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in black type, or
bold block lettering

*insert full name
of Company

COMPANIES FORM No. 395

Particulars of a mortgage or charge

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



FC022641

Name of company

* South African Airways (Proprietary) Limited (the "Assignor")

Date of creation of the charge

1st October 2004

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

Assignment of Insurances (the "Assignment of Insurances") dated 1st October 2004 made between the Assignor and Tehama Leasing Limited as assignee (the "Assignee") in relation to certain insurances relating to one (1) Boeing 737-800 aircraft with manufacturer's serial number 29248 and South African registration mark ZS-SJA

Amount secured by the mortgage or charge

Any and all of the obligations (whether present or future, actual or contingent) which were on 1st October 2004 or are at any time owed by the Assignor to the Assignee under the Lease Agreement and the Associated Lease Agreement (the "Secured Obligations").

All defined terms used in this Form 395 and its continuations not otherwise defined herein are defined in Schedule 2 hereto attached.

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

Tehama Leasing Limited, a company incorporated under the laws of the Cayman Islands with its registered office at the offices of Walkers SPV Limited, Walker House, Mary Street, PO Box 908GT, George Town, Grand Cayman, Cayman Islands.

Postcode

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

CMS Cameron McKenna
Mitre House
160 Aldersgate Street
London
EC1A 4DD

MMN/100614.129/21094949

Time critical reference

For official Use
Mortgage Section

Post room



LD5
COMPANIES HOUSE

0295
08/10/04

Please return via

CH London Counter

Short particulars of all the property mortgaged or charged

This section of this Form 395 is continued in Schedule 1 attached hereto.

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in black type, or
bold block
lettering

Particulars as to commission allowance or discount (note 3)

NONE

Signed

AMS Cameron McKenna

Date

8/10/04

On behalf of [company] (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

SCHEDULE 1
SHORT PARTICULARS OF ALL THE PROPERTY MORTGAGED
OR CHARGED
(CONTINUED)

1. ASSIGNMENT

- 1.1 As a continuing security for the due and punctual performance and discharge by the Assignor of the Secured Obligations, the Assignor with full title guarantee has assigned to the Assignee, by way of first priority legal assignment, all of its right, title and interest (present and future) in and to the Insurances and all benefits thereof (including, without limitation, claims of whatsoever nature and return of premiums) provided however that unless and until the occurrence of any Event of Default which is continuing (whereupon all insurance recoveries shall be payable exclusively to the Assignee), any sums receivable in respect of the Insurances shall be payable as follows: 1) all recoveries under the Assignment of Insurances in respect of a Total Loss in relation to the certain Boeing 737-800 aircraft bearing manufacturer's serial number 29248 and South African registration mark ZS-SJA or an Engine shall be paid in full to the Assignee or as it shall direct without any deduction or deductions whatsoever; 2) all other recoveries shall be paid to such party as may be necessary to repair the certain Boeing 737-800 aircraft bearing manufacturer's serial number 29248 and South African registration mark ZS-SJA provided always that until the Assignee shall have notified the Insurers to the contrary (which notification may only be given upon any Event of Default having occurred and being continuing) if the Assignor has paid such repairer or if the Assignor has effected such repair work or provided such replacement property such recoveries shall be paid to, and if already received shall be held by, the Assignee as security for the Secured Obligations and during the continuance of such Event of Default shall be applied towards the satisfaction of the Secured Obligations in such order of application as the Assignee shall consider fit and from such time as no Event of Default shall have occurred and shall be continuing the same shall be applied subject to applicable law, in payment (or to reimburse the Assignor) for repairs (if any) and the balance (if any) shall be paid to the Assignor.

2. ASSIGNOR COVENANTS

- 2.1 The Assignor has covenanted and undertaken that throughout the Security Period it will maintain the Insurances in full force and effect in accordance with the requirements of the Lease Agreement.

3. POWER OF ATTORNEY

- 3.1 The Assignor has by way of security irrevocably appointed the Assignee and any Receiver severally to be its true and lawful attorney (with full power of substitution and delegation) for the Assignor and in its name or otherwise and on its behalf and as its act and deed to sign, seal, execute, deliver and do all such assurances, acts and things which the Assignee or any Receiver may deem to be necessary or advisable in order to give full effect to the purposes of the Assignment of Insurances including, without limitation, to ask, require, demand, receive, compound and give acquittance for any and all moneys and claims for any and all moneys due under or arising out of the Insurances (to the extent assigned under the Assignment of Insurances), to endorse any cheque, draft or other documents, instrument or order in connection therewith and to make any claim or to take any action or to institute

any suit, legal action or other proceeding which the Assignee or any Receiver may consider to be necessary, or advisable in connection with the Insurances (to the extent assigned under the Assignment of Insurances), and generally in the Assignor's name and on its behalf to exercise all or any of the powers, authorities and discretions conferred by or pursuant to the Assignment of Insurances or applicable law on the Assignee or any Receiver and, without prejudice to the generality of the foregoing, to seal and deliver and otherwise perfect any deed, assurance, agreement, instrument, act or thing which the Assignee or any Receiver may deem appropriate for the purpose of exercising any of such powers, authorities and discretions, provided that the authority conferred in Clause 9.1 shall only be exercisable after the security constituted under the Assignment of Insurances shall have become enforceable; and further provided that no such appointment shall be effective until the occurrence of an Event of Default and then only for so long as the Event of Default is continuing.

- 3.2 The Assignor has unconditionally and irrevocably ratified and confirmed and has agreed to ratify and confirm whatever any such attorney pursuant to Clause 9.1 of the Assignment of Insurances shall lawfully do or purport to do in the exercise or purported exercise of all or any of the powers, authorities and discretions conferred pursuant to Clause 9.1 of the Assignment of Insurances.

4. FURTHER ASSURANCES

- 4.1 The Assignment of Insurances contains covenants for further assurance.

SCHEDULE 2

DEFINITIONS USED IN FORM 395 AND CONTINUATIONS NOT OTHERWISE DEFINED THEREIN

"Acceptance Certificate" means the acceptance certificate relating to the Aircraft dated 8 September 2000 and executed by the Assignor in favour of the Original Lessor.

"Agency" means any agency, authority, central bank, department, government, legislature, minister, ministry, official, or public or statutory person (whether autonomous or not) of, or of the government or, a state or any political sub-division in or of that state.

"Aircraft" means the aircraft described in Schedule 1 to the Lease Agreement (including the Airframe, each Engine, each Part and the Aircraft Documents) or, if applicable, any part thereof.

"Aircraft Documents" means the documents identified as such in Part 1 of Schedule 8 of the Lease Agreement together with the Technical Records and all additions, renewals, revisions and replacements thereof from time to time.

"Airframe" means the Aircraft together with all Parts relating thereto (but excluding the Engines).

"Associated Aircraft" means the Boeing 737-800 aircraft bearing manufacturer's serial number 29249 and South African registration mark ZS-SJB.

"Associated Lease Agreement" means the aircraft lease agreement entered into or to be entered into, as the context may require, between the Assignee, as lessor, and the Assignor, as lessee, relating to the Associated Aircraft.

"Boeing" means The Boeing Company of Seattle, Washington, USA.

"Deed of Novation and Amendment" means the deed of novation and amendment relating to the Original Lease Agreement dated 1st October 2004 and entered into between the Assignor, the Assignee and Previous Lessor.

"Delivery Date" means 29 June 2000.

"Engine" means:

- (a) each engine installed on the Airframe on the Delivery Date, as identified in the Acceptance Certificate, and all Parts installed in or on such engine on the Delivery Date; or
- (b) any engine which has replaced an engine referred to in paragraph (a) or this paragraph (b) in accordance with the Lease Agreement; and
- (c) in the case of (a) and (b), all substituted, renewed or replacement Parts at any time installed in or on any such engine as required or permitted under the Lease Agreement.

"Event of Default" means each of the events identified in Clause 19.2 (*Events of Default*) of the Lease Agreement.

“Insurances” means any and all contracts or policies of insurances which are from time to time taken out or effected by the Assignor pursuant to the Lease Agreement in respect of the certain Boeing 737-800 aircraft bearing manufacturer’s serial number 29248 and South African registration mark ZS-SJA, other than legal liability insurances.

“Insurers” means the insurers providing the Insurances approved by the Assignee, as lessor, from time to time.

“Lease Agreement” means the Original Lease Agreement as novated and amended pursuant to the Deed of Novation and Amendment.

“Original Lease Agreement” means the lease agreement relating to the certain Boeing 737-800 aircraft bearing manufacturer’s serial number 29248 and South African registration mark ZS-SJA dated 26 May 2000 (as amended and restated on December 19 2003) and entered into between Previous Lessor, as lessor, and the Assignor, as lessee.

“Original Lessor” means Flightlease Air No.3 (Guernsey) Limited.

“Parts” means any part, component, furnishing, appliance, module, accessory, instrument or other item of equipment (other than a complete Engine) whether or not installed on the Aircraft at any time

- (d) installed in, attached to or supplied with the Airframe or any Engine on the Delivery Date or
- (e) title to which has passed to the Assignee, as lessor, in accordance with the Lease Agreement but excludes any items title to which has ceased to vest in the Assignee, as lessor, in accordance with the Lease Agreement.

“Previous Lessor” means Dresdner Kleinwort Wasserstein Leasing Inc.

“Receiver” means any receiver or receiver and manager or administrative receiver appointed by the Assignee under the Assignment of Insurances or under any statutory power.

“Security Period” means the period commencing on 1st October 2004 and terminating on the date upon which the Secured Obligations have been paid and discharged in full.

“Technical Records” means all technical data, manuals, logbooks and other records relating to the Aircraft.

“Total Loss” means any of the following events in relation to the Aircraft, Airframe or any Engine:

- (f) its actual, constructive compromised, arranged or agreed total loss; or
- (g) its destruction, damage beyond repair or being rendered permanently unfit for normal use for any reason whatsoever; or
- (h) its requisition for title, confiscation, restraint, detention, forfeiture or any compulsory acquisition or seizure or requisition for hire (other than in the case of a requisition for hire for a temporary period not exceeding sixty (60) days) by or under the order of any Agency (whether civil, military or de facto) or public or local authority; or

- (i) its hi-jacking, theft or disappearance, resulting in loss or possession by the Assignor, as lessee, for a period of sixty (60) consecutive days or longer.

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CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. FC022641

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT AN ASSIGNMENT OF INSURANCES IN RELATION TO CERTAIN INSURANCES RELATING TO ONE (1) BOEING 737-800 AIRCRAFT WITH MANUFACTURER'S SERIAL NUMBER 29248 AND SOUTH AFRICAN REGISTRATION MARK ZS-SJA DATED THE 1st OCTOBER 2004 AND CREATED BY SOUTH AFRICAN AIRWAYS (PROPRIETARY) LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO TEHAMA LEASING LIMITED UNDER THE TERMS OF THE AFOREMENTIONED INSTRUMENT CREATING OR EVIDENCING THE CHARGE WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 8th OCTOBER 2004.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 13th OCTOBER 2004.

R. C. W.



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



Companies House

— for the record —