

O:\BAA\Berlin\Whitewash documents\The BAA 2008 Acquisition\BAA Limited-Heathrow Express Operating Comp

The assistance is for the purpose of [that acquisition]~~[reducing or discharging a liability incurred for the purpose of that acquisition]~~ † (note 1)

Please do not
write in
this margin

The number and class of the shares acquired or to be acquired is 1,102,400,315
ordinary shares of £1

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

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

The assistance will take the form of

Please see Schedule 2

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

† Delete as
appropriate

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

The principal terms on which the assistance will be given are

Please see Schedule 3

The amount (if any) by which the net assets of the company which is giving the assistance will be reduced by giving it is Nil

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

CO155(6)(b)/2

Please do not
write in
this margin

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

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

~~/~~We have formed the opinion, as regards this 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)

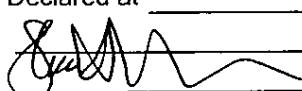
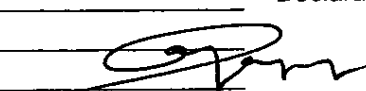
*Delete either (a) or
(b) as appropriate

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

~~(b) It is intended to commence the winding-up of this company within 12 months of that date and we have formed the opinion that this 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

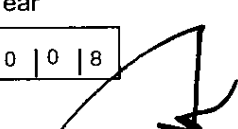
Declared at **SINGAPORE** Declarants to sign below

Day Month Year

on

0	7	0	8	2	0	0	8
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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

- 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)b in relation to Heathrow Express Operating Company 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

HEX, as a subsidiary of 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 Obligor Floating Charge Agreement, and the provision of all financial assistance thereunder, including the granting of security in favour of the Issuer in respect of the OFCA Secured Liabilities,
- (b) the Security Agreement, and the provision of all financial assistance thereunder, including the granting of fixed and floating charge security, and the provision of a cross-guarantee,
- (c) 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,
- (d) the Borrower Account Bank Agreement, the Cash Sweeping Deed and the Composite Guarantee and the provision of all financial assistance thereunder, including the indemnities and guarantee provided and the payment of fees,
- (e) the Initial Credit Facility Agreement, and the provision of all financial assistance thereunder, including the agreement to be an Original Guarantor thereunder,
- (f) the Refinancing Facility Agreement, and the provision of all financial assistance thereunder, including the agreement to be an Original Guarantor thereunder,
- (g) accession to the Senior-Junior Intercreditor Agreement, and the provision of all financial assistance thereunder, including the covenant to pay and the subordination provisions contained therein,
- (h) accession to the Subordinated Facility Novation and Amendment Agreement and the Securitisation Debenture Assignment and Amendment Agreements, and the provision of all financial assistance thereunder, including the accession by HEX to the Subordinated Facility as an Obligor,

- (i) the HEX Debenture, and the provision of all financial assistance thereunder, including the granting of a fixed and floating charge security and a provision of a cross guarantee,
- (j) the Non-Migrated Bond Facility, and the provision of all financial assistance thereunder, including the agreement to be an Original Guarantor thereunder, and
- (k) 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 HEX for the purpose of the acquisition of shares in the Company

Form 155(6)b in relation to Heathrow Express Operating Company 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

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

Borrower Loan Agreement

The Borrower Loan Agreement was then considered. It was noted that each of HAL, GAL and STAL was to be a Borrower under this agreement and that, additionally, Asset Holdco, Securitisation Parent and HEX were to be Obligors

The Borrower Loan Agreement incorporated the terms of the Common Terms Agreement and the STID

Pursuant to the Borrower Loan Agreement, the Issuer will make available on the Initial Issue Date to the Borrowers certain term facilities as set out below

If, on the Initial Issue Date the Issuer issues New Bonds it shall lend to the Borrowers the aggregate proceeds received in respect of the New Bonds pursuant to the Borrower Loan Agreement (the *New Bond Advances*) In addition the Issuer will issue Bonds (*Replacement Bonds*) in respect of the existing bonds issued by the Company which will be migrated to the Issuer The Replacement Bonds will initially be issued to the Company (or to the order of), the subscription price being left outstanding referred to as the *BAA Payables* The Issuer will assign the BAA Payables to each of GAL, STAL and HAL in consideration, in each case, of an amount equal to the amount of the relevant BAA Payable Pursuant to the Borrower Loan Agreement, the Issuer will lend to each of GAL STAL and HAL an amount to enable them to provide consideration for the assignment of the BAA Payables

Pursuant to the Borrower Loan Agreement, the moneys to be advanced by the Issuer to the Borrowers are to be applied for, inter alia

- (l) general corporate purposes of the Borrowers,
- (m) discharging in part certain intra-group indebtedness and making upstream loans, and
- (n) certain expenses in connection with the issue of the Bonds and related transactions

The Borrower Loan Agreement provides for the Borrowers to pay to the Issuer an Initial Facility Fee on the Initial Issue Date and thereafter, periodically, an Ongoing Facility Fee to cover the expenses of the Issuer in connection with the Programme (e.g. Rating Agency and Liquidity Facility Provider Fees) In particular, it was noted that on the Initial Issue Date the Initial Facility Fee payable by each Borrower would comprise such amount as did not exceed the Issuer's initial issue expenses including, without limitation, its Proportionate Share of the following fees and an amount equal to any other Tax liabilities of the Issuer, including in respect of VAT whether as a primary liability or as a result of joint and several liability as a result of membership of a VAT Group, (in no order of priority) in respect of the period to and including the Initial Issue Date

- (o) an amount equal to the upfront fees, costs, charges, liabilities and expenses and any other amounts due and payable by the Issuer to the Bond Trustee pursuant to the Bond Trust Deed and to the Bond Trustee pursuant to the Issuer Deed of Charge,
- (p) an amount equal to the upfront fees and expenses of any legal advisers, accountants and auditors appointed by the Issuer, the Bond Trustee and the Initial Financial Guarantors which have fallen due and payable by the Issuer and which were incurred under or for the purposes of the transactions effected by the Issuer Transaction Documents,
- (q) an amount equal to the upfront fees, costs, charges, liabilities and expenses and any other amounts due and payable by the Issuer to the Initial Financial Guarantors (if any) pursuant to the G&R Deeds,
- (r) an amount equal to the upfront fees and expenses due and payable by the Issuer to the Co-Arrangers, the Dealers and financial advisers appointed by the Issuer and the

upfront fees and expenses of any legal advisers, accountants or other advisers appointed by any of them,

- (s) an amount equal to the upfront fees, costs and expenses due and payable by the Issuer to the Paying Agents, the Registrar, the Transfer Agents, the Agent Bank and any other agents of the Issuer appointed pursuant to the Agency Agreement or otherwise,
- (t) an amount equal to the upfront fees, costs and expenses due and payable by the Issuer in respect of the incorporation, organisation and registration of the Issuer in Jersey,
- (u) an amount equal to all the upfront fees due and payable by the Issuer to the Issuer Liquidity Facility Providers under the terms of any Issuer Liquidity Facility Agreement,
- (v) an amount equal to the upfront fees, costs, charges, liabilities and expenses due and payable by the Issuer to the Issuer Account Bank pursuant to the Issuer Account Bank Agreement,
- (w) an amount equal to the upfront fees, costs, charges, liabilities and expenses due and payable by the Issuer to the Issuer Cash Manager pursuant to the Issuer Cash Management Agreement,
- (x) an amount equal to the upfront fees, costs, charges, liabilities, expenses and other amounts incurred or paid or payable by the Issuer in connection with entering into the Issuer Hedging Agreements,
- (y) an amount equal to the upfront fees, costs, charges, liabilities, expenses and other amounts incurred at any time in connection with the application for any Bonds to be listed on any stock exchange(s) and the maintenance of any such listing(s),
- (z) an amount equal to the upfront fees, costs, charges, liabilities, expenses of the Rating Agencies,
- (aa) an amount equal to any other amounts due or overdue from the Issuer to third parties (other than governmental and fiscal authorities) including any amounts representing fees recharged by other companies within the Company's group or which arise directly or indirectly from the funding by the Issuer of the Advances or Sub-Advances made available under the Borrower Loan Agreement, other than amounts listed in the above paragraphs, and
- (bb) any claim, loss, cost or expense (including legal fees) or liability, whether or not reasonably foreseeable, which it may sustain or incur as a consequence of the occurrence of any Loan Event of Default in respect of the Borrowers or any default by the Borrowers in the performance of any of the obligations expressed to be assumed by the Borrowers in this Agreement

Under the terms of the Borrower Loan Agreement each Borrower, on a joint and several basis, undertakes to indemnify each of the Lender and/or, as the case may be, the Borrower Security Trustee against

- (cc) any loss (other than by reason of the gross negligence or wilful default by the Lender (or, following a Loan Event of Default under Schedule 4 (Loan Events of

Default) to the Common Terms Agreement, the Lender and the Borrower Security Trustee) or in respect of loss or profit) or cost it may suffer or incur as a result of its funding or making arrangements to fund an Advance requested by the Borrowers but not made by reason of the operation of any one or more of the provisions of the Borrower Loan Agreement,

- (dd) any loss, costs or expense the Lender may suffer or incur as a result of drawing under an Issuer Liquidity Facility Agreement as a result of any shortfall in payments by the Borrowers under the Borrower Loan Agreement,
- (ee) any costs and expenses of any receiver appointed to the Lender as a result of a default by the Lender caused by a breach by any Borrower of its obligations under the Finance Documents,
- (ff) any termination payment required to be made by the Lender under any Hedging Agreement arising as a result of any failure by the Lender to comply with its obligations thereunder in circumstances where such failure is caused by any breach by any Borrower of its obligations under the Finance Documents, and
- (gg) any amount payable by the Lender to the Bond Trustee pursuant to the Bond Trust Deed and/or the Issuer Deed of Charge and to the Initial Financial Guarantors pursuant to or in respect of the G&R Deeds

The Borrowers were to, from time to time, on demand of the Issuer (or, following any enforcement of the Borrower Security arising as a result of any Loan Event of Default, the Lender and the Borrower Security Trustee), reimburse the Issuer for all costs and expenses (including legal fees) incurred by it in connection with the negotiation, preparation and execution of the Borrower Loan Agreement and the completion of the transactions therein contemplated and on a full indemnity basis incurred in or in connection with the preservation and/or enforcement of any of the rights of the Issuer and the Borrower Security Trustee under the Borrower Loan Agreement and any other Issuer Transaction Document or Transaction Document (including any reasonable and properly incurred costs and expenses relating to any investigation as to whether or not a Loan Event of Default might have occurred or is likely to occur or any steps necessary or desirable in connection with any proposal for remedying or otherwise resolving a Loan Event of Default)

Obligor Floating Charge Agreement

The Obligor Floating Charge Agreement was then considered. It was noted that each of the Borrowers, HEX, Asset Holdco and Securitisation Parent were to be Obligors.

The Obligors were to be chargors under the terms of the Obligor Floating Charge Agreement. The OFCA Floating Security would be created pursuant to the Obligor Floating Charge Agreement over the undertaking of the Obligors to secure the OFCA Secured Liabilities which include, *inter alia*, the obligations of the Borrowers under the Borrower Loans and the £1000 loan made by the Issuer to each Obligor (other than the Borrowers) under the Obligor Floating Charge Agreement. Such security would be granted in favour of the Issuer (which will in turn assign the benefit of such security to the Bond Trustee).

The floating charge granted pursuant to the Obligor Floating Charge Agreement was to rank equally in point of priority with the Security Agreement Floating Security, but that the OFCA Floating Security was to be deferred in point of priority to all Borrower Fixed Security validly and effectively created by the Obligors pursuant to the Security Agreement in favour of the Borrower Security Trustee.

The Obligors were to provide on a joint and several basis the indemnity set out at clause 14 of the Obligor Floating Charge Agreement in favour of, *inter alias*, the Bond Trustee

The rationale for entering into the Obligor Floating Charge Agreement in addition to the Security Agreement stems from a legal issue regarding the appointment of administrative receivers upon enforcement of floating charge security

Security Agreement

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

The Obligors were to grant security over their assets in favour of the Borrower Security Trustee (for itself and for the other Borrower Secured Creditors) as continuing security for the payment, discharge and performance of the Secured Liabilities under the terms of the Security Agreement. The Obligors would grant fixed security over certain assets including certain real property, office equipment and machinery, cash in accounts, IP/IT rights and shares held in subsidiaries, floating security over all their assets generally and also grant assignments of their rights under the Transaction Documents and the Assignable Insurances. It was further noted that pursuant to clause 3 of the Security Agreement, each Obligor provides a cross-guarantee of the obligations of the other Obligors

The Security Agreement was to contain an obligation to enter into separate legal charges in respect of real property owned by the Obligors as at the date of entry into the Security Agreement and also in respect of any real property acquired after the date of entry into the Security Agreement as security granted pursuant to the Security Agreement covers present and future assets

The Obligors were jointly and severally irrevocably and unconditionally, to indemnify the Borrower Security Trustee (for itself and for and on behalf of the other Borrower Secured Creditors) in respect of any loss or liability suffered by the Borrower Security Trustee or any Borrower Secured Creditor if any obligation guaranteed by such Obligor is or becomes unenforceable, invalid or illegal or ineffective

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

Borrower Account Bank Agreement, Cash Sweeping Deed and Composite Guarantee Deed

Pursuant to the Borrower Account Bank Agreement, each of the Borrowers and HEX was to appoint The Royal Bank of Scotland plc to provide certain services (including the operation of Operating Accounts, the Insurance Proceeds Account and the Borrower Liquidity Reserve Account) to the Borrowers and HEX and, following the service of a Loan Enforcement Notice, to the Borrower Security Trustee as Borrower Account Bank

Under the Borrower Account Bank Agreement each Borrower gives notice to the Borrower Account Bank of the security granted pursuant to the Security Agreement (including the charges over its accounts)

Each of the Borrowers and HEX agree (a) to indemnify the Borrower Account Bank against any losses incurred by the Borrower Account Bank in connection with the Borrower Account Bank Agreement, and (b) to pay fees to the Borrower Account Bank in accordance with the fee letter entered into between the Borrowers, HEX and the Borrower Account Bank

Under the Borrower Account Bank Agreement, each of the Borrowers and HEX were to be entitled to operate a cash sweeping system and a notional cash pooling system between Operating Accounts. Each of the Borrowers and HEX was to enter into a Cash Sweeping Deed and a Composite Guarantee in connection with those arrangements. It was noted that under the Composite Guarantee each of the Borrowers and HEX was to jointly and severally (a) guarantee to discharge on demand all the obligations of each Borrower and HEX to the Borrower Account Bank, (b) indemnify the Borrower Account Bank in respect of any amounts not recoverable on the basis of a guarantee, and (c) agree to pay certain fees and expenses incurred by the Borrower Account Bank. Under the Cash Sweeping Deed, each of the Borrowers and HEX was to agree with the Borrower Account Bank to be jointly and severally liable to the Borrower Account Bank for all debit balances from time to time on any of the Operating Accounts

Initial Credit Facility Agreement

Each of HAL, GAL and STAL were to be Borrowers under this agreement and that, in addition to these parties, HEX, Asset Holdco and Securitisation Parent were to be Obligors

Pursuant to the Initial Credit Facility Agreement, the Initial Credit Facility Providers were to advance moneys to the Borrowers on the terms and subject to the conditions set out in such agreement, in an aggregate principal amount initially of up to £2,700 million in respect of facilities for the purposes of capital expenditure and £50 million in respect of facilities for the purposes of working capital funding

Accordingly

- (a) the Borrowers must pay the fees set out at clause 18, including to the Mandated Lead Arrangers the fees set out in the Fees Letters, to each lender a Commitment Fee and to the Initial Credit Facility Agent the agency fees specified in the relevant Fee Letter, and the expenses set out at clause 19 4,
- (b) each Borrower was to provide (or to procure that an Obligor will) provide the indemnities set out at clause 19 1, including an undertaking to pay within three days of demand being made any sum due thereunder, including any cost, loss or liability incurred by that ICF Finance Party as a result of the occurrence of any Loan Event of Default or a failure by an Obligor to pay any amount due under an ICF Finance Document on its due date (such terms as defined therein),
- (c) each Borrower was to provide the indemnities set out at clause 19 1, including an indemnity in favour of the Initial Credit Facility Agent against any loss or liability incurred by the Initial Credit Facility Agent (acting reasonably) as a result of the matters set out therein,
- (d) save to the extent covered by the indemnities contained in clause 10 2 (Other indemnities) of the CTA, each of the Borrowers was to indemnify the ICF Finance Parties for any costs, claims, actions, charges, damages, losses, proceedings (including legal and professional fees properly incurred in disputing or defending the same), expenses or liabilities (including duties and taxes) which may be incurred by the ICF Finance Parties as a result of any indemnity given by the Initial Credit Facility Agent and/or an ICF Finance Party in favour of the Borrower Security Trustee, and
- (e) each Obligor was to provide the representations, warranties and covenants set out in clause 16 1

Refinancing Facility Agreement

Each of HAL, GAL and STAL were to be Borrowers under this agreement and that, in addition to these parties, HEX, Asset Holdco and Securitisation Parent were to be Obligors

Pursuant to the Refinancing Facility Agreement, the Lenders were to advance moneys to the Borrowers on the terms and subject to the conditions set out in such agreement, in an aggregate principal amount (in the case of the Company) of up to £4,400 million, for the purposes of providing funds to the Borrowers which would otherwise be raised under the terms of the Borrower Loan Agreement

The Facility was to be used for refinancing financial indebtedness outstanding under the Senior Facilities Agreement and the Subordinated Facilities Agreement, repaying any amounts due to Ineligible Bondholders and costs associated with transactions contemplated by the Transaction Documents including any Bond migrations costs

The Facility may only be drawn on the Initial Issue date and that repayment was to take place in accordance with clause 7, with interest payable in accordance with clause 9

Accordingly

- (a) the Borrowers must pay the fees set out at clause 18, including to the Mandated Lead Arrangers the fees set out in the Fees Letters, to each lender a Commitment

Fee and to the Refinancing Facility Agent the agency fees specified in the relevant Fee Letter, and the expenses set out at clause 19 4,

- (b) each Borrower was to provide (or to procure that an Obligor will) provide the indemnities set out at clause 19 1, including an undertaking to pay within three days of demand being made any sum due thereunder, including any cost, loss or liability incurred by that Refinancing Finance Party as a result of the occurrence of any Loan Event of Default or a failure by an Obligor to pay any amount due under an Refinancing Finance Document on its due date (such terms as defined therein),
- (c) each Borrower was to provide the indemnities set out at clause 19 1, including an indemnity in favour of the Refinancing Facility Agent against any loss or liability incurred by the Refinancing Facility Agent (acting reasonably) as a result of the matters set out therein,
- (d) save to the extent covered by the indemnities contained in clause 10 2 (Other indemnities) of the CTA, each of the Borrowers was to indemnify the Refinancing Finance Parties for any costs, claims, actions, charges, damages, losses, proceedings (including legal and professional fees properly incurred in disputing or defending the same), expenses or liabilities (including duties and taxes) which may be incurred by the Refinancing Finance Parties as a result of any indemnity given by the Refinancing Facility Agent and/or a Refinancing Finance Party in favour of the Borrower Security Trustee, and
- (e) each Obligor was to provide the representations, warranties and covenants set out in clause 15 1

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 Obligors (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 *HEX Debenture*)

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

- (f) 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,

- (g) 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,
- (h) 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 Non-Migrated Bond Facility

Each of HAL, GAL and STAL were to be Borrowers under this agreement and that, in addition to these parties, HEX, Asset Holdco and Securitisation Parent were to be Obligors

Accordingly

- (a) the Borrowers must pay the fees set out at clause 18, including to the Mandated Lead Arrangers the fees set out in the Fees Letters, to each lender a Commitment Fee and to the NMB Facility Agent the agency fees specified in the relevant Fee Letter, and the expenses set out at clause 19 4,
- (b) each Borrower was to provide (or to procure that an Obligor will) provide the indemnities set out at clause 19 1, including an undertaking to pay within three days of demand being made any sum due thereunder, including any cost, loss or liability incurred by that NMB Finance Party as a result of the occurrence of any Loan Event of Default or a failure by an Obligor to pay any amount due under an NMB Finance Document on its due date (such terms as defined therein),
- (c) each Borrower was to provide the indemnities set out at clause 19 1, including an indemnity in favour of the NMB Facility Agent against any loss or liability incurred by the NMB Facility Agent (acting reasonably) as a result of the matters set out therein,
- (d) save to the extent covered by the indemnities contained in clause 10 2 (Other indemnities) of the CTA, each of the Borrowers was to indemnify the NMB Finance Parties for any costs, claims, actions, charges, damages, losses, proceedings (including legal and professional fees properly incurred in disputing or defending the same), expenses or liabilities (including duties and taxes) which may be incurred by the NMB Finance Parties as a result of any indemnity given by the

NMB Facility Agent and/or an NMB Finance Party in favour of the Borrower Security Trustee, and

- (e) each Obligor was to provide the representations, warranties and covenants set out in clause 16.1

Borrower Hedging Documents

Pursuant to Borrower Hedging Documents, each of HAL, GAL and STAL would enter into ISDA Master Agreements (together with Schedules and credit support annexes thereto), pursuant to the hedging policy formulated by Schedule 5 of the Common Terms Agreement, to hedge interest rate exposure and currency movements with the relevant hedge counterparties thereto. The obligations of the Borrowers are supported by way of the Security Documents (such term is defined in the Master Definitions Agreement)

Form 155(6)b in relation to Heathrow Express Operating Company Limited

Schedule 4 – The Documents

BAA Limited
Company Number 01970855
(the *Company*)

1. 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*)

2. 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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- (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 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***)

3. THE NON-DESIGNATED FINANCING

- (a) 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)
- (b) 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)
- (c) 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)
- (d) 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***)

- (e) 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*)
- (f) 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
- (g) 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
- (h) 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)b in relation to Heathrow Express Operating Company 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)b in relation to Heathrow Express Operating Company 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
Dealership Agreement	NIL
Subscription Agreement	NIL
Common Terms Agreement	NIL
Master Definitions Agreement	NIL
Borrower Loan Agreement	NIL
Obligor Floating Charge Agreement	NIL
Security Agreement	NIL
Security Trust and Intercreditor Deed	NIL
Conditions Precedent Agreement	NIL
Borrower Account Bank Agreement	NIL
Borrower Account Bank Fee Letter	NIL
Non-Migrated Bond Facility Agreement	NIL
Subordinated Facility Novation and Amendment Agreement	NIL
Senior Junior Intercreditor Amendment and Restatement Agreement	NIL
Hex Debenture	NIL
Refinancing Facility Agreement	NIL

Initial Credit Facility Agreement	NIL
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Form 155(6)b in relation to Heathrow Express Operating Company 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
Dealership Agreement	NIL
Subscription Agreement	NIL
Common Terms Agreement	NIL
Master Definitions Agreement	NIL
Borrower Loan Agreement	NIL
Obligor Floating Charge Agreement	NIL
Security Agreement	NIL
Security Trust and Intercreditor Deed	NIL
Conditions Precedent Agreement	NIL
Borrower Account Bank Agreement	NIL
Borrower Account Bank Fee Letter	NIL
Non-Migrated Bond Facility Agreement	NIL
Subordinated Facility Novation and Amendment Agreement	NIL
Senior Junior Intercreditor Amendment and Restatement Agreement	NIL
Hex Debenture	NIL
Refinancing Facility Agreement	NIL

Initial Credit Facility Agreement	NIL
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Declaration by the directors of a holding company 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 lettering**

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

For official use

Company number

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
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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 company
- Ø insert name(s) and address(es) of all the directors

1We Please see Schedule 1

† Delete as appropriate

~~the sole director~~ [all the directors]† of the above company (hereinafter called 'this company') do solemnly and sincerely declare that

§ Delete whichever
is inappropriate

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 ~~the~~ [a] holding company of*

[illegible]

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 for the purpose of [that acquisition]~~[reducing or discharging a liability incurred for the purpose of that acquisition]~~† (note 1)

Please do not
write in
this margin

The number and class of the shares acquired or to be acquired is 1,102,400,315
ordinary shares of £1

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

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

The assistance will take the form of

Please see Schedule 2

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

† Delete as
appropriate

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

The principal terms on which the assistance will be given are

Please see Schedule 3

The amount (if any) by which the net assets of the company which is giving the assistance will be reduced by giving it is Nil

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

CO155(6)(b)/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

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

~~1/~~We have formed the opinion, as regards this 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 this company will be able to pay its debts as they fall due during the year immediately following that date]* (note 3)

~~(b) It is intended to commence the winding-up of this company within 12 months of that date and we have formed the opinion that this 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 The Millhouse
Wickwhepington, Northumberland
NE19 2ET

Day Month Year

on

0	7	0	8	2	0	0	8
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before me

J S Packer

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

Declarant to sign below

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

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)b in relation to Heathrow Express Operating Company 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

HEX, as a subsidiary of 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 Obligor Floating Charge Agreement, and the provision of all financial assistance thereunder, including the granting of security in favour of the Issuer in respect of the OFCA Secured Liabilities,
- (b) the Security Agreement, and the provision of all financial assistance thereunder, including the granting of fixed and floating charge security, and the provision of a cross-guarantee,
- (c) 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,
- (d) the Borrower Account Bank Agreement, the Cash Sweeping Deed and the Composite Guarantee and the provision of all financial assistance thereunder, including the indemnities and guarantee provided and the payment of fees,
- (e) the Initial Credit Facility Agreement, and the provision of all financial assistance thereunder, including the agreement to be an Original Guarantor thereunder,
- (f) the Refinancing Facility Agreement, and the provision of all financial assistance thereunder, including the agreement to be an Original Guarantor thereunder,
- (g) accession to the Senior-Junior Intercreditor Agreement, and the provision of all financial assistance thereunder, including the covenant to pay and the subordination provisions contained therein,
- (h) accession to the Subordinated Facility Novation and Amendment Agreement and the Securitisation Debenture Assignment and Amendment Agreements, and the provision of all financial assistance thereunder, including the accession by HEX to the Subordinated Facility as an Obligor,

- (i) the HEX- Debenture, and the provision of all financial assistance thereunder, including the granting of a fixed and floating charge security and a provision of a cross guarantee;
- (j) the Non-Migrated Bond Facility, and the provision of all financial assistance thereunder, including the agreement to be an Original Guarantor thereunder; and
- (k) 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 HEX for the purpose of the acquisition of shares in the Company

Form 155(6)b in relation to Heathrow Express Operating Company 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

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

Borrower Loan Agreement

The Borrower Loan Agreement was then considered. It was noted that each of HAL, GAL and STAL was to be a Borrower under this agreement and that, additionally, Asset Holdco, Securitisation Parent and HEX were to be Obligors.

The Borrower Loan Agreement incorporated the terms of the Common Terms Agreement and the STID

Pursuant to the Borrower Loan Agreement, the Issuer will make available on the Initial Issue Date to the Borrowers certain term facilities as set out below.

If, on the Initial Issue Date the Issuer issues New Bonds it shall lend to the Borrowers the aggregate proceeds received in respect of the New Bonds pursuant to the Borrower Loan Agreement (the *New Bond Advances*) In addition the Issuer will issue Bonds (*Replacement Bonds*) in respect of the existing bonds issued by the Company which will be migrated to the Issuer The Replacement Bonds will initially be issued to the Company (or to the order of), the subscription price being left outstanding referred to as the *BAA Payables* The Issuer will assign the BAA Payables to each of GAL, STAL and HAL in consideration, in each case, of an amount equal to the amount of the relevant BAA Payable Pursuant to the Borrower Loan Agreement, the Issuer will lend to each of GAL STAL and HAL an amount to enable them to provide consideration for the assignment of the BAA Payables.

Pursuant to the Borrower Loan Agreement, the moneys to be advanced by the Issuer to the Borrowers are to be applied for, inter alia

- (l) general corporate purposes of the Borrowers,
- (m) discharging in part certain intra-group indebtedness and making upstream loans; and
- (n) certain expenses in connection with the issue of the Bonds and related transactions

The Borrower Loan Agreement provides for the Borrowers to pay to the Issuer an Initial Facility Fee on the Initial Issue Date and thereafter, periodically, an Ongoing Facility Fee to cover the expenses of the Issuer in connection with the Programme (e.g. Rating Agency and Liquidity Facility Provider Fees) In particular, it was noted that on the Initial Issue Date the Initial Facility Fee payable by each Borrower would comprise such amount as did not exceed the Issuer's initial issue expenses including, without limitation, its Proportionate Share of the following fees and an amount equal to any other Tax liabilities of the Issuer, including in respect of VAT whether as a primary liability or as a result of joint and several liability as a result of membership of a VAT Group, (in no order of priority) in respect of the period to and including the Initial Issue Date

- (o) an amount equal to the upfront fees, costs, charges, liabilities and expenses and any other amounts due and payable by the Issuer to the Bond Trustee pursuant to the Bond Trust Deed and to the Bond Trustee pursuant to the Issuer Deed of Charge,
- (p) an amount equal to the upfront fees and expenses of any legal advisers, accountants and auditors appointed by the Issuer, the Bond Trustee and the Initial Financial Guarantors which have fallen due and payable by the Issuer and which were incurred under or for the purposes of the transactions effected by the Issuer Transaction Documents,
- (q) an amount equal to the upfront fees, costs, charges, liabilities and expenses and any other amounts due and payable by the Issuer to the Initial Financial Guarantors (if any) pursuant to the G&R Deeds,
- (r) an amount equal to the upfront fees and expenses due and payable by the Issuer to the Co-Arrangers, the Dealers and financial advisers appointed by the Issuer and the

upfront fees and expenses of any legal advisers, accountants or other advisers appointed by any of them,

- (s) an amount equal to the upfront fees, costs and expenses due and payable by the Issuer to the Paying Agents, the Registrar, the Transfer Agents, the Agent Bank and any other agents of the Issuer appointed pursuant to the Agency Agreement or otherwise;
- (t) an amount equal to the upfront fees, costs and expenses due and payable by the Issuer in respect of the incorporation, organisation and registration of the Issuer in Jersey,
- (u) an amount equal to all the upfront fees due and payable by the Issuer to the Issuer Liquidity Facility Providers under the terms of any Issuer Liquidity Facility Agreement,
- (v) an amount equal to the upfront fees, costs, charges, liabilities and expenses due and payable by the Issuer to the Issuer Account Bank pursuant to the Issuer Account Bank Agreement,
- (w) an amount equal to the upfront fees, costs, charges, liabilities and expenses due and payable by the Issuer to the Issuer Cash Manager pursuant to the Issuer Cash Management Agreement,
- (x) an amount equal to the upfront fees, costs, charges, liabilities, expenses and other amounts incurred or paid or payable by the Issuer in connection with entering into the Issuer Hedging Agreements,
- (y) an amount equal to the upfront fees, costs, charges, liabilities, expenses and other amounts incurred at any time in connection with the application for any Bonds to be listed on any stock exchange(s) and the maintenance of any such listing(s),
- (z) an amount equal to the upfront fees, costs, charges, liabilities, expenses of the Rating Agencies;
- (aa) an amount equal to any other amounts due or overdue from the Issuer to third parties (other than governmental and fiscal authorities) including any amounts representing fees recharged by other companies within the Company's group or which arise directly or indirectly from the funding by the Issuer of the Advances or Sub-Advances made available under the Borrower Loan Agreement, other than amounts listed in the above paragraphs, and
- (bb) any claim, loss, cost or expense (including legal fees) or liability, whether or not reasonably foreseeable, which it may sustain or incur as a consequence of the occurrence of any Loan Event of Default in respect of the Borrowers or any default by the Borrowers in the performance of any of the obligations expressed to be assumed by the Borrowers in this Agreement

Under the terms of the Borrower Loan Agreement each Borrower, on a joint and several basis, undertakes to indemnify each of the Lender and/or, as the case may be, the Borrower Security Trustee against

- (cc) any loss (other than by reason of the gross negligence or wilful default by the Lender (or, following a Loan Event of Default under Schedule 4 (Loan Events of

Default) to the Common Terms Agreement, the Lender and the Borrower Security Trustee) or in respect of loss or profit) or cost it may suffer or incur as a result of its funding or making arrangements to fund an Advance requested by the Borrowers but not made by reason of the operation of any one or more of the provisions of the Borrower Loan Agreement,

- (dd) any loss, costs or expense the Lender may suffer or incur as a result of drawing under an Issuer Liquidity Facility Agreement as a result of any shortfall in payments by the Borrowers under the Borrower Loan Agreement,
- (ee) any costs and expenses of any receiver appointed to the Lender as a result of a default by the Lender caused by a breach by any Borrower of its obligations under the Finance Documents,
- (ff) any termination payment required to be made by the Lender under any Hedging Agreement arising as a result of any failure by the Lender to comply with its obligations thereunder in circumstances where such failure is caused by any breach by any Borrower of its obligations under the Finance Documents, and
- (gg) any amount payable by the Lender to the Bond Trustee pursuant to the Bond Trust Deed and/or the Issuer Deed of Charge and to the Initial Financial Guarantors pursuant to or in respect of the G&R Deeds

The Borrowers were to, from time to time, on demand of the Issuer (or, following any enforcement of the Borrower Security arising as a result of any Loan Event of Default, the Lender and the Borrower Security Trustee), reimburse the Issuer for all costs and expenses (including legal fees) incurred by it in connection with the negotiation, preparation and execution of the Borrower Loan Agreement and the completion of the transactions therein contemplated and on a full indemnity basis incurred in or in connection with the preservation and/or enforcement of any of the rights of the Issuer and the Borrower Security Trustee under the Borrower Loan Agreement and any other Issuer Transaction Document or Transaction Document (including any reasonable and properly incurred costs and expenses relating to any investigation as to whether or not a Loan Event of Default might have occurred or is likely to occur or any steps necessary or desirable in connection with any proposal for remedying or otherwise resolving a Loan Event of Default)

Obligor Floating Charge Agreement

The Obligor Floating Charge Agreement was then considered. It was noted that each of the Borrowers, HEX, Asset Holdco and Securitisation Parent were to be Obligors

The Obligors were to be chargors under the terms of the Obligor Floating Charge Agreement. The OFCA Floating Security would be created pursuant to the Obligor Floating Charge Agreement over the undertaking of the Obligors to secure the OFCA Secured Liabilities which include, *inter alia*, the obligations of the Borrowers under the Borrower Loans and the £1000 loan made by the Issuer to each Obligor (other than the Borrowers) under the Obligor Floating Charge Agreement. Such security would be granted in favour of the Issuer (which will in turn assign the benefit of such security to the Bond Trustee)

The floating charge granted pursuant to the Obligor Floating Charge Agreement was to rank equally in point of priority with the Security Agreement Floating Security, but that the OFCA Floating Security was to be deferred in point of priority to all Borrower Fixed Security validly and effectively created by the Obligors pursuant to the Security Agreement in favour of the Borrower Security Trustee

The Obligors were to provide on a joint and several basis the indemnity set out at clause 14 of the Obligor Floating Charge Agreement in favour of, *inter alias*, the Bond Trustee

The rationale for entering into the Obligor Floating Charge Agreement in addition to the Security Agreement stems from a legal issue regarding the appointment of administrative receivers upon enforcement of floating charge security.

Security Agreement

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

The Obligors were to grant security over their assets in favour of the Borrower Security Trustee (for itself and for the other Borrower Secured Creditors) as continuing security for the payment, discharge and performance of the Secured Liabilities under the terms of the Security Agreement. The Obligors would grant fixed security over certain assets including certain real property, office equipment and machinery, cash in accounts, IP/IT rights and shares held in subsidiaries, floating security over all their assets generally and also grant assignments of their rights under the Transaction Documents and the Assignable Insurances. It was further noted that pursuant to clause 3 of the Security Agreement, each Obligor provides a cross-guarantee of the obligations of the other Obligors.

The Security Agreement was to contain an obligation to enter into separate legal charges in respect of real property owned by the Obligors as at the date of entry into the Security Agreement and also in respect of any real property acquired after the date of entry into the Security Agreement as security granted pursuant to the Security Agreement covers present and future assets

The Obligors were jointly and severally irrevocably and unconditionally, to indemnify the Borrower Security Trustee (for itself and for and on behalf of the other Borrower Secured Creditors) in respect of any loss or liability suffered by the Borrower Security Trustee or any Borrower Secured Creditor if any obligation guaranteed by such Obligor is or becomes unenforceable, invalid or illegal or ineffective.

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.

Borrower Account Bank Agreement, Cash Sweeping Deed and Composite Guarantee Deed

Pursuant to the Borrower Account Bank Agreement, each of the Borrowers and HEX was to appoint The Royal Bank of Scotland plc to provide certain services (including the operation of Operating Accounts, the Insurance Proceeds Account and the Borrower Liquidity Reserve Account) to the Borrowers and HEX and, following the service of a Loan Enforcement Notice, to the Borrower Security Trustee as Borrower Account Bank.

Under the Borrower Account Bank Agreement each Borrower gives notice to the Borrower Account Bank of the security granted pursuant to the Security Agreement (including the charges over its accounts).

Each of the Borrowers and HEX agree (a) to indemnify the Borrower Account Bank against any losses incurred by the Borrower Account Bank in connection with the Borrower Account Bank Agreement, and (b) to pay fees to the Borrower Account Bank in accordance with the fee letter entered into between the Borrowers, HEX and the Borrower Account Bank

Under the Borrower Account Bank Agreement, each of the Borrowers and HEX were to be entitled to operate a cash sweeping system and a notional cash pooling system between Operating Accounts. Each of the Borrowers and HEX was to enter into a Cash Sweeping Deed and a Composite Guarantee in connection with those arrangements. It was noted that under the Composite Guarantee each of the Borrowers and HEX was to jointly and severally (a) guarantee to discharge on demand all the obligations of each Borrower and HEX to the Borrower Account Bank, (b) indemnify the Borrower Account Bank in respect of any amounts not recoverable on the basis of a guarantee; and (c) agree to pay certain fees and expenses incurred by the Borrower Account Bank. Under the Cash Sweeping Deed, each of the Borrowers and HEX was to agree with the Borrower Account Bank to be jointly and severally liable to the Borrower Account Bank for all debit balances from time to time on any of the Operating Accounts.

Initial Credit Facility Agreement

Each of HAL, GAL and STAL were to be Borrowers under this agreement and that, in addition to these parties, HEX, Asset Holdco and Securitisation Parent were to be Obligors

Pursuant to the Initial Credit Facility Agreement, the Initial Credit Facility Providers were to advance moneys to the Borrowers on the terms and subject to the conditions set out in such agreement, in an aggregate principal amount initially of up to £2,700 million in respect of facilities for the purposes of capital expenditure and £50 million in respect of facilities for the purposes of working capital funding

Accordingly:

- (a) the Borrowers must pay the fees set out at clause 18, including to the Mandated Lead Arrangers the fees set out in the Fees Letters, to each lender a Commitment Fee and to the Initial Credit Facility Agent the agency fees specified in the relevant Fee Letter, and the expenses set out at clause 19.4,
- (b) each Borrower was to provide (or to procure that an Obligor will) provide the indemnities set out at clause 19.1, including an undertaking to pay within three days of demand being made any sum due thereunder, including any cost, loss or liability incurred by that ICF Finance Party as a result of the occurrence of any Loan Event of Default or a failure by an Obligor to pay any amount due under an ICF Finance Document on its due date (such terms as defined therein),
- (c) each Borrower was to provide the indemnities set out at clause 19.1, including an indemnity in favour of the Initial Credit Facility Agent against any loss or liability incurred by the Initial Credit Facility Agent (acting reasonably) as a result of the matters set out therein,
- (d) save to the extent covered by the indemnities contained in clause 10.2 (Other indemnities) of the CTA, each of the Borrowers was to indemnify the ICF Finance Parties for any costs, claims, actions, charges, damages, losses, proceedings (including legal and professional fees properly incurred in disputing or defending the same), expenses or liabilities (including duties and taxes) which may be incurred by the ICF Finance Parties as a result of any indemnity given by the Initial Credit Facility Agent and/or an ICF Finance Party in favour of the Borrower Security Trustee, and
- (e) each Obligor was to provide the representations, warranties and covenants set out in clause 16.1

Refinancing Facility Agreement

Each of HAL, GAL and STAL were to be Borrowers under this agreement and that, in addition to these parties, HEX, Asset Holdco and Securitisation Parent were to be Obligors

Pursuant to the Refinancing Facility Agreement, the Lenders were to advance moneys to the Borrowers on the terms and subject to the conditions set out in such agreement, in an aggregate principal amount (in the case of the Company) of up to £4,400 million, for the purposes of providing funds to the Borrowers which would otherwise be raised under the terms of the Borrower Loan Agreement.

The Facility was to be used for refinancing financial indebtedness outstanding under the Senior Facilities Agreement and the Subordinated Facilities Agreement, repaying any amounts due to Ineligible Bondholders and costs associated with transactions contemplated by the Transaction Documents including any Bond migrations costs.

The Facility may only be drawn on the Initial Issue date and that repayment was to take place in accordance with clause 7, with interest payable in accordance with clause 9.

Accordingly:

- (a) the Borrowers must pay the fees set out at clause 18, including to the Mandated Lead Arrangers the fees set out in the Fees Letters, to each lender a Commitment

Fee and to the Refinancing Facility Agent the agency fees specified in the relevant Fee Letter, and the expenses set out at clause 19.4,

- (b) each Borrower was to provide (or to procure that an Obligor will) provide the indemnities set out at clause 19.1, including an undertaking to pay within three days of demand being made any sum due thereunder, including any cost, loss or liability incurred by that Refinancing Finance Party as a result of the occurrence of any Loan Event of Default or a failure by an Obligor to pay any amount due under an Refinancing Finance Document on its due date (such terms as defined therein),
- (c) each Borrower was to provide the indemnities set out at clause 19.1, including an indemnity in favour of the Refinancing Facility Agent against any loss or liability incurred by the Refinancing Facility Agent (acting reasonably) as a result of the matters set out therein,
- (d) save to the extent covered by the indemnities contained in clause 10.2 (Other indemnities) of the CTA, each of the Borrowers was to indemnify the Refinancing Finance Parties for any costs, claims, actions, charges, damages, losses, proceedings (including legal and professional fees properly incurred in disputing or defending the same), expenses or liabilities (including duties and taxes) which may be incurred by the Refinancing Finance Parties as a result of any indemnity given by the Refinancing Facility Agent and/or a Refinancing Finance Party in favour of the Borrower Security Trustee, and
- (e) each Obligor was to provide the representations, warranties and covenants set out in clause 15.1

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 Obligors (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 *HEX Debenture*).

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:

- (f) 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;

- (g) 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;
- (h) 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 Non-Migrated Bond Facility

Each of HAL, GAL and STAL were to be Borrowers under this agreement and that, in addition to these parties, HEX, Asset Holdco and Securitisation Parent were to be Obligors.

Accordingly

- (a) the Borrowers must pay the fees set out at clause 18, including to the Mandated Lead Arrangers the fees set out in the Fees Letters, to each lender a Commitment Fee and to the NMB Facility Agent the agency fees specified in the relevant Fee Letter, and the expenses set out at clause 19.4,
- (b) each Borrower was to provide (or to procure that an Obligor will) provide the indemnities set out at clause 19.1, including an undertaking to pay within three days of demand being made any sum due thereunder, including any cost, loss or liability incurred by that NMB Finance Party as a result of the occurrence of any Loan Event of Default or a failure by an Obligor to pay any amount due under an NMB Finance Document on its due date (such terms as defined therein),
- (c) each Borrower was to provide the indemnities set out at clause 19.1, including an indemnity in favour of the NMB Facility Agent against any loss or liability incurred by the NMB Facility Agent (acting reasonably) as a result of the matters set out therein,
- (d) save to the extent covered by the indemnities contained in clause 10.2 (Other indemnities) of the CTA, each of the Borrowers was to indemnify the NMB Finance Parties for any costs, claims, actions, charges, damages, losses, proceedings (including legal and professional fees properly incurred in disputing or defending the same), expenses or liabilities (including duties and taxes) which may be incurred by the NMB Finance Parties as a result of any indemnity given by the

NMB Facility Agent and/or an NMB Finance Party in favour of the Borrower Security Trustee, and

- (e) each Obligor was to provide the representations, warranties and covenants set out in clause 16.1.

Borrower Hedging Documents

Pursuant to Borrower Hedging Documents, each of HAL, GAL and STAL would enter into ISDA Master Agreements (together with Schedules and credit support annexes thereto), pursuant to the hedging policy formulated by Schedule 5 of the Common Terms Agreement, to hedge interest rate exposure and currency movements with the relevant hedge counterparties thereto. The obligations of the Borrowers are supported by way of the Security Documents (such term is defined in the Master Definitions Agreement)

Form 155(6)b in relation to Heathrow Express Operating Company Limited

Schedule 4 – The Documents

BAA Limited
Company Number 01970855
(the *Company*)

1. 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*)

2. 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
--	-----------

- (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 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*)

3. THE NON-DESIGNATED FINANCING

- (a) 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)
- (b) 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)
- (c) 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)
- (d) 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*)

- (e) 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*)
- (f) 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
- (g) 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
- (h) 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)b in relation to Heathrow Express Operating Company 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)b in relation to Heathrow Express Operating Company 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
Dealership Agreement	NIL
Subscription Agreement	NIL
Common Terms Agreement	NIL
Master Definitions Agreement	NIL
Borrower Loan Agreement	NIL
Obligor Floating Charge Agreement	NIL
Security Agreement	NIL
Security Trust and Intercreditor Deed	NIL
Conditions Precedent Agreement	NIL
Borrower Account Bank Agreement	NIL
Borrower Account Bank Fee Letter	NIL
Non-Migrated Bond Facility Agreement	NIL
Subordinated Facility Novation and Amendment Agreement	NIL
Senior Junior Intercreditor Amendment and Restatement Agreement	NIL
Hex Debenture	NIL
Refinancing Facility Agreement	NIL

-Form 155(6)b in relation to Heathrow Express Operating Company 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
Dealership Agreement	NIL
Subscription Agreement	NIL
Common Terms Agreement	NIL
Master Definitions Agreement	NIL
Borrower Loan Agreement	NIL
Obligor Floating Charge Agreement	NIL
Security Agreement	NIL
Security Trust and Intercreditor Deed	NIL
Conditions Precedent Agreement	NIL
Borrower Account Bank Agreement	NIL
Borrower Account Bank Fee Letter	NIL
Non-Migrated Bond Facility Agreement	NIL
Subordinated Facility Novation and Amendment Agreement	NIL
Senior Junior Intercreditor Amendment and Restatement Agreement	NIL
Hex Debenture	NIL
Refinancing Facility Agreement	NIL

Initial Credit Facility Agreement	NIL
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Declaration by the directors of a holding company 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 lettering

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

For official use

Company number

--	--	--	--	--	--

01970855

Name of company

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

* BAA Limited (the Company)

* Insert full name
of company
✗ Insert name(s)
and address(es)
of all the directors

~~We~~ ✗ Please see Schedule 1

† Delete as
appropriate

~~the sole director~~ [all the directors] † of the above company (hereinafter called 'this company') do
solemnly and sincerely declare that

§ Delete whichever
is inappropriate

The business of the company is

- (a) ~~that of a recognised bank or 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 ~~the~~ [a] holding company of*
Heathrow Express Operating Company Limited (03145133) which is
proposing to give financial assistance in connection with the acquisition of shares
in [this company] [XX]
XX the holding company of the company. †

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 for the purpose of [that acquisition]~~reducing or discharging a liability incurred for the purpose of that acquisition~~† (note 1)

Please do not
write in
this margin

The number and class of the shares acquired or to be acquired is 1,102,400,315
ordinary shares of £1

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

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

The assistance will take the form of

Please see Schedule 2

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

† Delete as
appropriate

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

The principal terms on which the assistance will be given are

Please see Schedule 3

The amount (if any) by which the net assets of the company which is giving the assistance will be reduced by giving it is Nil

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

CO155(6)(b)/2

Please do not
write in
this margin

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

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

~~/~~We have formed the opinion, as regards this 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)

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

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

~~(b) It is intended to commence the winding-up of this company within 12 months of that date, and we have formed the opinion that this 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 64 Jackson Road

Declarants to sign below

Dexens, MARS

USA

Day Month Year

on

0	7	0	8	2	0	0	8
---	---	---	---	---	---	---	---

before me

Susan C Dussanet My commission expires
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

- 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)b in relation to Heathrow Express Operating Company 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

HEX, as a subsidiary of 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 Obligor Floating Charge Agreement, and the provision of all financial assistance thereunder, including the granting of security in favour of the Issuer in respect of the OFCA Secured Liabilities,
- (b) the Security Agreement, and the provision of all financial assistance thereunder, including the granting of fixed and floating charge security, and the provision of a cross-guarantee,
- (c) 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,
- (d) the Borrower Account Bank Agreement, the Cash Sweeping Deed and the Composite Guarantee and the provision of all financial assistance thereunder, including the indemnities and guarantee provided and the payment of fees,
- (e) the Initial Credit Facility Agreement, and the provision of all financial assistance thereunder, including the agreement to be an Original Guarantor thereunder,
- (f) the Refinancing Facility Agreement, and the provision of all financial assistance thereunder, including the agreement to be an Original Guarantor thereunder,
- (g) accession to the Senior-Junior Intercreditor Agreement, and the provision of all financial assistance thereunder, including the covenant to pay and the subordination provisions contained therein,
- (h) accession to the Subordinated Facility Novation and Amendment Agreement and the Securitisation Debenture Assignment and Amendment Agreements, and the provision of all financial assistance thereunder, including the accession by HEX to the Subordinated Facility as an Obligor,

- (i) the HEX Debenture, and the provision of all financial assistance thereunder, including the granting of a fixed and floating charge security and a provision of a cross guarantee,
- (j) the Non-Migrated Bond Facility, and the provision of all financial assistance thereunder, including the agreement to be an Original Guarantor thereunder, and
- (k) 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 HEX for the purpose of the acquisition of shares in the Company

Form 155(6)b in relation to Heathrow Express Operating Company 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

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

Borrower Loan Agreement

The Borrower Loan Agreement was then considered. It was noted that each of HAL, GAL and STAL was to be a Borrower under this agreement and that, additionally, Asset Holdco, Securitisation Parent and HEX were to be Obligors

The Borrower Loan Agreement incorporated the terms of the Common Terms Agreement and the STID

Pursuant to the Borrower Loan Agreement, the Issuer will make available on the Initial Issue Date to the Borrowers certain term facilities as set out below.

If, on the Initial Issue Date the Issuer issues New Bonds it shall lend to the Borrowers the aggregate proceeds received in respect of the New Bonds pursuant to the Borrower Loan Agreement (the *New Bond Advances*) In addition the Issuer will issue Bonds (*Replacement Bonds*) in respect of the existing bonds issued by the Company which will be migrated to the Issuer The Replacement Bonds will initially be issued to the Company (or to the order of), the subscription price being left outstanding referred to as the *BAA Payables* The Issuer will assign the BAA Payables to each of GAL, STAL and HAL in consideration, in each case, of an amount equal to the amount of the relevant BAA Payable Pursuant to the Borrower Loan Agreement, the Issuer will lend to each of GAL STAL and HAL an amount to enable them to provide consideration for the assignment of the BAA Payables

Pursuant to the Borrower Loan Agreement, the moneys to be advanced by the Issuer to the Borrowers are to be applied for, inter alia

- (l) general corporate purposes of the Borrowers,
- (m) discharging in part certain intra-group indebtedness and making upstream loans, and
- (n) certain expenses in connection with the issue of the Bonds and related transactions

The Borrower Loan Agreement provides for the Borrowers to pay to the Issuer an Initial Facility Fee on the Initial Issue Date and thereafter, periodically, an Ongoing Facility Fee to cover the expenses of the Issuer in connection with the Programme (e.g. Rating Agency and Liquidity Facility Provider Fees) In particular, it was noted that on the Initial Issue Date the Initial Facility Fee payable by each Borrower would comprise such amount as did not exceed the Issuer's initial issue expenses including, without limitation, its Proportionate Share of the following fees and an amount equal to any other Tax liabilities of the Issuer, including in respect of VAT whether as a primary liability or as a result of joint and several liability as a result of membership of a VAT Group, (in no order of priority) in respect of the period to and including the Initial Issue Date

- (o) an amount equal to the upfront fees, costs, charges, liabilities and expenses and any other amounts due and payable by the Issuer to the Bond Trustee pursuant to the Bond Trust Deed and to the Bond Trustee pursuant to the Issuer Deed of Charge,
- (p) an amount equal to the upfront fees and expenses of any legal advisers, accountants and auditors appointed by the Issuer, the Bond Trustee and the Initial Financial Guarantors which have fallen due and payable by the Issuer and which were incurred under or for the purposes of the transactions effected by the Issuer Transaction Documents,
- (q) an amount equal to the upfront fees, costs, charges, liabilities and expenses and any other amounts due and payable by the Issuer to the Initial Financial Guarantors (if any) pursuant to the G&R Deeds,
- (r) an amount equal to the upfront fees and expenses due and payable by the Issuer to the Co-Arrangers, the Dealers and financial advisers appointed by the Issuer and the

upfront fees and expenses of any legal advisers, accountants or other advisers appointed by any of them,

- (s) an amount equal to the upfront fees, costs and expenses due and payable by the Issuer to the Paying Agents, the Registrar, the Transfer Agents, the Agent Bank and any other agents of the Issuer appointed pursuant to the Agency Agreement or otherwise,
- (t) an amount equal to the upfront fees, costs and expenses due and payable by the Issuer in respect of the incorporation, organisation and registration of the Issuer in Jersey,
- (u) an amount equal to all the upfront fees due and payable by the Issuer to the Issuer Liquidity Facility Providers under the terms of any Issuer Liquidity Facility Agreement,
- (v) an amount equal to the upfront fees, costs, charges, liabilities and expenses due and payable by the Issuer to the Issuer Account Bank pursuant to the Issuer Account Bank Agreement,
- (w) an amount equal to the upfront fees, costs, charges, liabilities and expenses due and payable by the Issuer to the Issuer Cash Manager pursuant to the Issuer Cash Management Agreement,
- (x) an amount equal to the upfront fees, costs, charges, liabilities, expenses and other amounts incurred or paid or payable by the Issuer in connection with entering into the Issuer Hedging Agreements,
- (y) an amount equal to the upfront fees, costs, charges, liabilities, expenses and other amounts incurred at any time in connection with the application for any Bonds to be listed on any stock exchange(s) and the maintenance of any such listing(s),
- (z) an amount equal to the upfront fees, costs, charges, liabilities, expenses of the Rating Agencies,
- (aa) an amount equal to any other amounts due or overdue from the Issuer to third parties (other than governmental and fiscal authorities) including any amounts representing fees recharged by other companies within the Company's group or which arise directly or indirectly from the funding by the Issuer of the Advances or Sub-Advances made available under the Borrower Loan Agreement, other than amounts listed in the above paragraphs, and
- (bb) any claim, loss, cost or expense (including legal fees) or liability, whether or not reasonably foreseeable, which it may sustain or incur as a consequence of the occurrence of any Loan Event of Default in respect of the Borrowers or any default by the Borrowers in the performance of any of the obligations expressed to be assumed by the Borrowers in this Agreement

Under the terms of the Borrower Loan Agreement each Borrower, on a joint and several basis, undertakes to indemnify each of the Lender and/or, as the case may be, the Borrower Security Trustee against

- (cc) any loss (other than by reason of the gross negligence or wilful default by the Lender (or, following a Loan Event of Default under Schedule 4 (Loan Events of

Default) to the Common Terms Agreement, the Lender and the Borrower Security Trustee) or in respect of loss or profit) or cost it may suffer or incur as a result of its funding or making arrangements to fund an Advance requested by the Borrowers but not made by reason of the operation of any one or more of the provisions of the Borrower Loan Agreement,

- (dd) any loss, costs or expense the Lender may suffer or incur as a result of drawing under an Issuer Liquidity Facility Agreement as a result of any shortfall in payments by the Borrowers under the Borrower Loan Agreement,
- (ee) any costs and expenses of any receiver appointed to the Lender as a result of a default by the Lender caused by a breach by any Borrower of its obligations under the Finance Documents,
- (ff) any termination payment required to be made by the Lender under any Hedging Agreement arising as a result of any failure by the Lender to comply with its obligations thereunder in circumstances where such failure is caused by any breach by any Borrower of its obligations under the Finance Documents, and
- (gg) any amount payable by the Lender to the Bond Trustee pursuant to the Bond Trust Deed and/or the Issuer Deed of Charge and to the Initial Financial Guarantors pursuant to or in respect of the G&R Deeds

The Borrowers were to, from time to time, on demand of the Issuer (or, following any enforcement of the Borrower Security arising as a result of any Loan Event of Default, the Lender and the Borrower Security Trustee), reimburse the Issuer for all costs and expenses (including legal fees) incurred by it in connection with the negotiation, preparation and execution of the Borrower Loan Agreement and the completion of the transactions therein contemplated and on a full indemnity basis incurred in or in connection with the preservation and/or enforcement of any of the rights of the Issuer and the Borrower Security Trustee under the Borrower Loan Agreement and any other Issuer Transaction Document or Transaction Document (including any reasonable and properly incurred costs and expenses relating to any investigation as to whether or not a Loan Event of Default might have occurred or is likely to occur or any steps necessary or desirable in connection with any proposal for remedying or otherwise resolving a Loan Event of Default)

Obligor Floating Charge Agreement

The Obligor Floating Charge Agreement was then considered. It was noted that each of the Borrowers, HEX, Asset Holdco and Securitisation Parent were to be Obligor

The Obligor were to be chargors under the terms of the Obligor Floating Charge Agreement. The OFCA Floating Security would be created pursuant to the Obligor Floating Charge Agreement over the undertaking of the Obligor to secure the OFCA Secured Liabilities which include, *inter alia*, the obligations of the Borrowers under the Borrower Loans and the £1000 loan made by the Issuer to each Obligor (other than the Borrowers) under the Obligor Floating Charge Agreement. Such security would be granted in favour of the Issuer (which will in turn assign the benefit of such security to the Bond Trustee).

The floating charge granted pursuant to the Obligor Floating Charge Agreement was to rank equally in point of priority with the Security Agreement Floating Security, but that the OFCA Floating Security was to be deferred in point of priority to all Borrower Fixed Security validly and effectively created by the Obligor pursuant to the Security Agreement in favour of the Borrower Security Trustee.

The Obligors were to provide on a joint and several basis the indemnity set out at clause 14 of the Obligor Floating Charge Agreement in favour of, *inter alias*, the Bond Trustee

The rationale for entering into the Obligor Floating Charge Agreement in addition to the Security Agreement stems from a legal issue regarding the appointment of administrative receivers upon enforcement of floating charge security

Security Agreement

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

The Obligors were to grant security over their assets in favour of the Borrower Security Trustee (for itself and for the other Borrower Secured Creditors) as continuing security for the payment, discharge and performance of the Secured Liabilities under the terms of the Security Agreement. The Obligors would grant fixed security over certain assets including certain real property, office equipment and machinery, cash in accounts, IP/IT rights and shares held in subsidiaries, floating security over all their assets generally and also grant assignments of their rights under the Transaction Documents and the Assignable Insurances. It was further noted that pursuant to clause 3 of the Security Agreement, each Obligor provides a cross-guarantee of the obligations of the other Obligors

The Security Agreement was to contain an obligation to enter into separate legal charges in respect of real property owned by the Obligors as at the date of entry into the Security Agreement and also in respect of any real property acquired after the date of entry into the Security Agreement as security granted pursuant to the Security Agreement covers present and future assets

The Obligors were jointly and severally irrevocably and unconditionally, to indemnify the Borrower Security Trustee (for itself and for and on behalf of the other Borrower Secured Creditors) in respect of any loss or liability suffered by the Borrower Security Trustee or any Borrower Secured Creditor if any obligation guaranteed by such Obligor is or becomes unenforceable, invalid or illegal or ineffective

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 Obligor 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

Borrower Account Bank Agreement, Cash Sweeping Deed and Composite Guarantee Deed

Pursuant to the Borrower Account Bank Agreement, each of the Borrowers and HEX was to appoint The Royal Bank of Scotland plc to provide certain services (including the operation of Operating Accounts, the Insurance Proceeds Account and the Borrower Liquidity Reserve Account) to the Borrowers and HEX and, following the service of a Loan Enforcement Notice, to the Borrower Security Trustee as Borrower Account Bank

Under the Borrower Account Bank Agreement each Borrower gives notice to the Borrower Account Bank of the security granted pursuant to the Security Agreement (including the charges over its accounts)

Each of the Borrowers and HEX agree (a) to indemnify the Borrower Account Bank against any losses incurred by the Borrower Account Bank in connection with the Borrower Account Bank Agreement, and (b) to pay fees to the Borrower Account Bank in accordance with the fee letter entered into between the Borrowers, HEX and the Borrower Account Bank

Under the Borrower Account Bank Agreement, each of the Borrowers and HEX were to be entitled to operate a cash sweeping system and a notional cash pooling system between Operating Accounts. Each of the Borrowers and HEX was to enter into a Cash Sweeping Deed and a Composite Guarantee in connection with those arrangements. It was noted that under the Composite Guarantee each of the Borrowers and HEX was to jointly and severally (a) guarantee to discharge on demand all the obligations of each Borrower and HEX to the Borrower Account Bank; (b) indemnify the Borrower Account Bank in respect of any amounts not recoverable on the basis of a guarantee, and (c) agree to pay certain fees and expenses incurred by the Borrower Account Bank. Under the Cash Sweeping Deed, each of the Borrowers and HEX was to agree with the Borrower Account Bank to be jointly and severally liable to the Borrower Account Bank for all debit balances from time to time on any of the Operating Accounts

Initial Credit Facility Agreement

Each of HAL, GAL and STAL were to be Borrowers under this agreement and that, in addition to these parties, HEX, Asset Holdco and Securitisation Parent were to be Obligor

Pursuant to the Initial Credit Facility Agreement, the Initial Credit Facility Providers were to advance moneys to the Borrowers on the terms and subject to the conditions set out in such agreement, in an aggregate principal amount initially of up to £2,700 million in respect of facilities for the purposes of capital expenditure and £50 million in respect of facilities for the purposes of working capital funding

Accordingly

- (a) the Borrowers must pay the fees set out at clause 18, including to the Mandated Lead Arrangers the fees set out in the Fees Letters, to each lender a Commitment Fee and to the Initial Credit Facility Agent the agency fees specified in the relevant Fee Letter, and the expenses set out at clause 19 4,
- (b) each Borrower was to provide (or to procure that an Obligor will) provide the indemnities set out at clause 19 1, including an undertaking to pay within three days of demand being made any sum due thereunder, including any cost, loss or liability incurred by that ICF Finance Party as a result of the occurrence of any Loan Event of Default or a failure by an Obligor to pay any amount due under an ICF Finance Document on its due date (such terms as defined therein),
- (c) each Borrower was to provide the indemnities set out at clause 19 1, including an indemnity in favour of the Initial Credit Facility Agent against any loss or liability incurred by the Initial Credit Facility Agent (acting reasonably) as a result of the matters set out therein,
- (d) save to the extent covered by the indemnities contained in clause 10 2 (Other indemnities) of the CTA, each of the Borrowers was to indemnify the ICF Finance Parties for any costs, claims, actions, charges, damages, losses, proceedings (including legal and professional fees properly incurred in disputing or defending the same), expenses or liabilities (including duties and taxes) which may be incurred by the ICF Finance Parties as a result of any indemnity given by the Initial Credit Facility Agent and/or an ICF Finance Party in favour of the Borrower Security Trustee, and
- (e) each Obligor was to provide the representations, warranties and covenants set out in clause 16 1

Refinancing Facility Agreement

Each of HAL, GAL and STAL were to be Borrowers under this agreement and that, in addition to these parties, HEX, Asset Holdco and Securitisation Parent were to be Obligors

Pursuant to the Refinancing Facility Agreement, the Lenders were to advance moneys to the Borrowers on the terms and subject to the conditions set out in such agreement, in an aggregate principal amount (in the case of the Company) of up to £4,400 million, for the purposes of providing funds to the Borrowers which would otherwise be raised under the terms of the Borrower Loan Agreement

The Facility was to be used for refinancing financial indebtedness outstanding under the Senior Facilities Agreement and the Subordinated Facilities Agreement, repaying any amounts due to Ineligible Bondholders and costs associated with transactions contemplated by the Transaction Documents including any Bond migrations costs

The Facility may only be drawn on the Initial Issue date and that repayment was to take place in accordance with clause 7, with interest payable in accordance with clause 9

Accordingly

- (a) the Borrowers must pay the fees set out at clause 18, including to the Mandated Lead Arrangers the fees set out in the Fees Letters, to each lender a Commitment

Fee and to the Refinancing Facility Agent the agency fees specified in the relevant Fee Letter, and the expenses set out at clause 19 4,

- (b) each Borrower was to provide (or to procure that an Obligor will) provide the indemnities set out at clause 19 1, including an undertaking to pay within three days of demand being made any sum due thereunder, including any cost, loss or liability incurred by that Refinancing Finance Party as a result of the occurrence of any Loan Event of Default or a failure by an Obligor to pay any amount due under an Refinancing Finance Document on its due date (such terms as defined therein),
- (c) each Borrower was to provide the indemnities set out at clause 19 1, including an indemnity in favour of the Refinancing Facility Agent against any loss or liability incurred by the Refinancing Facility Agent (acting reasonably) as a result of the matters set out therein,
- (d) save to the extent covered by the indemnities contained in clause 10 2 (Other indemnities) of the CTA, each of the Borrowers was to indemnify the Refinancing Finance Parties for any costs, claims, actions, charges, damages, losses, proceedings (including legal and professional fees properly incurred in disputing or defending the same), expenses or liabilities (including duties and taxes) which may be incurred by the Refinancing Finance Parties as a result of any indemnity given by the Refinancing Facility Agent and/or a Refinancing Finance Party in favour of the Borrower Security Trustee, and
- (e) each Obligor was to provide the representations, warranties and covenants set out in clause 15 1

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 Obligors (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 *HEX Debenture*).

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

- (f) 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,

- (g) 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,
- (h) 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 Non-Migrated Bond Facility

Each of HAL, GAL and STAL were to be Borrowers under this agreement and that, in addition to these parties, HEX, Asset Holdco and Securitisation Parent were to be Obligors

Accordingly

- (a) the Borrowers must pay the fees set out at clause 18, including to the Mandated Lead Arrangers the fees set out in the Fees Letters, to each lender a Commitment Fee and to the NMB Facility Agent the agency fees specified in the relevant Fee Letter, and the expenses set out at clause 19 4,
- (b) each Borrower was to provide (or to procure that an Obligor will) provide the indemnities set out at clause 19 1, including an undertaking to pay within three days of demand being made any sum due thereunder, including any cost, loss or liability incurred by that NMB Finance Party as a result of the occurrence of any Loan Event of Default or a failure by an Obligor to pay any amount due under an NMB Finance Document on its due date (such terms as defined therein),
- (c) each Borrower was to provide the indemnities set out at clause 19 1, including an indemnity in favour of the NMB Facility Agent against any loss or liability incurred by the NMB Facility Agent (acting reasonably) as a result of the matters set out therein,
- (d) save to the extent covered by the indemnities contained in clause 10 2 (Other indemnities) of the CTA, each of the Borrowers was to indemnify the NMB Finance Parties for any costs, claims, actions, charges, damages, losses, proceedings (including legal and professional fees properly incurred in disputing or defending the same), expenses or liabilities (including duties and taxes) which may be incurred by the NMB Finance Parties as a result of any indemnity given by the

NMB Facility Agent and/or an NMB Finance Party in favour of the Borrower Security Trustee, and

- (e) each Obligor was to provide the representations, warranties and covenants set out in clause 16.1

Borrower Hedging Documents

Pursuant to Borrower Hedging Documents, each of HAL, GAL and STAL would enter into ISDA Master Agreements (together with Schedules and credit support annexes thereto), pursuant to the hedging policy formulated by Schedule 5 of the Common Terms Agreement, to hedge interest rate exposure and currency movements with the relevant hedge counterparties thereto. The obligations of the Borrowers are supported by way of the Security Documents (such term is defined in the Master Definitions Agreement)

Form 155(6)b in relation to Heathrow Express Operating Company Limited

Schedule 4 – The Documents

BAA Limited
Company Number 01970855
(the *Company*)

1. 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*)

2. 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
--	-----------

- (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 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***)

3. THE NON-DESIGNATED FINANCING

- (a) 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)
- (b) 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)
- (c) 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)
- (d) 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***)

- (e) 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*)
- (f) 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
- (g) 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
- (h) 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)b in relation to Heathrow Express Operating Company 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)b in relation to Heathrow Express Operating Company 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
Dealership Agreement	NIL
Subscription Agreement	NIL
Common Terms Agreement	NIL
Master Definitions Agreement	NIL
Borrower Loan Agreement	NIL
Obligor Floating Charge Agreement	NIL
Security Agreement	NIL
Security Trust and Intercreditor Deed	NIL
Conditions Precedent Agreement	NIL
Borrower Account Bank Agreement	NIL
Borrower Account Bank Fee Letter	NIL
Non-Migrated Bond Facility Agreement	NIL
Subordinated Facility Novation and Amendment Agreement	NIL
Senior Junior Intercreditor Amendment and Restatement Agreement	NIL
Hex Debenture	NIL
Refinancing Facility Agreement	NIL

Initial Credit Facility Agreement	NIL
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Form 155(6)b in relation to Heathrow Express Operating Company 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
Dealership Agreement	NIL
Subscription Agreement	NIL
Common Terms Agreement	NIL
Master Definitions Agreement	NIL
Borrower Loan Agreement	NIL
Obligor Floating Charge Agreement	NIL
Security Agreement	NIL
Security Trust and Intercreditor Deed	NIL
Conditions Precedent Agreement	NIL
Borrower Account Bank Agreement	NIL
Borrower Account Bank Fee Letter	NIL
Non-Migrated Bond Facility Agreement	NIL
Subordinated Facility Novation and Amendment Agreement	NIL
Senior Junior Intercreditor Amendment and Restatement Agreement	NIL
Hex Debenture	NIL
Refinancing Facility Agreement	NIL

Initial Credit Facility Agreement	NIL
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Declaration by the directors of a holding company 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 lettering**

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

For official use

Company number

01970855

Name of company

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

BAA Limited (the Company)

- * Insert full name of company
- Ø insert name(s) and address(es) of all the directors

~~4~~We ø Please see Schedule 1

† Delete as appropriate

[the sole director][all the directors]† of the above company (hereinafter called 'this company') do solemnly and sincerely declare that

§ Delete whichever
is inappropriate

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 8 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 ~~(the)~~ a holding company of* _____
Heathrow Express Operating Company Limited (03145133) which is
 proposing to give financial assistance in connection with the acquisition of shares
 in [this company][

 _____ the holding company of this company.]

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 for the purpose of ~~(that acquisition)~~ ~~reducing or discharging a liability incurred for the purpose of that acquisition~~ † (note 1)

Please do not
write in
this margin

The number and class of the shares acquired or to be acquired is 1,102,400,315
ordinary shares of £1

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

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

The assistance will take the form of

Please see Schedule 2

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

† Delete as
appropriate

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

The principal terms on which the assistance will be given are

Please see Schedule 3

The amount (if any) by which the net assets of the company which is giving the assistance will be reduced by giving it is Nil

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

CO155(6)(b)/2

Please do not
write in
this margin

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

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

~~1/~~We have formed the opinion, as regards this 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)

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

(a) ~~1/~~We have formed the opinion that this company will be able to pay its debts as they fall due during the year immediately following that date]* (note 3)

~~(b) 1/~~~~It is intended to commence the winding-up of this company within 12 months of that date, and 1/~~~~we have formed the opinion that this 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

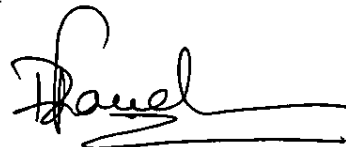
Day	Month	Year
07	08	2008



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)b in relation to Heathrow Express Operating Company 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

HEX, as a subsidiary of 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 Obligor Floating Charge Agreement, and the provision of all financial assistance thereunder, including the granting of security in favour of the Issuer in respect of the OFCA Secured Liabilities,
- (b) the Security Agreement, and the provision of all financial assistance thereunder, including the granting of fixed and floating charge security, and the provision of a cross-guarantee,
- (c) 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,
- (d) the Borrower Account Bank Agreement, the Cash Sweeping Deed and the Composite Guarantee and the provision of all financial assistance thereunder, including the indemnities and guarantee provided and the payment of fees,
- (e) the Initial Credit Facility Agreement, and the provision of all financial assistance thereunder, including the agreement to be an Original Guarantor thereunder,
- (f) the Refinancing Facility Agreement, and the provision of all financial assistance thereunder, including the agreement to be an Original Guarantor thereunder,
- (g) accession to the Senior-Junior Intercreditor Agreement, and the provision of all financial assistance thereunder, including the covenant to pay and the subordination provisions contained therein,
- (h) accession to the Subordinated Facility Novation and Amendment Agreement and the Securitisation Debenture Assignment and Amendment Agreements, and the provision of all financial assistance thereunder, including the accession by HEX to the Subordinated Facility as an Obligor,

- (i) the HEX Debenture, and the provision of all financial assistance thereunder, including the granting of a fixed and floating charge security and a provision of a cross guarantee,
- (j) the Non-Migrated Bond Facility, and the provision of all financial assistance thereunder, including the agreement to be an Original Guarantor thereunder, and
- (k) 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 HEX for the purpose of the acquisition of shares in the Company

Form 155(6)b in relation to Heathrow Express Operating Company 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

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

Borrower Loan Agreement

The Borrower Loan Agreement was then considered. It was noted that each of HAL, GAL and STAL was to be a Borrower under this agreement and that, additionally, Asset Holdco, Securitisation Parent and HEX were to be Obligors

The Borrower Loan Agreement incorporated the terms of the Common Terms Agreement and the STID

Pursuant to the Borrower Loan Agreement, the Issuer will make available on the Initial Issue Date to the Borrowers certain term facilities as set out below

If, on the Initial Issue Date the Issuer issues New Bonds it shall lend to the Borrowers the aggregate proceeds received in respect of the New Bonds pursuant to the Borrower Loan Agreement (the *New Bond Advances*). In addition the Issuer will issue Bonds (*Replacement Bonds*) in respect of the existing bonds issued by the Company which will be migrated to the Issuer. The Replacement Bonds will initially be issued to the Company (or to the order of), the subscription price being left outstanding referred to as the *BAA Payables*. The Issuer will assign the BAA Payables to each of GAL, STAL and HAL in consideration, in each case, of an amount equal to the amount of the relevant BAA Payable. Pursuant to the Borrower Loan Agreement, the Issuer will lend to each of GAL, STAL and HAL an amount to enable them to provide consideration for the assignment of the BAA Payables.

Pursuant to the Borrower Loan Agreement, the moneys to be advanced by the Issuer to the Borrowers are to be applied for, inter alia

- (l) general corporate purposes of the Borrowers,
- (m) discharging in part certain intra-group indebtedness and making upstream loans, and
- (n) certain expenses in connection with the issue of the Bonds and related transactions

The Borrower Loan Agreement provides for the Borrowers to pay to the Issuer an Initial Facility Fee on the Initial Issue Date and thereafter, periodically, an Ongoing Facility Fee to cover the expenses of the Issuer in connection with the Programme (e.g. Rating Agency and Liquidity Facility Provider Fees). In particular, it was noted that on the Initial Issue Date the Initial Facility Fee payable by each Borrower would comprise such amount as did not exceed the Issuer's initial issue expenses including, without limitation, its Proportionate Share of the following fees and an amount equal to any other Tax liabilities of the Issuer, including in respect of VAT whether as a primary liability or as a result of joint and several liability as a result of membership of a VAT Group, (in no order of priority) in respect of the period to and including the Initial Issue Date

- (o) an amount equal to the upfront fees, costs, charges, liabilities and expenses and any other amounts due and payable by the Issuer to the Bond Trustee pursuant to the Bond Trust Deed and to the Bond Trustee pursuant to the Issuer Deed of Charge,
- (p) an amount equal to the upfront fees and expenses of any legal advisers, accountants and auditors appointed by the Issuer, the Bond Trustee and the Initial Financial Guarantors which have fallen due and payable by the Issuer and which were incurred under or for the purposes of the transactions effected by the Issuer Transaction Documents,
- (q) an amount equal to the upfront fees, costs, charges, liabilities and expenses and any other amounts due and payable by the Issuer to the Initial Financial Guarantors (if any) pursuant to the G&R Deeds,
- (r) an amount equal to the upfront fees and expenses due and payable by the Issuer to the Co-Arrangers, the Dealers and financial advisers appointed by the Issuer and the

upfront fees and expenses of any legal advisers, accountants or other advisers appointed by any of them,

- (s) an amount equal to the upfront fees, costs and expenses due and payable by the Issuer to the Paying Agents, the Registrar, the Transfer Agents, the Agent Bank and any other agents of the Issuer appointed pursuant to the Agency Agreement or otherwise,
- (t) an amount equal to the upfront fees, costs and expenses due and payable by the Issuer in respect of the incorporation, organisation and registration of the Issuer in Jersey,
- (u) an amount equal to all the upfront fees due and payable by the Issuer to the Issuer Liquidity Facility Providers under the terms of any Issuer Liquidity Facility Agreement,
- (v) an amount equal to the upfront fees, costs, charges, liabilities and expenses due and payable by the Issuer to the Issuer Account Bank pursuant to the Issuer Account Bank Agreement,
- (w) an amount equal to the upfront fees, costs, charges, liabilities and expenses due and payable by the Issuer to the Issuer Cash Manager pursuant to the Issuer Cash Management Agreement,
- (x) an amount equal to the upfront fees, costs, charges, liabilities, expenses and other amounts incurred or paid or payable by the Issuer in connection with entering into the Issuer Hedging Agreements,
- (y) an amount equal to the upfront fees, costs, charges, liabilities, expenses and other amounts incurred at any time in connection with the application for any Bonds to be listed on any stock exchange(s) and the maintenance of any such listing(s),
- (z) an amount equal to the upfront fees, costs, charges, liabilities, expenses of the Rating Agencies,
- (aa) an amount equal to any other amounts due or overdue from the Issuer to third parties (other than governmental and fiscal authorities) including any amounts representing fees recharged by other companies within the Company's group or which arise directly or indirectly from the funding by the Issuer of the Advances or Sub-Advances made available under the Borrower Loan Agreement, other than amounts listed in the above paragraphs, and
- (bb) any claim, loss, cost or expense (including legal fees) or liability, whether or not reasonably foreseeable, which it may sustain or incur as a consequence of the occurrence of any Loan Event of Default in respect of the Borrowers or any default by the Borrowers in the performance of any of the obligations expressed to be assumed by the Borrowers in this Agreement

Under the terms of the Borrower Loan Agreement each Borrower, on a joint and several basis, undertakes to indemnify each of the Lender and/or, as the case may be, the Borrower Security Trustee against

- (cc) any loss (other than by reason of the gross negligence or wilful default by the Lender (or, following a Loan Event of Default under Schedule 4 (Loan Events of

Default) to the Common Terms Agreement, the Lender and the Borrower Security Trustee) or in respect of loss or profit) or cost it may suffer or incur as a result of its funding or making arrangements to fund an Advance requested by the Borrowers but not made by reason of the operation of any one or more of the provisions of the Borrower Loan Agreement,

- (dd) any loss, costs or expense the Lender may suffer or incur as a result of drawing under an Issuer Liquidity Facility Agreement as a result of any shortfall in payments by the Borrowers under the Borrower Loan Agreement,
- (ee) any costs and expenses of any receiver appointed to the Lender as a result of a default by the Lender caused by a breach by any Borrower of its obligations under the Finance Documents,
- (ff) any termination payment required to be made by the Lender under any Hedging Agreement arising as a result of any failure by the Lender to comply with its obligations thereunder in circumstances where such failure is caused by any breach by any Borrower of its obligations under the Finance Documents, and
- (gg) any amount payable by the Lender to the Bond Trustee pursuant to the Bond Trust Deed and/or the Issuer Deed of Charge and to the Initial Financial Guarantors pursuant to or in respect of the G&R Deeds

The Borrowers were to, from time to time, on demand of the Issuer (or, following any enforcement of the Borrower Security arising as a result of any Loan Event of Default, the Lender and the Borrower Security Trustee), reimburse the Issuer for all costs and expenses (including legal fees) incurred by it in connection with the negotiation, preparation and execution of the Borrower Loan Agreement and the completion of the transactions therein contemplated and on a full indemnity basis incurred in or in connection with the preservation and/or enforcement of any of the rights of the Issuer and the Borrower Security Trustee under the Borrower Loan Agreement and any other Issuer Transaction Document or Transaction Document (including any reasonable and properly incurred costs and expenses relating to any investigation as to whether or not a Loan Event of Default might have occurred or is likely to occur or any steps necessary or desirable in connection with any proposal for remedying or otherwise resolving a Loan Event of Default)

Obligor Floating Charge Agreement

The Obligor Floating Charge Agreement was then considered. It was noted that each of the Borrowers, HEX, Asset Holdco and Securitisation Parent were to be Obligors

The Obligors were to be chargors under the terms of the Obligor Floating Charge Agreement. The OFCA Floating Security would be created pursuant to the Obligor Floating Charge Agreement over the undertaking of the Obligors to secure the OFCA Secured Liabilities which include, *inter alia*, the obligations of the Borrowers under the Borrower Loans and the £1000 loan made by the Issuer to each Obligor (other than the Borrowers) under the Obligor Floating Charge Agreement. Such security would be granted in favour of the Issuer (which will in turn assign the benefit of such security to the Bond Trustee)

The floating charge granted pursuant to the Obligor Floating Charge Agreement was to rank equally in point of priority with the Security Agreement Floating Security, but that the OFCA Floating Security was to be deferred in point of priority to all Borrower Fixed Security validly and effectively created by the Obligors pursuant to the Security Agreement in favour of the Borrower Security Trustee

The Obligors were to provide on a joint and several basis the indemnity set out at clause 14 of the Obligor Floating Charge Agreement in favour of, *inter alias*, the Bond Trustee

The rationale for entering into the Obligor Floating Charge Agreement in addition to the Security Agreement stems from a legal issue regarding the appointment of administrative receivers upon enforcement of floating charge security

Security Agreement

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

The Obligors were to grant security over their assets in favour of the Borrower Security Trustee (for itself and for the other Borrower Secured Creditors) as continuing security for the payment, discharge and performance of the Secured Liabilities under the terms of the Security Agreement. The Obligors would grant fixed security over certain assets including certain real property, office equipment and machinery, cash in accounts, IP/IT rights and shares held in subsidiaries, floating security over all their assets generally and also grant assignments of their rights under the Transaction Documents and the Assignable Insurances. It was further noted that pursuant to clause 3 of the Security Agreement, each Obligor provides a cross-guarantee of the obligations of the other Obligors

The Security Agreement was to contain an obligation to enter into separate legal charges in respect of real property owned by the Obligors as at the date of entry into the Security Agreement and also in respect of any real property acquired after the date of entry into the Security Agreement as security granted pursuant to the Security Agreement covers present and future assets

The Obligors were jointly and severally irrevocably and unconditionally, to indemnify the Borrower Security Trustee (for itself and for and on behalf of the other Borrower Secured Creditors) in respect of any loss or liability suffered by the Borrower Security Trustee or any Borrower Secured Creditor if any obligation guaranteed by such Obligor is or becomes unenforceable, invalid or illegal or ineffective

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

Borrower Account Bank Agreement, Cash Sweeping Deed and Composite Guarantee Deed

Pursuant to the Borrower Account Bank Agreement, each of the Borrowers and HEX was to appoint The Royal Bank of Scotland plc to provide certain services (including the operation of Operating Accounts, the Insurance Proceeds Account and the Borrower Liquidity Reserve Account) to the Borrowers and HEX and, following the service of a Loan Enforcement Notice, to the Borrower Security Trustee as Borrower Account Bank

Under the Borrower Account Bank Agreement each Borrower gives notice to the Borrower Account Bank of the security granted pursuant to the Security Agreement (including the charges over its accounts)

Each of the Borrowers and HEX agree (a) to indemnify the Borrower Account Bank against any losses incurred by the Borrower Account Bank in connection with the Borrower Account Bank Agreement, and (b) to pay fees to the Borrower Account Bank in accordance with the fee letter entered into between the Borrowers, HEX and the Borrower Account Bank

Under the Borrower Account Bank Agreement, each of the Borrowers and HEX were to be entitled to operate a cash sweeping system and a notional cash pooling system between Operating Accounts. Each of the Borrowers and HEX was to enter into a Cash Sweeping Deed and a Composite Guarantee in connection with those arrangements. It was noted that under the Composite Guarantee each of the Borrowers and HEX was to jointly and severally (a) guarantee to discharge on demand all the obligations of each Borrower and HEX to the Borrower Account Bank, (b) indemnify the Borrower Account Bank in respect of any amounts not recoverable on the basis of a guarantee, and (c) agree to pay certain fees and expenses incurred by the Borrower Account Bank. Under the Cash Sweeping Deed, each of the Borrowers and HEX was to agree with the Borrower Account Bank to be jointly and severally liable to the Borrower Account Bank for all debit balances from time to time on any of the Operating Accounts

Initial Credit Facility Agreement

Each of HAL, GAL and STAL were to be Borrowers under this agreement and that, in addition to these parties, HEX, Asset Holdco and Securitisation Parent were to be Obligors

Pursuant to the Initial Credit Facility Agreement, the Initial Credit Facility Providers were to advance moneys to the Borrowers on the terms and subject to the conditions set out in such agreement, in an aggregate principal amount initially of up to £2,700 million in respect of facilities for the purposes of capital expenditure and £50 million in respect of facilities for the purposes of working capital funding

Accordingly

- (a) the Borrowers must pay the fees set out at clause 18, including to the Mandated Lead Arrangers the fees set out in the Fees Letters, to each lender a Commitment Fee and to the Initial Credit Facility Agent the agency fees specified in the relevant Fee Letter, and the expenses set out at clause 19 4,
- (b) each Borrower was to provide (or to procure that an Obligor will) provide the indemnities set out at clause 19 1, including an undertaking to pay within three days of demand being made any sum due thereunder, including any cost, loss or liability incurred by that ICF Finance Party as a result of the occurrence of any Loan Event of Default or a failure by an Obligor to pay any amount due under an ICF Finance Document on its due date (such terms as defined therein),
- (c) each Borrower was to provide the indemnities set out at clause 19 1, including an indemnity in favour of the Initial Credit Facility Agent against any loss or liability incurred by the Initial Credit Facility Agent (acting reasonably) as a result of the matters set out therein,
- (d) save to the extent covered by the indemnities contained in clause 10 2 (Other indemnities) of the CTA, each of the Borrowers was to indemnify the ICF Finance Parties for any costs, claims, actions, charges, damages, losses, proceedings (including legal and professional fees properly incurred in disputing or defending the same), expenses or liabilities (including duties and taxes) which may be incurred by the ICF Finance Parties as a result of any indemnity given by the Initial Credit Facility Agent and/or an ICF Finance Party in favour of the Borrower Security Trustee, and
- (e) each Obligor was to provide the representations, warranties and covenants set out in clause 16 1

Refinancing Facility Agreement

Each of HAL, GAL and STAL were to be Borrowers under this agreement and that, in addition to these parties, HEX, Asset Holdco and Securitisation Parent were to be Obligors

Pursuant to the Refinancing Facility Agreement, the Lenders were to advance moneys to the Borrowers on the terms and subject to the conditions set out in such agreement, in an aggregate principal amount (in the case of the Company) of up to £4,400 million, for the purposes of providing funds to the Borrowers which would otherwise be raised under the terms of the Borrower Loan Agreement

The Facility was to be used for refinancing financial indebtedness outstanding under the Senior Facilities Agreement and the Subordinated Facilities Agreement, repaying any amounts due to Ineligible Bondholders and costs associated with transactions contemplated by the Transaction Documents including any Bond migrations costs

The Facility may only be drawn on the Initial Issue date and that repayment was to take place in accordance with clause 7, with interest payable in accordance with clause 9

Accordingly

- (a) the Borrowers must pay the fees set out at clause 18, including to the Mandated Lead Arrangers the fees set out in the Fees Letters, to each lender a Commitment

Fee and to the Refinancing Facility Agent the agency fees specified in the relevant Fee Letter, and the expenses set out at clause 19 4,

- (b) each Borrower was to provide (or to procure that an Obligor will) provide the indemnities set out at clause 19 1, including an undertaking to pay within three days of demand being made any sum due thereunder, including any cost, loss or liability incurred by that Refinancing Finance Party as a result of the occurrence of any Loan Event of Default or a failure by an Obligor to pay any amount due under an Refinancing Finance Document on its due date (such terms as defined therein),
- (c) each Borrower was to provide the indemnities set out at clause 19 1, including an indemnity in favour of the Refinancing Facility Agent against any loss or liability incurred by the Refinancing Facility Agent (acting reasonably) as a result of the matters set out therein,
- (d) save to the extent covered by the indemnities contained in clause 10 2 (Other indemnities) of the CTA, each of the Borrowers was to indemnify the Refinancing Finance Parties for any costs, claims, actions, charges, damages, losses, proceedings (including legal and professional fees properly incurred in disputing or defending the same), expenses or liabilities (including duties and taxes) which may be incurred by the Refinancing Finance Parties as a result of any indemnity given by the Refinancing Facility Agent and/or a Refinancing Finance Party in favour of the Borrower Security Trustee, and
- (e) each Obligor was to provide the representations, warranties and covenants set out in clause 15 1

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 Obligors (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 *HEX Debenture*)

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

- (f) 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,

- (g) 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,
- (h) 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 Non-Migrated Bond Facility

Each of HAL, GAL and STAL were to be Borrowers under this agreement and that, in addition to these parties, HEX, Asset Holdco and Securitisation Parent were to be Obligors

Accordingly

- (a) the Borrowers must pay the fees set out at clause 18, including to the Mandated Lead Arrangers the fees set out in the Fees Letters, to each lender a Commitment Fee and to the NMB Facility Agent the agency fees specified in the relevant Fee Letter, and the expenses set out at clause 19.4,
- (b) each Borrower was to provide (or to procure that an Obligor will) provide the indemnities set out at clause 19.1, including an undertaking to pay within three days of demand being made any sum due thereunder, including any cost, loss or liability incurred by that NMB Finance Party as a result of the occurrence of any Loan Event of Default or a failure by an Obligor to pay any amount due under an NMB Finance Document on its due date (such terms as defined therein),
- (c) each Borrower was to provide the indemnities set out at clause 19.1, including an indemnity in favour of the NMB Facility Agent against any loss or liability incurred by the NMB Facility Agent (acting reasonably) as a result of the matters set out therein,
- (d) save to the extent covered by the indemnities contained in clause 10.2 (Other indemnities) of the CTA, each of the Borrowers was to indemnify the NMB Finance Parties for any costs, claims, actions, charges, damages, losses, proceedings (including legal and professional fees properly incurred in disputing or defending the same), expenses or liabilities (including duties and taxes) which may be incurred by the NMB Finance Parties as a result of any indemnity given by the

NMB Facility Agent and/or an NMB Finance Party in favour of the Borrower Security Trustee, and

- (e) each Obligor was to provide the representations, warranties and covenants set out in clause 16.1

Borrower Hedging Documents

Pursuant to Borrower Hedging Documents, each of HAL, GAL and STAL would enter into ISDA Master Agreements (together with Schedules and credit support annexes thereto), pursuant to the hedging policy formulated by Schedule 5 of the Common Terms Agreement, to hedge interest rate exposure and currency movements with the relevant hedge counterparties thereto. The obligations of the Borrowers are supported by way of the Security Documents (such term is defined in the Master Definitions Agreement)

Form 155(6)b in relation to Heathrow Express Operating Company Limited

Schedule 4 – The Documents

BAA Limited
Company Number 01970855
(the *Company*)

1. 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*)

2. 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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- (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 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*)

3. THE NON-DESIGNATED FINANCING

- (a) 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)
- (b) 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)
- (c) 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)
- (d) 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*)

- (e) 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*)
- (f) 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
- (g) 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
- (h) 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)b in relation to Heathrow Express Operating Company 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

SLAL 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)b in relation to Heathrow Express Operating Company 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
Dealership Agreement	NIL
Subscription Agreement	NIL
Common Terms Agreement	NIL
Master Definitions Agreement	NIL
Borrower Loan Agreement	NIL
Obligor Floating Charge Agreement	NIL
Security Agreement	NIL
Security Trust and Intercreditor Deed	NIL
Conditions Precedent Agreement	NIL
Borrower Account Bank Agreement	NIL
Borrower Account Bank Fee Letter	NIL
Non-Migrated Bond Facility Agreement	NIL
Subordinated Facility Novation and Amendment Agreement	NIL
Senior Junior Intercreditor Amendment and Restatement Agreement	NIL
Hex Debenture	NIL
Refinancing Facility Agreement	NIL

Initial Credit Facility Agreement	NIL
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Form 155(6)b in relation to Heathrow Express Operating Company 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
Dealership Agreement	NIL
Subscription Agreement	NIL
Common Terms Agreement	NIL
Master Definitions Agreement	NIL
Borrower Loan Agreement	NIL
Obligor Floating Charge Agreement	NIL
Security Agreement	NIL
Security Trust and Intercreditor Deed	NIL
Conditions Precedent Agreement	NIL
Borrower Account Bank Agreement	NIL
Borrower Account Bank Fee Letter	NIL
Non-Migrated Bond Facility Agreement	NIL
Subordinated Facility Novation and Amendment Agreement	NIL
Senior Junior Intercreditor Amendment and Restatement Agreement	NIL
Hex Debenture	NIL
Refinancing Facility Agreement	NIL

Initial Credit Facility Agreement	NIL
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Declaration by the directors of a holding company 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 lettering

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

For official use

Company number

--	--	--	--	--	--

01970855

Name of company

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

*
BAA Limited (the Company)

- * Insert full name
of company
- ✗ Insert name(s)
and address(es)
of all the directors

~~We~~ ✗ Please see Schedule 1

† Delete as
appropriate

~~the sole director~~ [all the directors] † of the above company (hereinafter called 'this company') do
solemnly and sincerely declare that

§ Delete whichever
is inappropriate

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 8 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 ~~the~~ [a] holding company of*
Heathrow Express Operating Company Limited (03145133) which is
proposing to give financial assistance in connection with the acquisition of shares
in [this company] [XX]
XX the holding company of the company. †

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 ☒

Post room

The assistance is for the purpose of [that acquisition]~~[reducing or discharging a liability incurred for the purpose of that acquisition]~~ † (note 1)

Please do not
write in
this margin

The number and class of the shares acquired or to be acquired is 1,102,400,315
ordinary shares of £1

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

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

The assistance will take the form of

Please see Schedule 2

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

† Delete as
appropriate

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

The principal terms on which the assistance will be given are

Please see Schedule 3

The amount (if any) by which the net assets of the company which is giving the assistance will be reduced by giving it is Nil

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

CO155(6)(b)/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

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

~~1~~/We have formed the opinion, as regards this 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 this company will be able to pay its debts as they fall due during the year immediately following that date]* (note 3)

~~(b) 1~~ It is intended to commence the winding-up of this company within 12 months of that date, ~~and we have formed the opinion that this 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 234 Bath Road, London, UB3 5AP

Declarants to sign below

by _____

Day Month Year

on

0	7	0	8	2	0	0	8
---	---	---	---	---	---	---	---

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

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

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)b in relation to Heathrow Express Operating Company 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

HEX, as a subsidiary of 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 Obligor Floating Charge Agreement, and the provision of all financial assistance thereunder, including the granting of security in favour of the Issuer in respect of the OFCA Secured Liabilities,
- (b) the Security Agreement, and the provision of all financial assistance thereunder, including the granting of fixed and floating charge security, and the provision of a cross-guarantee,
- (c) 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,
- (d) the Borrower Account Bank Agreement, the Cash Sweeping Deed and the Composite Guarantee and the provision of all financial assistance thereunder, including the indemnities and guarantee provided and the payment of fees,
- (e) the Initial Credit Facility Agreement, and the provision of all financial assistance thereunder, including the agreement to be an Original Guarantor thereunder,
- (f) the Refinancing Facility Agreement, and the provision of all financial assistance thereunder, including the agreement to be an Original Guarantor thereunder,
- (g) accession to the Senior-Junior Intercreditor Agreement, and the provision of all financial assistance thereunder, including the covenant to pay and the subordination provisions contained therein,
- (h) accession to the Subordinated Facility Novation and Amendment Agreement and the Securitisation Debenture Assignment and Amendment Agreements, and the provision of all financial assistance thereunder, including the accession by HEX to the Subordinated Facility as an Obligor,

- (i) the HEX Debenture, and the provision of all financial assistance thereunder, including the granting of a fixed and floating charge security and a provision of a cross guarantee,
- (j) the Non-Migrated Bond Facility, and the provision of all financial assistance thereunder, including the agreement to be an Original Guarantor thereunder, and
- (k) 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 HEX for the purpose of the acquisition of shares in the Company

Form 155(6)b in relation to Heathrow Express Operating Company 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

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

Borrower Loan Agreement

The Borrower Loan Agreement was then considered. It was noted that each of HAL, GAL and STAL was to be a Borrower under this agreement and that, additionally, Asset Holdco, Securitisation Parent and HEX were to be Obligors

The Borrower Loan Agreement incorporated the terms of the Common Terms Agreement and the STID

Pursuant to the Borrower Loan Agreement, the Issuer will make available on the Initial Issue Date to the Borrowers certain term facilities as set out below

If, on the Initial Issue Date the Issuer issues New Bonds it shall lend to the Borrowers the aggregate proceeds received in respect of the New Bonds pursuant to the Borrower Loan Agreement (the *New Bond Advances*) In addition the Issuer will issue Bonds (*Replacement Bonds*) in respect of the existing bonds issued by the Company which will be migrated to the Issuer The Replacement Bonds will initially be issued to the Company (or to the order of), the subscription price being left outstanding referred to as the *BAA Payables* The Issuer will assign the BAA Payables to each of GAL, STAL and HAL in consideration, in each case, of an amount equal to the amount of the relevant BAA Payable Pursuant to the Borrower Loan Agreement, the Issuer will lend to each of GAL STAL and HAL an amount to enable them to provide consideration for the assignment of the BAA Payables

Pursuant to the Borrower Loan Agreement, the moneys to be advanced by the Issuer to the Borrowers are to be applied for, inter alia

- (l) general corporate purposes of the Borrowers,
- (m) discharging in part certain intra-group indebtedness and making upstream loans, and
- (n) certain expenses in connection with the issue of the Bonds and related transactions

The Borrower Loan Agreement provides for the Borrowers to pay to the Issuer an Initial Facility Fee on the Initial Issue Date and thereafter, periodically, an Ongoing Facility Fee to cover the expenses of the Issuer in connection with the Programme (e.g. Rating Agency and Liquidity Facility Provider Fees) In particular, it was noted that on the Initial Issue Date the Initial Facility Fee payable by each Borrower would comprise such amount as did not exceed the Issuer's initial issue expenses including, without limitation, its Proportionate Share of the following fees and an amount equal to any other Tax liabilities of the Issuer, including in respect of VAT whether as a primary liability or as a result of joint and several liability as a result of membership of a VAT Group, (in no order of priority) in respect of the period to and including the Initial Issue Date

- (o) an amount equal to the upfront fees, costs, charges, liabilities and expenses and any other amounts due and payable by the Issuer to the Bond Trustee pursuant to the Bond Trust Deed and to the Bond Trustee pursuant to the Issuer Deed of Charge,
- (p) an amount equal to the upfront fees and expenses of any legal advisers, accountants and auditors appointed by the Issuer, the Bond Trustee and the Initial Financial Guarantors which have fallen due and payable by the Issuer and which were incurred under or for the purposes of the transactions effected by the Issuer Transaction Documents,
- (q) an amount equal to the upfront fees, costs, charges, liabilities and expenses and any other amounts due and payable by the Issuer to the Initial Financial Guarantors (if any) pursuant to the G&R Deeds,
- (r) an amount equal to the upfront fees and expenses due and payable by the Issuer to the Co-Arrangers, the Dealers and financial advisers appointed by the Issuer and the

upfront fees and expenses of any legal advisers, accountants or other advisers appointed by any of them,

- (s) an amount equal to the upfront fees, costs and expenses due and payable by the Issuer to the Paying Agents, the Registrar, the Transfer Agents, the Agent Bank and any other agents of the Issuer appointed pursuant to the Agency Agreement or otherwise,
- (t) an amount equal to the upfront fees, costs and expenses due and payable by the Issuer in respect of the incorporation, organisation and registration of the Issuer in Jersey,
- (u) an amount equal to all the upfront fees due and payable by the Issuer to the Issuer Liquidity Facility Providers under the terms of any Issuer Liquidity Facility Agreement,
- (v) an amount equal to the upfront fees, costs, charges, liabilities and expenses due and payable by the Issuer to the Issuer Account Bank pursuant to the Issuer Account Bank Agreement,
- (w) an amount equal to the upfront fees, costs, charges, liabilities and expenses due and payable by the Issuer to the Issuer Cash Manager pursuant to the Issuer Cash Management Agreement,
- (x) an amount equal to the upfront fees, costs, charges, liabilities, expenses and other amounts incurred or paid or payable by the Issuer in connection with entering into the Issuer Hedging Agreements,
- (y) an amount equal to the upfront fees, costs, charges, liabilities, expenses and other amounts incurred at any time in connection with the application for any Bonds to be listed on any stock exchange(s) and the maintenance of any such listing(s),
- (z) an amount equal to the upfront fees, costs, charges, liabilities, expenses of the Rating Agencies,
- (aa) an amount equal to any other amounts due or overdue from the Issuer to third parties (other than governmental and fiscal authorities) including any amounts representing fees recharged by other companies within the Company's group or which arise directly or indirectly from the funding by the Issuer of the Advances or Sub-Advances made available under the Borrower Loan Agreement, other than amounts listed in the above paragraphs, and
- (bb) any claim, loss, cost or expense (including legal fees) or liability, whether or not reasonably foreseeable, which it may sustain or incur as a consequence of the occurrence of any Loan Event of Default in respect of the Borrowers or any default by the Borrowers in the performance of any of the obligations expressed to be assumed by the Borrowers in this Agreement

Under the terms of the Borrower Loan Agreement each Borrower, on a joint and several basis, undertakes to indemnify each of the Lender and/or, as the case may be, the Borrower Security Trustee against

- (cc) any loss (other than by reason of the gross negligence or wilful default by the Lender (or, following a Loan Event of Default under Schedule 4 (Loan Events of

Default) to the Common Terms Agreement, the Lender and the Borrower Security Trustee) or in respect of loss or profit) or cost it may suffer or incur as a result of its funding or making arrangements to fund an Advance requested by the Borrowers but not made by reason of the operation of any one or more of the provisions of the Borrower Loan Agreement,

- (dd) any loss, costs or expense the Lender may suffer or incur as a result of drawing under an Issuer Liquidity Facility Agreement as a result of any shortfall in payments by the Borrowers under the Borrower Loan Agreement,
- (ee) any costs and expenses of any receiver appointed to the Lender as a result of a default by the Lender caused by a breach by any Borrower of its obligations under the Finance Documents,
- (ff) any termination payment required to be made by the Lender under any Hedging Agreement arising as a result of any failure by the Lender to comply with its obligations thereunder in circumstances where such failure is caused by any breach by any Borrower of its obligations under the Finance Documents, and
- (gg) any amount payable by the Lender to the Bond Trustee pursuant to the Bond Trust Deed and/or the Issuer Deed of Charge and to the Initial Financial Guarantors pursuant to or in respect of the G&R Deeds

The Borrowers were to, from time to time, on demand of the Issuer (or, following any enforcement of the Borrower Security arising as a result of any Loan Event of Default, the Lender and the Borrower Security Trustee), reimburse the Issuer for all costs and expenses (including legal fees) incurred by it in connection with the negotiation, preparation and execution of the Borrower Loan Agreement and the completion of the transactions therein contemplated and on a full indemnity basis incurred in or in connection with the preservation and/or enforcement of any of the rights of the Issuer and the Borrower Security Trustee under the Borrower Loan Agreement and any other Issuer Transaction Document or Transaction Document (including any reasonable and properly incurred costs and expenses relating to any investigation as to whether or not a Loan Event of Default might have occurred or is likely to occur or any steps necessary or desirable in connection with any proposal for remedying or otherwise resolving a Loan Event of Default)

Obligor Floating Charge Agreement

The Obligor Floating Charge Agreement was then considered. It was noted that each of the Borrowers, HEX, Asset Holdco and Securitisation Parent were to be Obligor

The Obligor was to be chargor under the terms of the Obligor Floating Charge Agreement. The OFCA Floating Security would be created pursuant to the Obligor Floating Charge Agreement over the undertaking of the Obligor to secure the OFCA Secured Liabilities which include, *inter alia*, the obligations of the Borrowers under the Borrower Loans and the £1000 loan made by the Issuer to each Obligor (other than the Borrowers) under the Obligor Floating Charge Agreement. Such security would be granted in favour of the Issuer (which will in turn assign the benefit of such security to the Bond Trustee).

The floating charge granted pursuant to the Obligor Floating Charge Agreement was to rank equally in point of priority with the Security Agreement Floating Security, but that the OFCA Floating Security was to be deferred in point of priority to all Borrower Fixed Security validly and effectively created by the Obligor pursuant to the Security Agreement in favour of the Borrower Security Trustee.

The Obligors were to provide on a joint and several basis the indemnity set out at clause 14 of the Obligor Floating Charge Agreement in favour of, *inter alias*, the Bond Trustee

The rationale for entering into the Obligor Floating Charge Agreement in addition to the Security Agreement stems from a legal issue regarding the appointment of administrative receivers upon enforcement of floating charge security

Security Agreement

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

The Obligors were to grant security over their assets in favour of the Borrower Security Trustee (for itself and for the other Borrower Secured Creditors) as continuing security for the payment, discharge and performance of the Secured Liabilities under the terms of the Security Agreement. The Obligors would grant fixed security over certain assets including certain real property, office equipment and machinery, cash in accounts, IP/IT rights and shares held in subsidiaries, floating security over all their assets generally and also grant assignments of their rights under the Transaction Documents and the Assignable Insurances. It was further noted that pursuant to clause 3 of the Security Agreement, each Obligor provides a cross-guarantee of the obligations of the other Obligors

The Security Agreement was to contain an obligation to enter into separate legal charges in respect of real property owned by the Obligors as at the date of entry into the Security Agreement and also in respect of any real property acquired after the date of entry into the Security Agreement as security granted pursuant to the Security Agreement covers present and future assets

The Obligors were jointly and severally irrevocably and unconditionally, to indemnify the Borrower Security Trustee (for itself and for and on behalf of the other Borrower Secured Creditors) in respect of any loss or liability suffered by the Borrower Security Trustee or any Borrower Secured Creditor if any obligation guaranteed by such Obligor is or becomes unenforceable, invalid or illegal or ineffective

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

Borrower Account Bank Agreement, Cash Sweeping Deed and Composite Guarantee Deed

Pursuant to the Borrower Account Bank Agreement, each of the Borrowers and HEX was to appoint The Royal Bank of Scotland plc to provide certain services (including the operation of Operating Accounts, the Insurance Proceeds Account and the Borrower Liquidity Reserve Account) to the Borrowers and HEX and, following the service of a Loan Enforcement Notice, to the Borrower Security Trustee as Borrower Account Bank

Under the Borrower Account Bank Agreement each Borrower gives notice to the Borrower Account Bank of the security granted pursuant to the Security Agreement (including the charges over its accounts)

Each of the Borrowers and HEX agree (a) to indemnify the Borrower Account Bank against any losses incurred by the Borrower Account Bank in connection with the Borrower Account Bank Agreement, and (b) to pay fees to the Borrower Account Bank in accordance with the fee letter entered into between the Borrowers, HEX and the Borrower Account Bank

Under the Borrower Account Bank Agreement, each of the Borrowers and HEX were to be entitled to operate a cash sweeping system and a notional cash pooling system between Operating Accounts. Each of the Borrowers and HEX was to enter into a Cash Sweeping Deed and a Composite Guarantee in connection with those arrangements. It was noted that under the Composite Guarantee each of the Borrowers and HEX was to jointly and severally (a) guarantee to discharge on demand all the obligations of each Borrower and HEX to the Borrower Account Bank, (b) indemnify the Borrower Account Bank in respect of any amounts not recoverable on the basis of a guarantee, and (c) agree to pay certain fees and expenses incurred by the Borrower Account Bank. Under the Cash Sweeping Deed, each of the Borrowers and HEX was to agree with the Borrower Account Bank to be jointly and severally liable to the Borrower Account Bank for all debit balances from time to time on any of the Operating Accounts

Initial Credit Facility Agreement

Each of HAL, GAL and STAL were to be Borrowers under this agreement and that, in addition to these parties, HEX, Asset Holdco and Securitisation Parent were to be Obligors

Pursuant to the Initial Credit Facility Agreement, the Initial Credit Facility Providers were to advance moneys to the Borrowers on the terms and subject to the conditions set out in such agreement, in an aggregate principal amount initially of up to £2,700 million in respect of facilities for the purposes of capital expenditure and £50 million in respect of facilities for the purposes of working capital funding

Accordingly

- (a) the Borrowers must pay the fees set out at clause 18, including to the Mandated Lead Arrangers the fees set out in the Fees Letters, to each lender a Commitment Fee and to the Initial Credit Facility Agent the agency fees specified in the relevant Fee Letter, and the expenses set out at clause 19 4,
- (b) each Borrower was to provide (or to procure that an Obligor will) provide the indemnities set out at clause 19 1, including an undertaking to pay within three days of demand being made any sum due thereunder, including any cost, loss or liability incurred by that ICF Finance Party as a result of the occurrence of any Loan Event of Default or a failure by an Obligor to pay any amount due under an ICF Finance Document on its due date (such terms as defined therein),
- (c) each Borrower was to provide the indemnities set out at clause 19 1, including an indemnity in favour of the Initial Credit Facility Agent against any loss or liability incurred by the Initial Credit Facility Agent (acting reasonably) as a result of the matters set out therein,
- (d) save to the extent covered by the indemnities contained in clause 10 2 (Other indemnities) of the CTA, each of the Borrowers was to indemnify the ICF Finance Parties for any costs, claims, actions, charges, damages, losses, proceedings (including legal and professional fees properly incurred in disputing or defending the same), expenses or liabilities (including duties and taxes) which may be incurred by the ICF Finance Parties as a result of any indemnity given by the Initial Credit Facility Agent and/or an ICF Finance Party in favour of the Borrower Security Trustee, and
- (e) each Obligor was to provide the representations, warranties and covenants set out in clause 16 1

Refinancing Facility Agreement

Each of HAL, GAL and STAL were to be Borrowers under this agreement and that, in addition to these parties, HEX, Asset Holdco and Securitisation Parent were to be Obligors

Pursuant to the Refinancing Facility Agreement, the Lenders were to advance moneys to the Borrowers on the terms and subject to the conditions set out in such agreement, in an aggregate principal amount (in the case of the Company) of up to £4,400 million, for the purposes of providing funds to the Borrowers which would otherwise be raised under the terms of the Borrower Loan Agreement

The Facility was to be used for refinancing financial indebtedness outstanding under the Senior Facilities Agreement and the Subordinated Facilities Agreement, repaying any amounts due to Ineligible Bondholders and costs associated with transactions contemplated by the Transaction Documents including any Bond migrations costs

The Facility may only be drawn on the Initial Issue date and that repayment was to take place in accordance with clause 7, with interest payable in accordance with clause 9

Accordingly

- (a) the Borrowers must pay the fees set out at clause 18, including to the Mandated Lead Arrangers the fees set out in the Fees Letters, to each lender a Commitment

Fee and to the Refinancing Facility Agent the agency fees specified in the relevant Fee Letter, and the expenses set out at clause 19.4,

- (b) each Borrower was to provide (or to procure that an Obligor will) provide the indemnities set out at clause 19.1, including an undertaking to pay within three days of demand being made any sum due thereunder, including any cost, loss or liability incurred by that Refinancing Finance Party as a result of the occurrence of any Loan Event of Default or a failure by an Obligor to pay any amount due under an Refinancing Finance Document on its due date (such terms as defined therein),
- (c) each Borrower was to provide the indemnities set out at clause 19.1, including an indemnity in favour of the Refinancing Facility Agent against any loss or liability incurred by the Refinancing Facility Agent (acting reasonably) as a result of the matters set out therein,
- (d) save to the extent covered by the indemnities contained in clause 10.2 (Other indemnities) of the CTA, each of the Borrowers was to indemnify the Refinancing Finance Parties for any costs, claims, actions, charges, damages, losses, proceedings (including legal and professional fees properly incurred in disputing or defending the same), expenses or liabilities (including duties and taxes) which may be incurred by the Refinancing Finance Parties as a result of any indemnity given by the Refinancing Facility Agent and/or a Refinancing Finance Party in favour of the Borrower Security Trustee, and
- (e) each Obligor was to provide the representations, warranties and covenants set out in clause 15.1

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 Obligors (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 *HEX Debenture*)

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

- (f) 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,

- (g) 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,
- (h) 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 Non-Migrated Bond Facility

Each of HAL, GAL and STAL were to be Borrowers under this agreement and that, in addition to these parties, HEX, Asset Holdco and Securitisation Parent were to be Obligors

Accordingly

- (a) the Borrowers must pay the fees set out at clause 18, including to the Mandated Lead Arrangers the fees set out in the Fees Letters, to each lender a Commitment Fee and to the NMB Facility Agent the agency fees specified in the relevant Fee Letter, and the expenses set out at clause 19.4,
- (b) each Borrower was to provide (or to procure that an Obligor will) provide the indemnities set out at clause 19.1, including an undertaking to pay within three days of demand being made any sum due thereunder, including any cost, loss or liability incurred by that NMB Finance Party as a result of the occurrence of any Loan Event of Default or a failure by an Obligor to pay any amount due under an NMB Finance Document on its due date (such terms as defined therein),
- (c) each Borrower was to provide the indemnities set out at clause 19.1, including an indemnity in favour of the NMB Facility Agent against any loss or liability incurred by the NMB Facility Agent (acting reasonably) as a result of the matters set out therein;
- (d) save to the extent covered by the indemnities contained in clause 10.2 (Other indemnities) of the CTA, each of the Borrowers was to indemnify the NMB Finance Parties for any costs, claims, actions, charges, damages, losses, proceedings (including legal and professional fees properly incurred in disputing or defending the same), expenses or liabilities (including duties and taxes) which may be incurred by the NMB Finance Parties as a result of any indemnity given by the

NMB Facility Agent and/or an NMB Finance Party in favour of the Borrower Security Trustee, and

- (e) each Obligor was to provide the representations, warranties and covenants set out in clause 16.1

Borrower Hedging Documents

Pursuant to Borrower Hedging Documents, each of HAL, GAL and STAL would enter into ISDA Master Agreements (together with Schedules and credit support annexes thereto), pursuant to the hedging policy formulated by Schedule 5 of the Common Terms Agreement, to hedge interest rate exposure and currency movements with the relevant hedge counterparties thereto. The obligations of the Borrowers are supported by way of the Security Documents (such term is defined in the Master Definitions Agreement)

Form 155(6)b in relation to Heathrow Express Operating Company Limited

Schedule 4 – The Documents

BAA Limited
Company Number 01970855
(the *Company*)

1. 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*)

2. 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 Obligor (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 Obligor 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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- (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 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*)

3. THE NON-DESIGNATED FINANCING

- (a) 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)
- (b) 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)
- (c) 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)
- (d) 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*)

- (e) 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*)
- (f) 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
- (g) 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
- (h) 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)b in relation to Heathrow Express Operating Company 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)b in relation to Heathrow Express Operating Company 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
Dealership Agreement	NIL
Subscription Agreement	NIL
Common Terms Agreement	NIL
Master Definitions Agreement	NIL
Borrower Loan Agreement	NIL
Obligor Floating Charge Agreement	NIL
Security Agreement	NIL
Security Trust and Intercreditor Deed	NIL
Conditions Precedent Agreement	NIL
Borrower Account Bank Agreement	NIL
Borrower Account Bank Fee Letter	NIL
Non-Migrated Bond Facility Agreement	NIL
Subordinated Facility Novation and Amendment Agreement	NIL
Senior Junior Intercreditor Amendment and Restatement Agreement	NIL
Hex Debenture	NIL
Refinancing Facility Agreement	NIL

Form 155(6)b in relation to Heathrow Express Operating Company 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
Dealership Agreement	NIL
Subscription Agreement	NIL
Common Terms Agreement	NIL
Master Definitions Agreement	NIL
Borrower Loan Agreement	NIL
Obligor Floating Charge Agreement	NIL
Security Agreement	NIL
Security Trust and Intercreditor Deed	NIL
Conditions Precedent Agreement	NIL
Borrower Account Bank Agreement	NIL
Borrower Account Bank Fee Letter	NIL
Non-Migrated Bond Facility Agreement	NIL
Subordinated Facility Novation and Amendment Agreement	NIL
Senior Junior Intercreditor Amendment and Restatement Agreement	NIL
Hex Debenture	NIL
Refinancing Facility Agreement	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's subsidiary undertaking, Heathrow Express Operating Company Limited, 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.

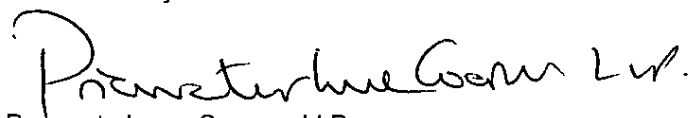
Basis of opinion

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