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COMPANIES FORM No. 410(Scot)

Particulars of a charge created by a company registered in Scotland

410

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

CHFP025

Please do not
write in this
margin

Pursuant to section 410 of the Companies Act 1985



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

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

For official use

Company number

1219

SC027370

Name of company

* Northlink Ferries Limited (the "Company")

Date of creation of the charge (note 1)

6 July 2006

Description of the instrument (if any) creating or evidencing the charge (note 1)

An assignment and floating charge dated 6 July 2006 (the "Assignment and Floating Charge")

Amount secured by the charge

All monies, obligations and liabilities, whether actual or contingent, now or hereafter due, owing or incurred by the Company to any Secured Creditor (as defined below) under any Financing Document (as defined below) (the "Secured Obligations").

Secured Creditor means the Security Trustee (as defined below), Royal Bank Leasing Limited as lessor under the Charters (as defined below) (the "Lessor") and The Royal Bank of Scotland plc in its capacities as Bank and Account Bank (each as defined below).

Financing Document shall mean any of:

(a) account bank agreement dated 6 July 2006 and made between amongst others, the Company, the Security Trustee, the Lessor and the Account Bank;

Continued on continuation sheet 1 page 2.

Names and addresses of the persons entitled to the charge

Royal Bank Leasing Limited, The Quadrangle, The Promenade, Cheltenham, Gloucestershire, GL50 1PX in its capacity as security trustee for and on behalf of the Secured Creditors (the "Security Trustee")

Presentor's name address telephone
number and reference (if any):

Norton Rose

Kempson House
Camomile Street
London
EC3A 7AN

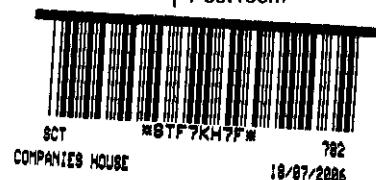
+44 (0)20 7283 6000

WJI/AMXW/AA76624/BD#4899321

For official use (06/2005)

Charges Section

Post room



Short particulars of all the property charged.

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By way of a first floating charge, the whole of the property (including uncalled capital) which is or may be from time to time while the Assignment and Floating Charge is in force comprised in the property and undertaking of the Company (the "Charged Assets").

By way of assignment, the Assigned Contract Interests (in respect of the Existing Contracts).

Assigned Contract Interests shall mean the whole right, title and interest (but not any of the obligations) of the Company under the Contracts together with:

- (a) all rights and benefits now or in the future arising under, or pertaining to, or deriving from the Contracts;
- (b) all moneys, debts and liabilities which now are or at any time hereafter shall or may become due, owing or incurred to the Company under or in connection with the Contracts;

See continuation sheet 1 page 4.

Statement, in the case of a floating charge, as to any restrictions on power to grant further securities and any ranking provision (note 2)

(1) Except with the prior written consent of the Security Trustee:

(a) the Company shall not during the Security Period create, incur, assume or permit to subsist any Encumbrance (as defined in the Common Terms Agreement) on all or any part of the Charged Assets except for any Encumbrance arising under or pursuant to or expressly permitted by the terms of the Common Terms Agreement;

(b) the Company shall not, except as expressly permitted by the terms of the Common Terms Agreement, sell, lease, feu, transfer, lease, hire out, lend, discount, factor, charge or otherwise dispose of, deal in or remove all or any of the Charged Assets.

"Security Period" shall mean the period from 6 July 2006 until the end of the Liability Period.

Continued on continuation sheet 3 page 4

Particulars as to commission, allowance or discount paid (see section 413(3))

Nil.

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

Signed

Norton Rose

Date 13 July 2006

On behalf of ~~XXXXXXXXXXXX~~ †

Notes

1. A description of the instrument e.g. "Standard Security" "Floating Charge" etc, should be given. For the date of creation of a charge see section 410(5) of the Act. (Examples - date of signing of an Instrument of Charge; date of recording/registration of a Standard Security; date of intimation of an Assignment.)

2. In the case of a floating charge a statement should be given of (1) the restrictions, if any, on the power of the company to grant further securities ranking in priority to, or pari passu with the floating charge; and/or (2) the provisions, if any, regulating the order in which the floating charge shall rank with any other subsisting or future floating charges or fixed securities over the property which is the subject of the floating charge or any part of it.

3. A certified copy of the instrument, if any, creating or evidencing the charge, together with this form with the prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of the creation of the charge. In the case of a charge created out of the United Kingdom comprising property situated outside the U.K., within 21 days after the date on which the copy of the instrument creating it could, in due course of post, and if despatched with due diligence, have been received in the U.K. Certified copies of any other documents relevant to the charge should also be delivered.

4. A certified copy must be signed by or on behalf of the person giving the certification and where this is a body corporate it must be signed by an officer of that body.

5. A fee of £13 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, 37 Castle Terrace, Edinburgh EH1 2EB
DX 235 Edinburgh or LP - 4 Edinburgh 2

† delete as
appropriate

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**Particulars of a mortgage or charge
(continued)**

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

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

Company Number

SC027370

Name of Company

Northlink Ferries

Limited*

* delete if
inappropriate

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

(b) the common terms agreement dated 6 July 2006 and made between the Company, the Security Trustee, the Lessor, the Bank and the Account Bank (the "**Common Terms Agreement**");

(c) each of the three time-charterparties in respect of each of the three Vessels entered into on 6 July 2006, in each case, between (1) Royal Bank Leasing Limited as Lessor and (2) the Company (the "**Charters**");

(d) the Ancillary Facilities Documents;

(e) the intercreditor agreement made on 6 July 2006 between (among others) (1) the Company, (2) the Secured Creditors, (3) David MacBrayne Limited (the "**Shareholder**") as shareholder and in its capacity as lender under the Intercompany Facilities, (4) the Security Trustee as security trustee and (5) the Account Bank;

(f) each Security Document;

(g) the Tripartite Agreements; and

(h) any other agreement entered into by any Finance Party at any time after the date of 6 July 2006 which the Security Trustee as lessor and the Company agree in writing shall be designated a Financing Document.

"Account Bank" shall mean The Royal Bank of Scotland plc acting through its offices at 4th Floor, 100 West George Street, Glasgow G2 1PP.

"Ancillary Facilities Documents" shall mean such documentation as is or may be entered into from time to time between the Company and the Royal Bank of Scotland plc as Bank relating to the following services or facilities made available by the Royal Bank of Scotland plc to the Company:

(a) bank automated clearing services to enable the Company to make payments via Bacstel-IP (BAC's software) for payments such as fees, expenses, wages, salaries and other regular payments;

(b) corporate credit card facilities to the Company and/or its directors;

(c) "streamline" facilities for reimbursements to customers of the Company in connection with debit and credit card payments accepted by the Company; and

(d) the provision of call options from time to time to enable the Company to manage its risks associated with rises in fuel costs in relation to the operation of the Vessels.

"Bank" shall mean The Royal Bank of Scotland plc in its capacity as provider of the facilities made pursuant to the Ancillary Facilities Documents.

"Finance Party" shall mean any of the Security Trustee, the Lessor and the Bank and the Account Bank (together, the "**Finance Parties**").

"Intercompany Facilities" shall mean each of the loan agreement dated 6 July 2006 and made between the Shareholder as lender and the Company as borrower and the inter-company funding agreement dated 6 July 2006 and made between the Shareholder as lender and the Company as borrower.

Security Document shall mean any of:

(a) the accounts charge and assignment of insurances dated 6 July 2006 and given by the Company in favour of the Security Trustee in connection with the Common Terms Agreement and the other Financing Documents;

(b) the Assignment and Floating Charge;

(c) the deed of pledge dated 6 July 2006 containing a pledge over its shareholding in the Company, by David MacBrayne Limited, to the Security Trustee;

Continued on continuation sheet 2 page 2.

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

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(c) the proceeds of any claims, awards, decrees, judgments which may at any time be receivable or received by the Company in respect of the Contracts (including by reason of breaches of the Contracts by any of the other parties thereto); and

(d) the right of the Company to rescind or otherwise terminate the Contracts.

Contracts shall mean the Existing Contracts and the Further Contracts.

Existing Contracts shall mean:

(a) the grant agreement between the Scottish Ministers and the Company dated 6 July 2006 (the "**Grant Agreement**");

(b) the relief vessel contract between the Company and Caledonian MacBrayne Limited dated 6 July 2006 (the "**Relief Vessel Contract**");

(c) the Tripartite Agreements;

(d) the ship management and operation agreement between the Company and Caledonian MacBrayne Limited dated 6 July 2006 (the "**Ship Management and Operation Agreement**");

(e) the management agreement between the Company and Caledonian MacBrayne Limited dated [] (the "**Management Agreement**");

(f) the letter agreement between the Company and SBS Logistics Limited dated 6 July 2006 and the letter agreement between the Company and John Jolly (1978) dated 6 July 2006, each for the provision of stevedore services (together, the "**Stevedore Services Contracts**");

(g) the business transfer agreement between the Company and Northlink Orkney and Shetland Ferries Limited dated 6 July 2006, the acquisition agreement between the Company and Royal Bank Leasing Limited for the acquisition of m.v. "Hascosay" dated 6 July 2006, and the acquisition agreement between the Company, Northlink Orkney and Shetland Ferries Limited and Royal Bank Leasing Limited for the acquisition of certain Terbergs tractors dated 6 July 2006 (together, the "**Acquisition Agreements**");

(h) the assignment agreement between the Company and Northlink Orkney and Shetland Ferries Limited pursuant to which the Company acquired the IP rights of Northlink Orkney and Shetland Ferries Limited dated 6 July 2006 (the "**IP Documents**");

(i) the Intercompany Facilities;

(j) the agency agreement between the Company and Northlink Orkney and Shetland Ferries Limited dated 6 July 2006;

(k) the time charter agreement between Clare Express ApS and the Company dated 7 February 2006 (the "**m.v. Clare Charter**");

See Continuation Sheet 2 page 4.

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Particulars of a mortgage or charge (continued)

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

*Please complete
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Company Number

SC027370

Name of Company

Northlink Ferries

Limited*

* delete if
inappropriate

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

(d) the manager's undertaking dated 6 July 2006 and made between Caledonian MacBrayne Limited and the Security Trustee;

(e) such other documents as may be entered into from time to time by the Company, any shareholder or any other person in order to secure the Company's obligations under or in connection with the Financing Documents including without limitation all notices, intimations and acknowledgements given pursuant to any of the foregoing clause.

Tripartite Agreements shall mean each of the three direct agreements between (1) the Lessor, (2) the Company and (3) the Scottish Ministers in relation inter alia to the Grant Agreement.

Vessels shall mean the RoRo Passenger Ferries m.v. "Hamnavoe", m.v. "Hjaltland" and m.v. "Hrossey", each registered in the name of the Lessor under British flag and chartered by the Company under the Charters.

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

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(l) the sub-lease agreement between the Company and Northlink Orkney and Shetland Ferries Limited dated 6 July 2006 relating to m.v. Zebu Express;

(m) the management and administrative services agreement between the Company and Northlink Orkney and Shetland Ferries Limited dated 6 July 2006; and

(n) the assignment agreement between the Company and Northlink Orkney and Shetland Ferries Limited dated 6 July 2006 relating to units 3 and 4, Kiln Corner, Kirkwall.

"Further Contracts" shall mean such contracts or other documents entered into by the Company after the date hereof which the Security Trustee directs (acting reasonably and having regard to materiality and value) should be a Further Contract for the purposes of the Assignment and Floating Charge.

Note: The Company undertakes in the Assignment and Floating Charge that for the duration of the Liability Period, it shall carry on and conduct its business and affairs in a proper and efficient manner in accordance with the Financing Documents and the Project Documents and it shall:-

(a) not, save in the ordinary course of business or without the previous consent in writing of the Security Trustee nor otherwise than in accordance with plans, elevations and specifications previously submitted to and specifically approved by the Security Trustee in writing, pull down or remove the whole or any part of any buildings, erections or structures, fixed plant or machinery, fixtures or fittings for the time being forming part of the Charged Assets or put up or erect any new buildings or make any structural or external alterations or additions to any existing building or erection in or upon the same;

(b) not, without the prior written consent of the Security Trustee, undertake any obligation to any third party whereby the Company's rights to recover or take payment of any monies due or which may become due to the Company from any debtor of the Company are postponed or subordinated to the claims of such third party.

Note: The Company, by way of continuing security for the payment and discharge of the Secured Obligations, undertakes to assign on demand the Assigned Contract Interests (in respect of the Further Contracts) to the Security Trustee as trustee for itself and the Secured Creditors, by executing and delivering to the Security Trustee a deed of assignment in the form, on terms no more onerous than are contained in the Assignment and Floating Charge, stipulated by the Security Trustee and to notify such assignment to the other parties to the Further Contracts in the form set out in Part 2 of the Schedule to the Assignment and Floating Charge.

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Particulars of a mortgage or charge (continued)

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Continuation sheet No 3
to Form No 395 and 410 (Scot)

*Please complete
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Company Number

SC027370

Name of Company

Northlink Ferries

Limited*

* delete if
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Description of the instrument creating or evidencing the mortgage or charge (continued) (note 2)

Amount due or owing on the mortgage or charge (continued)

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

*Please complete
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Continuation of statement, in the case of a floating charge, as to any restrictions on power to grant further securities and any ranking provision.

"Liability Period" shall mean the period from the date of the Assignment and Floating Charge until the date on which:

(a) all the obligations and liabilities of the Company to the Finance Parties under any Financing Document are discharged in full to the satisfaction of the relevant Finance Party acting on the basis of legal advice received from such Finance Party's legal advisers by reference to any insolvency law clawback period; and

(b) contingent obligations of all Finance Parties to the Company or any other person arising under or pursuant to any Financing Document or Project Document are discharged in full to the satisfaction of the relevant Finance Party.

"Project Documents" means:

(a) the Grant Agreement;

(b) the Crewing Agreement to be entered into between the Company and Northlink Services (Guernsey) Limited;

(c) the Management Agreement;

(d) the Ship Management and Operations Agreement;

(e) the Stevedore Services Contracts;

(f) the Relief Vessel Contract;

(g) the Tripartite Agreements;

(h) the Acquisition Agreements

(i) the m.v Clare Charter;

(j) the IP Documents;

(k) the Insurance Agreements as have been provided pursuant to the Grant Agreement;

(l) all passenger certificates and other certificates required by the Maritime and Coastguard Agency;

(m) the Intercompany Facilities and any other documents under which the Company may incur liabilities to David MacBrayne Limited in its capacity as lender under the Intercompany Facilities;

(n) all necessary consents and licences required under clause 7.1.2 of the Common Terms Agreement; and

(o) any substitute agreement or any other agreement entered into by the Company at any time after 6 July 2006 with the approval of the Security Trustee as lessor which the Security Trustee considers should be designated a Project Document.

(2) The floating charge shall rank in priority to any fixed security which shall be created by the Company on or after the date of the Assignment and Floating Charge, other than the fixed security created by the Assignment and Floating Charge or any other fixed security in favour of the Security Trustee, and to any other floating charge which shall be created by the Company after its execution of the Floating Charge and Assignment.

*Please complete
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bold block lettering*

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CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number 27370

I hereby certify that a charge created by

NORTHLINK FERRIES LIMITED

on 6 JULY 2006

for securing ALL SUMS DUE, OR TO BECOME DUE

in favour of ROYAL BANK LEASING LIMITED

was delivered pursuant to section 410 of the Companies Act, 1985,
on 18 JULY 2006 given at Companies House, Edinburgh
20 JULY 2006



C O M P A N I E S H O U S E



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES