

DATED 28TH MARCH, 1996

GPA II LIMITED

and

EMERALD AVIATION INVESTMENTS LIMITED

GPA FINANCE LIMITED

GPA FINANCE (BERMUDA) LIMITED

GPA FINANCE (BERMUDA) NO.2 LIMITED

GPA FOKKER FINANCE LIMITED

GPA FUNDING I LIMITED

GPA JETPROP FINANCE LIMITED

GPA III LIMITED

GPAA FUNDING LIMITED

GPAA II LIMITED

GPAA FINANCE LIMITED

IRISH AEROSPACE FINANCE LTD.

IRISH AEROSPACE II LIMITED

LOAN AGREEMENT

ALLEN & OVERY

London
ICM:93465.9

INDEX

CLAUSE	PAGE
1. Interpretation	1
2. The Loan	2
3. Purpose	3
4. Conditions Precedent	3
6. Repayment	4
7. Prepayment	4
8. Interest	4
9. Payments	4
10. Default	5
11. Evidence and Calculations	5
12. Waivers and Remedies Cumulative	5
13. Severability	6
14. Counterparts	6
15. Notices	6
16. Jurisdiction	7
17. Governing Law	7
Schedules	
1. Various Parties	8
2. Conditions Precedent Documents	10
Signatories	11

THIS AGREEMENT is dated 28th March, 1996 between:-

- (1) The companies listed in Schedule 1 (the "Lenders" who shall be jointly and severally liable hereunder); and
- (2) GPA II LIMITED, a company registered under the laws of Ireland whose registered office is at GPA House, Shannon, Co. Clare, Ireland, as borrower (the "Borrower").

IT IS AGREED as follows:-

1. INTERPRETATION

1.1 Definitions

Unless the contrary intention appears any term used in the Notes Indenture shall have the same meaning herein.

In this Agreement:-

"Commitment"

means an amount equal to the Outstanding Principal Balance of the Class E Notes issued by Airplanes Limited from time to time plus an amount equal to the aggregate of all interest that may accrue thereon until final maturity of such Class E Notes.

"Commitment Period"

means the period from the date of this Agreement to the Term Date (both dates inclusive).

"Drawdown Date"

means the date of the advance of a Loan.

"Event of Default"

means an event specified as such in Clause 10 (Events of Default).

"GPA II Share Purchase Agreement" means a share purchase agreement made of even date between (1) GPA Group plc and (2) Airplanes Limited in respect of the shares of GPA II Limited.

"Group"

means Airplanes Limited, the Borrower, the Lenders and their Subsidiaries (if any).

"Loan"

means the Outstanding Principal Balance borrowed by the Borrower under this Agreement.

"Notes Indenture"

means the Notes Indenture of even date and made between Airplanes Limited, Airplanes U.S. Trust and Bankers Trust Company.

"Party"

means a party to this Agreement.

"Term Date"

means the date on which all amounts payable in respect of the Class E Notes shall have been paid in full.

1.2 Construction

- (a) In this Agreement, unless the contrary intention appears, a reference to:-
- (i) **"assets"** includes properties, revenues and rights of every description;
an **"authorisation"** includes an authorisation, consent, approval, resolution, licence, exemption, filing and registration;
a **"regulation"** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental body, agency, department or regulatory, self-regulatory or other authority or organisation;
 - (ii) a provision of law is a reference to that provision as amended or re-enacted;
 - (iii) a Clause or a Schedule is a reference to a clause of or a schedule to this Agreement;
 - (iv) a person includes its successors and assigns;
 - (v) references to this Agreement shall be references to this Agreement as amended, novated or supplemented; and
 - (vi) a time of day is a reference to London time.
- (b) The index to and the headings in this Agreement are for convenience only and are to be ignored in construing this Agreement.

2. THE LOAN

2.1 Subject to the terms of this Agreement, the Lenders agree to make loans to the Borrower during the Commitment Period up to an aggregate principal amount not exceeding the Commitment.

2.2 Joint and Several Liability of Borrowers

- (a) Each Lender shall be jointly and severally liable with each other Lender for the advance of Loans up to the Commitment and any other amounts payable by the Lenders hereunder. Failure by a Lender to carry out its obligations hereunder shall not relieve any other party
-

hereto of any of its obligations hereunder. The Borrower shall not be concerned as to how the Lenders apportion the Loans amongst themselves.

- (b) The obligations of each Lender shall not be affected by any matter or thing which but for this provision might operate to affect such obligations including without limitation (i) any time or indulgence granted to or composition with any other Lender or any other person, (ii) the taking, variation, renewal or release of, or neglect to perfect or enforce, any rights, remedies or securities against any other Lender or any other person or (iii) any unenforceability or invalidity of any obligations of any other Lender so that this Agreement shall be construed as if there were no such unenforceability or invalidity.
- (c) Notwithstanding anything to the contrary in this Agreement no Lender shall be obliged to make any Loans pursuant to its Commitment in an aggregate amount in excess of its rateable share (calculated as the proportion of the amount of Collections paid by each Lender or on its behalf into the Accounts to the total amount of the Collections so paid by or on behalf of all Lenders) of the Lenders' interest in the balance in the Accounts (other than the Lessee Funded Account) after payment of all items of a higher priority to payments in respect of Class E Notes in Section 3.08(a), or following the occurrence of an Event of Default (as defined in the Notes Indenture) in Section 3.08(b) of the Notes Indenture. The Borrower shall not have recourse under this Agreement against the Lenders except to the extent of the Lenders' interest in the balance in the Accounts (other than the Lessee Funded Account).

3. PURPOSE

- 3.1 The Borrower shall apply the proceeds of each Loan received by it towards the payment of accrued interest, default interest and principal in respect of payments required to be made by it pursuant to a loan agreement of even date between (1) Airplanes Limited and (2) GPA II Limited.

4. CONDITIONS PRECEDENT

- 4.1 The obligations of the Lenders to make the advance under Clause 2 hereof is subject to the following conditions having first been satisfied:
 - (a) on or prior to the Closing Date, each of the Borrower and Airplanes U.S. Trust shall have authorised, executed and delivered each Relevant Document to which each is a party and each such document remains in full force and effect as at the Closing Date; and
 - (b) the obligations of the parties to the GPA II Share Purchase Agreement shall have become unconditioned; and
 - (c) delivery of the documents set out in Schedule 2 hereto.

5. DRAWDOWN

5.1 Commitment Period

The Borrower may borrow the Loans during the Commitment Period in accordance with the provisions of this Clause. The undrawn amount (if any) of the Commitment shall automatically be cancelled at close of business on the Term Date.

5.2 Advance of Loan

- (a) Subject to the terms of this Agreement, the Lenders hereby irrevocably and by way of security appoint and authorise Barbara Judge to be their attorney to make, or to appoint such other person on its behalf to make, such withdrawals as it may consider necessary, of any monies properly belonging to the Lenders, from the Accounts each such withdrawal constituting the advance of a Loan. Each such withdrawal shall be made subject to Clause 2.3 of this Agreement.
- (c) The Lenders, except in the case of wilful default, undertake to ratify and confirm and hereby ratify and confirm any acts and documents whatsoever that the Borrower shall do or cause to be done hereunder and to indemnify the Borrower against all costs and expenses properly incurred by it.

6. REPAYMENT

6.1 Repayment in Full

The Loans shall be repayable in full at their principal amounts on the date on which all amounts payable in respect of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes have been paid in full including without limitation all interest, default interest and principal due in respect thereof.

6.2 Apportionment of Repayment Amongst Lenders

The Borrower shall not be concerned as to how any repayment shall be apportioned amongst the Lenders and shall receive a full discharge by repaying the Loans to any Lender.

7. PREPAYMENT

7.1 Prepayment

The Borrower may not prepay the Loans.

8. INTEREST

Payment of Interest

- 8.1 Interest shall not accrue on the Loans made hereunder.

9. PAYMENTS

9.1 Place

All payments under this Agreement by the Borrower to the Lenders shall be made to their accounts at such offices or banks as they may notify for this purpose.

9.2 Funds

Payments under this Agreement shall be made for value on the due date at such times and in such funds as the Borrower may specify as being customary at the time for the settlement of transactions in U.S. dollars.

9.3 Currency

- (a) Amounts payable in respect of costs, expenses and taxes and the like are payable in the currency in which they are incurred.
- (b) Any other amount payable under this Agreement is, except as otherwise provided in this Agreement, payable in U.S. dollars.

9.4 Set-off and counterclaim

All payments made under this Agreement shall be made without set-off or counterclaim.

10. DEFAULT

10.1 Events of Default

Provided that no amounts remain payable in respect of the Class A Notes, Class B Notes, Class C Notes, Class D Notes or the Class E Notes a failure by the Borrower to repay principal when due pursuant to Clause 6 above shall be an Event of Default (whether or not caused by any reason whatsoever outside the control of any Borrower or any other person).

10.2 Acceleration

On and at any time after the occurrence of an Event of Default, the Lenders may by notice to the Borrower demand that all or part of the Loans and all other amounts accrued under this Agreement be immediately due and payable, whereupon they shall become immediately due and payable. In all other circumstances the Lenders may not maintain any claim whatsoever against the Borrower in respect of any amounts payable hereunder.

11. EVIDENCE AND CALCULATIONS

11.1 Accounts

Accounts maintained by the Borrower, the Cash Manager or any other person on their behalf in connection with this Agreement are prima facie evidence of the matters to which they relate.

11.2 Certificates and determinations

Any certification or determination by the Borrower of a rate or amount under this Agreement is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

12. WAIVERS AND REMEDIES CUMULATIVE

The rights of the Borrower under this Agreement:-

- (a) may be exercised as often as necessary;
 - (b) are cumulative and not exclusive of its rights under the general law; and
 - (c) may be waived only in writing and specifically.
-

Delay in exercising or non-exercise of any such right is not a waiver of that right.

13. SEVERABILITY

If a provision of this Agreement is or becomes illegal, invalid or unenforceable in any jurisdiction, that shall not affect:-

- (a) the validity or enforceability in that jurisdiction of any other provision of this Agreement; or
- (b) the validity or enforceability in other jurisdictions of that or any other provision of this Agreement.

14. COUNTERPARTS

This Agreement may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Agreement.

15. NOTICES

15.1 Giving of notices

All notices or other communications under or in connection with this Agreement shall be given in writing or facsimile. Any such notice will be deemed to be given as follows:-

- (a) if in writing, when delivered;
- (b) if by facsimile, when received.

However, a notice given in accordance with the above but received on a non-working day or after business hours in the place of receipt will only be deemed to be given on the next working day in that place.

15.2 Addresses for notices

- (a) The address, telex number and facsimile number of the Borrower is:-

GPA House, Shannon, Co. Clare, Ireland
Attention: The Company Secretary
Telecopy: 00 353 61 360 503

- (b) The address, telex number and facsimile number of each Lender is:-

c/o Airplanes Limited, 22 Grenville Street, St Helier, Jersey, JE4 8PX, Channel Islands
Attention: Mourant & Co Secretaries Limited – Group 13
Telecopy: (00 44) 1534 609 333,

or such other as each Party may notify to the other by not less than 5 Business Days' notice.

16. JURISDICTION

16.1 Submission

For the benefit of the Borrower, each Lender agrees that the courts of Ireland have jurisdiction to settle any disputes in connection with this Agreement and accordingly submits to the jurisdiction of the Irish courts.

16.2 Service of process

Without prejudice to any other mode of service, GPA Finance (Bermuda) Limited and GPA Finance (Bermuda) No.2 Limited:-

- (a) irrevocably appoint the Administrative Agent as their agent for service of process relating to any proceedings before the Irish courts in connection with this Agreement;
- (b) agree that failure by a process agent to notify them of the process will not invalidate the proceedings concerned; and
- (c) consent to the service of process relating to any such proceedings by prepaid posting of a copy of the process to its address for the time being applying under Clause 16.2 (Addresses for notices).

16.3 Forum convenience and enforcement abroad

Each Lender:-

- (a) waives objection to the Irish courts on grounds of inconvenient forum or otherwise as regards proceedings in connection with this Agreement; and
- (b) agrees that a judgement or order of an Irish court in connection with this Agreement is conclusive and binding on it and may be enforced against it in the courts of any other jurisdiction.

16.4 Non-exclusivity

Nothing in this Clause 16 limits the right of the Borrower to bring proceedings against a Lender in connection with this Agreement:-

- (a) in any other court of competent jurisdiction; or
- (b) concurrently in more than one jurisdiction.

17. GOVERNING LAW

This Agreement is governed by and shall be construed in accordance with Irish law.

This Agreement has been entered into on the date stated at the beginning of this Agreement.

SCHEDULE 1**VARIOUS PARTIES****PART I****LENDERS**

Original Lenders and Registered Numbers and Registered office

Emerald Aviation Investments Limited, a private limited company incorporated in Ireland (registration number 143554) whose registered office is at GPA House, Shannon, Co Clare, Ireland.

GPA Finance Limited, a private limited company incorporated in Ireland (registration number 120591) whose registered office is at GPA House, Shannon, Co Clare, Ireland.

GPA Finance (Bermuda) Limited, a limited company incorporated in Bermuda (registration number EC18046) whose registered office is at Cedar House, 41 Cedar Avenue, Hamilton HM12, Bermuda.

GPA Finance (Bermuda) No.2 Limited, a limited company incorporated in Bermuda (registration number EC18142) whose registered office is at Cedar House, 41 Cedar Avenue, Hamilton HM12, Bermuda.

GPA Fokker Finance Limited, a private limited company incorporated in Ireland (registration number 141433) whose registered office is at GPA House, Shannon, Co Clare, Ireland.

GPA Funding 1 Limited, a private limited company incorporated in Ireland (registration number 154523) whose registered office is at GPA House, Shannon, Co Clare, Ireland.

GPA Jetprop Finance Limited, a private limited company incorporated in Ireland (registration number 141432) whose registered office is at GPA House, Shannon, Co Clare, Ireland.

GPA III Limited, a private limited company incorporated in Ireland (registration number 235718) whose registered office is at GPA House, Shannon, Co Clare, Ireland.

GPAA Funding Limited, a private limited company incorporated in Ireland (registration number 178764) whose registered office is at GPA House, Shannon, Co Clare, Ireland.

GPAA II Limited, a private limited company incorporated in Ireland (registered number 235727) whose registered office is at GPA House, Shannon, Co Clare, Ireland.

GPAR Finance Limited, a private limited company incorporated in Ireland, Holding Co (registration number 147929) whose registered office is at GPA House, Shannon, Co Clare, Ireland.

Irish Aerospace Finance Ltd., a private limited company incorporated in Ireland (registration number 141436) whose registered office is at GPA House, Shannon, Co Clare, Ireland.

Irish Aerospace Finance Ltd., a private limited company incorporated in Ireland (registration number 141436) whose registered office is at GPA House, Shannon, Co Clare, Ireland.

Irish Aerospace II Limited, a private limited company incorporated in Ireland (registration number 235722) whose registered office is at GPA House, Shannon, Co Clare, Ireland.

or any successor entities of such entities, in each case as such entities may be renamed following the date hereof.

SCHEDULE 2

CONDITIONS PRECEDENT DOCUMENTS

1. A copy of a resolution of the board of directors of the Borrower:-
 - (i) approving the terms of, and the transactions contemplated by, this Agreement and resolving that it execute this Agreement;
 - (ii) authorising a specified person or persons to execute this Agreement on its behalf.
-

SIGNATORIES

Executed as a Deed on the date set out above.

Signed, Sealed and Delivered by)
as duly authorised)
attorney of GPA II Limited)
in the presence of:)

Bueffel



MS Nathan
MS NATHAN
One New Change, London, ECLM 966
Signed, Sealed and Delivered by)
as duly authorised)
attorney of Emerald Aviation)
Investments Limited)
in the presence of:)

Bueffel



Signed, Sealed and Delivered by)
as duly authorised)
attorney of GPA Finance Limited)
in the presence of:)

Bueffel



Signed, Sealed and Delivered by)
as duly authorised)
attorney of GPA Finance (Bermuda))
Limited in the presence of:)

Bueffel



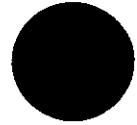
Signed, Sealed and Delivered by)
as duly authorised)
attorney of GPA Finance (Bermuda))
No.2 Limited in the presence of:)

Bueffel



Signed, Sealed and Delivered by)
as duly authorised)
attorney of GPA Fokker Finance)
Limited in the presence of:)

Bueffel



Signed, Sealed and Delivered by)
as duly authorised)
attorney of GPA Funding I Limited)
in the presence of:)

MSW

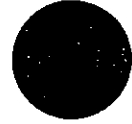
Bueffel



Signed, Sealed and Delivered by)
as duly authorised)
attorney of GPA Jetprop Finance)
Limited in the presence of:)

MSW

Bueffel



Signed, Sealed and Delivered by)
as duly authorised)
attorney of GPA III Limited)
in the presence of:)

MSW

Bueffel



Signed, Sealed and Delivered by)
as duly authorised)
attorney of GPAA Funding Limited)
in the presence of:)

MSW

Bueffel



Signed, Sealed and Delivered by)
as duly authorised)
attorney of GPAA II Limited)
in the presence of:)

MSW

Bueffel



Signed, Sealed and Delivered by)
as duly authorised)
attorney of GPAR Finance Limited)
in the presence of:)

MSW

Bueffel



Signed, Sealed and Delivered by)
as duly authorised)
attorney of Irish Aerospace Finance Ltd.)
in the presence of:)

MSW

Bueffel



Signed, Sealed and Delivered by)
as duly authorised)
attorney of Irish Aerospace II Limited)
in the presence of:)

M. Kelly

B. Kelly



Signed and Delivered as a deed by)
for and on behalf of)
Airplanes Limited in the presence)
of:)

David S. Katz
David S. Katz
1150 18th St, NW
Washington, D.C. 20036

R. Doughton