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in black type, or
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COMPANIES FORM No. 395

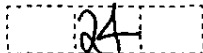
395**Particulars of a mortgage or charge**

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



Company number

FC008071

Name of company

* insert full name
of company

* ISLAMIC REPUBLIC OF IRAN SHIPPING LINES (the "Company")

Date of creation of the charge

25 April 2008

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

Security Deed, (the "Security Deed") relating to one (1) 53,100 dwt bulk carrier with Hull No DY110 and named m v. "KARIM" (the "Ship")

Presentor's name address and
reference (if any)

Norton Rose LLP
3 More London Riverside
London SE1 2AQ
SQB/JZSS/HK00801

Time critical reference

For official Use (02/00)
Mortgage Section

Post room

FRIDAY



LD3

09/05/2008
COMPANIES HOUSE

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

Amount secured by the mortgage or charge

The aggregate of the principal amount, interest accrued and accruing thereon, the Expenses and all other sums of money from time to time owing to the Lenders or any other Finance Parties, whether actually or contingently, under the Loan Agreement, the other Relevant Agreements and the other Security Documents or any of them For the avoidance of doubt, such Outstanding Indebtedness shall include all sums of money from time to time owing by the Owner to the Lenders or any of the other Finance Parties: (i) under the Ship A Loan Agreement and the Security Documents (as defined in the Ship A Loan Agreement) for the acquisition of the Ship A, (ii) under the Ship B Loan Agreement and the Security Documents (as defined in the Ship B Loan Agreement) for the acquisition of Ship, (iii) under the Ship C Loan Agreement and the Security Documents (as defined in the Ship C Loan Agreement) for the acquisition of Ship C, (iv) under the Ship D Loan Agreement and the Security Documents (as defined in the Ship D Loan Agreement) for the acquisition of Ship D, (v) under the Ship E Loan Agreement and the Security Documents (as defined in the Ship E Loan Agreement) for the acquisition of Ship E and (vi) under the Ship F Loan Agreement and the Security Documents (as defined in the Ship F Loan Agreement) for the acquisition of Ship F (the "Outstanding Indebtedness").

Definitions of capitalised terms are defined in this Form 395 or in the attached Schedule 1 to this Form 395

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

The Export-Import Bank of China, a company incorporated under the laws of People's Republic of China and having its registered office at No 77, Beiheyuan Street, Dongcheng District, Beijing 100009, the People's Republic of China and in its capacity as security trustee for and on behalf of the Finance Parties (as defined in the Loan Agreement which expression shall include its successors in title and any person appointed as security trustee pursuant to the terms of the Trust and Agency Agreement) (the "Assignee")

Definitions of capitalised terms are defined in this Form 395 or in the attached schedule 1 to this Form 395.

† delete as
appropriate

Short particulars of all the property mortgaged or charged

^{being}
The Ship and includes any share or interest therein and her engines, machinery, boats, tackle, outfit, equipment, spare gear, fuel, consumable or other stores, belongings and appurtenances whether on board or ashore and which become the property of the Owner pursuant to the Shipbuilding Contract for the Ship and belong to the Owner as at Delivery of the Ship or become installed on the Ship thereafter and also any and all additions, improvements and replacements from time to time made in or to her or any part thereof or in or to her equipment and appurtenances aforesaid

Important Notice

The Company has covenanted with the Security Trustee not to create any encumbrance over Ship without the prior written consent of the Security Trustee

Definitions of capitalised terms are defined in this Form 395 or in the attached schedule 1 to this Form 395

Nil

Signed

Norton Rose Fulbright

Date

6 May 2008

On behalf of chargee[†]

Notes

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

Schedule 1 to Form 395 relating to Security Deed dated 25 April 2008

"Charter" means any charter or other contract for the employment for the Ship entered or (as the case may be) to be entered into by the Company in accordance with clause 8 5 18 of the Loan Agreement,

"Charter Earnings" means all moneys whatsoever payable to the Company during the Security Period under or pursuant to any Charter for the Ship and/or any guarantee, security or other assurance given to the Company at any time in respect of the charterer's obligations under or pursuant to such Charter including (but without prejudice to the generality of the foregoing) all claims for damages in respect of any breach by the charterer of such Charter,

"Charter Rights" means all of the rights of the Company under or pursuant to any Charter for the Ship and/or any guarantee, security or other assurance given to the Company at any time in respect of the charterer's obligations under or pursuant to such Charter including (without limitation) the right to receive the Charter Earnings,

"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,

"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 Borrower in favour of the Security Trustee,

"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) any Charter Earnings, 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,

"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 and insurance premiums) 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 Security 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),

"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 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),

"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 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 of 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 a loan agreement dated 24 April 2007 (and as amended or supplemented from time to time) and made between (1) the Company, (2) the Facility Agent, (3) the Security Trustee and (4) the Lenders (as defined therein) agreed to make available to the Company a loan facility of up to an aggregate amount of twenty nine million nine hundred and fifty (US\$29,950,000) for the purpose of financing or (as the case may be) refinancing part of the cost of construction and the purchase by the Company of the Ship,

"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,

"Owner" means Islamic Republic of Iran Shipping Lines, a company incorporated and existing under the laws of Iran whose registered office is at No 37 Aseman Tower, Shahid Lavasani Junction, Pasdaran Avenue, Tehran P O Box 19395-1311, Iran and includes its successors in title,

"Pre-Delivery 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 Shipbuilding Contract and the Refund Guarantee,

"Relevant Agreements" means, together, the Loan Agreement, the Ship A Loan Agreement, the Ship C Loan Agreement, the Ship D 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

"Receiver" means any receiver and/or manager appointed pursuant to the Security Deed,

"Security Documents" means the Loan Agreement, the Trust and Agency Agreement, the Relevant Agreements, the Fixed and Floating Charge, the Pre-Delivery Security 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,

"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 Assignee 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,

"Security Trustee" 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 and its successor in title or such other person as may be appointed security trustee for the Finance Parties pursuant to the Trust and Agency Agreement,

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

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

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

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

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

"Ship F" means the 53,100 dwt bulk carrier having Hull No DY114 to be purchased by the Borrower pursuant to the relevant Shipbuilding Contract and to be registered in the name of the Borrower as and from the applicable Delivery Date under the laws and flag of the relevant Flag State, 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. 24**

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES
HEREBY CERTIFIES THAT A SECURITY DEED DATED 25 APRIL
2008 AND CREATED BY ISLAMIC REPUBLIC OF IRAN SHIPPING
LINES FOR SECURING ALL MONIES DUE OR TO BECOME DUE
FROM THE COMPANY TO THE LENDERS OR ANY OTHER
FINANCE PARTIES ON ANY ACCOUNT WHATSOEVER 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 9 MAY 2008

GIVEN AT COMPANIES HOUSE, CARDIFF THE 15 MAY 2008



Companies House
— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES