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COMPANIES FORM No. 395

Particulars of a mortgage or charge

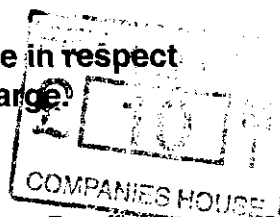
NW £10
127450

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



02850499

Name of company

* European Aviation Air Charter Limited.

Date of creation of the charge

28th February, 2001.

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

An aircraft mortgage, dated 28th February, 2001 (the "Mortgage") between European Aviation Air Charter Limited (the "Borrower") and Girobank plc (the "Mortgagee").
of EVEN DATE

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 Mortgagee by the Borrower under or in connection with the Finance Documents (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:839403.1

Time critical reference

For official Use
Mortgage Section

M



LD6
COMPANIES HOUSE

0263
09/03/01

Short particulars of all the property mortgaged or charged

The Borrower as beneficial owner with full title guarantee (subject to any Security Interest created or permitted under the Finance Documents) by way of the Mortgage:

- (a) unconditionally and irrevocably charges in favour of the Mortgagee by way of first legal mortgage all its rights, title and interest, present and future, in and to the Aircraft; and
- (b) assigns and agrees to assign absolutely to the Mortgagee all its interest present and future in and to the extent possible under applicable law, the Sale Proceeds;

as continuing security for payment and performance of the Secured Liabilities.

(Please see the Continuation Sheet for further details)

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

Alle & Wey

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

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

"Aircraft"

means the Boeing 737-229 aircraft with UK Registration Mark G-CEAC and Manufacturer's Serial Number 20911 and includes each Engine, all the Parts and the Technical Records.

"Engine"

means:

- (a) each of the Pratt & Whitney JT8D 15A and 15 (respectively) engines with manufacturer's serial numbers 686376 and 686388 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 Mortgagee; 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 Mortgagee and the Borrower in relation to four Boeing 737-229 aircraft respectively bearing (1) msn 20911 with UK registration mark G-CEAC, (2) msn 21137 with UK registration mark G-CEAD, (3) msn 20912 with UK registration mark G-CEAE and (4) msn 20910 with UK registration mark G-CEAF;
- (c) the Assignment of Insurances dated 26th February, 2001 between the Borrower and the Mortgagee 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 referred to in (b) above 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 dated 26th February, 2001 between the Borrower and the Mortgagee in respect of all moneys (including interest) from time to time standing to credit of the Dollar account (number 63482029) in the name of the Borrower with the Mortgagee;
- (e) the Lightweight Floating Charge dated 26th February, 2001 between the Borrower and the Mortgagee;
- (f) each deregistration power of attorney in relation to each aircraft referred to in (b) above 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.

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

"Loan Agreement"

means the US\$12,500,000.00 loan agreement dated 26th February, 2001 between the Borrower, European Aviation Limited as Guarantor, Sovereign Finance plc as facility manager and the Mortgagee as lender, relating, inter alia, to the financing of the Aircraft.

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

"Part"

means:

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

"Sale Proceeds"

means, in relation to the Aircraft (and without prejudice to Clause 6 (Security Interests and Disposals) of the Mortgage), all cash or other valuable consideration received by or on behalf of the Borrower on the sale of the Aircraft.

"Secured Liabilities"

means 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 Mortgagee by the Borrower under or in connection with the Finance Documents.

"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 AN AIRCRAFT MORTGAGE OF EVEN DATE DATED THE 28th 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 —

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