered in England and Wales or Wales is -

The Registrar of Companies
Companies House
Crown Way
Cardiff
CF14 3UZ

DX 33050 Cardiff

or, for companies registered in Scotland -

The Registrar of Companies
37 Castle Terrace
Edinburgh
EH1 2EB

DX 235 Edinburgh

or LP-4 Edinburgh 2

Schedule 1 – List of Directors

BAA Limited
Company Number 01970855
(the *Company*)

	DIRECTOR	ADDRESS
1	Sir Anthony Nigel Russell Rudd	1 Churchill Place Canary Wharf London E14 5HP
2	Colin Steven Matthews	130 Wilton Road London SW1V 1LQ
3	Eng Seng Ang	130 Wilton Road London SW1V 1LQ
4	Ghislain Gauthier	130 Wilton Road London SW1V 1LQ
5	Inigo Meiras	130 Wilton Road London SW1V 1LQ
6	Lord John Stevens	LGC, Queens Road Teddington Middlesex TW11 OLY
7	Jose Leo	130 Wilton Road London SW1V 1LQ
8	Jose Maria Perez Tremps	130 Wilton Road London SW1V 1LQ
9	Luis Angel Sanchez Salmeron	130 Wilton Road London SW1V 1LQ
10	Nicholas Villen Jimenez	130 Wilton Road London SW1V 1LQ
11	Renaud Faucher	130 Wilton Road London SW1V 1LQ
12	Richard Ross Drouin	130 Wilton Road London SW1V 1LQ
13	Stuart Baldwin	130 Wilton Road London SW1V 1LQ

Form 155(6)(a) in relation to BAA Limited

Schedule 2 – Form of Financial Assistance

BAA Limited
Company Number 01970855
(the *Company*)

Defined terms used in this Schedule shall have the same meanings as those given to them in the relevant documents referred to below, unless otherwise defined in any of the Schedules to this statutory declaration

The Company will or might provide financial assistance by way of the execution and performance of the documents specified in Schedule 4, each such document being in such form as the directors or any authorised signatory may approve and as may be amended, supplemented, novated and/or replaced from time to time) together with the performance by the Company of other acts (including, without limitation, the payment of all fees to professionals, third parties and others) and/or the execution of any other documents (as the same shall be amended, supplemented, novated and/or replaced from time to time), ancillary or otherwise, in connection with the Proposed Financing or the refinancing from time to time of the Proposed Financing, including the execution and performance of

- (a) the following documents, and the provision of all financial assistance thereunder, including the leaving of consideration payable in connection with such documents outstanding on intercompany balance
 - (i) the EAL 2 SPA, the EAL 2 STF, the EAL 2 Declaration of Trust and the EAL 2 GTRA,
 - (ii) the GLAL 2 SPA, the GLAL 2 STF, GLAL 2 Declaration of Trust and the GLAL 2 GTRA,
 - (iii) the AAL 2 SPA, the AAL 2 STF, the AAL 2 Declaration of Trust and the AAL 2 GTRA,
 - (iv) the SIAL 1 SPA, the SIAL 1 STF, the SIAL 1 Declaration of Trust, and the SIAL 1 GTRA, and
 - (v) the Lynton SPA, the Lynton STF, the Lynton Declaration of Trust and the Lynton GTRA
- (b) the BAA SPA, the BAA Trust Deed, the BAA STF and the BAA GTRA, and the provision of all financial assistance thereunder, including agreement to the novation of the Company's receivable from ADIL to Newco (to the extent Newco might be considered a weaker credit),
- (c) the BAA-ADIL EAL Payables Assignment, and the provision of all financial assistance thereunder, including the transfer of receivables owing to the Company by EAL to ADIL in consideration for receiving a payable from ADIL of equivalent amount,

- (d) the BAA-ADIL GLAL Payables Assignment, and the provision of all financial assistance thereunder, including the transfer of receivables owing to the Company by GLAL to ADIL in consideration for receiving a payable from ADIL of equivalent amount,
- (e) the SP Debenture Assignment Agreement and the SP Debenture Assignment Acknowledgement, and the provision of all financial assistance thereunder, including the leaving of consideration outstanding on intercompany balance,
- (f) the BAA Bond Guarantee, and the provision of all financial assistance thereunder, including the provision of a guarantee,
- (g) the Deed of Termination and Release, and the provision of all financial assistance thereunder, including amending the terms of Convertible Debt to facilitate early prepayment of convertible debt together with payment of any costs,
- (h) the Subscription Agreement, and the provision of all financial assistance thereunder, including the giving of the indemnities to the relevant Dealers by reference to the Dealership Agreement thereunder to enable the Issuer to issue notes and lend the proceeds thereof to the Borrowers pursuant to the Borrower Loan Agreement,
- (i) the STID, and the provision of all financial assistance thereunder, including the subordination of certain claims, the provision of indemnities and the payment of fees,
- (j) the Tax Deed of Covenant, and the provision of all financial assistance thereunder, including the giving of representations, warranties and covenants,
- (k) the Subordinated Facility Novation and Amendment Agreements and the Senior Junior Intercreditor Amendment and Restatement Agreement, and the provision of all financial assistance thereunder, including the making of any amendments to existing security and guarantees and the agreement to provide any further security or guarantees on the terms set out therein,
- (l) the ADIL and BAA Hedging Novation Agreements, the Payment Letter, and the Transferor Consideration Letter and the provision of all financial assistance hereunder, including the leaving of consideration owing by one counterparty to another (as the case may be, depending on whether such swaps are “in the money” or “out of the money”),
- (m) the ADIL-BAA ADIL Hedge Receivables Novation, and the provision of all financial assistance thereunder, including the assumption of new debt obligations to ADIL by the Company in consideration for the assumption of a right to receive new receivables from the Borrowers,
- (n) the ADIL-BAA ADIL Hedge Payables Novation, and the provision of all financial assistance thereunder, including the assumption of new debt obligations to Issuer by the Company in consideration for the assumption of a right to receive new receivables from the ADIL,
- (o) the Hedging Deed of Set-off and the Hedging Deed of Set-off Receivable Novation, and the provision of all financial assistance thereunder, including agreeing to the

transfer of receivables owing to the Company to Newco in consideration for acquiring the right to receive new receivables from Newco (to the extent Newco might be considered a weaker credit than ADIL), and

- (p) the Parent Support Letter, and the provision of all financial assistance thereunder, including offering to make available to certain addressees financial support on the terms set out therein,
- (q) any other document entered into or step taken pursuant to the Steps Paper, and the provision of all financial assistance thereunder,

which, in each case, would or might amount to financial assistance by the Company for the purpose of the acquisition of shares in the Company, and

the performance of

- (a) the Bond Surrender, the New Bond Delivery, the Bond Compensation Payment and the provision of all financial assistance thereunder, including the payment of an early incentive fee to the holders of bonds migrating into the Securitisation Group,
- (b) the Convertible Debt Prepayment and the provision of all financial assistance thereunder, including the early prepayment of convertible debt,
- (c) the Ineligible Bonds Escrow, and the provision of all financial assistance thereunder, including the early redemption of certain qualifying bonds plus the payment of costs incurred and the entry into of the Ineligible Bonds Escrow Agreement,
- (d) the Capex Debt Prepayment, and the provision of all financial assistance thereunder, including making early repayment of the capital expenditure facility made available to it,
- (e) any other document entered into or step taken pursuant to the Steps Paper, and the provision of all financial assistance thereunder,

which, in each case, would or might amount to financial assistance by the Company for the purpose the acquisition of shares in the Company

Form 155(6)a in relation to BAA Limited

Schedule 3 – Principal terms upon which financial assistance will be given

BAA Limited
Company Number 01970855
(*the Company*)

Defined terms used in this Schedule shall have the same meanings as those given to them in the relevant documents referred to below, unless otherwise defined in any of the Schedules to this statutory declaration

Reorganisation

(a) EAL Transfer 2

Pursuant to the EAL 2 SPA, the Company was to agree to transfer all of the issued share capital of EAL to ADIL for the consideration set out therein, being approximately £635 million, all of which was to be left outstanding on intercompany balance between the Company and ADIL. The beneficial title to the shares was to be transferred pursuant to the AAL 2 Declaration of Trust. Additionally, a group tax relief application for group relief from stamp duty was to be made in respect of the transfer of EAL pursuant to the EAL 2 GTRA.

(b) GLAL Transfer 2

Pursuant to the GLAL 2 SPA, the Company was to agree to transfer all of the issued share capital of GLAL to ADIL for the consideration set out therein, being approximately £611 million, all of which was to be left outstanding on intercompany balance between the Company and ADIL. The beneficial title to the shares was to be transferred pursuant to the GLAL 2 Declaration of Trust. Additionally, a group tax relief application for group relief from stamp duty was to be made in respect of the transfer of GLAL 2 pursuant to the EAL 2 GTRA.

(c) AAL Transfer 2

Pursuant to the AAL 2 SPA, the Company was to agree to transfer all of the issued share capital of AAL to ADIL for the consideration set out therein, being approximately £296 million, all of which was to be left outstanding on intercompany balance between the Company and ADIL. The beneficial title to the shares was to be transferred pursuant to the AAL 2 Declaration of Trust. Additionally, a group tax relief application for group relief from stamp duty was to be made in respect of the transfer of AAL 2 pursuant to the AAL 2 GTRA.

(d) **SIAL Transfer**

Pursuant to the SIAL 1 SPA, the Company was to agree to transfer all of the issued share capital of SIAL to ADIL for the consideration set out therein, being approximately £237 million, all of which was to be left outstanding on intercompany balance between the Company and ADIL. The legal title to the shares was to be transferred pursuant to the SIAL 1 STF and that beneficial title to the shares was to be transferred pursuant to the SIAL 1 Declaration of Trust. Additionally, an application for group relief from stamp duty was to be made in respect of the transfer of SIAL pursuant to the SIAL 1 GTRA.

(e) **Lynton Transfer**

Pursuant to the Lynton SPA, the Company was to agree to transfer all of the issued share capital of BAA Lynton to ADIL for the consideration set out therein, being approximately £402 million, all of which was to be left outstanding on intercompany balance between the Company and ADIL. The legal title to the shares was to be transferred pursuant to the Lynton 1 STF and that beneficial title to the shares was to be transferred pursuant to the Lynton Declaration of Trust. Additionally, an application for group tax relief from stamp duty was to be made in respect of BAA Lynton pursuant to the Lynton GTRA.

(f) **BAA Transfer**

Pursuant to the BAA 1 SPA, ADIL was to agree to transfer 50.5 per cent of the issued share capital of the Company to Newco in consideration of Newco acquiring from ADIL a payable of the amount set out therein, being approximately £6,157 million, to the Company, it was noted that the Company was to agree that its receivable should be from Newco rather than ADIL. The legal title to such shares was to be transferred pursuant to the BAA 1 STF and that an application for group relief from stamp duty was to be made in respect of the transfer of 50.5 per cent of the shares in the Company pursuant to the BAA 1 GTRA.

(g) **SP Debenture Assignment Agreement**

Pursuant to the terms of the SP Debenture Assignment Agreement, ADIL was to acquire the Securitisation Parent Debenture for £1,600 million plus interest of £78 million from the Company, which consideration was to be left outstanding on intercompany balance and which assignment was to be perfected pursuant to the SP Debenture Assignment Acknowledgment.

Pursuant to the SP Debenture Amendment Agreement the terms on the Securitisation Debenture would to be amended to provide for a reduction in the principal value of the note from £1,600 million to £1,566 million.

(h) **BAA-ADIL GLAL Payables Assignment**

Pursuant to the BAA-ADIL GLAL Payables Assignment, the Company was to agree to assign to ADIL its receivable, of the amount to be determined on or around the Closing Date set out therein, but estimated as at 31 July 2008 to be £119 million (pre-working capital repayment), from GLAL in consideration for a payable of equivalent value from ADIL to be left outstanding on intercompany balance between the Company and ADIL.

(i) BAA-ADIL EAL Payables Assignment

Pursuant to the BAA-ADIL EAL Payables Assignment, the Company was to agree to assign to ADIL its receivable, of the amount to be determined on or around the Closing Date set out therein, but estimated as at 31 July 2008 to be £142 million (pre-working capital repayment), from EAL in consideration for a payable of equivalent value from ADIL to be left outstanding on intercompany balance between the Company and ADIL

(j) BAA Payables Assignment

Pursuant to the terms of the BAA Payables Assignment, the Borrowers were each to acquire from Issuer a proportion of Issuer's right to receive the BAA Payables (as hereinafter defined) from the Company (being consideration in respect of the bonds to be issued by Issuer to the Company, projected as at 31 July 2008 to be £4,214 million), in consideration of the Borrowers assuming payables to the Issuer in an equivalent amount estimated to be as follows

- (i) HAL - £3,260 million,
- (ii) GAL - £530 million, and
- (iii) STAL - £289 million

Pursuant to the Borrower Deeds of Set-Off, each Borrower's corresponding debt to the Issuer was to be constituted by the relevant Borrower Loan Agreement under which an advance in an amount calculable by reference to the value of the proportion of the BAA Payables assigned to that Borrower would be deemed to have been made

Pursuant to the HAL Deed of Set-off, the GAL Deed of Set-off and the STAL Deed of Set-off, HAL, GAL and STAL respectively were to off-set the proportion of the BAA Payables owed to each of them against existing downstream loans then outstanding

(k) ADIL and BAA Hedging Novation Agreements

Pursuant to the terms of the ADIL and BAA Hedging Novation Agreements

- (i) ADIL was to novate to the Borrowers,
- (ii) ADIL was to novate to Issuer,
- (iii) the Company was to novate to the Borrowers, and
- (iv) the Company was to novate to the Issuer,

certain swaps entered into pursuant to certain ISDA Master Agreements (together with their Schedules and credit support annexes) and for fair value. Additionally, it was noted that in relation to the ADIL Hedging Novation Agreement, the Payment Letter was to be entered into, and that in relation to the BAA Hedging Novation Agreement, the Transferor Consideration Letter was to be entered into in each case with consideration to be left outstanding on intercompany balance

The ADIL and BAA Hedging Novation Agreements were contingent upon the issue of bonds in accordance with the final terms contained within the prospectus of the Issuer. If the transfers of swaps by way of novation pursuant to the terms of the ADIL and BAA Hedging Novation Agreements occurs depending on whether each such swap was “in the money” or “out of the money”

- (i) ADIL was to leave such fair value consideration owing to the Borrowers or the Borrowers were to leave such fair value consideration owing to ADIL (as the case may be),
- (ii) ADIL was to leave such fair value consideration owing to Issuer or Issuer was to leave such fair value consideration owing to ADIL (as the case may be),
- (iii) the Company was to leave such fair value consideration owing to the Borrowers or the Borrowers were to leave such fair value consideration owing to the Company (as the case may be), and
- (iv) the Company was to leave such fair value consideration owing to Issuer or Issuer was to leave such fair value consideration, owing to the Company (as the case may be),

in each case on the relevant intercompany balance

Additionally

- (i) the hedges to be novated from ADIL to the Borrowers were, in aggregate, in the money, giving rise to net intercompany payables post-novation owing by the Borrowers to ADIL (estimated at 31 July 2008 to be £142 million) (being absorbed in a ratio of 78 13 9 by HAL GAL STAL) (the *ADIL Hedge Receivables*), and that
- (ii) the hedges to be novated from ADIL to Issuer were, in aggregate, out of the money, giving rise to net intercompany payables post-novation owing by ADIL to Issuer (estimated at 31 July 2008 to be £247 million) (the *ADIL Hedge Payables*);
- (iii) the hedges to be novated from BAA to the Borrowers were (net of prepayment), in aggregate, in the money, giving rise to net intercompany payables post-novation owing by the Borrowers to BAA (estimated at 31 July 2008 to be £38 million, being £30 million HAL, £5 million GAL and £3 million STAL), and
- (iv) the hedges to be novated from BAA to Issuer were (net of prepayment), in aggregate, in the money, giving rise to net intercompany payables post-novation owing by Issuer to BAA (estimated at 31 July 2008 to be £383 million)

The ADIL and BAA Hedging Novation Agreements were to be contingent upon the issue of bonds in accordance with the final terms contained within the prospectus of the Issuer

There was to be made a prepayment in respect of certain hedges identified in the ADIL and BAA Hedging Novation Agreements. The prepayment was to be made by the Company (i.e. pre-novation), and that each of the Borrowers or Issuer (as appropriate) was to pay fair value for the benefit of such prepayment, although this consideration was to be left outstanding on intercompany balance. It was noted that as at 21 July 2008, the fair value of the prepayment to be made by the Company in respect of hedges being novated to the Borrowers was £164 million and in respect of hedges being novated to Issuer was £149 million.

(l) ADIL- BAA ADIL Hedge Receivables Novation

Pursuant to the ADIL-BAA ADIL Hedge Receivables Novation, ADIL was to agree to novate to the Company the right to receive the ADIL Hedge Receivables from the Borrowers in consideration for a payable of equivalent value from the Company to be left outstanding on intercompany balance between the Company and ADIL.

(m) ADIL-BAA ADIL Hedge Payables Novation

Pursuant to the ADIL-BAA ADIL Hedge Payables Novation, ADIL was to novate to the Company its obligations to pay the ADIL Hedge Payables to the Issuer in consideration for a receivable of equivalent value from ADIL to be left outstanding on intercompany balance between the Company and ADIL.

(n) Hedging Deed of Set-off and Hedging Deed of Set-off Receivable Novation

Pursuant to the Hedging Deed of Set-off and the Hedging Deed of Set-off Receivable Novation, the Company was to agree to being owed an amount equal to the Hedging Deed of Set-off Receivable by Newco in consideration for the right to receive the Hedging Deed of Set-off Receivable from ADIL being novated from the Company to Newco.

The Securitisation Group Financing

Common Terms Agreement and Master Definitions Agreement

A number of other documents were to incorporate the terms of the Common Terms Agreement and Master Definitions Agreement.

The Common Terms Agreement contained, in particular, a hedging policy which would govern the hedging arrangements entered into by the Borrowers and the Issuer post-refinancing, principles of Borrower cash management and principles of the liquidity arrangements the Borrowers were to enter into to provide support for amounts payable by the Borrowers under hedging agreements, EIB Facility Agreement and the Refinancing Facility Agreement. In addition, the Common Terms Agreement contained representations, warranties, covenants and indemnities, which are to be given by each Obligor and incorporated into the various Authorised Credit Facilities they would enter into on the Initial Issue Date.

The Master Definitions Agreement contained defined terms used in the Transaction Documents including the definitions for Permitted Disposals and Restricted Payments.

Conditions Precedent Agreement

The Conditions Precedent Agreement the Obligors and the Company were to provide a number of documentary conditions precedent to the Initial Issue Date including Ratings Confirmation Letters and listing confirmations

Dealership Agreement and Subscription Agreement

The Dealership Agreement formed the framework for the subscription of the Bonds by the Dealers and that the Obligors, the Company and the Issuer would be required to provide certain representations, warranties, covenants and indemnities to the Dealers thereunder which would be incorporated into each Subscription Agreement entered into in connection with each issue of Bonds under the Programme. The form of the Subscription Agreement was attached as Schedule 5 to the Dealership Agreement

The STID

Each of the Borrowers, HEX, Asset Holdco and Securitisation Parent were to be Obligors

The STID regulated the intercreditor arrangements between the Borrower Secured Creditors, including (a) the claims of the Borrower Secured Creditors, (b) the exercise, acceleration and enforcement of rights by the Borrower Secured Creditors, (c) the rights of the Borrower Secured Creditors to instruct the Borrower Security Trustee, and (d) the giving of consents and waivers and the making of modifications to the Common Terms Agreement, the Security Documents, the Shared Services Agreement, the STID, the Master Definitions Agreement and the Tax Deed of Covenant

The STID sets out the ranking in point of payment of the claims of the Borrower Secured Creditors after delivery of a Loan Enforcement Notice and provides for the subordination and postponement of all claims in respect of Financial Indebtedness of any BAA group company or affiliate thereof that is not a member of the Security Group (other than, prior to delivery of a Loan Acceleration Notice, payments under the Shared Services Agreement and certain other contracts otherwise entered into in accordance with the Common Terms Agreement)

Under the STID, post-enforcement amounts were to be paid on the terms set out in Schedule 2, including the application of proceeds recovered in favour of the BAA Pensions Trustee in respect of the BAA Pension Liabilities in an amount up to the Maximum Pension Liability Amount

Under the terms of the STID the Obligors agree to jointly and severally (a) indemnify the Borrower Security Trustee in respect of (i) any breach by an Obligor of any of its obligations under the STID or any other document to which the Borrower Security Trustee is a party, and (ii) any costs, expenses, losses and claims suffered by the Borrower Security Trustee in respect of any matter done in relation to the STID or any Transaction Document, and (b) pay the Borrower Security Trustee an annual fee and any additional remuneration agreed in accordance with the provisions of the STID, together with any costs, charges and expenses properly incurred by the Borrower Security Trustee in relation to, *inter alia*, the preparation, negotiation and execution of the STID or any Borrower Security Document

Tax Deed of Covenant

Pursuant to the Tax Deed of Covenant, each of the Tax Covenantors will make representations and give warranties and covenants given for the benefit of, *inter alios*, the

Issuer, the Bond Trustee and the Borrower Security Trustee with a view to protecting the Issuer and the members of the Security Group from various tax related risks. Among the matters covered by those representations, warranties and covenants are VAT grouping, tax residency, group tax matters, secondary tax liabilities and the Issuer's status as a securitisation company for the purposes of The Taxation of Securitisation Companies Regulations 2006.

The Subordinated Facility Novation and Amendment Agreement including restated Subordinated Facility Agreement

As at the Closing Date, Sub Holdco would acquire ADIL's debt obligations under the original Subordinated Facility Agreement entered into on 7 April 2006.

Upon entering into the Subordinated Facility Novation and Amendment Agreement, ADF2, BAAP, World Duty Free Limited, LAL, LAL 92 Limited, LAL 93 and SAL would be released as guarantors together with any related security granted by these companies. The remaining Obligor (i.e. ADIL, the Company, HAL, GAL, STAL, Sub Holdco, Asset Holdco, Securitisation Parent and Des Sub Holdco) will continue to provide security and guarantees post novation and the Obligors may be required to enter into any amendment and restatement agreements in relation to the existing security and guarantee agreements in relation to the existing security and guarantees originally given.

It was noted that HEX and Newco were to accede as guarantors to the Subordinated Facility Agreement on novation and enter into a debenture granting security.

The terms of the Subordinated Facility were to be restated in the form scheduled to the Subordinated Debt Novation and Amendment Agreement. Pursuant to the terms of the restated Subordinated Facility Agreement, the Obligors (as defined therein) irrevocably and unconditionally jointly and severally undertake:

- (a) to guarantee to each Finance Party (as defined therein) punctual performance by each other Obligor of all of that Obligor's obligations under the Finance Documents,
- (b) with each Finance Party that whenever an Obligor does not pay any amount when due under or in connection with any Finance Document, the Obligors shall immediately on demand pay that amount as if it was the principal obligor,
- (c) to indemnify each Finance Party immediately on demand against any cost, loss or liability suffered by that Finance Party if any obligation guaranteed by the Obligors is or becomes unenforceable, invalid or illegal. The amount of the cost, loss or liability shall be equal to the amount which that Finance Party would otherwise have been entitled to recover.

It was further noted that by entering into any amendment and restatement agreements in relation to the existing security and guarantees originally given, the Company would continue to grant and/or floating charges over some or all of its undertakings.

The Senior Junior Intercreditor Amendment and Restatement Agreement

Pursuant to the Senior Junior Intercreditor Amendment and Restatement Agreement the parties were to agree to amend and restate the intercreditor agreement to allow the Proposed Refinancing to be effected. Pursuant to the restated Intercreditor Agreement (as scheduled in the Senior Junior Intercreditor Amendment and Restatement Agreement), the Obligors were

to covenant to pay the amounts owing under the Finance Documents and to agree to the order of ranking and priority for the repayment of the Liabilities and subordination of the Intra-Group Liabilities

The BAA Bond Guarantee

Pursuant to the BAA Bond Guarantee, the Company was to provide a guarantee in respect of certain existing bonds issued by the Company that are to be migrated to the Issuer on the Initial Issue Date (being the BAA Guaranteed Bonds as defined in the Master Definitions Agreement). Under the BAA Bond Guarantee, the Company will unconditionally and irrevocably guarantee to Deutsche Trustee Company Limited, as bond trustee for the holders for the time being of the BAA Guaranteed Bonds, and will undertake to pay to the Bond Trustee on demand, if the Issuer fails to pay them or any part thereof, all amounts whatsoever payable by the Issuer to the BAA Guaranteed Bondholders for the time being of the BAA Guaranteed Bonds. The BAA Bond Guarantee would only be callable in circumstances where a Bond Enforcement Notice has been served. It was further noted that under the BAA Bond Guarantee, the Company would agree to indemnify the Bond Trustee on demand against any loss or liability suffered by it or by any of the BAA Guaranteed Bondholders.

Although the Company was to provide this guarantee, it would cease to have primary liability in respect of the bonds which are to be migrated into the Securitisation Group structure. It was noted, however, that pursuant to FRS 25 and 26, the Company would be required to recognise a liability in its accounts in respect of such guarantee, thus reducing net assets by such an amount. It was noted that such a provision would only need to be made when it came to report, however for the purposes of the whitewash an estimated contingent liability in the sum of £177 million would be provided for.

Re-financing of ADIL Group indebtedness

Bond Exchange

By undertaking the Bond Exchange, the Company was to deliver to the holders of the Bonds either the New Bonds subscribed for from the Issuer by the Company or the relevant Bond Compensation Payment, together with an early incentive fee and accrued interest the aggregate value of which fee and interest was to be determined upon delivery of all the relevant bonds to the existing Bondholders but which was estimated as at 31 July 2008 to be £4214 million.

As at 1 August 2008, it was projected that all Bonds would be exchanged for New Bonds pursuant to the Bond Surrender and New Bond Delivery and that the total Bond Compensation Payment would be £12 million in respect of incentives and £13 million in respect of liability management fees (assuming that the Ineligible Bonds Escrow is not implemented by the Company).

However, it would only be possible for the Bond Exchange to take place after holders of the existing Bonds had held meetings to be held in accordance with the terms of each such series of Bonds to consider resolutions sanctioning the Bond Exchange.

If at any meeting of the holders of existing Bonds the resolution were not to be passed, those holders of Bonds issued after 2002 who had voted in favour of the resolutions would be deemed to make to the Company an offer (the *Exchange Offer*) to exchange their Bonds in the same manner as if the resolutions had passed. If the Company were to accept the

Exchange Offer, the Bond Exchange would go forward with regard to those Bonds only and the remainder would be Non Migrated Bonds

If on the Closing Date any such meeting had been adjourned, that the New Bond Delivery would only take place in relation to those Bonds for which the applicable procedures had been undertaken and that the remaining Bonds would in the interim remain Non Migrated Bonds. The Chairman further explained that once the adjourned meeting had been held, if a positive resolution had been obtained, then such Bonds would be migrated in the same manner as those which had been migrated on the Closing Date (the *Second Bond Migration*)

The Second Bond Migration would entail the same steps being undertaken as had been undertaken in relation to the Bonds which had transferred previously and that a separate Borrower Loan Agreement would be entered into. It was noted, however, that the aggregate number of bonds being transferred pursuant to the New Bond Delivery and the Second Bond Migration (and the nature and value of financial assistance being provided) would remain the same as would have been the case had all Bonds been migrated in one go at the Closing Date

Ineligible Bonds Escrow

The Bonds, due for repayment at principal by the Company on dates falling from 2012 to 2031 and until then carrying interest at the rates (and on the terms) specified on each such bond, were to be redeemed early on the Closing Date

If the Company so elected, the Issuer would issue new bonds to the Company with a principal amount equal to those Bonds held by Ineligible Bondholders (other than those who were retail holders (being Bondholders with holdings of less than £50,000 or €50,000, as applicable) or in the U S) (*Qualified Ineligible Bondholders*) which would be deposited in an escrow account pursuant to the terms of the Ineligible Bonds Escrow Agreement pending sale at least six months later by the Company. It was noted that the Company would pay the net proceeds of such sale to the Qualified Ineligible Bondholders pro rata in discharge of their entitlement, but that prior to sale the Company could deliver new bonds to any holders of ineligible bonds who were able to certify eligibility

These Bonds remaining were to be redeemed on completion and, if the Company so elected, would be replaced with a claim on the Company for the net proceeds of sale of the new bonds being issued by the Issuer to the Company

Whilst the number and class of Bonds held by Qualified Ineligible Bondholders was to remain unknown until the end of the offer period on 8 August 2008, these had for the purposes of the model been estimated to have a par value of £70 million, with costs associated with the exchange totalling £7 million

The Convertible Debt Prepayment

The Convertible Debt, owing to ADIL, was due for repayment of principal by the Company in 2009 and until then carried interest at 2 625 per cent per annum

Pursuant to the Deed of Termination and Release, the final redemption date of the Convertible Debt was to be brought forward from 19 August 2009 to the Closing Date (with the trust deed and the agency agreement being terminated upon such redemption). It was noted that initially the consideration payable in respect of the Convertible Debt Prepayment was to be left outstanding from the Company to ADIL but would later be settled in full by cash from the proceeds of the Proposed Refinancing

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The Capex Debt Prepayment

The Capex Debt, owing by the Company to the lenders thereunder and outstanding in an amount of £2,660 million, was to be prepaid on the Closing Date

Whilst the proceeds of the Capex Debt were not permitted to be applied in connection with funding the BAA Acquisition (which was to be funded from drawings under Facility A of the Senior Facilities Agreement), the Company would nonetheless undertake the whitewash procedure in relation to the prepayment of such debt for the sake of certainty

Intra-group loans

The terms of the existing inter-company payables were undocumented, save as in relation to those payables referred to below, but that interest between the Company and its subsidiaries carried interest at a rate of 1.5 per cent over the Base Rate of the Bank of England. These loans are hereinafter referred to as the *Undocumented Intercompany Balances*

There were three documented intra-group loans in place prior to the commencement of the Proposed Financing, being

- (a) a loan agreement between the Company and GAL dated March 2003, pursuant to which the Company as Lender made available to GAL as Borrower a loan in the sum of £200 million bearing interest at the rate of 5.75 per cent per annum with interest payable twice-annually and repayable in full on the tenth anniversary of the agreement,
- (b) a loan agreement between LAL 92 and HAL dated 23 March 2005, pursuant to which LAL 92 as Lender made available to HAL as Borrower a loan in the sum of £740 million bearing interest at a rate of 1 per cent per annum over the Bank of England Base Rate, payable quarterly and repayable on demand. It was noted that the benefit of this loan agreement had been assigned by LAL 92 to the Company, and
- (c) a loan agreement between the Company and HAL dated 30 March 2005, pursuant to which the Company as Lender made available a loan to HAL in the sum of £451,760,943 bearing interest at a rate of 1 per cent per annum over the Bank of England Base Rate, payable quarterly and repayable on demand,

together the *Documented Loans*

As a result of the Proposed Financing, the Documented Loans would be extinguished pursuant to the Documented Loans Deed of Acknowledgement and Set-Off and that other intercompany balances would be satisfied such that, *inter alia*, the following material loans would remain

- (a) a downstream loan from the Company to each of the Borrowers in an amount to be determined on or around the Closing Date but sufficient to service the Non Migrated Bonds (projected as at 1 August 2008 to be nil from the Company to HAL, nil from the Company to GAL and nil from the Company to STAL)

It was noted that pursuant to the terms of the Downstream Loan (Stranded Bonds) Amendment Agreement, the terms of such downstream loans were to be amended on or around the Closing Date, from those of the Undocumented Intercompany Balances to being on terms similar to the Non Migrated Bonds which the loan would be used to

service, including an interest rate marginally in excess of the cost of funding the Non Migrated Bonds, and

- (b) an upstream loan from each of the Borrowers to Securitisation Parent in an amount to be determined on or around the Closing Date but projected as at 1 August 2008 to be nil (in the case of HAL), £379 million (in the case of GAL) and £251 million (in the case of STAL) to be made pursuant to the Borrower Upstream Loan Agreement with interest calculated and payable on a compound basis annually at the rates projected as at 31 July 2008 to be those set out in the Transfer Pricing Schedule (the ***Borrower Upstream Loan***) It was noted that the projected rates were to be amended to facilitate a pass through of fees arising under the relevant external funding

Under the Borrower Upstream Loan Agreement, further advances were to be made on request by each of the Borrowers to Securitisation Parent for so long as the relevant Borrower Upstream Loan was outstanding which were to be applied by Securitisation Parent for the purpose of discharging its annual interest payment obligations in relation to that Borrower as they were to fall due

Any advances made by a particular lender constituted by the Borrower Upstream Loan Agreement were to be repaid together with any accrued interest on the earlier of an event of default and demand being made by the relevant lender

The tenor of each such loan might be increased by an amount equal to the excess repayment made by the Company to each of the Borrowers to fund each such company's working capital needs for the period from 1 August 2008 until the Closing Date, over the amount actually required by that company during that period

The Company was to undertake the Whitewash Procedure in relation to the Intercompany Loan Transactions, the Borrower Upstream Loans and any further loans that may be made by the Borrowers to Securitisation Parent replacing, amending or supplemental to the Borrower Upstream Loans

The Parent Support Letter

It was noted that pursuant to the terms of the Parent Support Letter the Company was to state that it was its present intention to afford to the recipients financial comfort on the terms set out therein until 31 December 2009

Form 155(6)a in relation to BAA Limited

Schedule 4 – The Documents

BAA Limited
Company Number 01970855
(the *Company*)

2. THE REORGANISATION

- (a) Share Purchase Agreement between SAL and BAA to be dated the Closing Date, with respect to the sale and purchase of all issued shares of EAL (the *EAL 1 SPA*)
- (b) Stamp duty group relief application in respect of EAL together with shareholders' register of SAL (the *EAL 1 GTRA*)
- (c) Declaration of trust to transfer the beneficial interest in shares of EAL from SAL to BAA dated the Closing Date (the *EAL 1 Declaration of Trust*)
- (d) Stock transfer forms to transfer shares of AAL, from SAL to BAA (the *AAL 1 STF*)
- (e) Share Purchase Agreement between SAL and BAA to be dated the Closing Date, with respect to the sale and purchase of all issued shares of GLAL (the *GLAL 1 SPA*)
- (f) Share Purchase Agreement between SAL and BAA to be dated the Closing Date, with respect to the sale and purchase of all issued shares of AAL (the *AAL 1 SPA*)
- (g) Stock transfer forms to transfer shares of EAL, from SAL to BAA (the *EAL 1 STF*)
- (h) Stock transfer forms to transfer shares of GLAL, from SAL to BAA (the *GLAL 1 STF*)
- (i) Stamp duty group relief application in respect of GLAL together with shareholders' register of SAL (the *GLAL 1 GTRA*)
- (j) Deed of trust to transfer the beneficial interest in shares of GLAL from SAL to BAA (the *GLAL 1 Declaration of Trust*)
- (k) Stamp duty group relief application in respect of AAL together with shareholders' register of SAL (the *AAL 1 GTRA*)
- (l) Declaration of trust to transfer the beneficial interest in shares of AAL from SAL to BAA dated the Closing Date (the *AAL 1 Declaration of Trust*)
- (m) Share Purchase Agreement between BAA and ADIL to be dated the Closing Date with respect to the sale and purchase of all issued shares of EAL (the *EAL 2 SPA*)
- (n) Stock transfer form to transfer shares of EAL from BAA to ADIL (the *EAL 2 STF*)
- (o) Stamp duty group relief application re EAL (the *EAL 2 GTRA*)
- (p) Declaration of trust to transfer the beneficial interest in shares of EAL from BAA to ADIL dated the Closing Date (the *EAL 2 Declaration of Trust*)

- (q) Share Purchase Agreement between BAA and ADIL to be dated the Closing Date with respect to the sale and purchase of all issued shares of GLAL (the **GLAL 2 SPA**)
- (r) Stock transfer form to transfer shares of GLAL from BAA to ADIL (the **GLAL 2 STF**)
- (s) Stamp duty group relief application re GLAL (the **GLAL 2 GTRA**)
- (t) Declaration of trust to transfer the beneficial interest in shares of GLAL from BAA to ADIL dated the Closing Date (the **GLAL 2 Declaration of Trust**)
- (u) Share Purchase Agreement between BAA and ADIL to be dated the Closing Date with respect to the sale and purchase of all issued shares of AAL (the **AAL 2 SPA**)
- (v) Stock transfer form to transfer shares of AAL from BAA to ADIL (the **AAL 2 STF**)
- (w) Stamp duty group relief application re AAL (the **AAL 2 GTRA**)
- (x) Declaration of trust to transfer the beneficial interest in shares of AAL from BAA to ADIL dated the Closing Date (the **ADIL 2 Declaration of Trust**)
- (y) Share Purchase Agreement between BAA and ADIL to be dated the Closing Date with respect to the sale and purchase of all issued shares of SIAL (the **SIAL 1 SPA**)
- (z) Stock transfer form to transfer shares of SIAL from BAA to ADIL (the **SIAL 1 STF**)
- (aa) Stamp duty group relief application, together with shareholders' register of BAA (the **SIAL 1 GTRA**)
- (bb) Declaration of trust to transfer the beneficial interest in shares of SIAL from BAA to ADIL dated the Closing Date (the **SIAL 1 Declaration of Trust**)
- (cc) Share Purchase Agreement between BAA and ADIL to be dated the Closing Date with respect to the sale and purchase of all issued shares on BAA Lynton (the **BAA Lynton SPA**)
- (dd) Stock transfers form to transfer shares of BAA Lynton from BAA to ADIL (the **BAA Lynton STF**)
- (ee) Stamp duty group relief application re BAA Lynton (the **BAA Lynton GTRA**)
- (ff) Declaration of trust to transfer the beneficial interest in shares of BAA Lynton from BAA to ADIL dated the Closing Date (the **BAA Lynton Declaration of Trust**)
- (gg) Deed of novation between BAA and ADIL, acknowledged by SIAL, transferring debt of £1 million owed by BAA to SIAL to ADIL so that ADIL owes £1 million to SIAL (the **BAA-ADIL SIAL Receivables Novation**)
- (hh) Deed of novation between ADIL and Non Des Topco, acknowledged by SIAL, transferring debt of £1 million owed by ADIL to SIAL to Non Des Topco so that Non Des Topco owes £1 million to SIAL (the **ADIL-NDT SIAL Receivables Novation**)

- (ii) Deed of novation between Non Des Topco and Non Des Holdco, acknowledged by SIAL, transferring debt of £1 million owed by Non Des Topco to SIAL to Non Des Holdco so that Non Des Holdco owes £1 million to SIAL (the **NDT-NDH SIAL Receivables Novation**)
- (jj) Assignment and assumption agreement to be dated the Closing Date between BAA and ADIL and BAA(SH), acknowledged by BAA(SP), with respect to the Securitisation Debenture dated 31 January 2008 in the principal amount of £1,600 million (the **SP Debenture Assignment Agreement**)
- (kk) Written notice of the assignment of the BAA (SP) Debenture sent from BAA to BAA (SP) (the **SP Debenture Assignment Acknowledgment**)
- (ll) Amendment agreement to be dated the Closing Date between ADIL and Securitisation Parent amending the terms of the Securitisation Debenture (the **SP Debenture Amendment Agreement**)
- (mm) Deed of assignment between BAA and ADIL, acknowledged by EAL, transferring debt in the amount set out therein, being approximately £142 million owed to BAA by EAL to ADIL so that ADIL is owed such amount by EAL and BAA is owed a further £142 million by ADIL (the **BAA-ADIL EAL Payables Assignment**)
- (nn) Deed of assignment between BAA and ADIL, acknowledged by GLAL, transferring debt of £119 million owed to BAA by GLAL to ADIL so that ADIL is owed in the amount set out therein, being approximately by GLAL and BAA is owed a further £119 million by ADIL (the **BAA-ADIL GLAL Payables Assignment**)
- (oo) Agreement (the **BAA SPA**) between ADIL, BAA and Newco dated on or around the Closing Date
 - (i) with respect to the sale and purchase of approximately 50.5% of the shares of BAA, and
 - (ii) with respect to the novation of the intercompany payable owned by ADIL to BAA in an amount to be ascertained, but estimated to be £6,157 million to BAA
- (pp) Declaration of trust executed by ADIL dated the Closing Date, transferring beneficial title to the shares of BAA sold pursuant to the BAA SPA to Newco (the **BAA Trust Deed**)
- (qq) Stock transfer form to transfer legal title to shares of BAA from ADIL to Newco (the **BAA STF**)
- (rr) Stamp duty group relief application together with shareholders' register of Newco (the **BAA GTRA**)
- (ss) a novation agreement or novation agreements under which ADIL (as **Transferor**) transfers (by way of novation) certain interest rate swaps and/or currency swaps between Transferor, Hedge Counterparty (as **Remaining Party**) and BAA (as **Transferee**) on terms that Transferor's rights and obligations to the Remaining Party are discharged in consideration for Transferee acquiring similar rights and obligations as against the Remaining Party (the **ADIL Hedging Novation Agreements**)

- (tt) The letter between BAA and ADIL to be dated on or around the Closing Date under which BAA may make a payment (which payment will be left outstanding on intercompany balance between the two parties) to ADIL in relation to the novation of certain interest swaps and currency swap derivative transaction or ADIL may make a payment to BAA in relation to the novation of certain interest rate swaps, inflation swaps and currency swap derivative transactions (the **Payment Letter**)

whereby the Hedge Counterparty is one of the following parties Banco Santander S A , CAYLON S A , Citibank N A , London Branch, HSBC Bank plc, Royal Bank of Scotland plc, and

A novation agreement or novation agreements under which BAA (as **Transferor**) transfers (by way of novation) certain interest rate swaps and/or currency swaps between BAA, Hedge Counterparty (as **Remaining Party**) and the Issuer and/or Borrower(s) (as **Transferee**) on terms that Transferor's rights and obligations to the Remaining Party are discharged in consideration for Transferee acquiring similar rights and obligations as against the Remaining Party (the **BAA Hedging Novation Agreements**)

A letter between the Issuer and/or Borrower(s) and BAA dated on or around the Closing Date under which each Issuer and/or Borrower(s) may make a payment (which payment will be left outstanding on intercompany balance between the two parties) to BAA in relation to the novation of certain interest rate swaps, inflation swaps and currency swap derivative transactions under a novation agreement or BAA may make a payment to any of Issuer and/or Borrower(s) in relation to the novation of certain interest rate swaps and currency swap derivative transactions under a novation agreement (the **Transferor Consideration Letter**)

whereby the relevant Hedge Counterparty is one of the following parties ABN AMRO Bank N V ; Banco Santander S A , Barclays Bank PLC, BNP Paribas, CALYON S A, Citibank NA, London Branch, Deutsche Bank AG, HSBC Bank PLC, Morgan Stanley & Co International Limited, Royal Bank of Scotland PLC

(the ADIL Hedging Novation Agreements and the BAA Hedging Novation Agreements being together referred to as the **ADIL and BAA Hedging Novation Agreements**)

- (uu) Deed of novation between Newco and ADIL, acknowledged by BAA, transferring debt in the amount set out therein, being approximately £105 million owed by ADIL to BAA to Newco so that Newco owes such amount to BAA (the **BAA Hedge Receivables Novation**)
- (vv) Assignment agreement (the **BAA Payables Assignment**) dated the Closing Date between Issuer, HAL, GAL and STAL, acknowledged by BAA, with respect to the assignment of receivables (the **BAA Payables**) from BAA owing to Issuer in the following amounts
- (i) £3,260 million assigned to and assumed by HAL,
 - (ii) £530 million assigned to and assumed by GAL, and
 - (iii) £289 million assigned to and assumed by STAL

(ww) Deeds of set-off between

- (i) Issuer and HAL dated the Closing Date setting off Issuer's obligation to advance the Borrower Loan against HAL's obligation to pay the Issuer consideration for its proportion of the BAA Payables received,
- (ii) Issuer and GAL dated the Closing Date setting off Issuer's obligation to advance the Borrower Loan against GAL's obligation to pay the Issuer consideration for its proportion of the BAA Payables received,
- (iii) Issuer and STAL dated the Closing Date setting off Issuer's obligation to advance the Borrower Loan against STAL's obligation to pay the Issuer consideration for its proportion of the BAA Payables received,

together, the ***Borrower Deeds of Set-Off***

- (xx) Deed of set-off dated the Closing Date between BAA and HAL offsetting a payable by BAA to HAL in an amount of approximately £3,260 against payable by HAL to BAA of the same amount (the ***BAA-HAL Deed of Set-Off***)
- (yy) Deed of set-off dated the Closing Date between BAA and GAL offsetting a payable by BAA to GL in an amount of approximately £530 million against a payable by G AL to BAA of the same amount (the ***BAA-GAL Deed of Set-Off***)
- (zz) Deed of set-off dated the Closing Date between BAA and STAL offsetting a payable by BAA to STAL in an amount of approximately £289 against payable by STAL to BAA of the same amount (the ***BAA-STAL Deed of Set-Off***)
- (aaa) Amendment agreement to be dated on or around the Closing Date between HAL, GAS, STAL, and BAA pursuant to which the Borrowers acknowledge payables to BAA in the amounts set out therein, but estimated to be nil, and the terms at which loans are amended such that the Borrowers make repayments on terms mirroring those of the Non Migrated Bonds (the ***Downstream Loans (Stranded Bonds) Amendment Agreement***)
- (bbb) Deed of Termination and Release between BAA (as Issuer), ADIL Prudential Trustee Company Limited, The Bank of New York (as Principal Paying and Conversion Agent) and JP Morgan Bank Luxembourg S A (as Paying and Conversion Agent in respect of the Convertible Debt (the ***Deed of Termination and Release***)
- (ccc) The escrow agreement to be dated on or around the Closing Date pursuant to which bonds issued by the Issuer equal in principal value to the Bonds held by Qualified Ineligible Bondholders will be placed in escrow for six months, after which bonds will be dealt with in accordance with the document's terms (the ***Ineligible Bonds Escrow Agreement***)
- (ddd) Deed of novation between ADIL and BAA, acknowledged by the Borrowers, transferring the ADIL Hedge Receivables owed to ADIL by the Borrowers so that ADIL is owed an amount equal to the ADIL Hedge Receivables by BAA and BAA is owed the ADIL Hedge Receivables by the Borrowers (***ADIL-BAA ADIL Hedge Receivables Novation***).

- (eee) Deed of novation between ADIL and BAA, acknowledged by the Issuer, transferring the ADIL Hedge Payables owed by ADIL to the Issuer so that the Issuer is owed an amount equal to the ADIL Hedge Payables by BAA and BAA is owed the ADIL Hedge Payables by ADIL (*ADIL-BAA ADIL Hedge Payables Novation*)
- (fff) Deed of set off (the ADIL-BAA Hedging Deed of set-off) between ADIL and BAA setting off the intragroup payable in an amount equal to the ADIL Hedge Receivables which ADIL is owed by BAA against the ADIL Hedge Payables which BAA is owed by ADIL (the balance owing by ADIL to BAA being the *Hedging Deed of Set-off Receivable*)
- (ggg) Deed of novation between BAA and Newco, acknowledged by ADIL, transferring the Hedging Deed of Set-off Receivable owed to BAA by ADIL so that BAA is owed an amount equal to the Hedging Deed of Set-off Receivable by Newco and Newco is owed the Hedging Deed of Set-off Receivable by ADIL (*BAA-Newco Hedging Deed of Set-off Receivable Novation*)

3. THE SECURITISATION

- (a) The Dealership Agreement to be dated on or around the Closing Date between the Dealers (the *Dealership Agreement*)
- (b) The Subscription Agreement (per class) to be dated on or around the Closing Date between the Issuer, Arrangers, Borrowers and Obligors (the *Subscription Agreement*)
- (c) The BAA Bond Guarantee to be dated on or around the Closing Date provided by BAA (the *BAA Bond Guarantee*)
- (d) The Common Terms Agreement to be dated on or around the Closing Date between each member of the Security Group, the Borrower Security Trustee, each ACF provider and the Issuer (the *Common Terms Agreement*)
- (e) The Master Definitions Agreement to be dated on or around the Closing Date between all parties (the *Master Definitions Agreement*)
- (f) The Borrower Loan Agreement to be dated on or around the Closing Date between each Borrower, the Issuer and the Borrower Security Trustee (the *Borrower Loan Agreement*).
- (g) The Shared Services Agreement to be dated on or around the Closing Date between BAA, the Obligors and the Borrower Security Trustee (the *Shared Services Agreement*)
- (h) The Obligor Floating Charge Agreement to be dated on or around the Closing Date between the Obligor, Issuer, Borrower, Security Trustee and Issuer Security Trustee (the *Obligor Floating Charge Agreement*)
- (i) The Security Agreement to be dated on or around the Closing Date between Borrower Security Trustee, the Secured Creditors and each Obligor (the *Security Agreement*)
- (j) The HAL Legal Charge to be dated on or around the Closing Date between HAL and the Borrower Security Trustee (the *HAL Legal Charge*)

- (k) The GAL Legal Charge to be dated on or around the Closing Date between GAL and the Borrower Security Trustee (the ***GAL Legal Charge***)
- (l) The STAL Legal Charge to be dated on or around the Closing Date between STAL and the Borrower Security Trustee (the ***STAL Legal Charge***)
- (m) The Security Trust and Intercreditor Deed to be dated on or around the Closing Date between the Borrower Security Trustee, the Secured Creditors and the Obligors (the ***Security Trust and Intercreditor Deed***)
- (n) The Tax Deed of Covenant to be dated on or around the Closing Date between the Issuer, Obligors, Berlin and the Borrower Security Trustee (the ***Tax Deed of Covenant***)
- (o) The EIB Facility Novation Agreement to be dated on or around the Closing Date between HAL, BAA and EIB (the ***EIB Facility Novation Agreement***)
- (p) The Borrower Liquidity Facility Agreement to be dated on or around the Closing Date between each Borrower, Borrower Liquidity Facility, the Provider and the Borrower Security Trustee (the ***Borrower Liquidity Facility Agreement***)
- (q) The Borrower Liquidity Reserve Account Trust Deed to be dated on or around the Closing Date between each Borrower, the Borrower Security Trustee, Facility Agent, Initial Borrower, Borrower Liquidity Facility Providers, Borrower Cash Manager, Security Group Agent, the Borrower Liquidity Reserve Account Trustee and the Borrower Account Bank (the ***Borrower Liquidity Reserve Account Trust Deed***)

a series of ISDA Master Agreements (together with Schedule, Credit Support annex and if any Confirmations thereto) in relation to cross currency swap transactions and a series of ISDA Master Agreements (together with Schedules Credit Support annex and, if any, Confirmations thereto) in relation to interest rate swap transactions, in each case to be dated on or around the Closing Date between each of the parties listed in column A and each of the parties listed in Column B

A	B
HAL	RBS
GAL	Citibank
STAL	Bilbao
	BNP
	Caja
	Calyon
	HSBC
	RBC

	Santander
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(together the *Borrower Hedging Documents*)

- (r) The Conditions Precedent Agreement to be dated on or around the Closing Date between each Financial Guarantor, the Borrowers and the Issuer (the *Conditions Precedent Agreement*)
- (s) The Borrower Account Bank Agreement to be dated on or around the Closing Date between the Borrowers, the Borrower Bank Account and the Borrower Security Trustee (the *Borrower Account Bank Agreement*)
- (t) The Borrower Account Bank Fee Letter to be dated on or around the Closing Date between the Borrower Bank Account and the Borrowers (the *Borrower Account Bank Fee Letter*)
- (u) The Non-Migrated Bond Facility Agreement to be dated on or around the Closing Date between Date between the Borrowers, the Original Guarantors, BAA as Security Group Agent, RBS as NMB Facility Agent, certain parties as Mandated Lead Arrangers and the Facility Providers (the *Non-Migrated Bond Facility Agreement*)
- (v) The Amendment and Restatement Agreement relating to the Subordinated Facility Agreement to be dated on or around the Closing Date between the BAA Group, the Obligors, RBS and the MLAs (the *Subordinated Facility Novation and Amendment Agreement*)
- (w) The Amendment and Restatement Agreement relating to the Intercreditor Agreement to be dated on or around the Closing Date between the BAA Group, the Obligors, RBS and the MLAs (the *Senior Junior Intercreditor Amendment and Restatement Agreement*)
- (x) An English law debenture to be dated on or around the Closing Date under which HEX will grant fixed and/or floating charges over some or all its assets and undertakings present and future by way of security for the Liabilities (as such term is defined in the Senior Junior Intercreditor Amendment Agreement) (the *Hex Debenture*)
- (y) Any amendment and restatement agreements relating to the Subordinated Facility Novation and Amendment Agreements and the Senior Junior Intercreditor Amendment and Restatement Agreement including
 - (i) an amendment and restatement agreement relating to the Debenture dated 30 January 2008 made between Des Sub Holdco, Sub Holdco, Securitisation Parent and Asset Holdco as Chargors and The Royal Bank of Scotland plc as Security Trustee,
 - (ii) an amendment and restatement agreement and partial release deed relating to the Debenture dated 19 January 2007 made between, among others, HAL, GAL and STAL as Chargors and The Royal Bank of Scotland plc as Security Trustee (releasing the security granted by certain companies but not, for the avoidance of doubt, HAL, GAL and STAL),

- (iii) an amendment and restatement agreement relating to the Mortgage dated 19 January 2007 between HAL and The Royal Bank of Scotland plc as Security Trustee,
- (iv) an amendment and restatement agreement relating to the Mortgage dated 19 January 2007 between GAL and The Royal Bank of Scotland plc as Security Trustee,
- (v) an amendment and restatement agreement relating to the Mortgage dated 19 January 2007 between STAL and The Royal Bank of Scotland plc as Security Trustee, and
- (vi) an amendment and restatement agreement relating to the Mortgage dated 19 January 2007 between BAA and The Royal Bank of Scotland plc as Security Trustee
- (z) The Refinancing Facility Agreement to be dated on or around the Closing Date between the Borrowers, the Original Guarantors, BAA as Security Group Agent, RBS as Refinancing Facility Agent, certain parties as Mandated Lead Arrangers and the Facility Providers (the *Refinancing Facility Agreement*)
- (aa) The Initial Credit Facility Agreement to be dated on or around the Closing Date between the Borrowers, the Original Guarantors, BAA as Security Group Agent, RBS as ICFA Facility Agent, certain parties as Mandated Lead Arrangers and the Facility Providers (the *Initial Credit Facility Agreement*)

4. THE NON-DESIGNATED FINANCING

- (d) A £1,255 million Facilities Agreement to be dated the Closing Date and made between, inter alios, Non Des Holdco 1 (as the Original Borrower and Original Guarantor), the financial institutions listed therein as Original Lenders, the parties listed therein as Mandated Lead Arrangers and the Agent, Security Trustee, LNG Bank and Issuing Bank (the *Facilities Agreement*) under which the Obligor will grant guarantees and indemnities to the Finance Parties (each term as defined in the Facilities Agreement)
- (e) The accession letter to be entered into by AAL, EAL, GLAL and SIAL pursuant to the Facilities Agreement (the *Facilities Agreement Accession Letter*) under which the AAL, EAL, GLAL and SIAL agree to become Additional Guarantors and to be bound by the terms of the Facilities Agreement, the Intercreditor Agreement (as defined below) and the other Finance Documents and grant guarantees and indemnities to the Finance Parties (each term as defined in the Facilities Agreement)
- (f) The intercreditor agreement to be dated on or around the Closing Date and made between, inter alios, Non Des Holdco 1, Lenders, the Agent, the Security Trustee and certain others (the *Non-Designated Group Intercreditor Agreement*) (each term as defined in the Non-Designated Group Intercreditor Agreement)
- (g) The accession letter to the Intercreditor Agreement to be entered into by each of EAL, GLAL, AAL and SIAL which sets out priorities for the repayment of indebtedness and subordination of the intergroup debt (the *Non-Designated Group Intercreditor Agreement Accession Letter*)

- (h) The English law debenture to be entered into pursuant to the terms of the Facilities Agreement in favour of The Royal Bank of Scotland plc as Security Trustee (the Debenture) under which AAL, EAL, GLAL, SIAL and certain other group companies will grant fixed and/or floating charges over some or all of their assets and undertakings present and future by way of security for the Liabilities (as such term is defined in the Non-Designated Group Intercreditor Agreement and as is hereinafter referred to as the *Liabilities*)
- (i) The terms of the Scottish law charge to be dated on or around the Closing Date pursuant to the terms of the Facilities Agreement, in favour of the Security Trustee (the *GLAL Standard Security*) under which GLAL will charge, inter alia, all or part of its real property situate in Scotland
- (j) The terms of the Scottish law charge to be dated on or around the Closing Date pursuant to the terms of the Facilities Agreement, in favour of the Security Trustee (the *EAL Standard Security*) under which EAL will charge, inter alia, all or part of its real property situate in Scotland
- (k) The terms of the Scottish law charge to be dated on or around the Closing Date pursuant to the terms of the Facilities Agreement, in favour of the Security Trustee (the *AAL Standard Security*) under which AAL will charge, inter alia, all or part of its real property situate in Scotland

Form 155(6)a in relation to BAA Limited

Schedule 5 – Defined Terms

BAA Limited
Company Number 01970855
(the *Company*)

AAL means Aberdeen Airport Limited, a company registered under the laws of Scotland with registered number SC096622

ADIL means Airport Development and Investment Limited, a company registered under the laws of England and Wales with registered number 05757208

ADIL Group means ADIL and its subsidiaries

Arranger means Citigroup Global Markets Limited and the Royal Bank of Scotland plc

Asset Holdco means BAA (AH) Limited, a company registered under the laws of England and Wales with registered number 06458657

BAA Bond Migration means the majority of the Bonds in issuance by BAA Limited which would be migrated to within the Securitisation Group structure

BAA Lynton means BAA Lynton Limited, a company registered under the laws of England and Wales with registered number 03330278

BAA Pension Scheme means the BAA Pensions Scheme (as amended from time to time) governed by the Consolidated Definitive Trust Deed and Rules dated 29 August 2002

Bilbao means Banco Bilbao Vizcaya Argentaria S A

BNP means BNP Paribas, London branch

Bondholders means the holders of the Bonds

Bonds means the following bonds and notes in issuance by the BAA Limited

- (a) £300,000,000 11³/₄ per cent Bonds due 2016 first issued on 28 February 1991 (ISIN XS0030487051),
- (b) £250,000,000 8¹/₂ per cent Bonds due 2021 issued on 31 January 1996 (ISIN XS0063290711);
- (c) £200,000,000 6 375 per cent Bonds due 2028 issued on 4 August 1998 (ISIN XS0089000516),
- (d) £900,000,000 5 75 per cent Notes due 2031 first issued on 10 December 2001 (ISIN XS0138797021),
- (e) €1,000,000,000 3 875 per cent Notes due 2012 issued on 15 February 2006 (ISIN XS0243520052),

- (f) £400,000,000 5 75 per cent Notes due 2013 issued on 27 November 2003 (ISIN XS0181263202),
- (g) €750,000,000 4 5 per cent Notes due 2014 issued on 30 September 2004 (ISIN XS0201491163),
- (h) €750,000,000 4 50 per cent Notes due 2018 issued on 15 February 2006 (ISIN XS0243518403),
- (i) £750,000,000 5 125 per cent Notes due 2023 issued on 15 February 2006 (ISIN XS0243520722), and
- (j) £30,000,000 10 25 per cent First Mortgage Debenture Stock due 2017

Borrowers means, together HAL, GAL and STAL, and a **Borrower** means any one of them

Borrowers Security Trustee means Deutsche Trustee Company Limited

Caja means Caja de Ahorros y Monte de Piedad de Madrid

Calyon means Calyon, Sucursal en España

Capex Debt means amounts drawn under Facility B of the Senior Facilities Agreement

Citibank means Citigroup Global Markets Limited

Closing Date means on a date falling not later than 56 days after the date of the Meeting

Convertible Debt means the £425,000,000 2 625 per cent Convertible Bonds issued by the Company and presently held by ADIL, due 2009

Designated Assets means the Borrowers and HEX

Des Sub Holdco means BAA (DSH) Limited, a company registered under the laws of England and Wales with registered number 06458597

EAL means Edinburgh Airport Limited, a company registered under the laws of Scotland with registered number SC096623

FGP Topco means FGP Topco Limited, a company registered under the laws of England and Wales with registered number 05723961

GAL means Gatwick Airport Limited, a company registered under the laws of England and Wales with registered number 01991018

GLAL means Glasgow Airport Limited, a company registered under the laws of Scotland with registered number SC096624

HAL means Heathrow Airport Limited, a company registered under the laws of England and Wales with registered number 01991017

HEX means Heathrow Express Operating Company Limited, a company registered under the laws of England and Wales with registered number 3145133

HSBC means HSBC Bank plc

Initial Credit Facilities means syndicated loan facilities for the purposes of funding capital expenditure and working capital facilities made available to the Borrowers

Issuer means BAA Funding Limited, a company registered under the laws of Jersey with registered number 99529

LAL means London Airports Limited, a company registered under the laws of England and Wales with registered number 02333108

LAL92 means London Airports 1992 Limited, a company registered under the laws of England and Wales with registered number 02736819

LAL93 means London Airports 1993 Limited, a company registered under the laws of England and Wales with registered number 02777128

Newco means BAA (D&ND Holdco) Limited, a company registered under the laws of England and Wales with registered number 06408400

Non-Designated Assets means certain companies within the ADIL Group, namely AAL, EAL, GLAL, SIAL and BAA Lynton

Non-Designated Financing means syndicated bank loans raised by Non Des Holdco 1 against the Non-Designated Assets for the benefit of the Non-Designated Group

Non-Designated Group means the new sub group comprised of the Non Designated Assets, once ultimately transferred to Non Des Holdco 1

Non Des Holdco 2 means BAA (NDH2) Limited, a company registered under the laws of England and Wales with registered number 06408385

Non Des Holdco 1 means BAA (NDH1) Limited, a company registered under the laws of England and Wales with registered number 06408392

Non Migrated Bonds means those Bonds, not being the ineligible bonds, with an estimated par value of £30 million, which it is anticipated will not migrate into the new Securitisation Group structure

Proposed Financing means the re-organisation, the Securitisation Group financing, the Non-Designated Financing, the subordinated debt novation and the repayment of certain debt by ADIL and its subsidiaries on or around the Closing Date, as described in the Steps Paper

Refinancing Facility means a backstop facility to provide funding to the Borrowers

RBC means Royal Bank of Canada

RBS means The Royal Bank of Scotland plc

SAL means Scottish Airports Limited, a company registered under the laws of Scotland with registered number SC096637

Santander means Banco Santander S A

Securitisation Debenture means the loan agreement dated 31 January 2008 between Securitisation Parent and BAA Limited pursuant to which Securitisation Parent advanced an interest-bearing loan in the principal amount of £1,600 million

Securitisation Group means the group comprising Securitisation Parent, Asset Holdco, Issuer and the Designated Assets

Securitisation Parent means BAA (SP) Limited, a company registered under the laws of England and Wales with registered number 06458621

SIAL means Southampton International Airport Limited, a company registered under the laws of England and Wales with registered number 02431858

STAL means Stansted Airport Limited, a company registered under the laws of England and Wales with registered number 01990920

Steps Paper means the document prepared by PricewaterhouseCoopers LLP dated 21 July 2008 examining the accounting implications of the actions and transactions to be undertaken by the Company and other companies within the ADIL Group in order to implement the Proposed Financing

Sub Holdco means BAA (SH) Limited, a company registered under the laws of England and Wales with registered number 06458635

Security Group means Securitisation Parent and each of its subsidiaries

Transfer Pricing Schedule means the document prepared by the Company's advisers, PricewaterhouseCoopers LLP, setting out projected interest rates to apply between certain members of the ADIL Group to implement effective arm's length financing arrangements which were to take into account the external cost of funding to each of the Borrowers under the Securitisation and the Non Designated Financing

Schedule 6 – Persons to whom assistance to be given

Defined terms used in this schedule shall have the same meanings as those given to them in the relevant document referred to below, unless otherwise defined in any of the Schedules to this statutory declaration

The assistance to be given to

ADIL

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

and/or any of the following companies

BAA

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

Des Sub Holdco

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

Sub Holdco

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

Securitisation Parent

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

Asset Holdco

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

HAL

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

GAL

(Registered Office Address: 130 Wilton Road, London, SW1V 1LQ)

STAL

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

HEX

(Registered Office Address 130 Wilton Road, London, SW1V 1LQ)

Issuer

(Registered Office Address 22 Grenville Street, St Helier, JE4 8PX)

SAL

(Registered Office Address St Andrews Drive, Glasgow Airport, Paisley, PA3 2SW)

Newco

(Registered Office Address. 130 Wilton Road, London, SW1V 1LQ)

Form 155(6)a in relation to BAA Limited**Schedule 7 - Amount of cash to be transferred**

BAA Limited
Company Number 01970855
(the *Company*)

Defined terms used in this Schedule shall have the same meanings as those given to them in the relevant documents referred to below, unless otherwise defined in any of the Schedules to this statutory declaration

The amount of cash to be transferred to the person assisted is, in respect of the financial assistance being provided pursuant to the documents specified in the first column, the amount specified in the second column

Document	Amount of cash to be transferred
AAL 2 SPA / AAL 2 Declaration of Trust	NIL
GLAL 2 SPA / GLAL 2 Declaration of Trust	NIL
EAL 2 SPA / EAL 2 Declaration of Trust	NIL
SIAL SPA / SIAL Declaration of Trust	NIL
BAA Lynton SPA / BAA Lynton Declaration of Trust	NIL
SP Debenture Assignment Agreement	NIL
BAA-ADIL EAL Payables Assignment	NIL
BAA-ADIL GLAL Payables Assignment	NIL
BAA SPA and BAA Trust Deed	NIL
ADIL and BAA Hedging Novation Agreements	NIL
BAA Hedge Receivables Novation	NIL
BAA-HAL Deed of Set-Off	NIL
BAA-GAL Deed of Set-Off	NIL
BAA-STAL Deed of Set-Off	NIL
Downstream Loans (Stranded Bonds) Amendment Agreement	NIL
Borrower Upstream Loan Agreement and	Such amounts as are specified in the documents, being an aggregate amount not

HAL No 2 Prepayment	exceeding £7,000 million
Borrower Upstream Loan Agreement and GAL No 2 Prepayment	Such amounts as are specified in the documents, being an aggregate amount not exceeding £1,250 million
Borrower Upstream Loan Agreement and STAL No 2 Prepayment	Such amounts as are specified in the documents, being an aggregate amount not exceeding £750 million
Deed of Termination and Release	Such amount as is specified in the document, being an amount not exceeding £450 million
Ineligible Bonds Escrow Agreement	NIL
ADIL-BAA ADIL Hedge Receivables Novation	NIL
ADIL-BAA ADIL Hedge Payables Novation	NIL
Hedging Deed of Set-off Receivable	NIL
BAA-Newco Hedging Deed of Set-off Receivable Novation	NIL
BAA Bond Guarantee	NIL
Common Terms Agreement	NIL
Tax Deed of Covenant	NIL
Subordinated Facility Novation and Amendment Agreement	NIL
Senior Junior Intercreditor Amendment and Restatement Agreement	NIL

and

the amount of cash to be transferred to the person assisted is, in respect of the financial assistance being provided pursuant to the matters specified in the first column, the amount of cash specified in the second column

Matter	Amount of cash to be transferred
the Bond Surrender, the New Bond Delivery, the Bond Compensation Payment	NIL
the Capex Debt Prepayment	Such amount as is specified in the document, being an amount not exceeding £2,800

Form 155(6)a in relation to BAA Limited**Schedule 8 - Value of any asset to be transferred**

BAA Limited
Company Number 01970855
(the *Company*)

Defined terms used in this Schedule shall have the same meanings as those given to them in the relevant documents referred to below, unless otherwise defined in any of the Schedules to this statutory declaration

The value of any asset to be transferred to the person assisted is, in respect of the financial assistance being provided pursuant to the documents specified in the first column, the value specified in the second column

Document	Value of any asset to be transferred
AAL 2 SPA / AAL 2 Declaration of Trust	Such amount as is specified in the document, being an amount not exceeding £350 million
GLAL 2 SPA / GLAL 2 Declaration of Trust	Such amount as is specified in the document, being an amount not exceeding £750 million
EAL 2 SPA / EAL 2 Declaration of Trust	Such amount as is specified in the document, being an amount not exceeding £700 million
SIAL SPA / SIAL Declaration of Trust	Such amount as is specified in the document, being an amount not exceeding £300 million
BAA Lynton SPA / BAA Lynton Declaration of Trust	Such amount as is specified in the document, being an amount not exceeding £300 million
SP Debenture Assignment Agreement	Such amount as is specified in the document, being an amount not exceeding £1,700 million
BAA-ADIL EAL Payables Assignment	NIL
BAA-ADIL GLAL Payables Assignment	NIL
BAA SPA and BAA Trust Deed	NIL
ADIL and BAA Hedging Novation Agreements	Such amounts as are specified in the documents, being an amount not exceeding £450 million in aggregate
BAA Hedge Receivables Novation	NIL
BAA-HAL Deed of Set-Off	NIL
BAA-GAL Deed of Set-Off	NIL

BAA-STAL Deed of Set-Off	NIL
Downstream Loans (Stranded Bonds) Amendment Agreement	NIL
Borrower Upstream Loan Agreement	NIL
Deed of Termination and Release	NIL
Ineligible Bonds Escrow Agreement	NIL
ADIL-BAA ADIL Hedge Receivables Novation	NIL
ADIL-BAA ADIL Hedge Payables Novation	NIL
Hedging Deed of Set-off Receivable	NIL
BAA-Newco Hedging Deed of Set-off Receivable Novation	NIL
Tax Deed of Covenant	NIL
Subordinated Facility Novation and Amendment Agreement	NIL
Senior Junior Intercreditor Amendment and Restatement Agreement	NIL

and

the value of any asset to be transferred to the person assisted is, in respect of the financial assistance being provided pursuant to the matters specified in the first column, the value specified in the second column

Matter	Value of asset to be transferred
the Bond Surrender, the New Bond Delivery, the Bond Compensation Payment	NIL
the Capex Debt Prepayment	NIL

The Directors
BAA Limited
130 Wilton Road
London
SW1V 1LQ

7 August 2008

Dear Sirs

**Report of the Independent Auditor to the directors of BAA Limited ("the Company")
pursuant to Section 156(4) of the Companies Act 1985**

We report on the attached statutory declaration of the directors of the Company dated 7 August 2008, prepared pursuant to the Companies Act 1985 in connection with the proposal that the Company should give financial assistance for the purpose of the acquisition of the issued share capital of the Company by BAA (D&ND HoldCo) Limited. This report, including the opinion, has been prepared for and only for the Company and the Company's directors in accordance with Section 156 of the Companies Act 1985 and for no other purpose. We do not, in giving the opinion set out below, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

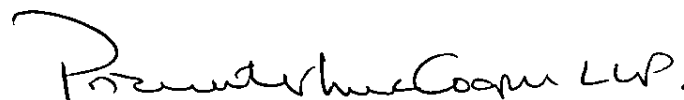
Basis of opinion

We have enquired into the state of the Company's affairs in order to review the bases for the statutory declaration.

Opinion

We are not aware of anything to indicate that the opinion expressed by the directors in their statutory declaration as to any of the matters mentioned in Section 156(2) of the Companies Act 1985 is unreasonable in all the circumstances.

Yours faithfully



PricewaterhouseCoopers LLP

Chartered Accountants and Registered Auditors