

# M

CHWP000

Please do not  
write in  
this margin

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

\* insert full name  
of company

## COMPANIES FORM No. 395

## Particulars of a mortgage or charge

A fee of £10 (£13 for forms delivered on or after 1 February 2005) is payable to Companies House in respect of each register entry for a mortgage or charge.

Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies  
(address overleaf - Note 6)

For official use

21

Company number

FC008071

Name of company

\*Islamic Republic of Iran Shipping Lines (the "Company")

Date of creation of the charge

14 March 2008

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

Pre-delivery security deed (the "Deed") relating to the Ship (as defined in Schedule 1 to this Form 395)

Amount secured by the mortgage or charge

The Outstanding Indebtedness

"**Outstanding Indebtedness**" means the aggregate of the principal amount, interest accrued and accruing thereon, the Expenses and all other sums of money from time to time owing by the Company to the Lenders or any of the other Finance Parties, whether actually or contingently, under the Loan Agreement and the other Security Documents or any of them

(as such capitalised terms are defined in Schedule 1 to this Form 395)

Presentor's name address and  
reference (if any)

**Norton Rose LLP**  
3 More London Riverside  
London SE1 2AQ  
Ref SQB/JZSS/HK000025

Time critical reference

For official Use (02/00)  
Mortgage Section

Post room

MONDAY



LD7

\*LP1HDYHK\*

31/03/2008

33

COMPANIES HOUSE

Please do not write  
in this margin

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

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

The Export-Import Bank of China at No 77, Beiheyan Street, Dongcheng District, Beijing 100009, the People's Republic of China (the "Security Trustee")

**IMPORTANT NOTICE**

The Company further covenants that it will not, without the prior written consent of the Facility Agent acting on the instructions of all the Lenders create or purport to agree to create or permit to arise or subsist any Encumbrance (other than Permitted Encumbrances) over or in respect of any of the Assigned Property (as such capitalised terms are defined in Schedule 1 to this Form 395)

A fee is payable to  
Companies House  
in respect of each  
entry for a  
mortgage or  
charge  
(See note 5)

**Short particulars of all the property mortgaged or charged**

All of the Company's rights, title and interest in and to the Assigned Property and all its benefits and interests present and future therein

**Particulars as to commission allowance or discount (note 3)**

Nil

Signed

Norton Rose Hung King Date 28 March 2008

On behalf of chargee†

† delete as  
appropriate

**Notes**

- 1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395) If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398) A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the registrar The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No 398 is submitted
- 2 A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage", or "Legal charge", etc, as the case may be, should be given
- 3 In this section there should be inserted the amount or rate per cent of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his,
  - (a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
  - (b) procuring or agreeing to procure subscriptions, whether absolute or conditional,for any of the debentures included in this return The rate of interest payable under the terms of the debentures should not be entered
- 4 If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet
- 5 A fee of £10 (£13 for forms delivered on or after 1 February 2005) is payable to Companies House in respect of each register entry for a mortgage or charge Cheques and Postal Orders are to be made payable to Companies House
- 6 The address of the Registrar of Companies is Companies House, Crown Way, Cardiff CF14 3UZ

**"Agreed Form"** in relation to a document or notice, means a form of that document or notice which has been approved by the Facility Agent, acting on instructions of the Majority Lenders,

**"Assigned Documents"** means

- (a) the Shipbuilding Contract, and
- (b) the Refund Guarantee,

**"Assigned Property"** means all of the Company's rights, title, interest and all its benefits present and future in and under the Assigned Documents including (without limitation) all moneys payable by the Seller and/or the Refund Guarantor to the Company thereunder including, without prejudice to the generality of the foregoing, all claims for damages in respect of any breach by the Seller of the Shipbuilding Contract, by the Refund Guarantor of any Refund Guarantee and all the rights of the Company to take delivery of and title to the Ship under the Shipbuilding Contract,

**"Builder"** means Yangzhou Dayang Shipbuilding Co., Ltd. of Wantou, Yangzhou, Jiangsu, the People's Republic of China,

**"CATIC"** means China National Aero-Technology Import and Export Corporation Beijing Company of 9th floor, CATIC Plaza, No. 18 Beichendonglu, Chaoyang District, Beijing 100101, the People's Republic of China,

**"Casualty Amount"** means one million Dollars (US\$1,000,000) (or the equivalent in any other currency),

**"Commitment"** in relation to a Lender at any relevant time, means the amount set opposite its name in Schedule 1 Part 2 to the Loan Agreement and/or, in the case of a New Lender, the amount specified in the relevant Substitution Certificate, as reduced, in each case, by any relevant term of the Loan Agreement and so that, if at such time the Total Commitments have been reduced to zero, references to a Lender's Commitment shall be construed as a reference to that Lender's Commitment immediately prior to such reduction to zero and **"Commitments"** means any or all of them,

**"Compulsory Acquisition"** means the requisition for title or other compulsory acquisition, requisition, appropriation, expropriation, deprivation, forfeiture or confiscation for any reason of the Ship by any Government Entity or other competent authority, whether de jure or de facto, but shall exclude requisition for use or hire not involving requisition of title,

**"Contribution"** in relation to a Lender, means the principal amount of the Loan owing to such Lender at any relevant time,

**"Deed of Covenant"** means the deed of covenant collateral to the Mortgage, in the Agreed Form, executed or (as the case may be) to be executed by the Company in favour of the Security Trustee,

**"Delivery"** means the delivery of the Ship by the Seller to, and the acceptance thereof by, the Company pursuant to the Shipbuilding Contract as evidenced by execution by the Seller and the Company of the Protocol of Delivery and Acceptance,

**"Delivery Date"** means the date on which Delivery takes place,

**"Dollars", "US\$" and "\$"** mean the lawful currency of the United States of America and in respect of all payments to be made under any of the Security Documents mean funds which are for same day settlement in the New York Clearing House Interbank Payments System (or such other U.S. dollar funds as may at the relevant time be customary for the same day settlement of international banking transactions denominated in U.S. dollars),

**"Earnings"** means all moneys whatsoever from time to time due or payable to the Company during the Security Period arising out of the use or operation of the Ship including (but without limiting the generality of the foregoing) all freight, hire and passage moneys, income arising out of pooling arrangements, compensation payable to the Company in the event of requisition of the Ship for hire, remuneration for salvage or towage services, demurrage and detention moneys and damages for breach (or payments for variation or termination) of any charterparty or other contract for the employment of the Ship and any sums recoverable under any loss of earnings insurance,

**"Encumbrance"** means any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, trust arrangement or security interest or other encumbrance of any kind securing any obligation of any person or any type of preferential arrangement (including without limitation title transfer and/or retention arrangements having a similar effect),

**"Escrow Account"** means the Dollar denominated account of the Company in relation to the Ship and the Other Ships (the details of which shall be set out in the Fixed and Floating Charge) opened, or as the context may require, to be opened with The Export-Import Bank of China and includes any sub-account thereof,

**"Expenses"** means the aggregate at any relevant time (to the extent that the same have not been received or recovered by the Security Trustee and/or any receiver) of

(a) all losses, liabilities, costs, charges, expenses, damages and outgoings of whatever nature (including without limitation Taxes, repair costs, registration fees, insurance premiums, commission in connection with any assignment of the Shipbuilding Contract or the sale of the Ship, costs of supervision of construction of the Ship and costs of safeguarding, maintaining and insuring the Ship in the event of her sale after delivery under the Shipbuilding Contract) suffered, incurred or paid by the Security Trustee and/or any receiver in connection with the exercise of the powers referred to in or granted by the Deed or otherwise payable by the Company in accordance with clause 9, and

(b) interest on all such losses, liabilities, costs, charges, expenses, damages and outgoings from the date on which the same were suffered, incurred or paid by the Security Trustee and/or any receiver until the date of receipt or recovery thereof (whether before or after judgment) at a rate per annum calculated in accordance with clause 3.3 of any Relevant Agreement (as conclusively certified by the Security Trustee and/or such receiver, as the case may be),

**"Facility Agent"** means The Export-Import Bank of China whose registered office is at No 77 Beiheyuan Street, Dongcheng District, Beijing 100009, the People's Republic of China (or of such other address as may last have been notified to the other parties to the Loan Agreement pursuant to clause 18.1.3) and its successor in title or such other person as may be appointed facility agent for the Finance Parties pursuant to the Trust and Agency Agreement,

**"Finance Parties"** means each of the Lenders, the Facility Agent and the Security Trustee,

**"Fixed and Floating Charge"** means the deed, in the Agreed Form, entered or (as the case may be) to be entered by the Company in favour of the Security Trustee containing (inter alia) a fixed charge over the Escrow Account and a floating charge over all of the Company's present and future assets (other than the Escrow Account),

**"Flag State"** means the Republic of Malta or such other state or territory designated in writing by the Lenders, at the request of the Company, as being the "Flag State" for the Ship for the purposes of the Security Documents,

**"Government Entity"** means and includes (whether having a distinct legal personality or not) any national or local government authority, board, commission, department, division, organ, instrumentality, court or agency and any association, organisation or institution of which any of the foregoing is a member or to whose jurisdiction any of the foregoing is subject or in whose activities any of the foregoing is a participant,

**"Insurances"** means all policies and contracts of insurance (which expression includes all entries of the Ship in a protection and indemnity or war risks association) which are from time to time during the Security Period in place or taken out or entered into (or, as the context may permit, which are required to be in place or taken out or entered into) by or for the benefit of the Company (whether in the sole name of the Company or in the joint names of the Company and any other person) in respect of the Ship or otherwise howsoever in connection with the Ship and all benefits thereof (including claims of whatsoever nature and return of premiums),

**"Lenders"** means collectively the banks and financial institutions whose names and addresses are listed in Schedule 1 Part 1 to the Loan Agreement and includes their respective successors in title and the New Lenders and **"Lender"** means any one of them individually,

**"Loan"** means the aggregate principal amount owing to the Lenders under the Loan Agreement at any relevant time,

**"Loan Agreement"** means an agreement dated 24 April 2007 and made between (1) the Company, (2) the Facility Agent, (3) the Security Trustee and (4) the Lenders, whereby the Lenders agreed to make

A fee is payable to  
Companies House  
in respect of each  
entry for a  
mortgage or  
charge  
(See note 5)

† delete as  
appropriate

available to the Company a loan of up to US\$29,950,000 on the terms and conditions set out therein to finance the purchase price of the Ship,

**"Majority Lenders"** at any relevant time, means those Lenders

- (a) whose Contributions then aggregate 66⅔% or more of the aggregate of the Contributions of all the Lenders, or
- (b) if there is no Loan then outstanding, whose Commitments then aggregate not less than 71% of the Commitments of all the Lenders, or
- (c) if there is no Loan then outstanding and the Total Commitments have been reduced to zero, whose Commitments aggregated not less than 66 ⅔% of the Commitments of all the Lenders immediately before the reduction,

**"Mortgage"** means the first priority Maltese ship mortgage, in the Agreed Form, executed or, as the context may require, to be executed by the Company over the Ship,

**"New Lender"** has the meaning ascribed to it in clause 15.3 of the Loan Agreement,

**"Other Loan Documents"** means, together

- (a) the loan agreement dated on or around the date of the Loan Agreement and made between the same parties that are also parties to the Loan Agreement pursuant to which the Lenders agree to make available to the Company a loan facility for the purposes of financing or (as the case may be) refinancing the acquisition of Ship A (the **"Ship A Loan Agreement"**),
- (b) the loan agreement dated on or around the date of the Loan Agreement and made between the same parties that are also parties to the Loan Agreement pursuant to which the Lenders agree to make available to the Company a loan facility for the purposes of financing or (as the case may be) refinancing the acquisition of Ship B (the **"Ship B Loan Agreement"**),
- (c) the loan agreement dated on or around the date of the Loan Agreement and made between the same parties that are also parties to the Loan Agreement pursuant to which the Lenders agree to make available to the Company a loan facility for the purposes of financing or (as the case may be) refinancing the acquisition of Ship C (the **"Ship C Loan Agreement"**),
- (d) the loan agreement dated on or around the date of the Loan Agreement and made between the same parties that are also parties to the Loan Agreement pursuant to which the Lenders agree to make available to the Company a loan facility for the purposes of financing or (as the case may be) refinancing the acquisition of Ship E (the **"Ship E Loan Agreement"**),
- (e) the loan agreement dated on or around the date of the Loan Agreement and made between the same parties that are also parties to the Loan Agreement pursuant to which the Lenders agree to make available to the Company a loan facility for the purposes of financing or (as the case may be) refinancing the acquisition of Ship F (the **"Ship F Loan Agreement"**),
- (f) each of the Security Documents as defined in the Ship A Loan Agreement,
- (g) each of the Security Documents as defined in the Ship B Loan Agreement,
- (h) each of the Security Documents as defined in the Ship C Loan Agreement,
- (i) each of the Security Documents as defined in the Ship E Loan Agreement, and

each of the Security Documents as defined in the Ship F Loan Agreement,

**"Permitted Encumbrances"** means (a) any Encumbrance created pursuant to the Security Documents and (b) Permitted Liens,

**"Permitted Liens"** means any lien on the Ship for master's, officer's or crew's wages outstanding in the ordinary course of trading, any lien for salvage and any ship repairer's or outfitter's possessory lien for a sum not (except with the prior written consent of the Facility Agent, acting on the instructions of the Majority Lenders) exceeding the Casualty Amount,

**"Protocol of Delivery and Acceptance"** means the protocol of delivery and acceptance to be signed by or on behalf of the Seller and the Company evidencing the delivery and acceptance of the Ship pursuant to the Shipbuilding Contract, such protocol to be in a form acceptable to the Facility Agent (acting on the instructions of the Majority Lenders),

**"Refund Guarantee"** means any letter of guarantee (in the form set out in Exhibit A to the Shipbuilding Contract) issued or to be issued by the Refund Guarantor in respect of the Seller's obligations to refund instalment(s) paid by the Company under the Shipbuilding Contract and any replacement guarantee(s) issued or to be issued by the Refund Guarantor in respect of such obligations that are acceptable to the Facility Agent (acting on the instructions of all the Lenders),

**"Refund Guarantee Notice and Acknowledgement"** means the notice of assignment in respect of the Refund Guarantee to be given by the Company and the acknowledgement of and consent to such notice of assignment to be given by the Refund Guarantor in the form scheduled to the Pre-Delivery Security Deed,

A fee is payable to  
Companies House  
in respect of each  
entry for a  
mortgage or  
charge  
(See note 5)

**"Refund Guarantor"** means Bank of Communications, Beijing Branch,

**"Relevant Agreements"** means, together, the Loan Agreement, the Ship A Loan Agreement, the Ship B Loan Agreement, the Ship C Loan Agreement, the Ship E Loan Agreement and the Ship F Loan Agreement and **"Relevant Agreement"** means any of them,

**"Requisition Compensation"** means all sums of money or other compensation from time to time payable during the Security Period by reason of Compulsory Acquisition of the Ship,

**"Security Deed"** means the deed, in the Agreed Form, executed or, as the context may require, to be executed by the Company in favour of the Security Trustee containing (inter alia) an assignment of the Earnings, Insurances and Requisition Compensation of the Ship,

**"Security Period"** means the period commencing on the date of the Loan Agreement and terminating upon discharge of the security created by the Security Documents by payment of all moneys payable thereunder,

**"Shipbuilding Contract"** means the shipbuilding contract dated 13 March 2006 (and as amended and/or supplemented from time to time) between the Company and the Seller relating to the construction of the Ship and the sale by the Seller and purchase by the Company of the Ship,

† delete as  
appropriate

**"Shipbuilding Contract Notice and Acknowledgement"** means the notice given by the Company in respect of the assignment of the Shipbuilding Contract and the acknowledgement of that notice to be given by the Seller in the form scheduled to the Pre-Delivery Security Deed,

**"Ship"** means the 53,100 dwt bulk carrier having Hull No DY112 to be purchased by the Company pursuant to the Shipbuilding Contract and to be registered in the name of the Company as and from the Delivery Date under the laws and flag of the Flag State,

**"Ship A"** means the 53,100 dwt bulk carrier having Hull No DY109 to be purchased by the Company pursuant to the Shipbuilding Contract and to be registered in the name of the Company as and from the Delivery Date under the laws and flag of the Flag State,

**"Ship B"** means the 53,100 dwt bulk carrier having Hull No DY110 to be purchased by the Company pursuant to the Shipbuilding Contract and to be registered in the name of the Company as and from the Delivery Date under the laws and flag of the Flag State,

**"Ship C"** means the 53,100 dwt bulk carrier having Hull No DY111 to be purchased by the Company pursuant to the Shipbuilding Contract and to be registered in the name of the Company as and from the Delivery Date under the laws and flag of the Flag State,

**"Ship E"** means the 53,100 dwt bulk carrier having Hull No DY113 to be purchased by the Company pursuant to the Shipbuilding Contract and to be registered in the name of the Company as and from the Delivery Date under the laws and flag of the Flag State,

**"Ship F"** means the 53,100 dwt bulk carrier having Hull No DY114 to be purchased by the Company pursuant to the Shipbuilding Contract and to be registered in the name of the Company as and from the Delivery Date under the laws and flag of the Flag State,

**"Security Documents"** means the Loan Agreement, the Trust and Agency Agreement, the Other Loan Documents, the Fixed and Floating Charge, the Deed, the Mortgage, the Deed of Covenant, the Security Deed, the Shipbuilding Contract Notice and Acknowledgment, each Refund Guarantee Notice and Acknowledgment and any other documents as may have been or shall from time to time after the date of the Loan Agreement be executed to guarantee and/or secure all or any part of the Loan, interest thereon and other moneys from time to time owing by the Company pursuant to the Loan Agreement (whether or not any such document also secures moneys from time to time owing pursuant to any other document or agreement) and any other documents designated as a Security Document by the Facility Agent and the Company,

**"Seller"** means the Builder jointly and severally with CATIC and includes their successors and assignees,

**"Substitution Certificate"** means a certificate substantially in the terms of Schedule 5 to the Loan Agreement (or in such other form as the Lenders may approve or require),

**"Total Commitments"** at any relevant time means the total of the Commitments of all the Lenders at such time, and

**"Trust and Agency Agreement"** means the trust and agency agreement executed or, as the context may require, to be executed between the Security Trustee, the Lenders, the Facility Agent and the Company



## **CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE**

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

**COMPANY NO. FC8071  
CHARGE NO. 21**

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES  
HEREBY CERTIFIES THAT A PRE-DELIVERY SECURITY DEED  
RELATING TO THE SHIP DATED 14 MARCH 2008 AND CREATED  
BY ISLAMIC REPUBLIC OF IRAN SHIPPING LINES FOR  
SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE  
COMPANY TO THE EXPORT-IMPORT BANK OF CHINA OR ANY  
OF THE OTHER FINANCE PARTIES UNDER THE TERMS OF THE  
AFOREMENTIONED INSTRUMENT CREATING OR EVIDENCING  
THE CHARGE WAS REGISTERED PURSUANT TO CHAPTER 1  
PART XII OF THE COMPANIES ACT 1985 ON THE 31 MARCH  
2008

GIVEN AT COMPANIES HOUSE, CARDIFF THE 5 APRIL 2008



*Companies House*  
— for the record —



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES

PJ