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CHFP004

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in black type, or
bold block lettering

* insert full name
of company

COMPANIES FORM No. 395

Particulars of a mortgage or charge

A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge.

Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies

For official use

Company number

(Address overleaf - Note 6)

Name of company

CPS NUMBER 2 LIMITED (the "Owner"), a company incorporated in England whose registered office is at 2 City Place, Beehive Ring Road, Gatwick, West Sussex, RH6 0PA, England

Date of creation of the charge

15 July 2005

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

A deed of covenant (the "Deed") made between (i) the Owner and (ii) ING Bank N.V. (the "Security Trustee")

Amount secured by mortgage or charge

"Secured Liabilities" means all liabilities which the Borrowers, the Security Parties (as each expression is defined below) or any of them have, at the date of the Deed or at any later time or times, to the Security Trustee or any other Creditor Party (as defined below) under or in connection with any Finance Document (as defined below) or any judgment relating to any Finance Document; and for this purpose, there shall be disregarded any total or partial discharge of these liabilities, or variation of their terms, which is effected by, or in connection with, any bankruptcy, liquidation, arrangement or other procedure under the insolvency laws of any country;

...continued...

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

ING Bank N.V.

60 London Wall, London

England

Postcode

EC2M 5TO

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

Watson, Farley & Williams LLP
15 Appold Street
London EC2A 2HB

ERWH1/05456.50001/16850219

Time critical reference

For official Use
Mortgage Section

Post room



LD2
COMPANIES HOUSE

L2MDZ76Y

0456
22/07/05

All of the vessel "CONSHIP AUSTRALIS" registered in the name of the Owner under the laws and flag of the United Kingdom under Official Number 906104 and includes any of the Owner's share or interest in that vessel and its engines, machinery, boats, tackle, outfit, spare gear, fuel, consumable or other stores, belongings and appurtenances whether on board or ashore and whether now owned or hereafter acquired by the Owner (the "Ship").

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

Negative pledge

The Owner shall not sell, create any Security Interest (except Permitted Security Interests) not exclusively securing the Secured Liabilities over or otherwise dispose of the Ship or any right relating to the Ship except in circumstances where the provisions of clause 8.8 of the Loan Agreement are complied with.

...continued...

Particulars as to commission allowance or discount (note 3)

None

A fee of £10 is payable to Companies House in respect of each register entry for a mortgage or charge.
(See Note 6)

Signed

W. F. & G. Williams LLP

Date 21 July 2005

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

†delete as appropriate

Notes

- 1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395). If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398). A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the registrar. The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body. A verified copy will also be accepted where section 398(4) applies (property situated in Scotland or Northern Ireland) and Form No. 398 is submitted.
- 2 A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage" or "Legal charge", etc, as the case may be, should be given.
- 3 In this section there should be inserted the amount or rate per cent. of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his
 - (a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
 - (b) procuring or agreeing to procure subscriptions, whether absolute or conditional,for any of the debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered.
- 4 If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet.
- 5 Cheques and postal orders are to be made payable to **Companies House**
- 6 The address of the Registrar of Companies is:-
Companies House, Crown Way, Cardiff CF4 3UZ, DX: 33050 Cardiff

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COMPANIES FORM No. 395 (Cont.) AND FORM No. 410 (Scot)(Cont.)
Particulars of a mortgage or charge
(continued)

Continuation sheet No 1
to Form No 395 and 410 (Scot)

Company number
04165720

Please complete
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bold block lettering

Name of company CPS NUMBER 2 LIMITED (the "Owner"), a company incorporated in England whose registered office is at 2 City Place, Beehive Ring Road, Gatwick, West Sussex, RH6 0PA, England

~~limited~~

* delete if
inappropriate

Description of the instrument relating or evidencing the mortgage or charge (continued) (note 2)

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Definitions

"Agency and Trust Agreement" the agency and trust deed dated 25 March 2004 and entered into between the Borrowers, the Lenders, the Mandated Lead Arrangers, the Agent and the Security Trustee;

"Agent" means ING Bank N.V., acting in such capacity through its office at 60 London Wall, London EC2M 5TQ, England, or any successor of it appointed under clause 2 of the Agency and Trust Agreement;

"Borrower" and collectively **"the Borrowers"** means CPS Number 1 Limited and the Owner;

"CPSL" means CP Ships Limited, a corporation organised under the laws of New Brunswick, Canada whose registered office is at 44 Chipman Hill, 10th Floor, PO Box 7289, Station A, Saint John, New Brunswick, Canada E2L 4S6 (and includes its successors);

"Creditor Party" and collectively **"the Creditor Parties"** means the Agent, the Security Trustee or any Lender, whether as at the date of the Loan Agreement or at any later time;

"Designated Line Operator" means each of:

- (a) CP Ships (UK) Limited, a company incorporated in England and Wales whose registered office is at St. Lawrence House, Station Approach, Horley Surrey RH6 9HJ, England;
- (b) CP Ships USA, LLC, a limited liability company formed under the laws of the state of Delaware whose registered office is at c/o Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801, USA; and
- (d) any other Affiliate of CPSL designated as such by CPSL by notice in writing to the Agent; (and includes their respective successors);

"Finance Documents" means (a) the Loan Agreement; (b) the Agency and Trust Agreement; and the following documents (as each defined in the Loan Agreement):

- (c) the CPSL Guarantee;
- (d) the Designated Line Operator Guarantees;
- (e) the Floating Charges;
- (f) the Mortgages;
- (g) the General Assignment;
- (h) the Shares Security Deeds; and
- (i) any other document (whether creating a Security Interest or not) which is executed at any time by a Borrower or CPSL or a Designated Line Operator pursuant to the Loan Agreement or any of the other documents referred to in this definition as security for any amount payable to the Lenders under the Loan Agreement or any of the other documents referred to in this definition;

"Lender" and collectively **"the Lenders"** means a bank or financial institution listed in Schedule 1 of the Loan Agreement acting through its branch indicated below its name in Schedule 1 thereof (or through another branch notified to the Borrowers under Clause 26.14 thereof) or its permitted transferee, successor or assign;

...continued...

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

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Definitions

"Approved Classification Society" means Lloyds Register, Germanischer Lloyd, Det Norske Veritas, American Bureau of Shipping or any other classification society which is a member of IACS from time to time approved in writing by the Agent acting with the authorisation of the Majority Lenders, which authorisation no Lender shall unreasonably withhold or delay;

"Approved Flag" means Bermuda, the Republic of Liberia, Hong Kong (Special Administrative Region of the People's Republic of China), the Republic of Cyprus, the Republic of the Marshall Islands, the United Kingdom or any other flag from time to time approved in writing by the Agent acting with the authorisation of the Majority Lenders, which authorisation no Lender shall unreasonably withhold or delay;

"Base Currency" means Dollars;

"Commitment" means, in relation to a Lender, the amount in the Base Currency set opposite its name in Schedule 1 of the Loan Agreement, or, as the case may require, the amount in the Base Currency specified in the relevant Transfer Certificate, as that amount may be reduced, cancelled or terminated in accordance with the Loan Agreement;

"Majority Lenders" means Lenders whose Commitments total 66.66 per cent. of the Total Commitments;

"Mortgage" means, in relation to each Subject Ship, a first priority ship mortgage on that Subject Ship executed or to be executed by the Borrower that owns that Subject Ship in favour of the Security Trustee in agreed form (and, where applicable, includes a deed of covenant collateral to the ship mortgage also in agreed form);

"Permitted Security Interest" means, in relation to any assets to which the Finance Documents, by their terms, relate:

- (a) Security Interests created by the Finance Documents;
- (b) liens for unpaid master's and crew's wages in accordance with usual maritime practice and pledges and deposits made in the ordinary course of business in compliance with workers' compensation, unemployment insurance and other such social security laws or regulations;
- (c) liens for salvage;
- (d) liens for master's disbursements incurred in the ordinary course of trading a Subject Ship provided such liens do not secure amounts more than 60 days overdue (unless the overdue amount is being contested by the Borrower which owns that Subject Ship or the Designated Line Operator which has bareboat chartered that Subject Ship in good faith by appropriate steps);
- (e) any Security Interest over goods supplied to any Borrower or any Security Party in the ordinary course of business arising out of the retention of title or similar provisions in the supplier's standard conditions of supply;
- (f) Security Interests securing liabilities for taxes or other governmental charges or levies that are not yet due or against which adequate reserves have been provided;
- (g) Security Interests created by or resulting from any legal or administrative action which is effectively stayed while the underlying claims are being contested in good faith by appropriate proceedings and in respect of which appropriate reserves have been made; and
- (h) Security Interests arising by operation of law or otherwise in the ordinary course of the operation, repair or maintenance of a Subject Ship, provided such liens do not secure amounts more than 30 days overdue (unless the overdue amount is being contested by the Borrower which owns that Subject Ship or the Designated Line Operator which has bareboat chartered that Subject Ship in good faith by appropriate steps) and subject, in the case of liens for repair or maintenance, to Clause 14.12(d) of the Loan Agreement;

...continued...

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COMPANIES FORM No. 395 (Cont.) AND FORM No. 410 (Scot)(Cont.)
Particulars of a mortgage or charge
(continued)

Continuation sheet No 2
to Form No 395 and 410 (Scot)

Company number

04165720

**Please complete
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bold block lettering**

Name of company

CPS Number 2 Limited, a company incorporated in England whose registered office is at 2 City Place, Beehive Ring Road, Gatwick, West Sussex, RH6 0PA (the "Owner")	limited *
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* delete if
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Description of the instrument relating or evidencing the mortgage or charge (continued) (note 2)

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"Loan Agreement" means the loan agreement dated 25 March 2004 and made between (i) the Borrowers, (ii) the Lenders, (iii) the Mandated Lead Arrangers, (iv) the Agent and (v) the Security Trustee as supplemented and amended by a supplemental deed dated 30 June 2005 and made between the Owner and CPS Number 1 Limited, CP Ships Limited, CP Ships USA, LLC, TMM Lines Limited, LLC, CP Ships (UK) Limited and ING Bank N.V., whereby it was agreed that the Lenders would make available to the Borrowers a secured multicurrency revolving credit facility of US\$525,000,000;

"Mandated Lead Arrangers" means Citigroup Global Markets Limited, HSBC Bank plc and ING Bank N.V.;

"Shares Security Deed" means, in relation to each Borrower and its issued share capital, a deed creating security in respect of, amongst other things, such issued share capital entered or to be entered into between each relevant shareholder and the Security Trustee in agreed form; and

"Security Party" and collectively the **"Security Parties"** means CPSL, any Designated Line Operator, any party to a Shares Security Deed (except the Security Trustee) and any other person (except a Creditor Party) who, as a surety or mortgagor, as a party to any subordination or priorities arrangement, or in any similar capacity, executes a document falling within paragraph (i) of the definition of "Finance Documents".

Names, addresses and descriptions of the mortgagees or persons entitled to the charge
(continued)

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"Replacement Subject Ship Criteria" means, in relation to any container vessel (other than those whose details are set out in Schedule 5 of the Loan Agreement) which the Borrowers propose shall become a Subject Ship, the following criteria:

- (a) it is beneficially owned by a Borrower and registered in the name of a Borrower on an Approved Flag;
- (b) it will be aged 15 years or less on the Termination Date;
- (c) it is classed with the highest appropriate class by an Approved Classification Society free of any overdue recommendations and conditions;
- (d) it is either a fully cellular containership or a container vessel with facilities for vehicles to drive on and off (roll-on roll-off);
- (e) it has a nominal capacity of not less than 1200 Twenty Foot Equivalent Units;

"Security Interest" means:

- (a) a mortgage, charge (whether fixed or floating) or pledge, any maritime or other lien or any other security interest of any kind securing any obligation of any person;
- (b) the security rights of a plaintiff under an action in rem; and
- (c) any arrangement entered into by a person (A) the effect of which is to place another person (B) in a position which is similar, in economic terms, to the position in which B would have been had he held a security interest over an asset of A; but this paragraph (c) does not apply to a right of set off or combination of accounts conferred by the standard terms of business of a bank or financial institution;

"Subject Ship" means:

- (a) each container vessel, details of which are set out in Schedule 5 of the Loan Agreement, for so long as:
 - (i) it is owned by a Borrower free from all Security Interests (except Permitted Security Interests); and
 - (ii) it has not become a Total Loss; and
 - (iii) the Mortgage relating to it has been executed and delivered (and, where applicable, registered or recorded) and remains in full force and effect; and
- (b) each further container vessel nominated by the Borrowers and approved by the Agent acting with the authorisation of the Majority Lenders, which authorisation no Lender shall unreasonably withhold or delay, which meets the Replacement Subject Ship Criteria for so long as:
 - (i) it is owned by a Borrower free from all Security Interests (except Permitted Security Interests); and
 - (ii) it has not become a Total Loss; and
 - (iii) the Mortgage relating to it has been executed and delivered (and, where applicable, registered or recorded) and remains in full force and effect;

"Termination Date" means the date falling 60 months after the date of the Loan Agreement;

"Total Commitments" means, at any time, the aggregate of the Commitments of all the Lenders at that time;

"Total Loss" means, in relation to a Subject Ship:

- (a) actual, constructive, compromised, agreed or arranged total loss of that Subject Ship;
- (b) any expropriation, confiscation, requisition or acquisition of that Subject Ship, whether for full consideration, a consideration less than its proper value, a nominal consideration or without any consideration, which is effected by any government or official authority or by any person or persons claiming to be or to represent a government or official authority (excluding a requisition for hire for a fixed period not exceeding 1 year without any right to an extension) unless it is within 60 days redelivered to the full control of the Borrower which owns it or the Designated Line Operator which bareboat charts it;
- (c) any arrest, capture, seizure or detention of that Subject Ship (including any hijacking or theft) unless it is within 60 days redelivered to the full control of the Borrower which owns it or the Designated Line Operator which bareboat charts it; and

"Transfer Certificate" has the meaning given in Clause 26.2 of the Loan Agreement.

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CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 04165720

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEED OF COVENANT DATED THE 15th JULY 2005 AND CREATED BY CPS NUMBER 2 LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE BORROWERS, SECURITY PARTIES OR ANY OF THEM TO THE SECURITY TRUSTEE OR ANY OTHER CREDITOR PARTY UNDER THE TERMS OF THE AFOREMENTIONED INSTRUMENT CREATING OR EVIDENCING THE CHARGE WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 22nd JULY 2005.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 27th JULY 2005.

Pgc.



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



Companies House

— for the record —