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COMPANIES FORM No. 395

Particulars of a mortgage or charge

NW £10
127451

395

A fee of £10 is payable to Companies House in respect of each register entry for a mortgage or charge.

Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies
(Address overleaf - Note 6)

For official use

Company number

[1] [A]

02850499

Name of company

* European Aviation Air Charter Limited.

Date of creation of the charge

26th February, 2001.

Description of the instrument (if any) creating or evidencing the charge (note 2)

A charge on cash dated 26th February, 2001 (the "Charge on Cash") between European Aviation Air Charter Limited (the "Borrower") and Girobank plc (the "Bank").

Amount secured by the mortgage or charge

Any and all liabilities (actual or contingent) of the Borrower (whether or not for the payment of money, and including any liability to pay damages for breach of contract) which may be or become owing to the Bank under or in connection with the Finance Documents except for any obligation which if it were so included would result in the Charge on Cash contravening Section 151 of the Companies Act 1985 (the "Secured Liabilities").

(Please see the Continuation Sheet for further details)

Names and addresses of the mortgagees or persons entitled to the charge

Girobank Plc
Carlton Park, Narborough,
Leicester, Leicestershire

Postcode LE9 5XX

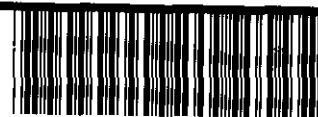
Presentor's name address and
reference (if any):

Allen & Overy
One New Change
London
EC4M 9QQ

BK:839415.1

Time critical reference

For official Use
Mortgage Section



LD6
COMPANIES HOUSE

0265
09/03/01

Short particulars of all the property mortgaged or charged

1. Fixed Charge and Assignment

By way of the Charge on Cash, the Borrower unconditionally and irrevocably with full title guarantee (i) charges to the Bank by way of first fixed legal charge all of its right, title and interest in and to the Account and (ii) assigns absolutely and agrees to assign absolutely by way of security to the Bank for the payment of all the Secured Liabilities the whole benefit of the Deposit Moneys and all of its respective right, title and interest in and to the Deposit Moneys and the debts represented thereby.

(Please see continuation sheet for further details)

as

Please do not write in this margin

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

Particulars as to commission allowance or discount (note 3)

NIL

Signed

Allen & Wery

Date

8th March, 2001

On behalf of ~~XXXXXX~~ [mortgagee/chargee] †

A fee of £10 is payable to Companies House in respect of each register entry for a mortgage or charge. (See Note 5)

† delete as appropriate

Notes

- 1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395). If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398). A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the Registrar. The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body. A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No. 398 is submitted.
- 2 A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage" or "Legal charge", etc, as the case may be, should be given.
- 3 In this section there should be inserted the amount or rate per cent. of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his;
 - (a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
 - (b) procuring or agreeing to procure subscriptions, whether absolute or conditional,for any of the debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered.
- 4 If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet.
- 5 Cheques and Postal Orders are to be made payable to **Companies House**.
- 6 The address of the Registrar of Companies is:-
Companies House, Crown Way, Cardiff CF14 3UZ

2. Restrictions on Dealing

Except with the prior written consent of the Bank, the Borrower shall not:

- (a) create or permit to subsist:
 - (i) any Security Interest (other than any Security Interest created by the Charge on Cash); or
 - (ii) any third party interest or claim,
 in or on all or any part of the Deposit Moneys, the debt represented by them or the Account; or
- (b) sell, transfer or otherwise dispose of all or any part of the Deposit Moneys, the debt represented by them or the Account; or
- (c) withdraw any moneys standing to the credit of the Account.

3. The terms used in the Form 395 and in this continuation sheet shall have the following meanings:

"Account"

means the US\$ account number: 63482029, in the name of the Borrower with the Bank.

"Aircraft"

means the four aircraft more particularly described below (and includes the Engines, Parts and Technical Records):

- (i) Mark: G-CEAC
Aircraft type: Boeing 737-229
Serial no: 20911
Engine type: P&W JT8D 15 and 15 A respectively
Engine Serial nos: 686376 and 686388
- (ii) Mark: G-CEAD
Aircraft type: Boeing 737-229
Serial no: 21137
Engine type: P&W JT8D 15 A
Engine Serial nos: 688512 and 688546
- (iii) Mark: G-CEAE
Aircraft type: Boeing 737-229
Serial no: 20912
Engine type: P&W JT8D 15 and 15 A respectively
Engine Serial nos: 688538 and 688691
- (iv) Mark: G-CEAF
Aircraft type: Boeing 737-229
Serial no: 20910
Engine type: P&W JT8D 15 A
Engine Serial nos: 688551 and 686373

"Deposit Moneys"

means all moneys (including interest) from time to time standing to the credit of the Account.

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

"Engine"

means:

- (a) each of the Pratt & Whitney JT8D 15A or 15 engines originally installed on the Aircraft;
- (b) any engine which replaces an Engine pursuant to the Loan Agreement and which becomes subject to the mortgage to be entered into relating to the Aircraft between the Borrower and the Bank; and/or
- (c) any engine wheresoever located which has been removed from the Aircraft but which has not been replaced by an Engine in accordance with the terms of the Loan Agreement.

"Finance Documents"

means:

- (a) the Loan Agreement;
- (b) each mortgage dated 28th February, 2001 between the Bank and the Borrower in relation to the Aircraft;
- (c) the Assignment of Insurances dated 26th February, 2001 between the Borrower and the Bank in respect of (a) any and all contracts or policies of insurance (and reinsurance) which are from time to time taken out or effected in respect of each Aircraft under clause 19 of the Loan Agreement and (b) all benefits thereunder, all claims in respect thereof and any return of premiums;
- (d) the Charge on Cash;
- (e) the Lightweight Floating Charge dated 26th February, 2001 between the Borrower and the Bank;
- (f) each deregistration power of attorney in relation to each Aircraft from the Borrower in favour of the Bank substantially in the form of Schedule 7 to the Loan Agreement;
- (g) any other document evidencing or creating a mortgage, pledge, lien, charge, assignment, hypothecation or security interest or any other agreement or arrangement having the effect of conferring security (including a right of set-off) over any asset of the Borrower to secure any obligations of the Borrower to the Bank under the Finance Documents; and
- (h) any other document designated as such by the Bank and the Borrower.

"Loan Agreement"

means the US\$12,500,000 loan agreement dated 26th February, 2001 between the Borrower, European Aviation Limited as Guarantor, Sovereign Finance Plc as facility manager and the Bank as lender, relating, inter alia, to the financing of the Aircraft.

"Part"

means:

- (a) any of the parts belonging to or installed in or on the Aircraft or any Engine relating to the Aircraft;

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

- (b) any part with which the Borrower replaces a Part pursuant to the Loan Agreement and which becomes subject to the mortgage relating to the Aircraft; and
- (c) any part, wherever located, which has been removed from the Aircraft but which has not been replaced by a part in accordance with the terms of the Loan Agreement.

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

"Security Interest"

means any mortgage, pledge, lien, charge, assignment, hypothecation or security interest or any other agreement or arrangement having the effect of conferring security (including a right of set-off).

"Technical Records"

means, in relation to the Aircraft, all technical data, manuals, logbooks or other records (whether kept or to be kept in compliance with any regulation of the Civil Aviation Authority of the United Kingdom or otherwise and including without limitation any records maintained on computer files) relating to the Aircraft, each Engine and Part.

FILE COPY



**CERTIFICATE OF THE REGISTRATION
OF A MORTGAGE OR CHARGE**

Pursuant to section 401(2) of the Companies Act 1985

COMPANY No. 02850499

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A CHARGE ON CASH OF EVEN DATE DATED THE 26th FEBRUARY 2001 AND CREATED BY EUROPEAN AVIATION AIR CHARTER LIMITED FOR SECURING ALL MONIES AND ALL LIABILITIES DUE OR TO BECOME DUE FROM THE COMPANY TO GIROBANK PLC UNDER OR IN CONNECTION WITH THE FINANCE DOCUMENTS (AS DEFINED) WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 9th MARCH 2001.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 14th MARCH 2001.



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



Companies House

— for the record —

LC
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