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COMPANIES FORM No. 155(6)b

Declaration by the directors of a holding company in relation to assistance for the acquisition of shares

155(6)b

Please do not write in this margin

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

To the Registrar of Companies

For official use

Company number 2078273

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

Name of company

* Birmingham International Airport Limited

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

* insert full name of company

ø insert name(s) and address(es) of all the directors

I/We ø Stephen Harold Greenwood of Goodway Court, Gerrard Street, Warwick CV34 4HD and Brian Summers of South Lodge, 1 Grove Lane, Lapworth, Solihull B94 6AR

† 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 this 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§

This company is [the][a] holding company of* Birmingham Airport Developments Limited ("the Subsidiary") which is proposing to give financial assistance in connection with the acquisition of shares in [this company][and Birmingham Airport Holdings Limited ("BAH") - a company which will become the holding company of this company.]†

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

Eversheds REF: RAL/28
10 Newhall Street
Birmingham
B3 3LX

0121 233 2001

For official Use
General Section | Post room

A12 *AZDPFU08* 646
COMPANIES HOUSE 08/04/97

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: See Sheet D Attached

Please complete legibly, preferab in black type, or bold block lette

The assistance is to be given to: (note 2) BAH whose registered office is at Birmingham International Airport, Birmingham B26 3QJ in relation to the acquisition of shares in BIA and to Mourant & Co. Trustees Limited ("MTL") whose registered office is at 22 Grenville Street, St Helier, Jersey in relation to the acquisition of shares in BAH.

The assistance will take the form of:

SEE SHEET A ATTACHED

The person who [~~has acquired~~] [will acquire]† the shares is:
MTL in respect of 89,097 'B' Ordinary Shares of £1 each in BAH and BAH in respect of all other shares

† delete as appropriate

The principal terms on which the assistance will be given are:

SEE SHEET B ATTACHED

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 £ NIL

The value of any asset to be transferred to the person assisted is £ NIL

ERNST & YOUNG

Report of the auditors to the directors of Birmingham International Airport Limited pursuant to section 156(4) of the Companies Act 1985

We have examined the attached statutory declaration of the directors dated 26 March 1997 in connection with the proposal that Birmingham Airport Developments Limited, a subsidiary of the Company, give financial assistance to the Company and to Birmingham Airport Holdings Limited, a company which will ultimately become the holding company of the Company.

Basis of opinion

We have enquired into the state of affairs of the Company so far as is necessary for us 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 the attached declaration as to any of the matters mentioned in section 156(2) of the Companies Act 1985 is unreasonable in all the circumstances.

Ernst & Young
Chartered Accountants
Registered Auditor
Birmingham
26 March 1997

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BIA - Form 155(6)b

Sheet A

(i) The entering into by the Subsidiary of a Facilities Agreement on 26 March 1997 and made between (1) BAH, (2) MTL, (3) the Subsidiary, First Castle Developments Limited, Euro-Hub (Birmingham) Limited and Birmingham International Airport Limited ("the Guarantors"), (4) HSBC Investment Bank plc ("HSBC") as arranger, (5) the Financial Institutions (as defined in the Facilities Agreement (together "the Banks"), and (6) HSBC as agent which, inter alia, includes the obligation upon the Company to irrevocably guarantee prompt performance by BAH and MTL of their respective obligations under the Finance Documents (having the meaning set out in the Facilities Agreement); and

(ii) the entering into by the Subsidiary of a Loan Stock Deed on 26 March 1997 to guarantee £18,500,000 Subordinated Loan Stock 2007 to be issued by BAH and made between BAH, Birmingham City Council ("the Trustee") and the Guarantors (as defined above) ("the Loan Stock Deed").

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Sheet B

Pursuant to the terms of the Facilities Agreement the Subsidiary, together with BIA, Euro-Hub (Birmingham) Limited and First Castle Developments Limited irrevocably, unconditionally, jointly and severally:-

(a) as principal obligor, guarantees the obligations of BAH and MTL under the Finance Documents (as such term is defined in the Facilities Agreement) to each Finance Party (as defined in the Facilities Agreement);

(b) undertakes with each Finance Party on demand to pay any amount due or in connection with any Finance Document not paid by BAH or MTL; and

(c) indemnifies each Finance Party on demand against any loss or liability suffered by it if any obligation guaranteed is or becomes unenforceable, invalid or illegal.

Pursuant to the terms of the Loan Stock Deed the Guarantors jointly and severally unconditionally and irrevocably guarantee to the Trustee the due and punctual performance of BAH of all its obligations under the Loan Stock Deed and undertakes to indemnify and keep indemnified the Trustee against and to pay to the Trustee on demand all losses damages costs and expenses of whatsoever nature which may be suffered or incurred by the Stockholders (as such term is defined in the Loan Stock Deed) by reason of any default or delay or the part of BAH in the performance of the said obligations, or by reason that any obligation expressed in the Loan Stock Deed to be incurred by BAH is or becomes unenforceable against BAH for any reason whatsoever.

Sheet D

Number and class of shares to be acquired

21,400 "B" Ordinary shares of £1 each in EHB;

14,300 "C" Ordinary Shares of £1 each in EHB;

11,900 "D" Ordinary Shares of £1 each in EHB;

21,400 "E" Ordinary Shares of £1 each in EHB;

6,000 "F" Ordinary Shares of £1 each in EHB;

14,000,715 "A" Preference Shares of £1 each in EHB;

2,641,800 Ordinary Share of £1 each in the Company;

5,283,600 Cumulative Preference Shares of £1 each in the Company;

CR

7,600,000 1993 Cumulative Preference Shares of £1 each in the Company;

2,500,000 1994 Cumulative Preference Shares of £1 each in the Company ;

89,097 "B" Ordinary Shares of £1 each in BAH; and

19,311,558 Ordinary Shares of £1 each in the Company.

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 26 March 19 97

~~I~~/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)~~I~~/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)

~~[I/We have formed the opinion that this company will be able to pay its debts as they fall due during the 12 months after the commencement of the winding up](note 3)~~

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

And I/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 3 Colmore Circus Birmingham

the 26th day of March

one thousand nine hundred and ninety seven.

before me

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

Declarants to sign below

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 auditors 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
Maindy
Cardiff
CF4 3UZ

or, for companies registered in Scotland:-

The Registrar of Companies
Companies Registration Office
102 George Street
Edinburgh
EH2 3DJ