



Registration of a Charge

Company Name: **MAGNOLIA SHIPHOLDINGS LIMITED**

Company Number: **14830370**



Received for filing in Electronic Format on the: **01/06/2023**

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Details of Charge

Date of creation: **23/05/2023**

Charge code: **1483 0370 0001**

Persons entitled: **NML TRUSTEE LLC**

Brief description:

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

This form was authorised by: **a person with an interest in the registration of the charge.**

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **NORTON ROSE FULBRIGHT LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 14830370

Charge code: 1483 0370 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 23rd May 2023 and created by MAGNOLIA SHIPHOLDINGS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 1st June 2023 .

Given at Companies House, Cardiff on 7th June 2023

The above information was communicated by electronic means and authenticated
by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



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

Private & Confidential	
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I certify that, save for material redacted pursuant to s.859G of the Companies Act 2006, this copy instrument is a correct copy of the electronic copy of the original instrument.

Norton Rose Fulbright LLP

Date: 31 May 2023

MAGNOLIA SHIPHOLDINGS LIMITED
as Shareholder

and

NML TRUSTEE LLC
as Security Trustee

FIRST SHARE SECURITY
RE: LIMA TRADER SHIPPING LIMITED

 **NORTON ROSE FULBRIGHT**

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THIS DEED is dated 23 May 2023

BETWEEN:

- (1) **MAGNOLIA SHIPHOLDINGS LIMITED**, a company incorporated under the laws of England and Wales with company number 14830370, having its registered address at 13-14 Hobart Place, London SW1W 0HH, England (the "**Shareholder**"); and
- (2) **NML TRUSTEE LLC**, a limited liability company registered under the laws of the Republic of the Marshall Islands, having its registered address at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, MH96960, Republic of the Marshall Islands (the "**Security Trustee**").

WHEREAS:

- (A) The Shareholder is the legal and beneficial owner of 100% of the shares of the corporation LIMA TRADER SHIPPING LIMITED, a company incorporated under the laws of England and Wales, having its registered address at 13-14 Hobart Place, London SW1W 0HH, United Kingdom (the "**Company**").
- (B) NML LIMA TRADER LLC (the "**Lessor**") is the owner of the 57,000 dwt Supramax bulk carrier *Lima Trader* registered under the laws and flag of the Republic of Liberia with IMO No. 9500821 (the "**Vessel**").
- (C) By a bareboat charterparty of even date herewith (as the same may from time to time be amended, varied or supplemented, the "**Charter**") and made between the Lessor and the Company, the Lessor has agreed to let, and the Company has agreed to take, the Vessel on bareboat charter upon the terms therein described.
- (D) By a security trust deed dated 23 May 2023 (as the same may from time to time be amended, varied or supplemented) (the "**Security Trust Deed**") and made between *inter alios*, the Shareholder, the Lessor and the Security Trustee, the Lessor has appointed the Security Trustee to hold the Secured Property (as defined in the Security Trust Deed) on trust for the benefit of the Creditor Parties (as defined below).
- (E) It is one of the conditions of the Charter that the Shareholder charges in favour of the Security Trustee the Shares (as defined below) and any of its rights, title and interest in or to the Shares upon the terms and conditions set out in this Deed.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed, unless the context requires otherwise, terms defined in the Charter have the same meaning and construction when used in this Deed. In addition:

"**Associated Charter**" has the meaning given to such term in the Charter.

"**Associated Lessee**" has the meaning given to such term in the Charter.

"**Associated Lessor**" has the meaning given to such term in the Charter.

"Collateral Instruments" means notes, bills of exchange, certificates of deposit and other negotiable and non-negotiable instruments, guarantees, indemnities and other assurances against financial loss and any other documents or instruments which contain or evidence an obligation (with or without security) to pay, discharge or be responsible directly or indirectly for, any indebtedness or liabilities of the Shareholder or any other person liable and includes any documents or instruments creating or evidencing a mortgage, charge (whether fixed or floating), lien, hypothecation, assignment, trust arrangement or other Lien of any kind.

"Creditor Parties" means the Lessor, the Associated Lessor, the Security Trustee and each Creditor Party as such term is defined in the Charter and the Associated Charter.

"Enforcement Time" means the Total Loss Payment Date or the Termination Sum Payment Date (as the case may be).

"Outstanding Indebtedness" means the aggregate of all sums of money from time to time owing by the Shareholder, the Company, the Associated Lessee, any other Relevant Party or any of them, to the Lessor, the Associated Lessor, the Security Trustee, any other Creditor Party or any of them, whether actually or contingently, present or future, under the Charter, the Associated Charter and the other Transaction Documents or any of them.

"Relevant Party" means each Relevant Party as such term is defined in each of the Charter and of the Associated Charter.

"Party" means a party to this Deed.

"PSC register" means a register of persons with significant control required pursuant to section 790M of the Companies Act 2006.

"Secured Property" means:

- (a) the Shares; and
- (b) all shares, warrants, securities, rights, moneys or property (including the distributions, interest or income on them or from them) accruing or acquired at any time and from time to time by way of redemption, purchase, bonus, preference, option or otherwise to or in respect of or derived from all or any of the Shares or any distributions from them, including the proceeds of any sale of any of the Shares.

"Shares" means the shares in the Company legally and beneficially owned by the Shareholder on the date of this Deed (being all of the shares in the Company and which are described in more detail in Schedule 1 (*Information*)) and any shares in the Company which may now or subsequently be owned by the Shareholder and which are fully paid and legally and beneficially owned by the Shareholder.

"Transaction Documents" has the meaning given to that term in the Security Trust Deed.

1.2 Construction

The provisions of clause 39.2 (*Construction*) of the Charter apply to this Deed as though set out in full, except that references to the Charter are to be construed as references to this Deed.

1.3 Conflict with Charter

This Deed shall be read together with the Charter but in case of any conflict between the two instruments, the provisions of the Charter shall prevail.

1.4 Contracts (Rights of Third Parties) Act 1999

No term of this Deed is enforceable under the Contracts (Rights of Third Parties) Act 1999 by a person who is not a party to this Deed.

2. REPRESENTATIONS

The Shareholder represents and warrants that:

- (a) it is the sole legal and beneficial owner of the Shares as owned by it and any related Secured Property free from all Liens except as permitted by the Transaction Documents;
- (b) it has not disposed of any of such rights in relation to such Shares and related Secured Property (except for any disposal permitted by the Transaction Documents);
- (c) such Shares are fully paid or credited as fully paid and no calls have been, or can be, made in respect of the Shares;
- (d) the Shares have not been redeemed nor cancelled in any way;
- (e) the Shares constitute all the issued shares in the Company and no person has or is entitled to any conditional or unconditional option, warrant or other right to subscribe for, purchase or otherwise acquire any issued or unissued share capital, or any interest in the capital of the Company, except as provided in this Deed; and
- (f) the representations and warranties concerning the Shareholder and/or this Deed and/or the Shares made or deemed repeated on the date of this Deed under the Charter are true and correct.

3. CHARGING CLAUSE

3.1 The Shareholder charges and agrees to charge the Secured Property to the Security Trustee.

3.2 The security granted in this Clause 3 secures the payment and discharge of the Outstanding Indebtedness and is given with full title guarantee.

3.3 Upon payment and irrevocable and unconditional discharge in full of the Outstanding Indebtedness to the satisfaction of the Security Trustee, the Security Trustee shall, at the request and cost of the Shareholder, release the Shareholder from all its obligations and liabilities under this Deed and re-assign the Secured Property to the Shareholder or as it may direct. Section 93 of the Law of Property Act 1925 shall not apply to this Deed.

4. RESTRICTIONS AND UNDERTAKINGS

The Shareholder shall ensure that this Clause 4 is complied with throughout the Charter Period.

4.1 Except as permitted under the Transaction Documents, there shall be no disposal of the Secured Property and, except for this Deed and as otherwise permitted under the Transaction Documents, no Lien (other than a Lien created pursuant to the Transaction Documents) shall exist over or in relation to the Secured Property.

4.2 No person or persons, other than the Shareholder is or shall be registered as holders of the Shares or the legal or beneficial holders of the Shares in the Company.

4.3 Upon execution of this Deed, the Shareholder shall deliver the following to the Security Trustee:

- (a) all certificates, if any, in respect of the Shares owned by the Shareholder;
- (b) an undated instrument of transfer in respect of the Shares and a related letter of authority and a form of irrevocable proxy in the forms set out in Schedule 2, Schedule 3 and Schedule 4 respectively, duly executed by the Shareholder; and
- (c) a resignation letter and a related letter of authority in the forms set out in Schedule 5 and Schedule 6 respectively, signed by each director of the Company.

4.4 The Shareholder shall promptly notify the Security Trustee of the appointment of any new director of the Company in advance of such appointment and, promptly following that new director's appointment, deliver to the Security Trustee a letter or letters of resignation in the form set out in Schedule 5 and related letter or letters of authority in the form set out in Schedule 6 duly signed by such additional new director.

4.5 The Shareholder shall execute and deliver to the Security Trustee all such other documents as it may from time to time require for perfecting its title to the Shares and/or the other Secured Property or for vesting or enabling the Security Trustee to vest them in itself or its nominees or in any purchaser.

4.6 The Shareholder shall:

- (a) defend the right, title and interest of the Security Trustee in and to the Secured Property against any claims or demands made by any other person;
- (b) duly and promptly pay all calls, liabilities, instalments or other payments which from time to time become due in respect of any of the Shares; and
- (c) duly register or procure that the directors of the Company duly register all transfers of the Shares from time to time lodged with them by or on behalf of the Security Trustee or its nominees and issue, and deliver to the Security Trustee, a new certificate or certificates for the Shares in the name of the Security Trustee or its nominees as soon as possible following receipt of such transfers from the Security Trustee;

4.7 Except with the approval of the Security Trustee, the Company shall not:

- (a) cancel, increase, create or issue (or agree to issue) or put under option (or agree to put under option) any share or loan capital or other obligation now or later convertible into shares of the Company of any class or call any uncalled capital;
- (b) make any alteration to, grant any rights in relation to or otherwise re-organise or purchase or reduce the number of issued shares or reserves of the Company, reduce or increase the permitted number of shares that the Company can issue, or in any way or enter into any composition or arrangement with its creditors or any class of creditors of the Company;
- (c) convene any meeting with a view either to the alteration of any of the provisions of the Company's constitutional documents or to passing a resolution that it be wound up; or
- (d) permit anyone other than the Shareholder (or the Security Trustee or its nominee if and when required pursuant to this Deed) to be registered as legal and beneficial holders of any of the Shares in the Company.

The Shareholder shall ensure that a copy of this Deed is filed with the secretary (or other appropriate officer or director) of the Company for the purpose of giving notice of this Deed to the Company and that it will obtain and deliver an acknowledgement of such filing to the Security Trustee.

4.8 The Shareholder:

- (a) is registered in the Company's PSC register;
- (b) will use its best endeavours to assist the Company in obtaining any other information it needs in relation to the Shares to maintain its PSC register; and
- (c) will ensure that updates of any changes to the information relating to it and contained in the PSC register are provided to the Company promptly.

4.9 The Shareholder shall:

- (a) within the relevant timeframe, comply with any notice it receives pursuant to Part 21A of the Companies Act 2006 from the Company; and
- (b) promptly provide the Security Trustee with a copy of that notice.

5. DISTRIBUTIONS AND VOTING RIGHTS

5.1 Unless it is an Enforcement Time, the Shareholder shall be entitled to exercise all voting and other rights vested in the holder of the Shares but it may not do so in a way which would or might derogate from the security created by this Deed or conflict with any provision of any of the Transaction Documents.

5.2 If it is an Enforcement Time, the Security Trustee may exercise such rights using any proxies it holds in respect of the Shares given to it under this Deed.

5.3 If it is an Enforcement Time, the Security Trustee may, by written notice to the Shareholder, require that any distributions, interest or other moneys payable in respect of the Secured Property be paid to the Security Trustee and applied in accordance with Clause 9. Until then, any such distributions may be paid to the Shareholder.

5.4 When the Security Trustee becomes entitled to receive distributions under Clause 5.3, the Shareholder shall immediately execute and deliver to the Company a distribution mandate in the form set out in Schedule 7.

5.5 Any distributions, interest or other moneys or property hereby charged, mortgaged or which may be received by the Shareholder after the power of sale under Clause 7.1 has arisen shall be held in trust for the Security Trustee and paid or delivered to the Security Trustee on demand in writing for application in accordance with Clause 5.3.

6. PERFECTION AND PROTECTION OF SECURITY

6.1 The Shareholder shall, as soon as reasonably practicable, execute all such documents (including notices), effect all such registrations and filings, deposit all such documents and do all such things as the Security Trustee may reasonably require in order to:

- (a) ensure that it has an effective first charge of the Secured Property; and

- (b) facilitate the enforcement of this Deed, the realisation of the Secured Property or the exercise of any rights held by the Security Trustee under or in connection with this Deed.

6.2 The Security Trustee may take any action it thinks appropriate to protect or maintain its rights under this Deed or to remedy any breach by the Shareholder of any of its undertakings under this Deed.

7. ENFORCEMENT

7.1 The Security Trustee may enforce the security created by this Deed in any way it may decide at any time which is an Enforcement Time by exercising any powers conferred on it by law or by this Deed and, in addition, may:

- (a) complete and date the instruments of transfer of the Shares deposited with the Security Trustee and submit them together with any stock or share certificates in respect of the Shares for registration in the name of the Security Trustee or any nominee of the Security Trustee and thereafter the Security Trustee or any nominee of the Security Trustee may exercise (without further notice and without any restrictions) in respect of all or any of the Secured Property all the powers or rights which may be exercisable by the registered holder of the Shares and all other powers conferred on chargees by any applicable law or otherwise;
- (b) apply any distributions, interest or other payments which may be received or receivable by the Security Trustee or by any nominee in respect of any of the Secured Property as though they were proceeds of sale;
- (c) sell or dispose of the Secured Property or any part of it at such times, in such manner, for such consideration and generally on such terms and conditions as the Security Trustee may think fit (and any such sale or disposition may be for cash, debentures or other obligations, shares, stock, securities or other valuable consideration and be payable immediately or by instalments spread over such period as the Security Trustee shall think fit);
- (d) settle, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person relating to the Secured Property;
- (e) bring, prosecute, defend or abandon any action, suit or proceedings in relation to the Secured Property; and
- (f) do anything incidental or conducive to the exercise of its rights as chargee of the Secured Property.

7.2 Appointment and removal of receiver

Whilst the security created by or pursuant to this Deed is enforceable, the Security Trustee may by deed or otherwise (acting through an authorised officer of the Security Trustee), without prior notice to the Shareholder:

- (a) appoint one or more persons to be a Receiver of the whole or any part of the Secured Property;
- (b) appoint two or more Receivers of separate parts of the Secured Property;
- (c) remove (so far as it is lawfully able) any Receiver so appointed; and
- (d) appoint another person(s) as an additional or replacement Receiver(s).

7.3 Capacity of Receivers

Each person appointed to be a Receiver pursuant to Clause 7.2 (*Appointment and removal of receiver*) shall be:

- (a) entitled to act individually or together with any other person appointed or substituted as Receiver;
- (b) the agent of the Shareholder and the Shareholder shall be solely responsible for its acts, defaults and liabilities and for the payment of its remuneration and no Receiver shall at any time act as agent for the Security Trustee; and
- (c) entitled to remuneration for its services at a rate to be fixed by the Security Trustee from time to time (without being limited to the maximum rate specified by the Law of Property Act 1925).

7.4 Statutory powers of appointment

The powers of appointment of a Receiver shall be in addition to all statutory and other powers of appointment of the Security Trustee under the Law of Property Act 1925 (as extended by this Deed) or otherwise and such powers shall remain exercisable from time to time by the Security Trustee in respect of any part of the Secured Property.

7.5 Powers of Receiver

Every Receiver shall (subject to any restrictions in the instrument appointing it but notwithstanding any winding-up or dissolution of the Shareholder) have and be entitled to exercise, in relation to the Secured Property in respect of which it was appointed, and as varied and extended by the provisions of this Deed (in the name of or on behalf of the Shareholder or in its own name and, in each case, at the cost of the Shareholder):

- (a) all the powers conferred by the Law of Property Act 1925 on mortgagees and on mortgagees in possession and on receivers appointed under that Act;
- (b) all the powers of an administrative receiver set out in Schedule 2 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver);
- (c) all the powers and rights of an absolute owner and power to do or omit to do anything which the Shareholder itself could do or omit to do; and
- (d) the power to do all things (including bringing or defending proceedings in the name or on behalf of the Shareholder) which seem to the Receiver to be incidental or conducive to:
 - (i) any of the functions, powers, authorities or discretions conferred on or vested in it;
 - (ii) the exercise of all rights, powers and remedies of the Security Trustee provided by or pursuant to this Deed or by law (including realisation of all or any part of the Secured Property in respect of which that receiver was appointed); or
 - (iii) bringing to its hands any assets of the Shareholder forming part of, or which when got in would be part of, the Secured Property.

7.6 No liability

Neither the Security Trustee, nor its nominee(s) nor any Receiver shall be liable:

- (a) to account as a mortgagee or mortgagee in possession; or
- (b) for any loss arising by reason of taking any action permitted by this Deed or any neglect or default in connection with the Secured Property or taking possession of or realising all or any part of the Secured Property.

8. ATTORNEY

8.1 Appointment and powers

The Shareholder, by way of security, irrevocably appoints the Security Trustee and any Receiver severally to be its attorney and in its name, on its behalf and as its act and deed to execute, deliver and perfect all documents and do all things which the attorney may consider to be required for:

- (a) carrying out any obligation imposed on the Shareholder by this Deed (including the execution and delivery of any deeds, charges, assignments or other security and any transfers of the assets subject to the security and perfecting and/or releasing the security created or intended to be created in respect of the Secured Property); and
- (b) enabling the Security Trustee and any Receiver to exercise, or delegate the exercise of, all or any of the rights, powers and remedies of the Security Trustee provided by or pursuant to this Deed or by law,

provided that the power of attorney constituted by this clause 8 shall be exercisable only after the occurrence of an Enforcement Time.

8.2 Ratification

The Shareholder shall ratify and confirm all things done and all documents executed by any attorney in the lawful exercise of all or any of his/her powers.

8.3 Protection of purchasers

The receipt of the Security Trustee or any Receiver shall be a conclusive discharge to a purchaser and, in making any sale or disposal of any of the Secured Property or making any acquisition, the Security Trustee or any Receiver may do so for such consideration (whether cash or non-cash), in such manner and on such terms as the Security Trustee or any Receiver thinks fit.

No purchaser or other person dealing with the Security Trustee or any Receiver shall be bound to inquire whether the right of the Security Trustee or such Receiver to exercise any of its powers has arisen or become exercisable or be concerned to inquire whether that power has been properly or regularly exercised by the Security Trustee or such Receiver in such dealings.

8.4 Filings

The Shareholder hereby irrevocably appoints the Security Trustee to be its attorney in its name and on its behalf and as its act and deed or otherwise of it to agree the form of and to execute and do all deeds, instruments, acts and things in order to file, record, register or enrol this Deed in any court, public office or elsewhere which the Security Trustee in its discretion considers necessary or advisable, now or in the future, to ensure the legality, validity, enforceability or admissibility in evidence thereof.

8.5 Exemptions

Section 103 of the Law of Property Act 1925 shall not apply to any disposal of the Secured Property pursuant to this Deed.

9. APPLICATION OF PROCEEDS

All moneys received by the Security Trustee in the exercise of its rights under this Deed shall, subject to the rights of any persons having priority, be applied in accordance with clause 4 (*Application of Proceeds*) of the Security Trust Deed. If the moneys applied in this way are not sufficient to pay and discharge the Outstanding Indebtedness in full, the Shareholder shall continue to be liable for the balance of the Outstanding Indebtedness.

10. CONTINUING SECURITY AND OTHER MATTERS

10.1 Continuing security

The security created by this Deed shall:

- (a) be held by the Security Trustee as a continuing security for the payment of the Outstanding Indebtedness and the performance and observance of and compliance with all of the covenants, terms and conditions contained in the Transaction Documents, express or implied, and the security so created shall not be satisfied by any intermediate payment or satisfaction of any part of the amount hereby and thereby secured (or by any settlement of accounts between the Shareholder, the Company, the Associated Lessee, any other Relevant Party or any other person who may be liable to the Security Trustee in respect of the Outstanding Indebtedness or any part thereof and the Security Trustee);
- (b) be in addition to, and shall not in any way prejudice or affect, and may be enforced by the Security Trustee without prior recourse to, the security created by any other of the Transaction Documents or by any present or future Collateral Instruments, right or remedy held by or available to the Security Trustee or any right or remedy of the Security Trustee thereunder; and
- (c) not be in any way prejudiced or affected by the existence of any of the other Transaction Documents or any such Collateral Instrument, rights or remedies or by the same becoming wholly or in part void, voidable or unenforceable on any ground whatsoever or by the Security Trustee dealing with, exchanging, varying or failing to perfect or enforce any of the same, or giving time for payment or performance or indulgence or compounding with any other person liable.

10.2 Rights additional

All the rights, powers and remedies vested in the Security Trustee hereunder shall be in addition to and not a limitation of any and every other right, power or remedy vested in Security Trustee under the Charter, the Associated Charter, this Deed, the other Transaction Documents or any Collateral Instrument or at law and all the rights, powers and remedies so vested in the Security Trustee may be exercised from time to time and as often as the Security Trustee thinks fit in its sole discretion.

10.3 No enquiry

The Security Trustee shall not be obliged to make any enquiry as to the nature or sufficiency of any payment received by it under this Deed or to make any claim or take any action to collect any

moneys hereby assigned or to enforce any rights or benefits hereby assigned to the Security Trustee or to which the Security Trustee may at any time be entitled under this Deed.

10.4 Obligations of Shareholder and Security Trustee

The Shareholder shall remain liable to perform all the obligations assumed by it in relation to the Secured Property and the Security Trustee shall be under no obligation of any kind whatsoever in respect thereof or be under any liability whatsoever in the event of any failure by the Shareholder to perform its obligations in respect thereof.

10.5 Waiver of defences

The obligations of the Shareholder under, and the security constituted by, this Deed shall not be affected by any act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice any such obligations or security (whether or not known to it or the Security Trustee) including:

- (a) any time, waiver or consent granted to, or composition with, a Relevant Party or any other person;
- (b) the release of a Relevant Party or any other person under the terms of any composition or arrangement with any creditor of such person;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of a Relevant Party or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members/shareholders or status of a Relevant Party or any other person;
- (e) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any Transaction Document or any other document or security including without limitation any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under any Transaction Document or other document or security;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Transaction Document or any other document or security; or
- (g) any insolvency or similar proceedings.

10.6 Shareholder intent

The Shareholder expressly confirms that it intends that the Liens created under this Deed, shall extend from time to time to any (however fundamental and of whatsoever nature, and whether or not more onerous) variation, increase, extension or addition of or to any of the Transaction Documents and/or amount made available under any of the Transaction Documents and any fees, costs and/or expenses associated with any of the foregoing.

10.7 Deferral of rights

Until the Outstanding Indebtedness has irrevocably and unconditionally been paid in full, or unless the Security Trustee otherwise directs, the Shareholder shall not exercise any rights (including

rights of set-off) which it may have by reason of performance by it of its obligations under the Transaction Documents or the grant of the security constituted by this Deed:

- (a) to be indemnified by any Relevant Party or any other person;
- (b) to claim any contribution from any guarantor or other person in respect of any Relevant Party's obligations under the Transaction Documents;
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Security Trustee under the Transaction Documents or of any other guarantee or security taken pursuant to, or in connection with, the Transaction Documents by the Security Trustee;
- (d) to bring legal or other proceedings for an order requiring any Relevant Party or any other person to make any payment, or perform any obligation, in respect of which any Relevant Party or any other person has given a guarantee, undertaking or indemnity under any Transaction Document;
- (e) to exercise any right of set-off against any Relevant Party or any other person; and/or
- (f) to claim or prove as a creditor of any Relevant Party or any other person in competition with the Security Trustee.

If the Shareholder receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution on trust for the Security Trustee to the extent necessary to enable the Outstanding Indebtedness to be irrevocably and unconditionally discharged in full and shall promptly pay or transfer the same to the Security Trustee or as the Security Trustee may direct for application in accordance with the provisions of the Security Trust Deed.

10.8 Until the Outstanding Indebtedness has been irrevocably and unconditionally discharged in full the Security Trustee (or any trustee or agent on its behalf) may:

- (a) refrain from applying or enforcing any other money, security or rights held or received by it (or any trustee or agent on its behalf) in respect of the Secured Property, or apply and enforce the same in the manner and order it thinks fit (whether against those amounts or otherwise) and the Shareholder shall not be entitled to the benefit of the same; and
- (b) hold in a suspense account any money received from the Shareholder or on account of its liability under this Deed or from the security constituted by this Deed.

11. POWERS OF SECURITY TRUSTEE TO PROTECT SECURITY

The Security Trustee shall, without prejudice to its other rights, powers and remedies under any of the Transaction 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 sole discretion consider appropriate for the purpose of protecting or maintaining the security created by this Deed and the other Transaction Documents and all Losses attributable thereto shall be payable by the Shareholder on demand.

12. FURTHER ASSURANCE

The Shareholder hereby further undertakes at its own expense from time to time to execute, sign, perfect, do and (if required) register every such further assurance, document, act or thing which the Security Trustee in its sole discretion considers necessary or advisable for the purpose of more effectually mortgaging and charging the Secured Property or perfecting the security constituted or intended to be constituted by this Deed.

13. EXPENSES, LIABILITY AND INDEMNITY

13.1 Expenses

The Shareholder shall pay to (and indemnify) the Security Trustee on demand all documented legal and out-of-pocket expenses reasonably incurred by the Security Trustee in connection with:

- (a) the negotiation, preparation, execution and perfection of this Deed; and/or
- (b) any variation of, or amendment or supplement to, any of the terms of this Deed; and/or
- (c) any consent or waiver in relation to this Deed,

and in the case of either (b) or (c), regardless of whether the same is actually implemented, completed or granted, as the case may be.

13.2 Losses

The Shareholder shall pay to (and indemnify) the Security Trustee and any Receiver on demand, on an After Tax Basis, all Losses incurred by the Security Trustee or any Receiver in connection with the preserving or enforcing of, or attempting to preserve or enforce, any of its rights under this Deed.

13.3 Duties

The Shareholder shall pay promptly all stamp, documentary and other like duties and Taxes to which this Deed may be subject or give rise and shall indemnify the Security Trustee and any Receiver on demand against any and all liabilities with respect to or resulting from any delay or omission to pay any such duties or Taxes (save to the extent that such stamp, documentary and other like duties and Taxes are directly caused by the Security Trustee's or any Receiver's gross negligence or wilful misconduct).

13.4 No liability or costs

Neither the Security Trustee nor a Receiver nor any of their respective officers will be in any way liable or responsible to the Shareholder for any loss or liability of any kind arising from any act or omission by it or him or her of any kind (whether as mortgagee in possession or otherwise) in relation to the Liens, except to the extent caused by its or his or her gross negligence or wilful misconduct.

13.5 Indemnity to the Security Trustee

The Shareholder will, on demand, indemnify the Security Trustee, a Receiver and any of their respective officers in respect of all Losses which it or he or she incurs or suffers in connection with:

- (a) the taking, holding, protection or enforcement of the Liens constituted by the Security Documents;
- (b) any matter or thing done or omitted in any way in accordance with the terms of this Deed relating to the Liens constituted hereby;
- (c) the exercise or purported exercise of any of the rights, powers, authorities, discretions and remedies conferred on it under this Deed or by law;

(d) a claim of any kind (whether relating to the environment or otherwise) made or asserted against it which would not have arisen but for the execution or enforcement of this Deed or if the Liens constituted hereby had not been granted; or

(e) any breach by the Shareholder of this Deed,

other than as caused by the Security Trustee's, the Receiver's or that officer's gross negligence or wilful misconduct.

14. REMEDIES CUMULATIVE AND OTHER PROVISIONS

14.1 No implied waivers; remedies cumulative

No failure or delay on the part of the Security Trustee to exercise any right, power or remedy vested in it under any of the Transaction Documents shall operate as a waiver thereof, nor shall any single or partial exercise by the Security Trustee of any right, power or remedy nor the discontinuance, abandonment or adverse determination of any proceedings taken by the Security Trustee to enforce any right, power or remedy preclude any other or further exercise thereof or proceedings to enforce the same or the exercise of any other right, power or remedy, nor shall the giving by the Security Trustee of any consent to any act which by the terms of this Deed requires such consent prejudice the right of the Security Trustee to give or withhold consent to the doing of any other similar act. The remedies provided the Transaction Documents are cumulative and are not exclusive of any remedies provided by law.

14.2 Delegation

The Security Trustee shall be entitled, at any time and as often as may be expedient, to delegate all or any of the powers and discretions vested in it by this Deed or any of the other Transaction Documents in such manner, upon such terms, and to such persons as the Security Trustee in its absolute discretion may think fit.

15. NOTICES

15.1 Communications in writing

Any communication to be made under or in connection with this Deed shall be made in writing and, unless otherwise stated, may be made by letter or (under Clause 15.4 (*Electronic communication*)) email.

15.2 Addresses

The address and email address (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Deed are those identified with its name in Schedule 1 (*Information*), or any substitute address, email address or department or officer as the relevant party may notify to the other party by not less than 5 Business Days' prior notice in writing.

15.3 Delivery

Any communication or document made or delivered by one party to this Deed to the other party under or in connection with this Deed will only be effective:

(a) if by way of letter, when it has been left at the relevant address or five (5) Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address; or

- (b) if by way of email, if it complies with the rules under Clause 15.4 (*Electronic communication*),

and, if a particular department or officer is specified as part of its address details provided under Clause 15.2 (*Addresses*), if addressed to that department or officer.

15.4 Electronic communication

Any communication to be made between the Parties under or in connection with this Deed may be made by electronic mail or other electronic means, and the Parties hereby agree:

- (a) that, unless and until notified to the contrary, this is to be an accepted form of communication;
- (b) to notify each other in writing of their respective electronic mail address and/or any other information required to enable the sending and receipt of information by that means; and
- (c) to notify each other of any change to their respective address or any other such information supplied by them.

Any electronic communication made by one Party to the other Party will be effective when it is sent by the sender party unless the sender party receives a message indicating failed delivery. A Party shall notify the other Party promptly upon becoming aware that its electronic mail system or other electronic means of communication cannot be used due to technical failure (and that failure is or is likely to be continuing for more than 24 hours). Until that Party has notified the other party that the failure has been remedied, all notices between the Parties shall be sent by letter in accordance with this Clause 15.

15.5 English language

Any notice given under or in connection with this Deed must be in English.

All other documents provided under or in connection with this Deed must be:

- (a) in English; or
- (b) if not in English, and if so required by the Security Trustee accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

16. COUNTERPARTS

This Deed may be entered into in the form of two counterparts, each executed by one Party, and, provided both Parties shall so execute this Deed, each of the executed counterparts, when duly exchanged or delivered, shall be deemed to be an original but, taken together, they shall constitute one instrument.

17. ASSIGNMENT

This Deed shall be binding upon and inure to the benefit of the Security Trustee and the Shareholder and their respective successors, replacements and permitted assigns and references in this Deed to either of them shall be construed accordingly. The Parties hereto acknowledge that the benefit of this Deed (including any rights of the Security Trustee exercisable under or in connection with this Deed) may only be assigned or transferred in accordance with Clause 71 (*Assignment*) of the Charter and/or Clause 7.1 of the Security Trust Deed.

18. LAW AND JURISDICTION

18.1 Governing Law

This Deed, and all non-contractual obligations arising from or in connection with this Deed, are governed by English law.

18.2 Jurisdiction of English courts

- (a) Subject to Clause 18.2(c), the courts of England and Wales have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including any dispute relating to any non-contractual obligation arising from or in connection with this Deed and any dispute regarding the existence, validity or termination of this Deed) (a "**Dispute**").
- (b) The Parties agree that the courts of England and Wales are the most appropriate and convenient courts to settle Disputes and accordingly no party to this Deed will argue to the contrary.
- (c) This Clause 18.2 is for the benefit of the Security Trustee only. As a result, the Security Trustee shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Trustee may take concurrent proceedings in any number of jurisdictions.

18.3 Waiver of immunities

To the extent that either Party has acquired or may, after the date of this Deed, acquire any immunity, with respect to itself and its revenues and assets (irrespective of their use or intended use), on the grounds of sovereignty or other similar grounds from:

- (a) suit;
- (b) jurisdiction of any court;
- (c) relief by way of injunction or order for specific performance or recovery of property;
- (d) attachment of its assets (whether before or after judgment); and
- (e) execution or enforcement of any judgment to which it or its revenues or assets might otherwise be entitled in any proceedings in the courts of any jurisdiction (and irrevocably agrees, to the extent permitted by applicable law, that it will not claim any immunity in any such proceedings),

that Party irrevocably waives, to the extent permitted by applicable law, such immunity in respect of its obligations under this Deed.

IN WITNESS WHEREOF this Deed has been executed as a deed by each Party and is intended to be and is hereby delivered by it as a deed on the date specified above.

**Schedule 1
Information**

Company:	
Name:	Lima Trader Shipping Limited
Country of incorporation:	England and Wales
Registered number:	14793550
Registered office:	13-14 Hobart Place, London SW1W 0HH, United Kingdom
Shares	
No. of Shares:	100
Description:	Fully paid registered shared of £1 each
Shareholder:	
Name:	Magnolia Shipholdings Limited
Country of incorporation:	England and Wales
Registered number:	14830370
Numbers of Shares held:	100
Share certificate number:	2
Address for service of notices	
Address:	c/o Lomar Shipping Limited 13-14 Hobart Place London SW1W 0HH United Kingdom
Attention/E-mail:	Attn: Legal Email: [REDACTED]

Schedule 2
Instrument of transfer

Shares of LIMA TRADER SHIPPING LIMITED (the "Company")

We **MAGNOLIA SHIPHOLDINGS LIMITED**, a company incorporated in England and Wales with limited liability, of 13-14 Hobart Place, London SW1W 0HH, United Kingdom for good consideration including the sum of \$1.00 paid to us by _____ of _____ (hereinafter called the **Transferee**) do hereby transfer to the said Transferee _____ fully paid up shares of [●] each, numbered _____ inclusive in the undertaking called **LIMA TRADER SHIPPING LIMITED** so that the Transferee, his executors, administrators and assigns shall hold the same subject to the several conditions on which we held the same immediately before the execution hereof.

And we, the said Transferee, do hereby agree to accept and take the said shares subject to the conditions aforesaid.

AS WITNESS the day of

.....
Acting by:
as:
for and behalf of MAGNOLIA SHIPHOLDINGS LIMITED

in the presence of

.....

Schedule 3
Form of Shareholder's letter of authority

To: **NML TRUSTEE LLC** (and its successors, replacements and assignees)

Date: [●] 2023

Dear Sirs

LIMA TRADER SHIPPING LIMITED (the "**Company**")

We hereby unconditionally and irrevocably authorise you and your successors, replacements and assignees as beneficiary of the charge dated [●] 2023 (the **Charge**) by us in your favour to date and otherwise complete the instrument(s) of transfer in respect of our shares in the Company deposited by ourselves with yourselves pursuant to the Charge, as and when you become entitled to date and complete the same pursuant to the terms of the Charge.

Yours faithfully,

.....
Acting by:

as:

For and on behalf of

MAGNOLIA SHIPHOLDINGS LIMITED

.....
Name:

Title:

Schedule 4
Form of irrevocable proxy

We, **MAGNOLIA SHIPHOLDINGS LIMITED** hereby irrevocably appoint **NML TRUSTEE LLC** as our proxy to vote at meetings of the shareholders, or to sign resolutions in writing of **LIMA TRADER SHIPPING LIMITED** (the "**Company**") in respect of any existing or further share[s] in the Company which may have been or may from time to time be issued to us and/or registered in our name. This proxy is irrevocable by reason of being coupled with the interest of Security Trustee (and its successors, replacements and assignees) as chargee of the aforesaid share[s].

This proxy is irrevocable by reason of being given for valuable consideration (the receipt and sufficiency of which is hereby acknowledged by MAGNOLIA SHIPHOLDINGS LIMITED).

This proxy shall be governed by and construed in accordance with the laws of the Marshall Islands.

For and on behalf of
MAGNOLIA SHIPHOLDINGS LIMITED

.....

Name:

Title:

Dated: [●] 2023

Schedule 5
Director resignation letter

To: **NML TRUSTEE LLC**

LIMA TRADER SHIPPING LIMITED (the "Company")

Date:

Dear Sirs

I/We hereby resign as a director of the Company and confirm that I/we have no right to compensation or claims against the Company for loss of office, arrears of pay or otherwise howsoever.

This resignation is to be effective as at the date hereof.

Yours faithfully

.....
Name:

Position:

Schedule 6
Director letter of authority

To: **NML TRUSTEE LLC** (and its successors, replacements and assignees)

Date: [●] 2023

Dear Sirs

LIMA TRADER SHIPPING LIMITED (the "**Company**")

I/We hereby unconditionally and irrevocably authorise you and your successors, replacements and assignees as beneficiary of the charge dated [●] 2023 (the **Charge**) between **MAGNOLIA SHIPHOLDINGS LIMITED** and yourselves to date the resignation letter of the Company deposited by me/us with you pursuant to the Charge, as and when you wish to do so if it is an Enforcement Time (as defined or referred to in the Charge).

Yours faithfully

.....
Position:

Schedule 7
Form of distribution mandate

To: **LIMA TRADER SHIPPING LIMITED** (the "Company")

Distribution Mandate

With effect from today's date and until you receive instructions to the contrary from **NML TRUSTEE LLC** we, **MAGNOLIA SHIPHOLDINGS LIMITED**, authorise and direct you to pay any distributions, interest or other moneys paid or payable on the shares in the Company registered in our name to or to the order of **NML TRUSTEE LLC** of Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960 c/o Neptune Maritime Leasing Limited, Highvern, Whiteley Chambers, Don Street, St Helier, Jersey JE2 4TR, Attention: Mr. Charalampos Antoniou, Email: [REDACTED]. On receipt of this mandate please acknowledge to **NML TRUSTEE LLC** at the above address that you will act in accordance with the instructions contained in this mandate.

Dated:

For and on behalf of

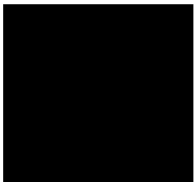
MAGNOLIA SHIPHOLDINGS LIMITED

By: _____
Name:
Title:

SIGNATURE PAGES

The Shareholder

EXECUTED as a DEED
by
MAGNOLIA SHIPHOLDINGS LIMITED
acting by Dionysios Psachos
as Director



.....

Witnessed by



.....
Name: Flora Stafanos
Title: Personal Assistant
Address: 13-14 Hobart Place, London
SW1W 0HH

The Security Trustee

EXECUTED as a DEED)
by)
NML TRUSTEE LLC)
acting by)
as attorney-in-fact)

.....

Witnessed by

.....
Name:
Title:
Address:

Private & Confidential

MAGNOLIA SHIPHOLDINGS LIMITED
as Shareholder

and

NML TRUSTEE LLC
as Security Trustee

FIRST SHARE SECURITY
RE: LIMA TRADER SHIPPING LIMITED

 **NORTON ROSE FULBRIGHT**

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THIS DEED is dated 23 May 2023

BETWEEN:

- (1) **MAGNOLIA SHIPHOLDINGS LIMITED**, a company incorporated under the laws of England and Wales with company number 14830370, having its registered address at 13-14 Hobart Place, London SW1W 0HH, England (the "**Shareholder**"); and
- (2) **NML TRUSTEE LLC**, a limited liability company registered under the laws of the Republic of the Marshall Islands, having its registered address at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, MH96960, Republic of the Marshall Islands (the "**Security Trustee**").

WHEREAS:

- (A) The Shareholder is the legal and beneficial owner of 100% of the shares of the corporation LIMA TRADER SHIPPING LIMITED, a company incorporated under the laws of England and Wales, having its registered address at 13-14 Hobart Place, London SW1W 0HH, United Kingdom (the "**Company**").
- (B) NML LIMA TRADER LLC (the "**Lessor**") is the owner of the 57,000 dwt Supramax bulk carrier *Lima Trader* registered under the laws and flag of the Republic of Liberia with IMO No. 9500821 (the "**Vessel**").
- (C) By a bareboat charterparty of even date herewith (as the same may from time to time be amended, varied or supplemented, the "**Charter**") and made between the Lessor and the Company, the Lessor has agreed to let, and the Company has agreed to take, the Vessel on bareboat charter upon the terms therein described.
- (D) By a security trust deed dated 23 May 2023 (as the same may from time to time be amended, varied or supplemented) (the "**Security Trust Deed**") and made between *inter alios*, the Shareholder, the Lessor and the Security Trustee, the Lessor has appointed the Security Trustee to hold the Secured Property (as defined in the Security Trust Deed) on trust for the benefit of the Creditor Parties (as defined below).
- (E) It is one of the conditions of the Charter that the Shareholder charges in favour of the Security Trustee the Shares (as defined below) and any of its rights, title and interest in or to the Shares upon the terms and conditions set out in this Deed.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed, unless the context requires otherwise, terms defined in the Charter have the same meaning and construction when used in this Deed. In addition:

"**Associated Charter**" has the meaning given to such term in the Charter.

"**Associated Lessee**" has the meaning given to such term in the Charter.

"**Associated Lessor**" has the meaning given to such term in the Charter.

"Collateral Instruments" means notes, bills of exchange, certificates of deposit and other negotiable and non-negotiable instruments, guarantees, indemnities and other assurances against financial loss and any other documents or instruments which contain or evidence an obligation (with or without security) to pay, discharge or be responsible directly or indirectly for, any indebtedness or liabilities of the Shareholder or any other person liable and includes any documents or instruments creating or evidencing a mortgage, charge (whether fixed or floating), lien, hypothecation, assignment, trust arrangement or other Lien of any kind.

"Creditor Parties" means the Lessor, the Associated Lessor, the Security Trustee and each Creditor Party as such term is defined in the Charter and the Associated Charter.

"Enforcement Time" means the Total Loss Payment Date or the Termination Sum Payment Date (as the case may be).

"Outstanding Indebtedness" means the aggregate of all sums of money from time to time owing by the Shareholder, the Company, the Associated Lessee, any other Relevant Party or any of them, to the Lessor, the Associated Lessor, the Security Trustee, any other Creditor Party or any of them, whether actually or contingently, present or future, under the Charter, the Associated Charter and the other Transaction Documents or any of them.

"Relevant Party" means each Relevant Party as such term is defined in each of the Charter and of the Associated Charter.

"Party" means a party to this Deed.

"PSC register" means a register of persons with significant control required pursuant to section 790M of the Companies Act 2006.

"Secured Property" means:

- (a) the Shares; and
- (b) all shares, warrants, securities, rights, moneys or property (including the distributions, interest or income on them or from them) accruing or acquired at any time and from time to time by way of redemption, purchase, bonus, preference, option or otherwise to or in respect of or derived from all or any of the Shares or any distributions from them, including the proceeds of any sale of any of the Shares.

"Shares" means the shares in the Company legally and beneficially owned by the Shareholder on the date of this Deed (being all of the shares in the Company and which are described in more detail in Schedule 1 (*Information*)) and any shares in the Company which may now or subsequently be owned by the Shareholder and which are fully paid and legally and beneficially owned by the Shareholder.

"Transaction Documents" has the meaning given to that term in the Security Trust Deed.

1.2 Construction

The provisions of clause 39.2 (*Construction*) of the Charter apply to this Deed as though set out in full, except that references to the Charter are to be construed as references to this Deed.

1.3 Conflict with Charter

This Deed shall be read together with the Charter but in case of any conflict between the two instruments, the provisions of the Charter shall prevail.

1.4 Contracts (Rights of Third Parties) Act 1999

No term of this Deed is enforceable under the Contracts (Rights of Third Parties) Act 1999 by a person who is not a party to this Deed.

2. REPRESENTATIONS

The Shareholder represents and warrants that:

- (a) it is the sole legal and beneficial owner of the Shares as owned by it and any related Secured Property free from all Liens except as permitted by the Transaction Documents;
- (b) it has not disposed of any of such rights in relation to such Shares and related Secured Property (except for any disposal permitted by the Transaction Documents);
- (c) such Shares are fully paid or credited as fully paid and no calls have been, or can be, made in respect of the Shares;
- (d) the Shares have not been redeemed nor cancelled in any way;
- (e) the Shares constitute all the issued shares in the Company and no person has or is entitled to any conditional or unconditional option, warrant or other right to subscribe for, purchase or otherwise acquire any issued or unissued share capital, or any interest in the capital of the Company, except as provided in this Deed; and
- (f) the representations and warranties concerning the Shareholder and/or this Deed and/or the Shares made or deemed repeated on the date of this Deed under the Charter are true and correct.

3. CHARGING CLAUSE

- 3.1 The Shareholder charges and agrees to charge the Secured Property to the Security Trustee.
- 3.2 The security granted in this Clause 3 secures the payment and discharge of the Outstanding Indebtedness and is given with full title guarantee.
- 3.3 Upon payment and irrevocable and unconditional discharge in full of the Outstanding Indebtedness to the satisfaction of the Security Trustee, the Security Trustee shall, at the request and cost of the Shareholder, release the Shareholder from all its obligations and liabilities under this Deed and re-assign the Secured Property to the Shareholder or as it may direct. Section 93 of the Law of Property Act 1925 shall not apply to this Deed.

4. RESTRICTIONS AND UNDERTAKINGS

The Shareholder shall ensure that this Clause 4 is complied with throughout the Charter Period.

- 4.1 Except as permitted under the Transaction Documents, there shall be no disposal of the Secured Property and, except for this Deed and as otherwise permitted under the Transaction Documents, no Lien (other than a Lien created pursuant to the Transaction Documents) shall exist over or in relation to the Secured Property.
- 4.2 No person or persons, other than the Shareholder is or shall be registered as holders of the Shares or the legal or beneficial holders of the Shares in the Company.

- 4.3** Upon execution of this Deed, the Shareholder shall deliver the following to the Security Trustee:
- (a) all certificates, if any, in respect of the Shares owned by the Shareholder;
 - (b) an undated instrument of transfer in respect of the Shares and a related letter of authority and a form of irrevocable proxy in the forms set out in Schedule 2, Schedule 3 and Schedule 4 respectively, duly executed by the Shareholder; and
 - (c) a resignation letter and a related letter of authority in the forms set out in Schedule 5 and Schedule 6 respectively, signed by each director of the Company.
- 4.4** The Shareholder shall promptly notify the Security Trustee of the appointment of any new director of the Company in advance of such appointment and, promptly following that new director's appointment, deliver to the Security Trustee a letter or letters of resignation in the form set out in Schedule 5 and related letter or letters of authority in the form set out in Schedule 6 duly signed by such additional new director.
- 4.5** The Shareholder shall execute and deliver to the Security Trustee all such other documents as it may from time to time require for perfecting its title to the Shares and/or the other Secured Property or for vesting or enabling the Security Trustee to vest them in itself or its nominees or in any purchaser.
- 4.6** The Shareholder shall:
- (a) defend the right, title and interest of the Security Trustee in and to the Secured Property against any claims or demands made by any other person;
 - (b) duly and promptly pay all calls, liabilities, instalments or other payments which from time to time become due in respect of any of the Shares; and
 - (c) duly register or procure that the directors of the Company duly register all transfers of the Shares from time to time lodged with them by or on behalf of the Security Trustee or its nominees and issue, and deliver to the Security Trustee, a new certificate or certificates for the Shares in the name of the Security Trustee or its nominees as soon as possible following receipt of such transfers from the Security Trustee;
- 4.7** Except with the approval of the Security Trustee, the Company shall not:
- (a) cancel, increase, create or issue (or agree to issue) or put under option (or agree to put under option) any share or loan capital or other obligation now or later convertible into shares of the Company of any class or call any uncalled capital;
 - (b) make any alteration to, grant any rights in relation to or otherwise re-organise or purchase or reduce the number of issued shares or reserves of the Company, reduce or increase the permitted number of shares that the Company can issue, or in any way or enter into any composition or arrangement with its creditors or any class of creditors of the Company;
 - (c) convene any meeting with a view either to the alteration of any of the provisions of the Company's constitutional documents or to passing a resolution that it be wound up; or
 - (d) permit anyone other than the Shareholder (or the Security Trustee or its nominee if and when required pursuant to this Deed) to be registered as legal and beneficial holders of any of the Shares in the Company.

The Shareholder shall ensure that a copy of this Deed is filed with the secretary (or other appropriate officer or director) of the Company for the purpose of giving notice of this Deed to the Company and that it will obtain and deliver an acknowledgement of such filing to the Security Trustee.

4.8 The Shareholder:

- (a) is registered in the Company's PSC register;
- (b) will use its best endeavours to assist the Company in obtaining any other information it needs in relation to the Shares to maintain its PSC register; and
- (c) will ensure that updates of any changes to the information relating to it and contained in the PSC register are provided to the Company promptly.

4.9 The Shareholder shall:

- (a) within the relevant timeframe, comply with any notice it receives pursuant to Part 21A of the Companies Act 2006 from the Company; and
- (b) promptly provide the Security Trustee with a copy of that notice.

5. DISTRIBUTIONS AND VOTING RIGHTS

5.1 Unless it is an Enforcement Time, the Shareholder shall be entitled to exercise all voting and other rights vested in the holder of the Shares but it may not do so in a way which would or might derogate from the security created by this Deed or conflict with any provision of any of the Transaction Documents.

5.2 If it is an Enforcement Time, the Security Trustee may exercise such rights using any proxies it holds in respect of the Shares given to it under this Deed.

5.3 If it is an Enforcement Time, the Security Trustee may, by written notice to the Shareholder, require that any distributions, interest or other moneys payable in respect of the Secured Property be paid to the Security Trustee and applied in accordance with Clause 9. Until then, any such distributions may be paid to the Shareholder.

5.4 When the Security Trustee becomes entitled to receive distributions under Clause 5.3, the Shareholder shall immediately execute and deliver to the Company a distribution mandate in the form set out in Schedule 7.

5.5 Any distributions, interest or other moneys or property hereby charged, mortgaged or which may be received by the Shareholder after the power of sale under Clause 7.1 has arisen shall be held in trust for the Security Trustee and paid or delivered to the Security Trustee on demand in writing for application in accordance with Clause 5.3.

6. PERFECTION AND PROTECTION OF SECURITY

6.1 The Shareholder shall, as soon as reasonably practicable, execute all such documents (including notices), effect all such registrations and filings, deposit all such documents and do all such things as the Security Trustee may reasonably require in order to:

- (a) ensure that it has an effective first charge of the Secured Property; and

- (b) facilitate the enforcement of this Deed, the realisation of the Secured Property or the exercise of any rights held by the Security Trustee under or in connection with this Deed.

6.2 The Security Trustee may take any action it thinks appropriate to protect or maintain its rights under this Deed or to remedy any breach by the Shareholder of any of its undertakings under this Deed.

7. ENFORCEMENT

7.1 The Security Trustee may enforce the security created by this Deed in any way it may decide at any time which is an Enforcement Time by exercising any powers conferred on it by law or by this Deed and, in addition, may:

- (a) complete and date the instruments of transfer of the Shares deposited with the Security Trustee and submit them together with any stock or share certificates in respect of the Shares for registration in the name of the Security Trustee or any nominee of the Security Trustee and thereafter the Security Trustee or any nominee of the Security Trustee may exercise (without further notice and without any restrictions) in respect of all or any of the Secured Property all the powers or rights which may be exercisable by the registered holder of the Shares and all other powers conferred on chargees by any applicable law or otherwise;
- (b) apply any distributions, interest or other payments which may be received or receivable by the Security Trustee or by any nominee in respect of any of the Secured Property as though they were proceeds of sale;
- (c) sell or dispose of the Secured Property or any part of it at such times, in such manner, for such consideration and generally on such terms and conditions as the Security Trustee may think fit (and any such sale or disposition may be for cash, debentures or other obligations, shares, stock, securities or other valuable consideration and be payable immediately or by instalments spread over such period as the Security Trustee shall think fit);
- (d) settle, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person relating to the Secured Property;
- (e) bring, prosecute, defend or abandon any action, suit or proceedings in relation to the Secured Property; and
- (f) do anything incidental or conducive to the exercise of its rights as chargee of the Secured Property.

7.2 Appointment and removal of receiver

Whilst the security created by or pursuant to this Deed is enforceable, the Security Trustee may by deed or otherwise (acting through an authorised officer of the Security Trustee), without prior notice to the Shareholder:

- (a) appoint one or more persons to be a Receiver of the whole or any part of the Secured Property;
- (b) appoint two or more Receivers of separate parts of the Secured Property;
- (c) remove (so far as it is lawfully able) any Receiver so appointed; and
- (d) appoint another person(s) as an additional or replacement Receiver(s).

7.3 Capacity of Receivers

Each person appointed to be a Receiver pursuant to Clause 7.2 (*Appointment and removal of receiver*) shall be:

- (a) entitled to act individually or together with any other person appointed or substituted as Receiver;
- (b) the agent of the Shareholder and the Shareholder shall be solely responsible for its acts, defaults and liabilities and for the payment of its remuneration and no Receiver shall at any time act as agent for the Security Trustee; and
- (c) entitled to remuneration for its services at a rate to be fixed by the Security Trustee from time to time (without being limited to the maximum rate specified by the Law of Property Act 1925).

7.4 Statutory powers of appointment

The powers of appointment of a Receiver shall be in addition to all statutory and other powers of appointment of the Security Trustee under the Law of Property Act 1925 (as extended by this Deed) or otherwise and such powers shall remain exercisable from time to time by the Security Trustee in respect of any part of the Secured Property.

7.5 Powers of Receiver

Every Receiver shall (subject to any restrictions in the instrument appointing it but notwithstanding any winding-up or dissolution of the Shareholder) have and be entitled to exercise, in relation to the Secured Property in respect of which it was appointed, and as varied and extended by the provisions of this Deed (in the name of or on behalf of the Shareholder or in its own name and, in each case, at the cost of the Shareholder):

- (a) all the powers conferred by the Law of Property Act 1925 on mortgagees and on mortgagees in possession and on receivers appointed under that Act;
- (b) all the powers of an administrative receiver set out in Schedule 2 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver);
- (c) all the powers and rights of an absolute owner and power to do or omit to do anything which the Shareholder itself could do or omit to do; and
- (d) the power to do all things (including bringing or defending proceedings in the name or on behalf of the Shareholder) which seem to the Receiver to be incidental or conducive to:
 - (i) any of the functions, powers, authorities or discretions conferred on or vested in it;
 - (ii) the exercise of all rights, powers and remedies of the Security Trustee provided by or pursuant to this Deed or by law (including realisation of all or any part of the Secured Property in respect of which that receiver was appointed); or
 - (iii) bringing to its hands any assets of the Shareholder forming part of, or which when got in would be part of, the Secured Property.

7.6 No liability

Neither the Security Trustee, nor its nominee(s) nor any Receiver shall be liable:

- (a) to account as a mortgagee or mortgagee in possession; or
- (b) for any loss arising by reason of taking any action permitted by this Deed or any neglect or default in connection with the Secured Property or taking possession of or realising all or any part of the Secured Property.

8. ATTORNEY

8.1 Appointment and powers

The Shareholder, by way of security, irrevocably appoints the Security Trustee and any Receiver severally to be its attorney and in its name, on its behalf and as its act and deed to execute, deliver and perfect all documents and do all things which the attorney may consider to be required for:

- (a) carrying out any obligation imposed on the Shareholder by this Deed (including the execution and delivery of any deeds, charges, assignments or other security and any transfers of the assets subject to the security and perfecting and/or releasing the security created or intended to be created in respect of the Secured Property); and
- (b) enabling the Security Trustee and any Receiver to exercise, or delegate the exercise of, all or any of the rights, powers and remedies of the Security Trustee provided by or pursuant to this Deed or by law,

provided that the power of attorney constituted by this clause 8 shall be exercisable only after the occurrence of an Enforcement Time.

8.2 Ratification

The Shareholder shall ratify and confirm all things done and all documents executed by any attorney in the lawful exercise of all or any of his/her powers.

8.3 Protection of purchasers

The receipt of the Security Trustee or any Receiver shall be a conclusive discharge to a purchaser and, in making any sale or disposal of any of the Secured Property or making any acquisition, the Security Trustee or any Receiver may do so for such consideration (whether cash or non-cash), in such manner and on such terms as the Security Trustee or any Receiver thinks fit.

No purchaser or other person dealing with the Security Trustee or any Receiver shall be bound to inquire whether the right of the Security Trustee or such Receiver to exercise any of its powers has arisen or become exercisable or be concerned to inquire whether that power has been properly or regularly exercised by the Security Trustee or such Receiver in such dealings.

8.4 Filings

The Shareholder hereby irrevocably appoints the Security Trustee to be its attorney in its name and on its behalf and as its act and deed or otherwise of it to agree the form of and to execute and do all deeds, instruments, acts and things in order to file, record, register or enrol this Deed in any court, public office or elsewhere which the Security Trustee in its discretion considers necessary or advisable, now or in the future, to ensure the legality, validity, enforceability or admissibility in evidence thereof.

8.5 Exemptions

Section 103 of the Law of Property Act 1925 shall not apply to any disposal of the Secured Property pursuant to this Deed.

9. APPLICATION OF PROCEEDS

All moneys received by the Security Trustee in the exercise of its rights under this Deed shall, subject to the rights of any persons having priority, be applied in accordance with clause 4 (*Application of Proceeds*) of the Security Trust Deed. If the moneys applied in this way are not sufficient to pay and discharge the Outstanding Indebtedness in full, the Shareholder shall continue to be liable for the balance of the Outstanding Indebtedness.

10. CONTINUING SECURITY AND OTHER MATTERS

10.1 Continuing security

The security created by this Deed shall:

- (a) be held by the Security Trustee as a continuing security for the payment of the Outstanding Indebtedness and the performance and observance of and compliance with all of the covenants, terms and conditions contained in the Transaction Documents, express or implied, and the security so created shall not be satisfied by any intermediate payment or satisfaction of any part of the amount hereby and thereby secured (or by any settlement of accounts between the Shareholder, the Company, the Associated Lessee, any other Relevant Party or any other person who may be liable to the Security Trustee in respect of the Outstanding Indebtedness or any part thereof and the Security Trustee);
- (b) be in addition to, and shall not in any way prejudice or affect, and may be enforced by the Security Trustee without prior recourse to, the security created by any other of the Transaction Documents or by any present or future Collateral Instruments, right or remedy held by or available to the Security Trustee or any right or remedy of the Security Trustee thereunder; and
- (c) not be in any way prejudiced or affected by the existence of any of the other Transaction Documents or any such Collateral Instrument, rights or remedies or by the same becoming wholly or in part void, voidable or unenforceable on any ground whatsoever or by the Security Trustee dealing with, exchanging, varying or failing to perfect or enforce any of the same, or giving time for payment or performance or indulgence or compounding with any other person liable.

10.2 Rights additional

All the rights, powers and remedies vested in the Security Trustee hereunder shall be in addition to and not a limitation of any and every other right, power or remedy vested in Security Trustee under the Charter, the Associated Charter, this Deed, the other Transaction Documents or any Collateral Instrument or at law and all the rights, powers and remedies so vested in the Security Trustee may be exercised from time to time and as often as the Security Trustee thinks fit in its sole discretion.

10.3 No enquiry

The Security Trustee shall not be obliged to make any enquiry as to the nature or sufficiency of any payment received by it under this Deed or to make any claim or take any action to collect any

moneys hereby assigned or to enforce any rights or benefits hereby assigned to the Security Trustee or to which the Security Trustee may at any time be entitled under this Deed.

10.4 Obligations of Shareholder and Security Trustee

The Shareholder shall remain liable to perform all the obligations assumed by it in relation to the Secured Property and the Security Trustee shall be under no obligation of any kind whatsoever in respect thereof or be under any liability whatsoever in the event of any failure by the Shareholder to perform its obligations in respect thereof.

10.5 Waiver of defences

The obligations of the Shareholder under, and the security constituted by, this Deed shall not be affected by any act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice any such obligations or security (whether or not known to it or the Security Trustee) including:

- (a) any time, waiver or consent granted to, or composition with, a Relevant Party or any other person;
- (b) the release of a Relevant Party or any other person under the terms of any composition or arrangement with any creditor of such person;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of a Relevant Party or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members/shareholders or status of a Relevant Party or any other person;
- (e) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any Transaction Document or any other document or security including without limitation any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under any Transaction Document or other document or security;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Transaction Document or any other document or security; or
- (g) any insolvency or similar proceedings.

10.6 Shareholder intent

The Shareholder expressly confirms that it intends that the Liens created under this Deed, shall extend from time to time to any (however fundamental and of whatsoever nature, and whether or not more onerous) variation, increase, extension or addition of or to any of the Transaction Documents and/or amount made available under any of the Transaction Documents and any fees, costs and/or expenses associated with any of the foregoing.

10.7 Deferral of rights

Until the Outstanding Indebtedness has irrevocably and unconditionally been paid in full, or unless the Security Trustee otherwise directs, the Shareholder shall not exercise any rights (including

rights of set-off) which it may have by reason of performance by it of its obligations under the Transaction Documents or the grant of the security constituted by this Deed:

- (a) to be indemnified by any Relevant Party or any other person;
- (b) to claim any contribution from any guarantor or other person in respect of any Relevant Party's obligations under the Transaction Documents;
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Security Trustee under the Transaction Documents or of any other guarantee or security taken pursuant to, or in connection with, the Transaction Documents by the Security Trustee;
- (d) to bring legal or other proceedings for an order requiring any Relevant Party or any other person to make any payment, or perform any obligation, in respect of which any Relevant Party or any other person has given a guarantee, undertaking or indemnity under any Transaction Document;
- (e) to exercise any right of set-off against any Relevant Party or any other person; and/or
- (f) to claim or prove as a creditor of any Relevant Party or any other person in competition with the Security Trustee.

If the Shareholder receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution on trust for the Security Trustee to the extent necessary to enable the Outstanding Indebtedness to be irrevocably and unconditionally discharged in full and shall promptly pay or transfer the same to the Security Trustee or as the Security Trustee may direct for application in accordance with the provisions of the Security Trust Deed.

10.8 Until the Outstanding Indebtedness has been irrevocably and unconditionally discharged in full the Security Trustee (or any trustee or agent on its behalf) may:

- (a) refrain from applying or enforcing any other money, security or rights held or received by it (or any trustee or agent on its behalf) in respect of the Secured Property, or apply and enforce the same in the manner and order it thinks fit (whether against those amounts or otherwise) and the Shareholder shall not be entitled to the benefit of the same; and
- (b) hold in a suspense account any money received from the Shareholder or on account of its liability under this Deed or from the security constituted by this Deed.

11. POWERS OF SECURITY TRUSTEE TO PROTECT SECURITY

The Security Trustee shall, without prejudice to its other rights, powers and remedies under any of the Transaction 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 sole discretion consider appropriate for the purpose of protecting or maintaining the security created by this Deed and the other Transaction Documents and all Losses attributable thereto shall be payable by the Shareholder on demand.

12. FURTHER ASSURANCE

The Shareholder hereby further undertakes at its own expense from time to time to execute, sign, perfect, do and (if required) register every such further assurance, document, act or thing which the Security Trustee in its sole discretion considers necessary or advisable for the purpose of more effectually mortgaging and charging the Secured Property or perfecting the security constituted or intended to be constituted by this Deed.

13. EXPENSES, LIABILITY AND INDEMNITY

13.1 Expenses

The Shareholder shall pay to (and indemnify) the Security Trustee on demand all documented legal and out-of-pocket expenses reasonably incurred by the Security Trustee in connection with:

- (a) the negotiation, preparation, execution and perfection of this Deed; and/or
- (b) any variation of, or amendment or supplement to, any of the terms of this Deed; and/or
- (c) any consent or waiver in relation to this Deed,

and in the case of either (b) or (c), regardless of whether the same is actually implemented, completed or granted, as the case may be.

13.2 Losses

The Shareholder shall pay to (and indemnify) the Security Trustee and any Receiver on demand, on an After Tax Basis, all Losses incurred by the Security Trustee or any Receiver in connection with the preserving or enforcing of, or attempting to preserve or enforce, any of its rights under this Deed.

13.3 Duties

The Shareholder shall pay promptly all stamp, documentary and other like duties and Taxes to which this Deed may be subject or give rise and shall indemnify the Security Trustee and any Receiver on demand against any and all liabilities with respect to or resulting from any delay or omission to pay any such duties or Taxes (save to the extent that such stamp, documentary and other like duties and Taxes are directly caused by the Security Trustee's or any Receiver's gross negligence or wilful misconduct).

13.4 No liability or costs

Neither the Security Trustee nor a Receiver nor any of their respective officers will be in any way liable or responsible to the Shareholder for any loss or liability of any kind arising from any act or omission by it or him or her of any kind (whether as mortgagee in possession or otherwise) in relation to the Liens, except to the extent caused by its or his or her gross negligence or wilful misconduct.

13.5 Indemnity to the Security Trustee

The Shareholder will, on demand, indemnify the Security Trustee, a Receiver and any of their respective officers in respect of all Losses which it or he or she incurs or suffers in connection with:

- (a) the taking, holding, protection or enforcement of the Liens constituted by the Security Documents;
- (b) any matter or thing done or omitted in any way in accordance with the terms of this Deed relating to the Liens constituted hereby;
- (c) the exercise or purported exercise of any of the rights, powers, authorities, discretions and remedies conferred on it under this Deed or by law;

- (d) a claim of any kind (whether relating to the environment or otherwise) made or asserted against it which would not have arisen but for the execution or enforcement of this Deed or if the Liens constituted hereby had not been granted; or
- (e) any breach by the Shareholder of this Deed,

other than as caused by the Security Trustee's, the Receiver's or that officer's gross negligence or wilful misconduct.

14. REMEDIES CUMULATIVE AND OTHER PROVISIONS

14.1 No implied waivers; remedies cumulative

No failure or delay on the part of the Security Trustee to exercise any right, power or remedy vested in it under any of the Transaction Documents shall operate as a waiver thereof, nor shall any single or partial exercise by the Security Trustee of any right, power or remedy nor the discontinuance, abandonment or adverse determination of any proceedings taken by the Security Trustee to enforce any right, power or remedy preclude any other or further exercise thereof or proceedings to enforce the same or the exercise of any other right, power or remedy, nor shall the giving by the Security Trustee of any consent to any act which by the terms of this Deed requires such consent prejudice the right of the Security Trustee to give or withhold consent to the doing of any other similar act. The remedies provided the Transaction Documents are cumulative and are not exclusive of any remedies provided by law.

14.2 Delegation

The Security Trustee shall be entitled, at any time and as often as may be expedient, to delegate all or any of the powers and discretions vested in it by this Deed or any of the other Transaction Documents in such manner, upon such terms, and to such persons as the Security Trustee in its absolute discretion may think fit.

15. NOTICES

15.1 Communications in writing

Any communication to be made under or in connection with this Deed shall be made in writing and, unless otherwise stated, may be made by letter or (under Clause 15.4 (*Electronic communication*)) email.

15.2 Addresses

The address and email address (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Deed are those identified with its name in Schedule 1 (*Information*), or any substitute address, email address or department or officer as the relevant party may notify to the other party by not less than 5 Business Days' prior notice in writing.

15.3 Delivery

Any communication or document made or delivered by one party to this Deed to the other party under or in connection with this Deed will only be effective:

- (a) if by way of letter, when it has been left at the relevant address or five (5) Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address; or

- (b) if by way of email, if it complies with the rules under Clause 15.4 (*Electronic communication*),

and, if a particular department or officer is specified as part of its address details provided under Clause 15.2 (*Addresses*), if addressed to that department or officer.

15.4 Electronic communication

Any communication to be made between the Parties under or in connection with this Deed may be made by electronic mail or other electronic means, and the Parties hereby agree:

- (a) that, unless and until notified to the contrary, this is to be an accepted form of communication;
- (b) to notify each other in writing of their respective electronic mail address and/or any other information required to enable the sending and receipt of information by that means; and
- (c) to notify each other of any change to their respective address or any other such information supplied by them.

Any electronic communication made by one Party to the other Party will be effective when it is sent by the sender party unless the sender party receives a message indicating failed delivery. A Party shall notify the other Party promptly upon becoming aware that its electronic mail system or other electronic means of communication cannot be used due to technical failure (and that failure is or is likely to be continuing for more than 24 hours). Until that Party has notified the other party that the failure has been remedied, all notices between the Parties shall be sent by letter in accordance with this Clause 15.

15.5 English language

Any notice given under or in connection with this Deed must be in English.

All other documents provided under or in connection with this Deed must be:

- (a) in English; or
- (b) if not in English, and if so required by the Security Trustee accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

16. COUNTERPARTS

This Deed may be entered into in the form of two counterparts, each executed by one Party, and, provided both Parties shall so execute this Deed, each of the executed counterparts, when duly exchanged or delivered, shall be deemed to be an original but, taken together, they shall constitute one instrument.

17. ASSIGNMENT

This Deed shall be binding upon and inure to the benefit of the Security Trustee and the Shareholder and their respective successors, replacements and permitted assigns and references in this Deed to either of them shall be construed accordingly. The Parties hereto acknowledge that the benefit of this Deed (including any rights of the Security Trustee exercisable under or in connection with this Deed) may only be assigned or transferred in accordance with Clause 71 (*Assignment*) of the Charter and/or Clause 7.1 of the Security Trust Deed.

18. LAW AND JURISDICTION

18.1 Governing Law

This Deed, and all non-contractual obligations arising from or in connection with this Deed, are governed by English law.

18.2 Jurisdiction of English courts

- (a) Subject to Clause 18.2(c), the courts of England and Wales have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including any dispute relating to any non-contractual obligation arising from or in connection with this Deed and any dispute regarding the existence, validity or termination of this Deed) (a "**Dispute**").
- (b) The Parties agree that the courts of England and Wales are the most appropriate and convenient courts to settle Disputes and accordingly no party to this Deed will argue to the contrary.
- (c) This Clause 18.2 is for the benefit of the Security Trustee only. As a result, the Security Trustee shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Trustee may take concurrent proceedings in any number of jurisdictions.

18.3 Waiver of immunities

To the extent that either Party has acquired or may, after the date of this Deed, acquire any immunity, with respect to itself and its revenues and assets (irrespective of their use or intended use), on the grounds of sovereignty or other similar grounds from:

- (a) suit;
- (b) jurisdiction of any court;
- (c) relief by way of injunction or order for specific performance or recovery of property;
- (d) attachment of its assets (whether before or after judgment); and
- (e) execution or enforcement of any judgment to which it or its revenues or assets might otherwise be entitled in any proceedings in the courts of any jurisdiction (and irrevocably agrees, to the extent permitted by applicable law, that it will not claim any immunity in any such proceedings),

that Party irrevocably waives, to the extent permitted by applicable law, such immunity in respect of its obligations under this Deed.

IN WITNESS WHEREOF this Deed has been executed as a deed by each Party and is intended to be and is hereby delivered by it as a deed on the date specified above.

**Schedule 1
Information**

Company:	
Name:	Lima Trader Shipping Limited
Country of incorporation:	England and Wales
Registered number:	14793550
Registered office:	13-14 Hobart Place, London SW1W 0HH, United Kingdom
Shares	
No. of Shares:	100
Description:	Fully paid registered shared of £1 each
Shareholder:	
Name:	Magnolia Shipholdings Limited
Country of incorporation:	England and Wales
Registered number:	14830370
Numbers of Shares held:	100
Share certificate number:	2
Address for service of notices	
Address:	c/o Lomar Shipping Limited 13-14 Hobart Place London SW1W 0HH United Kingdom
Attention/E-mail:	Attn: Legal Email: [REDACTED]

Schedule 2
Instrument of transfer

Shares of LIMA TRADER SHIPPING LIMITED (the "Company")

We **MAGNOLIA SHIPHOLDINGS LIMITED**], a company incorporated in England and Wales with limited liability, of 13-14 Hobart Place, London SW1W 0HH, United Kingdom for good consideration including the sum of \$1.00 paid to us by _____ of _____ (hereinafter called the **Transferee**) do hereby transfer to the said **Transferee** _____ fully paid up shares of [●] each, numbered _____ inclusive in the undertaking called **LIMA TRADER SHIPPING LIMITED** so that the **Transferee**, his executors, administrators and assigns shall hold the same subject to the several conditions on which we held the same immediately before the execution hereof.

And we, the said **Transferee**, do hereby agree to accept and take the said shares subject to the conditions aforesaid.

AS WITNESS the day of _____

.....
Acting by:
as:

for and behalf of **MAGNOLIA SHIPHOLDINGS LIMITED**

in the presence of

Schedule 3
Form of Shareholder's letter of authority

To: **NML TRUSTEE LLC** (and its successors, replacements and assignees)

Date: [●] 2023

Dear Sirs

LIMA TRADER SHIPPING LIMITED (the "Company")

We hereby unconditionally and irrevocably authorise you and your successors, replacements and assignees as beneficiary of the charge dated [●] 2023 (the Charge) by us in your favour to date and otherwise complete the instrument(s) of transfer in respect of our shares in the Company deposited by ourselves with yourselves pursuant to the Charge, as and when you become entitled to date and complete the same pursuant to the terms of the Charge.

Yours faithfully,

.....
Acting by:

as:

For and on behalf of

MAGNOLIA SHIPHOLDINGS LIMITED

.....
Name:

Title:

Schedule 4
Form of irrevocable proxy

We, **MAGNOLIA SHIPHOLDINGS LIMITED** hereby irrevocably appoint **NML TRUSTEE LLC** as our proxy to vote at meetings of the shareholders, or to sign resolutions in writing of **LIMA TRADER SHIPPING LIMITED** (the "Company") in respect of any existing or further share[s] in the Company which may have been or may from time to time be issued to us and/or registered in our name. This proxy is irrevocable by reason of being coupled with the interest of Security Trustee (and its successors, replacements and assignees) as chargee of the aforesaid share[s].

This proxy is irrevocable by reason of being given for valuable consideration (the receipt and sufficiency of which is hereby acknowledged by **MAGNOLIA SHIPHOLDINGS LIMITED**).

This proxy shall be governed by and construed in accordance with the laws of the Marshall Islands.

For and on behalf of
MAGNOLIA SHIPHOLDINGS LIMITED

Name:

Title:

Dated: [●] 2023

Schedule 5
Director resignation letter

To: **NML TRUSTEE LLC**

LIMA TRADER SHIPPING LIMITED (the "Company")

Date:

Dear Sirs

I/We hereby resign as a director of the Company and confirm that I/we have no right to compensation or claims against the Company for loss of office, arrears of pay or otherwise howsoever.

This resignation is to be effective as at the date hereof.

Yours faithfully

.....
Name:

Position:

Schedule 6
Director letter of authority

To: **NML TRUSTEE LLC** (and its successors, replacements and assignees)

Date: [●] 2023

Dear Sirs

LIMA TRADER SHIPPING LIMITED (the "Company")

I/We hereby unconditionally and irrevocably authorise you and your successors, replacements and assignees as beneficiary of the charge dated [●] 2023 (the **Charge**) between **MAGNOLIA SHIPHOLDINGS LIMITED** and yourselves to date the resignation letter of the Company deposited by me/us with you pursuant to the Charge, as and when you wish to do so if it is an Enforcement Time (as defined or referred to in the Charge).

Yours faithfully

.....
Position:

Schedule 7
Form of distribution mandate

To: **LIMA TRADER SHIPPING LIMITED** (the "Company")

Distribution Mandate

With effect from today's date and until you receive instructions to the contrary from **NML TRUSTEE LLC** we, **MAGNOLIA SHIPHOLDINGS LIMITED**, authorise and direct you to pay any distributions, interest or other moneys paid or payable on the shares in the Company registered in our name to or to the order of **NML TRUSTEE LLC** of Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960 c/o Neptune Maritime Leasing Limited, Highvern, Whiteley Chambers, Don Street, St Helier, Jersey JE2 4TR, Attention: Mr. Charalampos Antoniou, Email: [REDACTED]. On receipt of this mandate please acknowledge to **NML TRUSTEE LLC** at the above address that you will act in accordance with the instructions contained in this mandate.

Dated:

For and on behalf of

MAGNOLIA SHIPHOLDINGS LIMITED

By: _____
Name:
Title:

SIGNATURE PAGES

The Shareholder

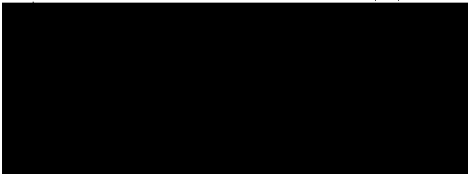
EXECUTED as a DEED)
by)
MAGNOLIA SHIPHOLDINGS LIMITED)
acting by)
as)

Witnessed by

Name:
Title:
Address:

The Security Trustee

EXECUTED as a DEED)
by)
NML TRUSTEE LLC)
acting by)
as attorney-in-fact)



SERAFEIM PAPADIAS
Norton Rose Fulbright Greece
Associate

Witnessed by

Name: *Dora Anastasia Boyle*
Title: *Partner*
Address:

NORTON ROSE FULBRIGHT
GREECE