

MR01

Particulars of a charge



Companies House

B 93 41 / 52

A fee is payable with this form
Please see 'How to pay' on the
last page

You can use the WebFiling service to file this form online
Please go to www.companieshouse.gov.uk

☒ **What this form is for**
You may use this form to register
a charge created or evidenced by
an instrument

☒ **What this form is NOT for**
You may not use this form to
register a charge where there is no
instrument Use form MR08

For further information, please
refer to our guidance at
www.companieshouse.gov.uk

This form must be delivered to the Registrar for registration w
21 days beginning with the day after the date of creation of the cha
delivered outside of the 21 days it will be rejected unless it is accomp
court order extending the time for delivery



You must enclose a certified copy of the instrument with this form T
scanned and placed on the public record Do not send the original

TUESDAY



A3E4AYIW

A08

12/08/2014

#266

COMPANIES HOUSE

1 Company details

Company number 0 1 0 3 6 0 2 7

Company name in full Bibby Bulk Carriers Limited (the "Mortgagor")

SO

For official use

→ Filing in this form
Please complete in typescript or in
bold black capitals

All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date 3 1 0 7 2 0 1 4

3 Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees
entitled to the charge

Name Nordea Bank Finland PLC (as Mortgagee)

Name

Name


Name

If there are more than four names, please supply any four of these names then
tick the statement below

☐ I confirm that there are more than four persons, security agents or
trustees entitled to the charge

MR01

Particulars of a charge

4	Brief description	
Brief description	Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument	Please submit only a short description. If there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument" Please limit the description to the available space
	All of the Mortgagor's interest, both present and future, in and to the motor vessel "SHROPSHIRE" registered under the Maltese Flag at the Port of Valletta with Official Number 9497115 and in all her boats and appurtenances	
5	Other charge or fixed security	
	Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
6	Floating charge	
	Is the instrument expressed to contain a floating charge? Please tick the appropriate box <input type="checkbox"/> Yes Continue <input checked="" type="checkbox"/> No Go to Section 7 Is the floating charge expressed to cover all the property and undertaking of the company? <input type="checkbox"/> Yes	
7	Negative Pledge	
	Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge? Please tick the appropriate box <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
8	Trustee statement ¹	
	You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge <input type="checkbox"/>	¹ This statement may be filed after the registration of the charge (use form MR06)
9	Signature	
Signature	Please sign the form here	
	<div data-bbox="336 1856 400 1879">Signature</div> <div data-bbox="336 1890 533 1968">  </div> <div data-bbox="336 2002 995 2036">This form must be signed by a person with an interest in the charge</div>	

MR01

Particulars of a charge



Presenter information

You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name Katherine Noble

Company name Holman Fenwick Willan LLP

Address Fnary Court

65 Crutched Friars

Post town London

County/Region Greater London

Postcode E C 3 N 2 A E

Country United Kingdom

DX 1069 London City

Telephone +44 (0) 20 7264 8000



Certificate

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.



Checklist

We may return forms completed incorrectly or with information missing

Please make sure you have remembered the following

- ☐ The company name and number match the information held on the public Register
- ☐ You have included a certified copy of the instrument with this form
- ☐ You have entered the date on which the charge was created
- ☐ You have shown the names of persons entitled to the charge
- ☐ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8
- ☐ You have given a description in Section 4, if appropriate
- ☐ You have signed the form
- ☐ You have enclosed the correct fee
- ☐ Please do not send the original instrument, it must be a certified copy



Important information

Please note that all information on this form will appear on the public record.



How to pay

A fee of £13 is payable to Companies House in respect of each mortgage or charge filed on paper.

Make cheques or postal orders payable to 'Companies House'.



Where to send

You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below.

For companies registered in England and Wales
The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland
The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post)

For companies registered in Northern Ireland
The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG
DX 481 N R Belfast 1



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 1036027

Charge code: 0103 6027 0050

The Registrar of Companies for England and Wales hereby certifies that a charge dated 31st July 2014 and created by BIBBY BULK CARRIERS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 12th August 2014.

DX

Given at Companies House, Cardiff on 20th August 2014



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**

DATED 31 July **2014**

BIBBY BULK CARRIERS LIMITED
BIBBY NAVIGATION LIMITED
as Owners

-and-

NORDEA BANK FINLAND PLC
as Bank

DEED OF COVENANTS
in respect of m v "SHROPSHIRE"

WE HEREBY CERTIFY THAT THIS IS
A TRUE COPY OF THE ORIGINAL
Holman Fenwick Willan LLP
HOLMAN FENWICK WILLAN LLP
6 August 2014

holman fenwick willan 

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THIS DEED is made on 31 July 2014

BETWEEN

- (1) **BIBBY BULK CARRIERS LIMITED**, a company incorporated in England and Wales with company registration number 01036027, whose registered office is at 105 Duke Street, Liverpool L1 5JQ, England ("**BBCL**"),
- (2) **BIBBY NAVIGATION LIMITED**, a company incorporated in England and Wales with company registration number 01195556, whose registered office is at 105 Duke Street, Liverpool L1 5JQ, England ("**BNL**", and together with BBCL the "**Owners**" and each an "**Owner**"), and)
- (3) **NORDEA BANK FINLAND PLC**, a bank incorporated in Finland acting for the purposes of this Assignment through its London branch at 8th Floor, City Place House, 55 Basinghall Street, London EC2V 5NB, England as bank (the "**Bank**")

WHEREAS

- (A) BBCL and BNL are the owners of respectively 6,489/10,000 and 3,511/10,000 shares in the motor vessel "**SHROPSHIRE**" as defined below, registered in the ownership of the Owners under the laws and flag of Malta (the "**Flag State**") at the Port of Valetta with official number 9497115 and the following approximate dimensions and tonnages

Gross Tonnage	32,957	tons
Net Tonnage	19,231	tons
Length	185,64	metres
Breadth.	32 25	metres
Depth	18 00	metres
Propulsion	9960	BHP

all as more particularly described in the Certificate of Registry granted to her by the Registrar of Maltese Ships (the "**Vessel**")

- (B) By a loan agreement dated 28 July 2014, the "**Agreement**" made between (1) the Owners and Bibby Transport Limited (together, the "**Borrowers**") as joint and several borrowers and (2) the Bank, the Bank has made available to the Borrowers a loan in an amount up to \$26,500,000
- (C) By
- (i) an ISDA master agreement and schedule thereto (the "**BLL Master Agreement**") dated 24 September 2009 (as amended and supplemented from time to time) and made between the Bank as swap provider and (2) Bibby Line Limited ("**BLL**"), and
 - (ii) an ISDA master agreement and schedule thereto dated 9 July 2010 (as amended and supplemented from time to time) and made between the Bank as swap provider and (2) the Borrowers,

the Bank has agreed that it may enter into swap transactions with the Borrowers and/or BLL from time to time to, amongst other things, hedge the Borrowers' interest and/or currency risk under the Agreement

- (D) By certain guarantee provisions incorporated in the Agreement (the "**Guarantee**") the Owners have irrevocably and unconditionally guaranteed each as principal obligor and not merely as surety the payment of all sums of money which may at any time become due and payable to the Mortgagee by BLL under and pursuant to the BLL Master Agreement
- (E) As security for the payment of the Outstanding Indebtedness and the performance of and compliance with all the terms, conditions and obligations of the Obligors contained in the Finance Documents, the Owners have executed and registered the Statutory Mortgage in favour of the Bank and have agreed to enter into this Deed.

IT IS AGREED as follows

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

Words and expressions defined in the Agreement shall, unless otherwise expressly provided herein or the context otherwise requires, have the same meanings when used in this Deed, including the Recitals. In addition, in this Deed:

"**Classification Society**" means Bureau Veritas or such other classification society which is a member of the International Association of Classification Societies as may from time to time be approved in writing by the Bank,

"**Delegate**" means any person appointed by the Bank or any Receiver as its delegate pursuant to Clause 13.3,

"**Major Casualty**" means any casualty to the Vessel or incident (other than a Total Loss) in respect of which the claim or the aggregate of the claims against all insurers, before adjustment for any relevant franchise or deductible, exceeds \$1,000,000,

"**Mortgaged Property**" means all of the Owners' right, title and interest, both present and future, in and to the Vessel, the Earnings, the Insurances and all Requisition Compensation,

"**Receiver**" has the meaning given to it in Clause 9.6,

"**Statutory Mortgage**" means the first priority Maltese statutory ship mortgage in account current form dated the same date as this Deed executed by the Owners in favour of the Bank over the whole of the Vessel, and

"**Vessel**" means the whole of the motor vessel referred to and described in Recital A belonging to the Owners and registered in the name of the Owners in the Register of Ships under the Maltese Flag at the Port of Valletta, and the engines, machinery, boats, tackle, outfits, spare parts, fuel, consumable and other stores, belongings and appurtenances of the said motor vessel, whether on board or to become appurtenant to or intended to be used for

the said motor vessel if on shore, and all additions, improvements and replacements to either the said motor vessel or the said engines or other matters

1 2 Insurance expressions

In Clause 6:

1 2 1 "excess risks" means the proportion of claims not recoverable in respect of general average and salvage, or under the ordinary running down clause, as a result of the value at which a vessel is assessed for the purpose of such claims exceeding her insured value,

1 2 2 "protection and indemnity risks" means the usual risks (including oil pollution and freight demurrage and defence cover) covered by a protection and indemnity association, being a member of the International Group of Protection and Indemnity Associations, including the proportion not otherwise recoverable in case of collision under the ordinary running down clause, and

1 2 3 "war risks" includes the risk of mines and all risks excluded from the Institute Time Clauses Hulls (1/11/95) by clauses 24, 25 and 26 thereof and from the International Hull Clauses (1/11/02) by clauses 29, 30 and 31 thereof

1 3 General interpretation

In this Deed

1 3 1 unless the context otherwise requires, words in the singular include the plural and vice versa,

1 3 2 references to any document include the same as varied, supplemented or replaced from time to time,

1 3 3 references to any enactment include re-enactments, amendments and extensions thereof,

1 3 4 references to any person include that person's successors and permitted assigns,

1 3 5 clause headings are for convenience of reference only and are not to be taken into account in construction,

1 3 6 unless otherwise specified, references to Clauses and Recitals are to Clauses of and the Recitals to this Deed,

1 3 7 any words following the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms

1 4 Expressions used in the Statutory Mortgage

In the Statutory Mortgage

1 4 1 references to "interest" means interest covenanted to be paid in accordance with Clauses 3, 8 and 9 2 8 and any other relevant provision of this Deed,

1 4 2 references to "principal" means all other sums of money for the time being comprised in the Outstanding Indebtedness, and

1 4 3 the expression "the sums for the time being due on this security" means the whole of the Outstanding Indebtedness

1 5 Continuing effect after discharge of Statutory Mortgage

Notwithstanding that this Deed is supplemental to the Agreement and the Statutory Mortgage, it shall continue in full force and effect after any discharge of the Statutory Mortgage

1 6 Agreement to prevail

This Deed shall be read together with the other Finance Documents and, in the case of any conflict between this Deed and the Agreement, the latter shall prevail

1 7 Third party rights

1 7 1 Subject to Clause 1 7 2, a third party (being any person other than the Owners, the Bank and its permitted successors and assigns, any Receiver and any Delegate) has no right under the Contracts (Rights of Third Parties) Act 1999 (the "Third Parties Act") to enforce or enjoy the benefit of any term of this Deed

1 7 2 Notwithstanding Clause 1 7 1 but subject always to Clause 1 7 3 and the provisions of the Third Parties Act, any officer, employee or agent of the Bank or any Receiver may rely upon the relevant provisions of Clause 9 4 Clause 9 6 2 and Clause 12 1 1

1 7 3 Notwithstanding any term of this Deed or any other Finance Document, the consent of any person who is not a party to this Deed is not required to rescind or vary this Deed at any time

1 8 Joint and several liability

Clause 20 of the Agreement shall apply to the interpretation of this Deed as if the same were set out in full herein, with references to the Borrowers and the Agreement being references to the Owners and this Deed respectively

2 REPRESENTATIONS AND WARRANTIES

2 1 The Owners hereby represent and warrant to the Bank that

2.1 1 the Owners are duly registered and existing under the laws of England and Wales, are authorised by their constitutive documents to own and mortgage the Vessel and all

corporate action necessary to authorise execution and performance of its obligations under the Loan Agreement and the other Finance Documents has been taken by the Owners,

2 1 2 together the Owners are the sole legal and beneficial owners of all the shares of and in the Vessel and none of the said shares is subject to any security interest (save as constituted by the Statutory Mortgage and this Deed) or other encumbrances of whatever nature, except crews' wages that are not in arrears, claims for salvage that are not overdue and other claims agreed to in writing by the Bank. Neither the Owners, nor any charterer, nor the Master, nor any other person shall have the authority to create, and shall not create or allow to continue, any liens or encumbrances on the Vessel of whatever nature, except crews' wages that are not in arrears, claims for salvage that are not overdue and other claims agreed to in writing by the Bank. The Owners shall promptly pay or provide security reasonably acceptable to the Bank for all salvage, general average, and tort claims that may arise with respect to the Vessel, whether or not they give rise to liens on the Vessel,

2 1 3 the Owners have not sold or transferred, or agreed to sell or transfer the Vessel or any share therein, and

2 1 4 the Vessel is insured in accordance with the requirements of this Deed

2 2 The Owners hereby further represent and warrant to the Bank that

2 2 1 all applicable laws relating to the Vessel, its operation and management and the business of the Owners (as now conducted and as reasonably anticipated to be conducted in the future) have been complied with,

2 2 2 the Owners are in full compliance with all laws, regulations and other requirements applicable to the Vessel,

2 2 3 the Vessel is classified by the Classification Society to the highest classification and free from any overdue recommendation (other than a recommendation which is not material)

3 COVENANT TO PAY AND PERFORM

The Owners agree to pay each part of the Outstanding Indebtedness to the Bank and to perform all their other obligations under the Finance Documents as and when the same shall be due for payment or performance, provided that every payment which the Borrowers make in accordance with the Agreement and the Master Agreement shall pro tanto satisfy their payment obligations under this Clause

4 CHARGING CLAUSE

As security for the payment of the Outstanding Indebtedness and the performance of and compliance with all the terms, conditions and obligations of the Obligors contained in the Finance Documents, each Owner with full title guarantee hereby mortgages and charges to the Bank by way of first priority mortgage all its interest, both present and future, in and to

the Vessel (which each Owner hereby warrants at the date hereof to be free from any other mortgage, charge or encumbrance whatsoever save for the Statutory Mortgage) and grants to the Bank the right to register the same in the Registry of Maltese Ships without the Owners' intervention

5 CONTINUING SECURITY

5.1 Continuing security; mortgage not affected by other security

The security created by this Deed and the Statutory Mortgage

5.1.1 is and shall at all times be a continuing security for the payment of the full amount of the Outstanding Indebtedness from time to time,

5.1.2 shall not be satisfied by any intermediate payment or satisfaction of any part of the Outstanding Indebtedness,

5.1.3 shall be in addition to and shall not merge with or be prejudiced or affected by any other security for the Outstanding Indebtedness which may have been, or may at any time hereafter be, given to the Bank by the Owners or any other person

5.2 Right to consolidate

The Bank shall be entitled to consolidate this Deed and the Statutory Mortgage with any other security held by the Bank for any other indebtedness or obligation of the Owners

5.3 Exclusion of statutory provisions

Neither Section 93 nor Section 103 of the (U K) Law of Property Act 1925 shall apply to this Deed or the Statutory Mortgage or to the security hereby or thereby created

6 VESSEL UNDERTAKINGS - INSURANCE

6.1 Duration of undertakings

The Owners hereby covenant, jointly and severally, with the Bank and undertake to comply with the undertakings contained in this Clause 6 in respect of the Vessel at all times until the end of the Security Period

6.2 Obligatory Insurances

The Owners undertake

6.2.1 to effect and maintain sufficient insurances on and over the Vessel in respect of (a) marine insurances and (b) marine liability insurances, to include hull, machinery and equipment, war (including excess risks and terrorism, piracy, hijacking and confiscation) and protection and indemnity risks (including pollution risks), and such other risks for which insurance would be maintained by a prudent owner for a ship of a similar type, size, age and flag, and otherwise in accordance with the provisions of the Security Documents,

- 6 2 2 to effect such insurances in such amounts in Dollars and upon such terms as shall from time to time be approved in writing by the Bank, but in any event for not less than
- (a) in the case of hull, machinery and equipment, marine, war and excess risks, on an agreed value basis for whichever is the greater of (i) the market value of the Vessel and (ii) an amount which when aggregated with the amounts for which any other vessels providing first priority security for the Outstanding Indebtedness are insured for such risks equals 80 % of the amount of the Outstanding Indebtedness, provided however that the amount of hull and machinery cover excluding any total loss cover shall be equal to the Fair Market Value of the Vessel,
 - (b) in the case of protection and indemnity risks (including pollution risks), for the full tonnage of the Vessel, for an unlimited amount, if available, and otherwise for the maximum amount obtainable in the market from time to time, including from the protection and indemnity association in which the Vessel is from time to time entered,
 - (c) in the case of loss of hire, for such periods of cover, for such excess periods and for such amounts as the Bank, acting reasonably, may from time to time require or approve,
- 6 2 3 to effect the Insurances through such brokers (the "approved insurance brokers") and with such insurance companies, underwriters, war risks and protection and indemnity associations as shall from time to time be approved in writing by the Bank, and, if so required by the Bank and reasonably available (but without, as between the Bank and the Owners, liability on the part of the Bank for premiums or calls), with the Bank named as co assured This clause shall not apply to P&I and defence insurances,
- 6 2 4 to notify the Bank, at least 7 days before the relevant policies or contracts expire, of the relevant brokers and/or insurance companies, underwriters, war risks and protection and indemnity associations through and with whom the Insurances are intended to be renewed and of the terms and conditions of renewal,
- 6 2 5 to renew the Insurances, having first obtained the Bank's approval in writing of the relevant brokers and/or insurance companies, underwriters, war risks and protection and indemnity associations through and with whom the Insurances are to be renewed and of the terms and conditions of renewal, no later than the relevant policies or contracts expire, and to procure that the approved insurance brokers, and any such war risks and protection and indemnity associations with which the Insurances are effected, shall promptly confirm in writing to the Bank such renewal, on the approved terms and conditions, as and when the same occurs,
- 6 2 6 punctually to pay all premiums, calls, contributions or other sums in respect of the Insurances and to produce all relevant receipts or evidence of payment when so required by the Bank,

- 6 2 7 to arrange for the execution of such guarantees as may from time to time be required by any protection and indemnity or war risks association for or for the continuance of the Vessel's entry,
- 6 2 8 to procure that notices of assignment to the Bank signed by the Owners are duly endorsed upon all slips, cover notes, policies, certificates of entry or other instruments of insurance issued or to be issued in connection with the Insurances (but in the case of P&I insurances, only to the extent possible in accordance with the association's rules and/or the then current London market practice), together with a loss payable clause, in each case in such form as may be required by the Bank, but in the case of P&I insurances, only to the extent possible a loss payable clause in the association's approved form,
- 6 2 9 to procure that the approved insurance brokers shall furnish the Bank with copies of the insurance issued or to be issued in connection with the Insurances and a letter or letters of undertaking in such form as the Bank may reasonably require having regard to the then current market practice,
- 6.2 10 to provide the Bank with a certified copy of the certificate of entry for the Vessel in respect of the protection and indemnity and/or war risks associations in which the Vessel is entered and to procure that such associations shall furnish the Bank with a letter or letters of undertaking in such form as the Bank may reasonably require having regard to the then current market practice,
- 6 2 11 from time to time as and when required, to provide such certificate of financial responsibility for pollution by oil or other substances issued by any competent authority in relation to the Vessel,
- 6 2 12 without prejudice to the generality of Clauses 6 2 9 and 6.2.10, if any of the Insurances form part of a fleet cover, to use best endeavours to procure that the approved insurance brokers and (as the case may be) associations so approved shall undertake to the Bank that they shall neither set off against any claim in respect of the Vessel any premiums or calls due in respect of other vessels or in respect of other insurances nor cancel any of the Insurances by reason of non payment of premiums or calls due in respect of other vessels or in respect of other insurances and to provide the Bank with a lien waiver letter in respect thereof in standard market form. This clause shall not apply to P&I and defence insurances,
- 6 2 13 to comply with all the requirements from time to time applicable to the Insurances and not to make, do, consent or agree to any act or omission which would or might render any such instrument of insurance invalid, void, voidable or unenforceable or subject to any material exclusion or qualification or which would render any sum payable under them repayable in whole or in part,
- 6 2 14 not to employ the Vessel, or suffer the Vessel to be employed, otherwise than in conformity with the terms of the said instruments of insurance (including any express or implied warranties they contain), without first obtaining the insurers' consent to

such other employment and complying with such requirements as to extra premium or otherwise as the insurers may prescribe, or arranging for additional insurances,

- 6 2 15 to apply all such sums receivable in respect of the Insurances as are paid to the Owners in accordance with the Security Documents for the purpose of making good the loss and fully repairing all damage in respect of which those sums have been received,
- 6 2 16 not to alter any of the terms of any of the instruments of insurance issued in connection with the Insurances if, as a result of such alteration, they will cease to comply with the requirements of this Clause 6,
- 6 2 17 not without the prior written consent of the Bank to settle, compromise or abandon any claim under the Insurances in respect of the Vessel for a Total Loss or a Major Casualty;
- 6 2 18 to do all things necessary and provide the Bank with all relevant documents, evidence and information as the Bank may require to enable the Bank to collect or recover any moneys in respect of the Insurances which are payable to the Bank pursuant to the Security Documents,
- 6 2 19 to provide the Bank, at the time of the relevant communication, with copies of all communications of a material nature between the Owners and the approved insurance brokers or (as the case may be) approved associations relating to the Insurances of the Vessel including, without limitation
 - (a) any material condition, qualification or exclusion applicable to those Insurances,
 - (b) any actual or potential suspension of any of those Insurances,
 - (c) payment of premiums and calls and performance by the Owners of their other material obligations in respect of those Insurances,
- 6 2 20 to make or procure that the managers of the Vessel shall make such quarterly voyage declarations as may be required from time to time in accordance with the Insurances, especially in order to maintain cover for trading in and to the United States of America and the Exclusive Economic Zone (as defined in the United States of America Oil Pollution Act 1990) and shall on request supply the Bank with copies thereof

6 3 MII and MAP Cover

The Owners undertake to pay to the Bank on demand all premiums and other amounts payable by the Bank in effecting and maintaining on behalf of the Bank a mortgagee's interest insurance policy and a mortgagee's interest additional perils (pollution) policy in respect of the Vessel (in an amount which when aggregated with the amounts for which any other vessels providing first priority security for the Outstanding Indebtedness are insured for such risks equals 110% of the amount of the Outstanding Indebtedness from time to time and

otherwise to be on such terms and conditions and to be placed through such brokers and with such insurers and underwriters as the Bank may require)

6 4 Consultation with insurance advisers

The Bank shall be entitled, at any time and from time to time, to consult insurance advisers on any matter relating to the Insurances of the Vessel (including, without limitation, the terms, amounts and quality of the Insurances and the status of any insurance claims), and the Owners shall procure that there is delivered to such advisers any and all such information concerning the Vessel and her Insurances as the Bank may require. The costs and expenses of any such insurance advisers shall be for the account of the Owners and shall be payable on demand.

6 5 Modification of Insurances

If, in the opinion of the Bank, by reason of a significant change in circumstances after the date of the Deed (such changes in circumstances to include, without limitation, changes in the availability or cost of insurance coverage or in generally accepted industry practice) the Insurances do not provide the Bank with good and adequate security, the Bank may from time to time notify the Owners of any proposed modification of the requirements of the Security Documents relating to Insurances which the Bank may consider appropriate in the circumstances. Such modification may (without limitation) require the Owners to place, or procure the placing of, further and additional insurances and/or to amend or procure the amendment of the existing Insurances, whether through the existing brokers or otherwise. Any such modification shall take effect as an amendment to the Security Documents on and from the date on which it is notified in writing to the Owners and shall bind the Owners accordingly.

7 VESSEL UNDERTAKINGS - OPERATION AND MAINTENANCE

7 1 Duration of undertakings

The Owners hereby covenant, jointly and severally, with the Bank and undertake to comply with the undertakings contained in this Clause 7 in respect of the Vessel at all times until the end of the Security Period.

7 2 Registration

The Owners undertake

7 2 1 to keep the Vessel registered under the laws and flag of the Flag State and not to do or suffer to be done anything by which that registration may be forfeited or imperilled,

7 2 2 not to change the name or port of registration of the Vessel without the prior written consent of the Bank

7 3 Classification, repair and surveys

The Owners undertake

- 7 3 1 to procure that the Vessel is kept in a good and seaworthy state of repair, so as to maintain the highest class with the Classification Society free of overdue recommendations and conditions, and so as to comply with the provisions of all laws and all other regulations and requirements (statutory or otherwise) from time to time applicable to Vessel registered at ports in the Flag State and to vessels trading to any jurisdiction to which the Vessel may, subject to the provisions of this Deed, trade from time to time,
- 7 3 2 to procure that the Vessel is submitted regularly to such periodical or other surveys as may be required for classification and regulatory purposes and, if so required by the Bank, to procure that the Bank is supplied with copies of all survey reports and class and other certificates issued in this respect,
- 7 3 3 to procure that all repairs to or replacement of any damaged, worn or lost parts or equipment shall be effected in accordance with the rules and requirements of the Classification Society in such manner (both as regards workmanship and quality of materials) as not to diminish the value of the Vessel,
- 7 3 4 not to remove any material part of the Vessel, or any item of equipment installed on it unless the part or item so removed is promptly replaced by a suitable part or item which is in the same condition as or better condition than the part or item removed, is free from any Encumbrance (other than a Permitted Encumbrance) or any right in favour of any person other than the Bank and becomes on installation on the Vessel the property of the Owners and subject to the security constituted by the relevant Security Document(s) provided that the Owners may install and remove equipment owned by a third party if the equipment can be installed/removed without any risk of damage to the Vessel unless such damage is of a minor nature and can be, and is, rectified immediately,
- 7 3 5 except as required by law or by the Classification Society, not without the prior written consent of the Bank, to cause or permit to be made any substantial change in the structure, type or performance characteristics of the Vessel

7 4 Management

The Owners undertake

- 7 4 1 to procure that at all times the Vessel is managed only by the Managers on the terms of the relevant Management Agreements,
- 7 4 2 not, without the prior written consent of the Bank, to amend the Management Agreements in respect of the Vessel in any material respect or to terminate or suffer the termination of any such appointment or to appoint or suffer the appointment of any other managers for the Vessel, and

7 4 3 if and when required by the Bank, to procure that each of the Managers executes and delivers to the Bank a Manager's Undertaking

7 5 Employment

The Owners undertake

7 5 1 not to employ the Vessel, or suffer her employment

- (a) in any trade or business which is forbidden by the law of the Flag State, or the law of any country to which the Vessel may sail, or which is otherwise illicit;
- (b) in carrying illicit or prohibited goods, or in any manner whatsoever which may render her liable to condemnation in a Prize Court or to destruction, seizure or confiscation,
- (c) in carrying any contraband goods,
- (d) in any part of the world where there are events of hostilities (whether war be declared or not), not to enter or trade to any zone which is declared a war zone by the Vessel's war risks insurers unless the Owners have effected, at their own expense, such special insurance cover as the Bank may approve or require (such approval shall be deemed to be given 48 hours after the Owners have requested it unless expressly refused by the Bank within that time),

7 5 2 fully to perform their own obligations under each charter and charter guarantee (if any) in respect of the Vessel and not to amend any such charter or charter guarantee (if any) in any respect (other than for amendments which are favourable to the Owners or commercially required by prudent owners acting in their commercial best interest) without the consent of the Bank, which shall not be unreasonably withheld,

7 5 3 not, without the prior written consent of the Bank (and then only subject to such terms as the Bank may impose)

- (a) to lay up the Vessel,
- (b) to let or employ the Vessel on demise charter,
- (c) to let the Vessel on any time or consecutive voyage charter for a term which exceeds, or which by virtue of any optional extensions might exceed, 12 months' duration,
- (d) to employ the Vessel on terms by which more than 3 months' hire (or the equivalent) is payable in advance,
- (e) to employ the Vessel otherwise than on bona fide arm's length terms or below such rate as the Owners can reasonably show to be the market rate prevailing at the time when the Vessel is fixed;

(f) to enter into any agreement or arrangement for the sharing of any Earnings of the Vessel,

7 5 4 to use reasonable endeavours to ensure that the Vessel shall have predominantly international trading patterns and that their Earnings shall be denominated in Dollars or Euro or Sterling,

7 5 5 not to employ or permit any member of the Vessel's crew to be employed in breach of the International Transport Worker's Federation (ITF) rules and regulations

7 6 Inspection; access to records

The Owners undertake to procure that the Bank or any representative of the Bank is permitted

7 6 1 to board the Vessel at all reasonable times for the purpose of inspecting her condition or satisfying itself as to proposed or executed repairs, and to afford all proper facilities for such inspections,

7 6 2 at any time without prior notice to the Owners, to obtain information about the Vessel and her condition from the Classification Society and the relevant regulatory authorities, to have access to the records of the Vessel maintained by the Classification Society and such authorities and otherwise to communicate direct with each of them as if the Bank were the owner of the Vessel (for which purpose the Owners shall issue such authorisations and instructions to, and use their reasonable endeavours to obtain such acknowledgments and undertakings from, such bodies, each in such terms as the Bank may require)

7 7 Information

The Owners undertake

7 7 1 promptly to furnish the Bank, when so required by it in writing, with a copy of the classification certificate issued by the Classification Society for the Vessel, all such information regarding the Vessel, her employment, position and engagements, particulars of all towages and salvages and copies of all charters and other contracts for her employment or otherwise howsoever concerning her and all such material information as shall be or ought to be supplied to the insurers of the Vessel,

7.7.2 to notify the Bank immediately upon their becoming aware of

(a) any accident to the Vessel or incident which is or is likely to be a Major Casualty,

(b) any occurrence resulting in the Vessel becoming or being likely to become a Total Loss,

(c) any requirement or recommendation made by any insurer or the Classification Society, or by any competent authority, in respect of the

Vessel which is not complied with within any time limit imposed by that insurer, Classification Society or authority,

- (d) any arrest of the Vessel, or the exercise or purported exercise of any lien on the Vessel or her Earnings or any requisition of the Vessel for hire,
- (e) any non-scheduled dry-docking of the Vessel,
- (f) any allegation of non-compliance with the ISM Code or the ISPS Code against the Owners or the Managers or otherwise in connection with the Vessel,
- (g) any other matter, event or incident, actual or threatened, the effect of which will or may lead to the ISM Code or the ISPS Code not being complied with by the Owners or the Manager or otherwise in connection with the Vessel

7 8 Discharge of debts; avoidance of liens

The Owners undertake

- 7 8 1 promptly to pay and discharge or secure all debts, damages and liabilities whatsoever which the Owners shall have been called upon to pay, discharge or secure and which have given, or may give, rise to maritime or possessory liens on or claims enforceable against the Vessel, and in the event of arrest of the Vessel pursuant to legal process, or in the event of her detention in exercise or purported exercise of any such lien, to procure the release of the Vessel from such arrest or detention promptly upon receiving notice of the same by providing bail or otherwise as the circumstances may require,
- 7 8 2 to procure that all tolls, dues and other outgoings whatsoever in respect of the Vessel are promptly paid, and upon request by the Bank, to furnish satisfactory evidence that the wages and allotments, and the insurance and pension contributions in respect of the Master and crew, are being regularly paid, that all deductions from crew's wages on account of tax and/or social security contributions have been properly made and accounted for to the relevant authorities and that the Master has no claim for disbursements other than those incurred by him in the ordinary course of trading on the voyage then in progress,
- 7 8 3 not without the previous consent in writing of the Banks (and then only subject to such terms as the Banks may impose) to create or suffer the creation of an Encumbrance (other than a Permitted Encumbrance) over or in respect of the Vessel or any share in the Vessel,
- 7 8 4 not without the previous consent in writing of the Bank to put or suffer the Vessel to be put into the possession of any person for the purpose of work being done upon her in an amount exceeding or likely to exceed \$1,000,000 (or the equivalent in any other currency) unless either the cost of that work is fully recoverable under the Insurances or that person has first given to the Bank in terms satisfactory to the Bank a written

undertaking not to exercise any lien on the Vessel or her Earnings for the cost of that work or otherwise

7.9 Perfection of Mortgage

The Owners undertake

- 7.9.1 to place, and at all times to retain, a properly certified copy of this Deed and the Statutory Mortgage and of any assignment of this Deed and the Statutory Mortgage (if requested by any assignee) on board the Vessel with her papers, and to cause each such papers to be exhibited to any and all persons having business with the Vessel which might give rise to any lien on it other than liens for crew's wages and salvage and to any representative of the Bank and keep prominently displayed in the chart room and in the Master's cabin of the Vessel a framed notice in plain type, reading as follows

"NOTICE OF MORTGAGE

This Vessel is subject to a First Priority Mortgage in favour of NORDEA BANK FINLAND PLC Under the terms of the said Mortgage neither the Owners, any charterer, the Master of this Vessel nor any other person has any right, power or authority to create, incur or permit to be imposed upon this Vessel any lien whatsoever other than for crew's wages and salvage",

- 7.9.2 to comply with and satisfy all pertinent requirements and formalities to perfect and maintain the Statutory Mortgage as a legal, valid and enforceable first priority mortgage over the Vessel,
- 7.9.3 if and whenever so required by the Bank, to appear before the relevant courts of the Republic of Malta and consent to an injunction order restraining the Owners from selling, transferring, mortgaging or in any other way charging or dealing in the Vessel in the terms of Section 37 of the Maltese Merchant Shipping Act, Cap 234,
- 7.9.4 to execute, whenever required by the Bank, an instrument of mortgage amending the Statutory Mortgage in terms of Section 45A of the Maltese Merchant Shipping Act, Cap 234,
- 7.9.5 to file all necessary returns and accounts with the competent Maltese authorities so as to ensure that the Earnings are duly exempted from all tax, succession and stamp duty according to the Maltese Merchant Shipping Act, Cap 234,
- 7.9.6 to appoint and maintain a resident agent throughout the Security Period,
- 7.9.7 to comply with and ensure that the Vessel at all times complies with the provisions of the Merchant Shipping Act, Cap 234 of the laws of Malta and all regulations and requirements (statutory or otherwise) from time to time applicable to vessels registered at the Port of Valletta or otherwise applicable to the Vessel, and

7 9 8 to maintain the Vessel's qualification as an '*exempted Vessel*' in terms of the Merchant Shipping Act, Cap 234, and '*inter alia*' to file all necessary returns and/or accounts with the competent Maltese Authorities so as not to render the income of the Vessel subject to any such tax or duty, and, when so qualified as an '*exempted Vessel*', not to imperil or lose such status for any reason whatsoever

7 10 **Environmental undertakings**

The Owners undertake

7 10 1 to notify the Bank immediately upon their becoming aware of the occurrence of

(a) any Environmental Claim against the Owners, the Vessel, any other Obligor, or

(b) any Environmental Incident which may give rise to any Environmental Claim,

which, in either case, could or might materially affect the interests of the Bank, and to keep the Bank advised in writing on such regular basis and in such detail as the Bank shall require of the nature of that Environmental Claim or Environmental Incident and the Owners' proposed and actual response thereto,

7 10 2 to comply with and procure that all Environmental Affiliates comply with all Environmental Laws including, without limitation, requirements relating to manning and establishment of financial responsibility, and to obtain and comply with, and procure that all Environmental Affiliates obtain and comply with, all Environmental Approvals, and

7 10 3 to ensure that the Vessel is, at all times, equipped and accredited with any required trading documentation and/or authorisations necessary to legitimise the entry of the Vessel into the waters of any relevant jurisdiction. Such trading documentation and authorisations shall include, amongst other things, valid certification under the International Convention on Civil Liability for Oil Pollution Damage (as amended) and the International Convention on Civil Liability for Bunker Oil Pollution Damage, a valid US Coast Guard certificate of financial responsibility (water pollution), a valid certificate from any US state that requires a state equivalent of a certificate of financial responsibility, a vessel classification certificate and any other credentials as might be, or may come to be, required. Copies of such trading documentation and/or authorisations shall be made available to the Bank as and when requested

7 11 **ISM Code and ISPS Code**

The Owners undertake to comply, and procure compliance by the Manager and any other operator of the Vessel, with

7.11.1 all provisions of the ISM Code including, without limitation, obtaining and maintaining in force at all times a valid Document of Compliance in relation to the company responsible for the Vessel's compliance with the ISM Code under paragraph

1 1 2 of the ISM Code and a valid Safety Management Certificate in respect of the Vessel as required by the ISM Code, and

7 1 2 all provisions of the ISPS Code including, without limitation, obtaining and maintaining in force a valid International Ship Security Certificate in respect of the Vessel as required by the ISPS Code, and ensuring that the Vessel's security system and its associated security equipment comply with the applicable requirements of Part A of the ISPS Code and of Chapter XI-2 of the Safety of Life at Sea Convention 1974 (SOLAS), and that an approved ship security plan is in place,

and to procure that certified copies of all such certificates and other documents are provided promptly on demand to the Bank

8 THE BANK'S POWERS

8 1 The Bank shall, without prejudice to its other rights and powers under this Deed and the other Finance Documents, be entitled (but not bound) at any time and as often as may be necessary to take any such action as it may in its discretion think fit for the purpose of protecting or maintaining the security created by this Deed and the other Security Documents, and each and every loss, damage, liability or expense incurred by the Bank for these purposes shall be repayable to it by the Owners on demand, together with interest (as well after as before any judgment) at the Default Rate in accordance with the relevant provisions of the Agreement

Without prejudice to the generality of the foregoing

8 1 1 if the Owners fail to comply with any of the provisions of Clause 6, the Bank shall be at liberty to effect, and thereafter to maintain, all such Insurances upon or in respect of the Vessel as in its discretion it may think fit,

8 1 2 if the Owners fail to comply with any of the provisions of Clause 7 3, the Bank shall be at liberty to arrange for the carrying out of such repairs and/or surveys as it deems expedient or necessary, and

8 1 3 if the Owners fail to comply with any of the provisions of Clause 7 8, the Bank shall be at liberty to pay and discharge all such debts, damages and liabilities as are there mentioned and/or to take any such measures as it deems expedient or necessary for the purpose of securing the release of the Vessel

9 ENFORCEMENT

9 1 Right to enforce security

The security constituted by this Deed shall become immediately enforceable upon the occurrence of an Event of Default which is continuing

9 2 Powers upon enforcement

Upon this Deed becoming enforceable the power of sale and other powers conferred by Section 101 of the (U K.) Law of Property Act 1925, as varied by this Deed, shall become

exercisable and the Bank shall become immediately entitled, without being required to obtain any court order or declaration that an Event of Default has occurred and whether or not the Bank has made any demand for payment under Clause 13.2 of the Agreement, as and when it may see fit, to put into force and to exercise all or any of the powers possessed by it as mortgagee, chargee and assignee of the Mortgaged Property (whether by law or otherwise) and, in particular, but without prejudice to the generality of the foregoing

- 9.2.1 to take possession of the Vessel whether actually or constructively and/or otherwise to take control of the Vessel and/or to order the Vessel to proceed forthwith at the Owners' risk and expense to a port or place nominated by the Bank (and the Owners undertake to give the necessary instructions to the Master of the Vessel to comply with any such order of the Bank and if the Owners fail to give such instructions for any reason whatsoever the Bank shall have the right and power to give such instructions direct to the Master),
- 9.2.2 to exercise all the rights and remedies in foreclosure and otherwise given to mortgagees by applicable law,
- 9.2.3 to require that all policies, contracts, certificates of entry and other records relating to the Insurances (including details of and correspondence concerning outstanding claims) be forthwith delivered to or to the order of the Bank,
- 9.2.4 to collect, recover, compromise and give a good discharge for all claims then outstanding or thereafter arising under the Insurances or in respect of the Earnings or any Requisition Compensation, and to take over or institute (if necessary using the name of the Owners) all such proceedings in connection with such claims as the Bank in its absolute discretion thinks fit and to permit the brokers through whom collection or recovery is effected to charge the usual brokerage,
- 9.2.5 to discharge, compound, release or compromise claims against the Owners in respect of the Vessel which have given rise to any charge or lien on the Vessel or which are or may be enforceable by proceedings against the Vessel,
- 9.2.6 to sell the Vessel or any share therein, with or without advertisement or notice to the Owners, free from any claims of or by the Owners of any nature whatsoever, and with or without the benefit of any charterparty, by public auction or private contract or tender, at home or abroad, for cash or on credit, and upon such terms as the Bank in its absolute discretion may determine, with power to postpone any such sale and without being answerable for any loss occasioned by such sale or resulting from its postponement and with power itself to purchase the Vessel at any such public auction and to set off the purchase price against all or any part of the Outstanding Indebtedness,
- 9.2.7 to navigate, manage, insure, maintain and repair the Vessel and to employ or lay up the Vessel in such manner, upon such terms and for such period as the Bank in its absolute discretion deems expedient, the Bank being entitled to do all acts and things incidental or conducive to this end, and in particular to enter into such arrangements respecting the Vessel, her navigation, management, insurance, maintenance, repair,

classification and employment in all respects as if the Bank were the owner of the Vessel, and without being responsible for any loss thereby incurred, and

- 9 2 8 to recover from the Owners on demand all losses, damages, liabilities and expenses incurred by the Bank in or about or incidental to the exercise by it of any of the above powers, together with interest at the Default Rate in accordance with the relevant provisions of the Agreement

For the avoidance of doubt, the powers of the Bank by virtue of this Deed shall not be limited to those specified in Section 101 of the (U K) Law of Property Act 1925

9.3 No duty to enquire or take other action

The Bank shall not be obliged to make any enquiry as to the nature or sufficiency of any payment received by it under this Deed and the Statutory Mortgage or to make any claim, take any action or enforce any rights or benefits to which the Bank may be at any time entitled under this Deed and the Statutory Mortgage or otherwise

9 4 Exclusion of liability

Neither the Bank nor its servants or agents (except in the case of its wilful default and/or wilful misconduct) shall be liable for any loss, damage, liability or expense whatsoever and howsoever suffered or incurred by the Owners arising out of or in connection with the exercise or purported exercise by or on behalf of the Bank of any rights, powers or discretions under this Deed

9 5 Dealings with the Bank

Upon any sale of the Vessel or any share in the Vessel by the Bank pursuant to Clause 9 2 6 the purchaser shall not be bound to see or enquire whether the power of sale of the Bank has arisen in the manner provided by this Deed, the sale being deemed to be within the power of the Bank, and the receipt of the Bank for the purchase money shall effectively discharge the purchaser who shall not be concerned with the manner of application of the proceeds of sale or in any way answerable for the sale

9 6 Receivers

The Bank may, at any time after this Deed has become enforceable, appoint in writing, under the hand of any officer or officers of the Bank or under the seal of the Bank, any person, whether an officer of the Bank or not, to be receiver or receiver and manager (each of which is referred to below as a "Receiver") of the Mortgaged Property or any part thereof and may in like manner, from time to time, remove any Receiver so appointed and appoint another in his stead Any Receiver so appointed shall

- 9 6 1 be the agent of the Owners, who shall be solely liable for his remuneration, costs, charges and expenses and for his acts and defaults;

- 9 6 2 have all the powers conferred by the (U.K.) Law of Property Act 1925, without the restrictions contained in Sections 93 and 103 of that Act, together with all the powers

conferred by the (U K) Insolvency Act 1986, and, in addition, shall have the power, on behalf of and at the cost of the Owners, to do or omit to do anything which the Owners could do or omit to do in relation to the Mortgaged Property and to exercise all the rights, powers and remedies of the Bank under this Deed and the Statutory Mortgage, for which purpose the benefit of all the immunities and limitations of liability conferred on the Bank by this Deed shall extend to the Receiver and his servants and agents,

9 6 3 be entitled to remuneration appropriate to the work and responsibilities involved, upon the basis of charging adopted by the Receiver in accordance with the current practices of his firm, without being limited to the maximum rate specified in Section 109(6) of the Law of Property Act 1925

10 APPLICATION OF PROCEEDS

10 1 All moneys received or recovered by the Bank or any Receiver in respect of

10 1 1 sale of the Vessel or any share in the Vessel,

10 1 2 the Earnings, following a direction made by the Bank under Clause 9 8 2 of the Agreement,

10 1 3 recovery under the Insurances (other than any such sum or sums as may have been received by the Bank in respect of a Major Casualty and paid over to the Owners),

10 1 4 Requisition Compensation, or

10 1 5 the net profits arising out of the employment of the Vessel by or on behalf of the Bank or the Receiver,

shall be held by it or him upon trust, in the first place, to pay the remuneration of the Receiver and to pay or make good all costs, expenses and liabilities whatsoever incurred by the Bank or the Receiver in or about or incidental to the recovery of such moneys, and the balance shall be applied in accordance with Clause 7 2 of the Agreement

The Owners hereby irrevocably waive any rights of appropriation to which they may be entitled

11 INDEMNITY BY THE OWNERS

11 1 The Owners shall indemnify and keep the Bank and any Receiver indemnified against all costs, charges, expenses, claims, proceedings (whether civil or criminal), liabilities, losses, damages and injury (personal or economic), penalties, fines, duties and fees (including, but not limited to, legal fees and expenses on a full indemnity basis) and taxes thereon suffered or incurred by the Bank or such Receiver for any reason and whether sustained or incurred during or after the Security Period

11 1 1 arising directly or indirectly in any manner out of the ownership, possession, management, control, chartering, sub chartering, navigation, victualling, fuelling,

manning, supply, insurance, use, operation, laying up or storage of or loss of or damage to the Vessel or any part thereof or from any maintenance, service, modification, repair, classification or overhaul of, or otherwise in connection with, the Vessel or any part thereof and regardless of when the same shall arise and whether or not the Vessel or the relevant part thereof is in the possession or control of the Owners,

11 1 2 because of any design, article or material of, on or in the Vessel or any part thereof or relating thereto, whether because of infringement of patent, copyright, design, trademark or other rights or otherwise,

11 1 3 relating to or arising directly or indirectly in any manner or for any cause or reason whatsoever out of an Environmental Claim or asserted against the Bank and/or the Vessel, or out of any actual or threatened Environmental Incident relating to the Vessel, or

11 1 4 arising out of any act or omission made by the Bank in good faith in connection with the Vessel or in connection with any of the matters dealt with in the Security Documents

12 POWER OF ATTORNEY

12 1 Each Owner by way of security hereby irrevocably appoints the Bank and any Receiver as its true and lawful attorney with full power in the name of that Owner, should the Bank or Receiver so elect, 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 this Deed, and to endorse any cheques or other instruments or orders in connection with such moneys, and to make any claims, take any action and institute any proceedings which the Bank or Receiver may consider to be necessary or advisable in this respect and otherwise to do any and all things which that Owner itself could do in relation to the Mortgaged Property provided always that

12 1 1 neither the Bank nor any Receiver nor any of its respective officers, employees or agents (except in the case of its gross negligence or wilful misconduct) shall be liable to that Owner for any loss, damage, liability or expense whatsoever and howsoever suffered or incurred by that Owner as a result of the exercise of such powers,

12 1 2 the Bank or Receiver will not exercise such powers unless and until an Event of Default has occurred, and

12 1 3 notwithstanding the terms of Clause 12 1 2, third parties shall not be bound to see or enquire whether the right of the Bank or Receiver to exercise such powers has arisen

12 2 The Owners by way of further security have agreed to execute Powers of Attorney in favour of the Bank in the form set out in Appendix A provided however that such power shall not be exercisable by or on behalf of the Bank until the Mortgage and this Deed shall have become immediately enforceable pursuant to Clause 9

13 ASSIGNMENTS AND TRANSFERS

13 1 No assignment by Owners

The Owners may not assign or transfer all or any of their rights, benefits or obligations under this Deed or the Statutory Mortgage

13 2 Assignment and transfer by Bank

The Bank may assign or transfer all or any of its rights, benefits or obligations under this Deed and the Statutory Mortgage to the same extent that it is permitted by the Agreement to assign or transfer its rights, benefits or obligations under the other relevant Finance Documents

13 3 Delegation

The Bank may at any time and from time to time delegate any one or more of its rights, powers and/or obligations under this Deed to any person (provided that the Bank shall remain fully responsible for the exercise or performance of any rights, powers and/or obligations delegated by it)

13 4 Owners to assist

The Owners undertake to do or to procure all such acts and things and to sign, execute and deliver or procure the signing, execution and deliver of all such instruments and documents as the Bank may reasonably require for the purpose of perfecting any such assignment or transfer as mentioned above

14 DISCHARGE OF SECURITY

Upon the repayment of the whole of the Outstanding Indebtedness, the Bank upon the request and at the expense and cost of the Owners shall provide a memorandum of discharge of the Statutory Mortgage for registration at the shipping registry of the Flag State, and do such other acts and execute such other documents as may be reasonably necessary to discharge the security created by the Statutory Mortgage and this Deed

15 MISCELLANEOUS

15 1 Time of essence

Time is of the essence as regards every obligation of the Owners under this Deed

15 2 Remedies and waivers

No failure to exercise, nor any delay in exercising, on the part of the Bank, any right or remedy under this Deed shall operate as a waiver of it, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise of it or the exercise of any other right or remedy. The rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.

15 3 Waivers and amendments to be in writing

Any waiver by the Bank of any provision of this Deed, and any consent or approval given by the Bank under or in respect of this Deed, shall only be effective if given in writing and then only strictly for the purpose and upon the terms for which it is given. This Deed may not be amended or varied orally but only by a deed executed by the Bank and the Owners.

15 4 Severability

If at any time one or more of the provisions of this Deed is or becomes invalid, illegal or unenforceable in any respect under any law by which it may be governed or affected, the validity, legality and enforceability of the remaining provisions shall not be in any way affected or impaired as a result.

15 5 Counterparts

This Deed may be executed in any number of counterparts and all such counterparts taken together shall be deemed to constitute but one and the same instrument.

15 6 Further assurance

The Owners shall, upon demand, and at their own expense, sign, execute, perfect, do and register all such further assurances, documents, acts and things as the Bank may require for

15 6 1 perfecting or protecting the security constituted by this Deed and the Statutory Mortgage,

15 6 2 the exercise by the Bank of any right, power or remedy vested in it under this Deed or the Statutory Mortgage,

15 6 3 enforcing the security constituted by this Deed and the Statutory Mortgage after the same shall have become enforceable.

16 NOTICES

All notices (which expression includes any demand, request, consent or other communication) to be given by one party to the other under this Deed shall be given in the manner provided in the Agreement.

17 APPLICABLE LAW AND JURISDICTION

17 1 Governing law

This Deed and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.

17 2 Submission to jurisdiction

The Owners hereby irrevocably agree for the exclusive benefit of the Bank that the English courts shall have jurisdiction in relation to any dispute and any suit, action or proceeding.

(referred to together in this Clause 17 as "**Proceedings**") which may arise out of or in connection with this Deed and/or the Statutory Mortgage, and for such purposes irrevocably submits to the jurisdiction of such courts

17.3 Choice of forum

Nothing in this Clause 17 shall affect the right of the Bank to serve process in any manner permitted by law or limit the right of the Bank to take Proceedings against the Owners in any other court of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings by the Bank in any other jurisdiction, whether concurrently or not

The Owners shall not commence any Proceedings in any country other than England in relation to any matter arising out of or in connection with this Deed and/or the Statutory Mortgage

17.4 Action against the Vessel

Without prejudice to the generality of Clause 17.3, the Bank shall have the right to arrest and take action against the Vessel in whichever place the Vessel may from time to time be situated, and for such purpose any legal process may be served upon the Master of the Vessel, who is hereby authorised to accept service on behalf of the Owners, which shall be deemed to be good service on the Owners

17.5 Forum convenience

The Owners irrevocably waive any objection which they may at any time have on the grounds of inconvenient forum or otherwise to Proceedings being brought in any such court as is referred to in this Clause 17, and further irrevocably agrees that a judgment or order in any Proceedings brought in the English courts shall be conclusive and binding upon the Owners and may be enforced without review in the courts of any other jurisdiction

17.6 Consent

The Owners consent generally in respect of any Proceedings arising out of or in connection with this Deed and/or the Statutory Mortgage to the giving of any relief or the issue of any process in connection with such Proceedings, including, without limitation, the making, enforcement or execution against any property or assets whatsoever of any order or judgment which may be made or given in such Proceedings

17.7 Process Agent

If any legal action or proceedings arising out of or in connection with the Mortgage, this Deed, the Loan Agreement or other Finance Documents is begun in Malta any writ, judgment or notice of proceedings or other legal process shall be sufficiently served on the Owners if served on and delivered to Ganado Services Limited of Malta whom the Owners hereby nominate as their attorney in Malta for these purposes and who has signified his acceptance of such nomination by delivering to the Bank a letter in the form annexed hereto as Appendix B. The Owners covenant with the Bank not to revoke its appointment of such person as its legal

representative in Malta for such purposes aforesaid and in the event of such person's inability to fulfil such capacity to procure that the Bank is forthwith informed in writing that another suitable person resident in Malta is appointed legal representative in place of such person and that the Bank is informed promptly of the name and address of such substitute


IN WITNESS whereof the parties hereto have entered into this Deed as a deed the day and year first before written

EXECUTION PAGE

THE OWNERS

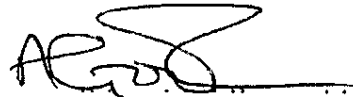
SIGNED AND DELIVERED AS A DEED)
by ANDREW CODY)
duly authorised for and on behalf of)
BIBBY BULK CARRIERS LIMITED)
in the presence of)




Signature 
Name JOANNE BUTTON
Occupation TRAINEE SOLICITOR
Address

HOLMAN FENWICK WILLAN LLP
SOLICITORS
FRIARY COURT, 65 CRUTCHED FRIARS
LONDON, EC3N 2AE

SIGNED and DELIVERED AS A DEED)
as a DEED by ANDREW CODY)
duly authorised for and on behalf of)
BIBBY NAVIGATION LIMITED)
in the presence of)




Signature 
Name JOANNE BUTTON
Occupation TRAINEE SOLICITOR
Address


HOLMAN FENWICK WILLAN LLP
SOLICITORS
FRIARY COURT, 65 CRUTCHED FRIARS
LONDON, EC3N 2AE

THE BANK

SIGNED AND DELIVERED AS A DEED)
by)
duly authorised for and on behalf of)
NORDEA BANK FINLAND PLC)
in the presence of)



Katherine Noble
Attorney-in-fact

Signature 
Name JOANNE BUTTON
Occupation TRAINEE SOLICITOR
Address

HOLMAN FENWICK WILLAN LLP
SOLICITORS
FRIARY COURT, 65 CRUTCHED FRIARS
LONDON, EC3N 2AE

APPENDIX A

POWER OF ATTORNEY

By these presents we the undersigned **BIBBY BULK CARRIERS LIMITED** a company incorporated in England and Wales with company registration number 01036027, whose registered office is at 105 Duke Street, Liverpool L1 5JQ, England do hereby nominate and appoint **NORDEA BANK FINLAND PLC**, a bank incorporated in Finland acting for the purposes of this Deed through its London branch at 8th Floor, City Place House, 55 Basinghall Street, London EC2V 5NB, England (the "Mortgagee") as our special attorney and authorise the Mortgagee to apply for the closure of Maltese Register in respect of the vessel "SHROPSHIRE" in terms of Section 28 of the Merchant Shipping Act (Cap 234) in our name and on our behalf and to pay all such fees, make all such declarations and receive all such certificates, including the deletion certificate as may be necessary for the proper fulfilment of the mandate

We further authorise the Mortgagee as our attorney to request and obtain from the Registrar of Shipping copies certified by the said Registrar of any documents that may be filed with the said Registrar

Our attorney is authorised to delegate all his power hereunder in writing

This mandate is granted in the interest of and is part of the security of **NORDEA BANK FINLAND PLC**.

This the day of

For and on behalf of
BIBBY BULK CARRIERS LIMITED

Signed in the presence of.

POWER OF ATTORNEY

By these presents we the undersigned **BIBBY NAVIGATION LIMITED**, a company incorporated in England and Wales with company registration number 01195556, whose registered office is at 105 Duke Street, Liverpool L1 5JQ, England do hereby nominate and appoint **NORDEA BANK FINLAND PLC**, a bank incorporated in Finland acting for the purposes of this Deed through its London branch at 8th Floor, City Place House, 55 Basinghall Street, London EC2V 5NB, England (the "Mortgagee") as our special attorney and authorise the Mortgagee to apply for the closure of Maltese Register in respect of the vessel "SHROPSHIRE" in terms of Section 28 of the Merchant Shipping Act (Cap 234) in our name and on our behalf and to pay all such fees, make all such declarations and receive all such certificates, including the deletion certificate as may be necessary for the proper fulfilment of the mandate

We further authorise the Mortgagee as our attorney to request and obtain from the Registrar of Shipping copies certified by the said Registrar of any documents that may be filed with the said Registrar

Our attorney is authorised to delegate all his power hereunder in writing

This mandate is granted in the interest of and is part of the security of **NORDEA BANK FINLAND PLC**.

This the day of

For and on behalf of
BIBBY NAVIGATION LIMITED
Signed in the presence of

APPENDIX B

LETTER OF ACCEPTANCE FOR SERVICE OF PROCESS PURPOSES

NORDEA BANK FINLAND PLC

8th Floor, City Place House,
55 Basinghall Street,
London EC2V 5NB,
England

DATE

Dear Sirs,

RE : m.v. "SHROPSHIRE"

we are pleased to confirm that we accept the appointment as agent to receive service of process issued out of the Maltese courts on behalf of **BIBBY BULK CARRIERS LIMITED** and **BIBBY NAVIGATION LIMITED** both having registered office at 105 Duke Street, Liverpool L1 5JQ, England (the "Owners") under Clause 17.7 of the Deed of Covenants dated 2014 and executed by the Owners in favour of yourselves and also promptly to forward to the relevant party or parties, at the registered office address specified above, copies of any legal process, summons, notices or other documents received by the undersigned as mandatory for service as aforesaid, subject to the conditions that

- (a) we will not be held personally responsible for any costs and/or fees connected with and incidental thereto; and
- (b) we will give you notice of any failure by the Owners to keep us in sufficient funds for the purpose of acting as agent for service of process in Malta and agree not to terminate the said appointment without giving you reasonable notice to pay such funds and a reasonable period to effect payment

We hereby undertake to notify you forthwith in the event that we shall cease to be located at the address hereunder following and to advise you forthwith of any new address

Yours faithfully,

Ganado Services Limited

Signed in the presence of