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COMPANIES FORM No.155(6)a

Declaration in relation to assistance for the acquisition of shares.

155(6)a

Please do not write in this margin

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

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

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

* insert full name of company

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

† delete as appropriate

§ delete whichever is inappropriate

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

For official use

Company number

2295119

Name of company

* Birmingham Airport Developments Limited

We § Stephen Harold Greenwood of 8 Goodway Court, Gerrard Street,
Warwick CV34 4HD and

Brian Summers of South Lodge, 1 Grove Lane, Lapworth, Solihull
B94 6AR

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

The business of the company is:

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

(c) something other than the above§

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

("BIA") and Birmingham Airport Holdings Limited ("BAH") - a company ~~limited~~† which will ultimately become the holding company of the Company and Euro-Hub (Birmingham) Limited ("EHB")

The assistance is for the purpose of ~~(that acquisition)~~ reducing or discharging a liability incurred for the purpose of that acquisition†. and

The number and class of the shares acquired or to be acquired is: See Sheet D Attached

Presenter'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



The assistance is to be given to: (note 2) See Sheet A Attached

Please do not
write in
this margin

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

The assistance will take the form of:

See Sheet B Attached

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

MTL in relation to the 89,097 'B' Ordinary Shares of £1 each of BAH and
BAH in respect of all the other shares

† delete as
appropriate

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

See Sheet C Attached

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

The date on which the assistance is to be given is 26th March

19 97

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

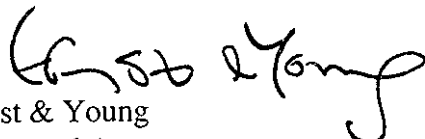
We have examined the attached statutory declaration of the directors dated 26 March 1997 in connection with the proposal that Birmingham Airport Developments Limited ('the Company') give financial assistance for the purpose of the acquisition of shares in the Company's holding company Birmingham International Airport Limited and in 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 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

CF

BADL - Form 155(6)a

Sheet A

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.

Sheet B

- (i) The entering into by the Company of a Facilities Agreement on 26 March 1997 and made between (1) BAH; (2) MTL; (3) BIA, the Company, First Castle Developments Limited and Euro-Hub (Birmingham) 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 ("the Facilities Agreement") 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 Company 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").

Sheet C

Pursuant to the terms of the Facilities Agreement the Company, 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.

cf

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 BIA;

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

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

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

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

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

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

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

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

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

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

Declared at

3 Colmore Circus
Birmingham

the 26th day of March
one thousand nine hundred and ninety

before me

C. J. Jones

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

Declarants to sign below

[Signature]

[Signature]

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
Cardiff
CF4 3UZ

or, for companies registered in Scotland:-

The Registrar of Companies
Companies House
100-102 George Street
Edinburgh
EH2 3DJ