

MR01

Particulars of a charge

238738 £13



A fee is payable with this form
Please see 'How to pay' on the
last page

You can use the WebFiling service to file this form online
Please go to www.companieshouse.gov.uk

☒ **What this form is for**
You may use this form to register
a charge created or evidenced by
an instrument

☒ **What this form is NOT for**
You may not use this form to
register a charge where there is no
instrument Use form MR08

For further information, please
refer to our guidance at
www.companieshouse.gov.uk

This form **must be delivered to the Registrar for registration within 21 days** beginning with the day after the date of creation of the charge. If delivered outside of the 21 days it will be rejected unless it is accompanied by a court order extending the time for delivery



You **must** enclose a certified copy of the instrument with this form. This will be scanned and placed on the public record

TUESDAY



A20F24BC

A15

31/12/2013

#236

COMPANIES HOUSE

1

Company details

Company number

3 4 0 8 0 6 0

Company name in full

OSIRIS HYDROGRAPHICS & GEOPHYSICAL PROJECTS LIMITED

15 For official use

→ **Filing in this form**

Please complete in typescript or in
bold black capitals

All fields are mandatory unless
specified or indicated by *

2

Charge creation date

Charge creation date

d2 d0 m1 m2 y2 y0 y1 y3

3

Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees
entitled to the charge

Name

Svenska Handelsbanken AB (publ)

Name

Name

Name

If there are more than four names, please supply any four of these names then
tick the statement below

☐ I confirm that there are more than four persons, security agents or
trustees entitled to the charge

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Description

Please give a short description of any land (including buildings), ship, aircraft or intellectual property registered (or required to be registered) in the UK which is subject to this fixed charge or fixed security

Continuation page

Please use a continuation page if you need to enter more details

Description

Proteus of Liverpool registered under the British flag with the Registrar General of Shipping & Seamen at Cardiff with official number 919550

5

Fixed charge or fixed security

Does the instrument include a fixed charge or fixed security over any tangible or intangible (or in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box

☒ Yes

☐ No

6

Floating charge

Is the instrument expressed to contain a floating charge? Please tick the appropriate box

☐ Yes Continue

☒ No Go to **Section 7**

Is the floating charge expressed to cover all the property and undertaking of the company?

☐ Yes

7

Negative Pledge

Do any of the terms of the charge prohibit or restrict the chargor from creating any further security that will rank equally with or ahead of the charge? Please tick the appropriate box

☒ Yes

☐ No

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Trustee statement ①

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge

☐

① This statement may be filed after the registration of the charge (use form MR06)

9

Signature

Please sign the form here

Signature

Signature

X

Weightman LLP

X

This form must be signed by a person with an interest in the charge

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Particulars of a charge

Presenter information

We will send the certificate to the address entered below. All details given here will be available on the public record. You do not have to show any details here but, if none are given, we will send the certificate to the company's Registered Office address.

Contact name **PATRICIA GRINYER**

Company name **WEIGHTMANS LLP**

Address **100 OLD HALL STREET**

Post town **LIVERPOOL**

County/Region **MERSEYSIDE**

Postcode **L 3 9 Q J**

Country

DX **718100 - LIVERPOOL 16**

Telephone **0845 073 9950 - PXG/131406 14**

Certificate

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.

Checklist

We may return forms completed incorrectly or with information missing

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register
- ☐ You have included a certified copy of the instrument with this form
- ☐ You have entered the date on which the charge was created
- ☐ You have shown the names of persons entitled to the charge
- ☐ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8
- ☐ You have given a description in Section 4, if appropriate
- ☐ You have signed the form
- ☐ You have enclosed the correct fee
- ☐ Please do not send the original instrument, it must be a certified copy

Important information

Please note that all information on this form will appear on the public record

How to pay

A fee of £13 is payable to Companies House in respect of each mortgage or charge filed on paper

Make cheques or postal orders payable to 'Companies House'

Where to send

You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below.

For companies registered in England and Wales:
The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland:
The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post)

For companies registered in Northern Ireland:
The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG
DX 481 N R Belfast 1

Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 3408060

Charge code: 0340 8060 0015

The Registrar of Companies for England and Wales hereby certifies that a charge dated 20th December 2013 and created by OSIRIS HYDROGRAPHIC & GEOPHYSICAL PROJECTS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 31st December 2013

Given at Companies House, Cardiff on 7th January 2014



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

DATED

20

December 2013

Osiris Hydrographic & Geophysical Projects Limited

- and -

Svenska Handelsbanken AB (publ)

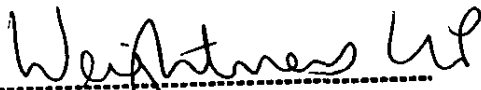
DEED OF COVENANTS

S V

PROTEUS OF LIVERPOOL

Official No 919550

I CERTIFY THIS TO BE
A TRUE COPY OF THE ORIGINAL



WEIGHTMANS LLP
100 OLD HALL STREET
LIVERPOOL L3 9QJ

THIS IS AN IMPORTANT DOCUMENT. YOU SHOULD TAKE INDEPENDENT LEGAL ADVICE BEFORE SIGNING AND SIGN ONLY IF YOU WANT TO BE LEGALLY BOUND. IF YOU SIGN AND THE BANK IS NOT PAID YOU MAY LOSE THE ASSET(S) CHARGED

THIS DEED OF COVENANTS is made the 20 day of December 2013
BETWEEN

- (1) **Osiris Hydrographics & Geophysical Projects Limited** (company number 3408060) whose registered office is situated at Maritime House, 4 Brunel Road, Croft Business Park, Bromborough, Wirral, CH62 3NY ("the Mortgagor"), and
- (2) **Svenska Handelsbanken AB (publ)** whose registered office is situated at 3 Thomas More Square London E1W 1WY ("the Bank")

BACKGROUND

- (1) The Mortgagor is the sole absolute and unencumbered owner of sixty four (64) shares in the survey vessel "PROTEUS OF LIVERPOOL" registered under the British flag with the Registrar General of Shipping & Seamen at Cardiff with official number 919550 (the "Ship") which expression means the survey vessel "PROTEUS OF LIVERPOOL" and includes any share or interest therein, and the engines, machinery, boats, tackle, outfits, gear, fishing gear and nets, instruments, parts, spare parts, fuel, consumable and other stores, belongings, appurtenances, accessories, furnishings, and all other equipment of whatever kind, whether onboard or ashore or elsewhere, whether now belonging to the Ship or hereafter acquired and all additions, improvements or replacements thereto
- (2) The Ship is at the date hereof free of all mortgages, pledges or encumbrances of any kind
- (3) This Deed is supplemental to and bears the same date as a Statutory Mortgage ("the Mortgage") executed by the Mortgagor in favour of the Bank and constituting a first priority mortgage over sixty four/sixty fourth shares in the Ship

NOW THIS DEED WITNESSETH as follows -

1 DEFINITIONS AND CONSTRUCTION

1.1 Definitions

"Act" means the Merchant Shipping Act 1995 and the Regulations made thereunder or any addition, modification, re-enactment or consolidation of all or any of them from time to time

"Earnings" means all earnings made by or contractual or similar payments due to the Mortgagor in respect of the use and operation of the Ship including but not limited to freight, hire, passage monies, passenger fares, demurrage, despatch and detention monies, compensation payable in the event of requisition of the Ship for hire, remuneration for salvage or towage services and any other earnings whatsoever due or to become due to the Mortgagor during the security period

"Insurances" means all contracts and policies of insurance from time to time effected or maintained in respect of the Ship, or otherwise howsoever in connection with the Ship including all entries in any mutual assurance association of whatsoever nature

"Loan Agreements" means the Facility Letter entered into by the Mortgagor with the Bank dated 4 March 2013 as annexed at Schedule 3

"Loss Payable Clause" means the wording or substantially the same wording as set out at Schedule 2 as is to appear on the relevant policy of insurance

"Major Casualty" means any damage to the Ship resulting in actual or estimated repairs to the Ship of £50,000 or more

"Mortgaged Property" means the Ship, the Earnings, the Insurances, any Requisition Compensation and all other rights, assets, interests or property from time to time mortgaged, charged or assigned to the Bank pursuant to clause 3, including each and every part thereof

"Outstanding Indebtedness" means the aggregate of all money from time to time owing by the Mortgagor to the Bank under the Security Documents

"Requisition Compensation" means any compensation paid or adjudged to be payable to the Mortgagor in respect of governmental requisition of the Ship

"Security Documents" means the Loan Agreements, this Deed, the Mortgage, the Assignment of Earnings and Insurances and any other documents as may be executed to secure the Outstanding Indebtedness

"Security Period" means the period commencing at the date hereof and terminating upon full and final settlement of the Outstanding Indebtedness

"Ship Licences" means such licences or permits issues by the Maritime & Coastguard Agency (or similar regulatory authority) permitting the commercial operation of the Ship within and outside UK territorial waters

"Total Loss" means -

- (i) actual, constructive, compromised or arranged total loss of the Ship
- (ii) requisition of title or other compulsory acquisition of the Ship
- (iii) hijack, theft, capture, seizure, arrest, detention, condemnation, confiscation or loss of possession of the Ship unless the Ship be released and returned within 30 days

12 **Construction**

In this Deed and the Schedules hereto, unless the context otherwise requires -

- (a) references to the Mortgagor and the Bank shall include their respective successors or assigns,
- (b) references to the singular shall include the plural and vice versa,
- (c) references to the masculine shall include the feminine and neuter and vice versa,
- (d) references to persons include any individual or body corporate or unincorporate, partnership, states, governmental and administrative entities, whether or not a separate legal entity,
- (e) references to schedules, clauses, sub-clauses, paragraphs, sub-paragraphs are to the schedules, clauses, sub-clauses, paragraphs, sub-paragraphs of this Deed,
- (f) the marginal headings are for ease of reference only and are not to be used in the construction of this Deed,
- (g) references to any statute, law, decree, or regulation shall be deemed to include references to any re-enactment, extension or amendment thereof from time to time,

- (h) references to any document including this Deed shall be deemed to include references to any replacement, variation or supplement thereof from time to time

2 **REPAYMENT AND INTEREST**

The Mortgagor hereby covenants with the Bank that the Mortgagor will pay to the Bank on demand all moneys and other liabilities whether present, future, actual and/or contingent in whatever currency denominated now or hereafter due or owing to the Bank on the account current referred to in the Mortgage and/or under the Security Documents and/or due from or incurred by the Mortgagor to the Bank on any other account whatever whether for the balance then owing to the Bank on any such account or accounts or for cheques, notes or bills drawn, accepted or endorsed by the Mortgagor or for advances made to the Mortgagor or for the accommodation or benefit of the Mortgagor and whether actually or contingently alone or jointly with another or others and whether as principal or surety for any other person or persons, firm or company and in whatever name, style or firm or otherwise howsoever including (but without prejudice to the generality of the foregoing) all reasonable costs, charges, expenses and losses which the Bank may pay or incur in the negotiation, preparation and execution of the Mortgage and this Deed or in discharging any stamp duties or registration fees payable thereon or in protecting, maintaining or enforcing the security created by or otherwise exercising the powers vested in it under the Mortgage and this Deed (to the intent that the Bank shall be afforded a full complete and unlimited indemnity in respect thereof notwithstanding any rule of law or equity to the contrary) and whether arising directly or indirectly in respect of the security created by the Mortgage and this Deed or of any other security held by the Bank for the moneys and liabilities described in this Clause and including interest with quarterly rests, discount commission and other usual banking charges such interest being computed both before and after such demand at a rate varying from time to time as stipulated by the Bank at any time and from time to time hereafter by notice in writing to the Mortgagor and notwithstanding that any account intended to be secured by the Mortgage or this Deed may from any cause cease to be carried on as an ordinary banking account and

so that interest shall be payable at the rate aforesaid as well after as before any judgement and that after such demand interest shall be payable at the rate aforesaid on the whole sum due for principal and interest or otherwise at the date of such demand

3 MORTGAGE AND ASSIGNMENT OF MORTGAGED PROPERTY

3 1 As security for payment of the moneys and liabilities described in Clause 2 hereof the Mortgagor with full title guarantee hereby mortgages and charges to and in favour of the Bank by way of further assurance all its rights, title and interest present and future in and to the Mortgaged Property and, without prejudice to the generality of the foregoing, hereby assigns and agrees to assign to the Bank all its rights, title and interest in and to the Earnings, the Insurances and any Requisition Compensation, and all its benefits and interests present and future therein, together with an assignment of the Ship Licences, **PROVIDED** however that -

- (a) the Earnings shall be payable to the Mortgagor until such time as the Bank shall direct to the contrary whereupon the Mortgagor shall forthwith, and the Bank may at any time thereafter, instruct the persons from whom the Earnings are then payable to pay the same to the Bank or as it may direct and any Earnings then in the hands of the Mortgagor's brokers or other agents shall be deemed to have been received by them for the use and on behalf of the Bank,
- (b) unless and until any event specified in Clause 9 hereof shall occur (whereupon all insurance recoveries shall be receivable by the Bank and applied in accordance with Clause 12)
 - (i) any moneys payable under the Insurances shall be payable in accordance with the terms of the relevant Loss Payable Clause and the Bank will not in the meantime give any notification to the contrary to the insurers as contemplated by the Loss Payable Clause,
 - (ii) any insurance moneys received by the Bank in respect of any Major Casualty (as specified in the relevant Loss Payable Clause) shall be paid over to the Mortgagor upon the Mortgagor furnishing evidence satisfactory to the Bank that

all loss and damage resulting from such casualty has been properly made good and repaired, and that all repair accounts and other liabilities whatsoever in connection with the casualty have been fully paid and discharged by the Mortgagor **PROVIDED ALWAYS** however that the insurers with whom the fire and usual marine risks insurances are effected may, in the case of a Major Casualty, and with the previous consent in writing of the Bank, make payment on account of repairs in the course of being effected, and

- (c) upon payment and discharge in full to the satisfaction of the Bank of the Outstanding Indebtedness the Bank shall, at the request and cost of the Mortgagor, re-assign the Earnings, the Insurances and any Requisition Compensation to the Mortgagor or as it may direct

4 **CONTINUING SECURITY etc**

IT IS HEREBY AGREED AND DECLARED that -

- 4 1 the security created by the Mortgage and by this Deed shall be a continuing security in the hands of the Bank and shall not be satisfied by an intermediate payment or satisfaction of any part of the amount secured or discharge of the Mortgage and that the security so created shall be in addition to and shall not in any way be prejudiced or affected by any collateral or other security now or hereafter held by the Bank, by whomsoever granted, for all or part of the amount secured and that every power and remedy given to the Bank hereunder shall be in addition to and not in limitation of any and every other power or remedy vested in the Bank and that all the powers and remedies so vested in the Bank may be exercised from time to time and as often and in such manner as the Bank shall in its absolute discretion deem expedient
- 4 2 no failure or delay on the part of the Bank to exercise any right, power or remedy vested in it under the Security Documents or any of them shall operate as a waiver thereof, nor shall any single or partial exercise by the Bank of any right, power or remedy nor the continuance, abandonment or adverse determination of any proceedings taken by the Bank 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 Bank of any consent to any act which by the terms of this Deed requires such consent prejudice the right of the Bank to withhold or give consent to the doing of any other similar act. The remedies provided in the Security Documents are cumulative and are not exclusive of any remedies provided by law.

5 **CONSOLIDATION**

The provisions of Sections 93 and 103 of the Law of Property Act 1925 and any re-enactment thereof shall not apply and the Bank shall have the right to consolidate

6 **RULE IN CLAYTON'S CASE**

Upon discovering that the Mortgagor has encumbered or disposed of the Mortgaged Property or any part thereof or any interest therein the Bank shall be entitled to rule off the Mortgagor's liabilities and to open a new account or accounts for the Mortgagor and no amount credited to the Mortgagor in any such new account shall be appropriated towards or have the effect of discharging any part of the liabilities due to the Bank incurred prior to such ruling off.

7 **MORTGAGOR'S COVENANTS**

THE MORTGAGOR FURTHER COVENANTS with the **BANK** and **UNDERTAKES** as follows -

(a) **Ship's Name and Registration**

To keep the Ship registered with full registration as a British vessel in the United Kingdom under the Act in the name of the Mortgagor and not do or suffer to be done anything, or omit to do anything the doing or omission of which could or might result in the Ship being required to be registered otherwise than as a British vessel in the United Kingdom and not to do or suffer to be done anything, or omit to do anything, the doing or omission of which could or might result in such registration under the Act being forfeited, terminated or imperilled and not to register the Ship or permit its registration under any other name flag or at any other port or with any other numbers without the prior written consent of the Bank and to procure the renewal of such registration of the Ship as a British vessel with full registration at least one month

before the same shall expire and to procure that at all times the Ship is managed, and its operations are directed and controlled, from within the United Kingdom,

(b) Operator

To procure that any company or person who is the operator of the Ship is a qualified person within the meaning of the Act

(c) Condition

To keep the Ship at all times in a good and seaworthy state of repair and in all respects in good operating condition, and to maintain, service, repair and overhaul the Ship and make such alterations, modifications and improvements as may be required so as to maintain her present classification free of conditions and recommendations and so as to comply with the provisions of the Act and all other regulations and requirements (statutory or otherwise) from time to time applicable to the Ship under English law or international convention (including but not limited to the ISM Code and ISPS Code) of any other jurisdiction into which the Ship may come, to arrange for the Ship to be inspected and surveyed in accordance with its classification society rules (providing the Bank with copies of all inspection and survey reports produced in that connection), to give the Bank not less than 10 days prior notice of any drydocking or underwater inspection for the purpose of attendance by the Bank's representatives, not to give possession of the Ship to a shipyard for repairs the cost of which will exceed the amount of £50,000 unless the shipyard shall have given a waiver to the Mortgagee of its lien or detention on the Ship for the cost of such repairs, to immediately notify the Bank of any actual or threatened detention of the Ship, or any Major Casualty or casualty or damage to the Ship as a result of which the Ship has become or may become a total loss, or of the occurrence of any pollution or environmental incident or claim affecting the Mortgagee, and not without the prior written consent of the Bank to install on the Ship any equipment owned by a third party which cannot be removed without causing material damage in the structure or fabric of the Ship and so as not to diminish the value of the Ship other than in the normal course of operation and not to alter or allow to be altered the structure, type or performance characteristics of the Ship

(d) Insurance

- (i) To insure and keep the Ship insured at all times to the extent of no less than her full market value against fire and usual marine risks (including excess risks) war risks and protection and indemnity risks in such amounts upon such terms with such Insurance Companies, Underwriters, War Risks and/or other Mutual Insurance Associations and through such Brokers as the Bank shall from time to time approve in writing, such approval not to be unreasonably withheld or delayed
- (ii) To enter and keep the Ship at all times entered in respect of her full value and tonnage in a Protection and Indemnity Association in the United Kingdom or elsewhere as the Bank shall approve for all risks and liabilities for the time being usually covered therein and to arrange for guarantees (if required) to be given to the satisfaction of the Bank by such Association
- (iii) To take steps to renew the Insurances on the due date at least 14 days before the expiry of cover and to procure that the brokers shall promptly confirm in writing to the Bank as and when such renewal is effected
- (iv) Punctually to pay all premiums, calls, contributions or other sums payable in respect of the Insurances and if so required by the Bank, to produce all receipts in respect thereof
- (v) To arrange for the execution of such guarantees or other documents as may from time to time be required by any underwriters or insurers for or for the continuance of cover
- (vi) Immediately upon execution of this Deed to give notice of assignment of the Insurances to the respective insurers in the form in Schedule 1 or any such form as the Bank may agree to and to procure that the interest of the Bank shall be duly endorsed or noted upon all slips, cover notes, policies, certificates of entry or other instruments of insurance issued in connection with the Insurances and that each and every policy covered by these provisions shall contain or have attached thereto a Loss Payable Clause and/or a Notice of

Assignment in the form attached at Schedule 1 and Schedule 2 or such form as shall from time to time be approved by the Bank

- (vii) To procure that the protection and indemnity (or other marine liability insurers approved by the Bank) and/or war risk insurers shall (if so required by the Bank) provide to the Bank a letter or letters of undertaking in such form as may be required by the Bank
- (viii) If so requested by the Bank, but at the cost of the Mortgagor, to furnish the Bank from time to time with a detailed report signed by an independent firm of marine insurance brokers appointed by the Bank dealing with the insurances maintained on the Ship and stating the opinion of such firm as to the adequacy thereof
- (ix) Not to employ the Ship or suffer the Ship to be employed otherwise than in conformity with the terms of the instruments of insurance (including any express or implied warranties therein) nor do or fail to do anything in connection with the Ship whereby cover may be withdrawn, cancelled, imperilled or prejudiced in any way whatsoever unless the consent of the insurer has first been obtained and any requirements as to extra premium or otherwise as the insurers may require have been complied with
- (x) To apply all such sums as are paid to the Mortgagor in accordance with the provisions of the Mortgage and of this Deed for the purpose of making good the loss and fully repairing all damage in respect of which such sums have been received

(e) Surveys

To submit the Ship to such periodical or other surveys as may be required for classification or other purposes to enable the Ship to operate as a survey vessel and to supply to the Bank copies of all survey reports issued in respect thereof

(f) Inspection

To permit the Bank or by surveyors or other persons appointed by it to board the Ship at all reasonable times for the purpose of inspecting the condition thereof or for

satisfying themselves as regards proposed or executed repairs and to afford all necessary and proper facilities for such inspections provided that such persons go aboard the Ship at their own risk

(g) Debts etc

Punctually to pay and discharge all debts, damages, and liabilities whatsoever which the Mortgagor shall have been called upon to pay, discharge or secure which have given or may give rise to liens on or claims enforceable against the Mortgaged Property or any part thereof and in the event of the arrest or detention of the Mortgaged Property or any part thereof whether by legal process or in exercise or purported exercise of any such lien or claim to procure the release of the same forthwith upon receiving notice of such arrest or detention

(h) Information

Promptly to furnish the Bank as and when requested with any information whatsoever regarding the Mortgaged Property or any part thereof as the Bank shall request and to keep proper books of account in respect of the Ship which shall be available for inspection by the Bank at all reasonable times and in any event to submit annually to the Bank not later than 180 days after the end of the fiscal year of the Mortgagor the balance sheet and the profit and loss account of the Mortgagor

(i) Notification

To notify the Bank forthwith of the following -

- (i) any damage to the Ship involving repairs the cost of which will or is likely to exceed £50,000 or the equivalent in any other currency,
- (ii) any occurrence in consequence whereof the Ship has become or is likely to become a total loss,
- (iii) any requirement or recommendation made by any insurer, classification society or authority which is not complied with within any time limit specified therefor,
- (iv) any arrest or detention of the Mortgaged Property or any part thereof or the exercise or purported exercise of any lien thereon,
- (v) the happening of any of the events of default set out in clause 9 hereof

(j) Outgoings

Promptly to pay all tolls dues and other outgoings whatsoever in respect of the Ship and to keep proper books of account in respect of the Ship and the earnings thereof and when requested by the Bank to furnish satisfactory evidence that the earnings, allotments, insurance and pension contributions in respect of the master and crew have been paid and, are being paid regularly and that they have no claims for earnings beyond the ordinary arrears and that the master has no claim for disbursements other than those incurred by him in the ordinary course of trading on the voyage then in progress

(k) Bank's expenses in protecting security

To pay to the Bank on demand all monies whatsoever which the Bank shall reasonably expend, be put to or become liable for in or about the protection, maintenance or enforcement of the security hereby created or in or about the exercise by the Bank of any of the powers vested in it and to pay interest thereon from the date such expense or liability was incurred until the date of payment at the default rate before and after judgment

(l) Bank's legal expenses

To pay on demand all the Bank's legal costs, expenses and disbursements of whatsoever nature and any other charges incurred by the Bank in connection with the preparation, completion and registration of the Security Documents

(m) Employment

Not to employ the Ship or suffer her employment in any trade or business or for any purpose which is not covered by the Insurances or which is forbidden by any applicable law or is otherwise illicit or in carrying illicit or prohibited goods or in any manner whatsoever as may render her or them liable to condemnation in a Prize Court or to destruction, seizure or confiscation or which is contrary to any insurance which is taken out in respect of her or them and not to employ the Ship or suffer her employment in any purpose for which she was not designed or is not reasonably suited nor to permit the Ship to be overloaded or used in contravention of any regulation or

requirement (statutory or otherwise) from time to time applicable

(n) Not to encumber

Not without the prior written consent of the Bank to mortgage, charge or otherwise assign the Mortgaged Property or to suffer the creation of any such mortgage, charge, pledge or assignment to or in favour of any person other than the Bank

(o) Not to sell

Not without the prior written consent of the Bank to sell, transfer or otherwise dispose of the Mortgaged Property or any part thereof or agree to purport to do any such thing

(p) Chartering

Not without the prior written consent of the Bank to let the Ship on charter for any period

(q) Sharing of Earnings

Not without the prior written consent of the Bank to enter into any agreement or arrangement whereby the earnings of the Ship may be shared with any other person

(r) Repairer's Liens

Not without the prior written consent of the Bank to put the Ship into the possession of any person for the purpose of work being carried out in an amount which exceeds or which is likely to exceed £50,000 00 unless such person shall have first provided to the Bank a written undertaking, in a form satisfactory to the Bank, not to exercise any lien in respect of such work

(s) Managers

Not without the prior written consent of the Bank to appoint a manager of the Ship who is not a qualified person or company within the meaning of the Act

(t) No Representations

Not to represent that the Bank is in any way concerned in the operation of the Ship the carriage of passengers or goods therein, or any other use to which the Ship may be put and not to pledge the credit of the Bank for any purpose whatsoever

(u) Corporate Authorities

It has and will at all times have the necessary power to enter into and perform its

obligations under this Deed, and that all necessary authorisations and consents to enable it to enter into this Deed have been obtained and will remain in full force and effect during the subsistence of the security created by this Deed that the Charge hereby constituted does not contravene any of the provisions of its Memorandum and Articles of Association

(v) Memorandum and Articles of Association

Not without the written consent of the Bank to alter or amend the Memorandum and Articles of Association of the Mortgagor

(w) Transfer of Shares

Not without the written consent of the Bank to consent to or register transfer of any shareholdings in the Mortgagor

(x) Documentation

To keep a certified copy of this Deed and of the Mortgage on board the Ship and to bring the contents thereof to the notice of the Master for the time being of the Ship and to all parties who may have an interest with regard to the Ship, her crew or cargo

(y) Conveyance on Default

Where the Ship is (or is to be) sold pursuant to any power conferred by this Deed to execute such form of Bill of Sale, or document of transfer, and documents for transfer of the Licence as the Bank may require

8 BANK'S POWER TO PROTECT SECURITY

8 1 Without prejudice to any other rights or powers vested in it, the Bank shall be entitled (but not bound) at any time (whether before or after it has demanded payment of any of the Outstanding Indebtedness) and as often as it may deem necessary, to take such action as it shall in its absolute discretion think fit for the purpose of protecting the security created by the Security Documents and each and every expense, cost, payment, disbursement, loss, damage or liability incurred by the Bank in or about taking or attempting to take such action shall be repayable by the Mortgagor on demand together with interest at the default or judicial rate from the date the same was incurred until payment before and after judgment

8.2 Without prejudice to the generality of the foregoing -

- (i) In the event of non-compliance with the provisions of clause 7(d) hereof, or any part thereof, the Bank shall be at liberty to effect and thereafter to maintain all such insurances as in its absolute discretion it shall think fit
- (ii) In the event of non-compliance with any other provision the Bank shall be at liberty to make such payments or to arrange for the carrying out of such work or to take any such measures as it shall in its absolute discretion deem expedient or necessary including direction to the Ship (at the Mortgagor's risk) to remain in, or to proceed to and remain in a port designated by the Bank

9 **EVENTS OF DEFAULT**

Upon the happening of any of the following events the Outstanding indebtedness shall become immediately repayable to the Bank without further demand and the Bank shall be entitled without notice to the Mortgagor to exercise all or any of the powers vested in it -

(a) **Breach of Loan Agreement**

Any of the Events of Default set out in the Loan Agreement occurs

(b) **Failure to pay sum**

The Mortgagor fails to pay any sum of money payable under the Security Documents on the date specified for payment thereof, or, only in the case of sums payable on demand when first demanded

(c) **Failure to perform or observe covenant**

The Mortgagor does not perform or observe any of the covenants or obligations contained in the Security Documents

(d) **Insolvency**

- (i) A Petition is filed or an Order is made or an effective resolution is passed for the winding up of the Mortgagor in any jurisdiction whatsoever (otherwise than for the purpose of any reconstruction or amalgamation as shall have previously been approved in writing by the Bank) or an Administrator, Administrative Receiver or a Receiver is appointed over the undertaking or property of the

Mortgagor or the Mortgagor suspends payment or ceases to carry on its business or makes special arrangements or composition with its creditors or an effective resolution is passed (except with the Bank's prior written consent) for the reduction in the issued share capital of the Mortgagor or

- (ii) A Petition is filed or an Order is made for the sequestering of the Mortgagor or a Judicial Factor is appointed to administer any of its undertakings or property or becomes apparently insolvent or signs a Trust Deed for the benefit of its creditors or if it suspends payment or ceases to carry on business or makes any special arrangement or composition with its creditors

(e) Total loss

The Ship becomes a Total Loss

(f) Failure to pay earnings

Any earnings are paid otherwise than in accordance with the directions of the Bank

(g) Impossibility or illegality

If it becomes impossible or unlawful for the Mortgagor to perform or observe any of the covenants or obligations contained in the Security Documents or for the Bank to exercise any of the rights or powers vested in it

(h) Imperilling of security

Anything is done or suffered to be done by the Mortgagor, whether in connection with the Mortgaged Property or otherwise, which in the opinion of the Bank may imperil the security created by the Security Documents

(i) Prosecution

If proceedings are commenced against the Mortgagor and/or any Master of the Ship in any court or tribunal for breach of UK, EU international convention, or other regulations or bye laws

10 **BANK'S POWERS UPON DEFAULT**

Upon the happening of any of the events of default specified in clause 9 hereof, the Bank shall become entitled forthwith to exercise all or any of the powers vested in it and in particular -

(a) Possession

To take possession of the Mortgaged Property

(b) Insurances

To require that all policies, contracts and all other documents whatsoever relating to the Insurances or outstanding claims thereunder be forthwith delivered to the Bank or as it shall direct and to collect, recover, compromise and give a good discharge in respect of all claims outstanding or arising under the insurances and to take over or to institute (if necessary in the name of the Bank) all proceedings in connection therewith as the Bank shall in its absolute discretion think fit

(c) Discharge claims etc

To discharge, compound, release or compromise claims against the Mortgagor in respect of the Mortgaged Property or any part thereof which have given or which may give rise to any charge or lien on the Mortgaged Property or which are or may be enforceable by proceedings against the Mortgaged Property or any part thereof

(d) To Manage

To manage, insure, maintain, repair, employ or lay up the Ship in such manner and for such period as the Bank shall in its absolute discretion think fit and to do all acts and things incidental or conducive thereto as if the Bank were the owner of the Ship without being responsible for any loss incurred thereby and to recover losses thereby incurred from the Mortgagor upon demand together with interest thereon at the default rate from the date when such losses were incurred to the date of payment before and after judgment

(e) Sale

To sell, scrap, decommission or otherwise dispose of the Ship without prior notice to the Mortgagor and with or without the benefit of any contract entered into in connection with the Ship in such manner and for such consideration and upon such terms as the Bank in its absolute discretion shall think fit with power to postpone any such sale and without being answerable for any loss occasioned by such sale or resulting from the postponement thereof

(f) Expenses incurred in exercise of powers

To recover from the Mortgagor upon demand all expenses payments disbursements whatsoever incurred by the Bank in or about or incidental to the exercise of any of the powers vested in it together with interest thereon at the default or judicial rate from the date when the same were incurred until the date of payment before and after judgment **PROVIDED ALWAYS** that upon any sale of the Mortgaged Property or any part thereof the purchaser shall not be bound to see or enquire whether the power of sale has arisen and the sale shall be deemed to be within the power of the Bank and the Bank's receipt for the purchase money shall effectively discharge the purchaser who shall not be concerned with the manner of application of the proceeds of sale or be in any way answerable therefor

(g) Appointment of Receiver

At any time after the Outstanding Indebtedness shall have become due and payable as aforesaid the Bank shall have power in writing to appoint any person or persons to be a receiver or receivers ("the Receiver") of the Mortgaged Property charged by this Deed and to fix his remuneration and may remove any such Receiver and appoint another in his place A Receiver so appointed shall be deemed to be the agent of the Mortgagor and the Mortgagor shall be solely responsible for his acts defaults and remuneration and a Receiver shall have the same powers as are conferred upon the Bank by this clause 10 and the power to take any indemnity from the Mortgagor from and against all actions claims expenses demands and liabilities (whether arising out of contract or of tort or in any other way whatever) incurred for anything done or omitted to be done in the exercise or purported exercise of his powers under this Deed

11 **PROTECTION OF PURCHASERS**

No person dealing with the Bank or with any Receiver appointed by the Bank hereunder shall be concerned to see or to enquire whether the power which the Bank or Receiver is purporting to exercise has arisen or has become exercisable or whether any money remains due on the security created hereby or otherwise as to the propriety or regularity of any sale or other dealing by the Bank or Receiver with the Mortgaged

Property or any part thereof and all the protection afforded to purchasers by Sections 104 and 107 of the Law of Property Act 1925 shall apply to any such person dealing with the Bank or such Receiver

12 **APPLICATION OF PROCEEDS OF SALE ETC**

All monies arising from the sale or realisation of the Mortgaged Property and all monies received by the Bank or by any Receiver appointed hereunder shall be applied as follows

FIRST in or towards payment of all costs and expenses and disbursements (including legal fees) of whatsoever nature incurred in connection with such sale or realisation

SECONDLY in or towards payment of the balance of the moneys and liabilities set out in Clause 2 hereof

THIRDLY the balance (if any) to the Mortgagor or other person entitled thereto

13 **CURRENCY CONVERSION**

If at any time the Bank and/or its Receiver receives any moneys (including any moneys received as a result of the enforcement of the security created by the Mortgage and this Deed or in the exercise of any of the Bank's and/or its Receiver' rights under this Deed) in a currency other than the currency in which the Outstanding Indebtedness is from time to time denominated then the Bank and/or its Receiver may (in accordance with the Bank's usual procedures and practice and after deduction of the costs, commission and expenses incurred in undertaking such a transaction) convert those moneys so received into the currency in which the moneys and liabilities described in Clause 2 hereof are so denominated

14 **DELAY AND INDULGENCE**

No delay or omission of the Bank to exercise any right or power vested in it shall impair such right or power to be construed as a waiver of or acquiescence in any default of the Mortgagor and in the event of the Bank at any time agreeing to waive any such right or power such waiver shall be revocable by the Bank at any time and the right or power shall thenceforth be exercisable again as if there had never been such waiver

15 **DELEGATION**

The Bank shall be entitled at any time and as often as it may in its absolute discretion deem expedient to delegate all or any of the powers and discretions vested in it in such manner and upon such terms and to such persons as it may in its absolute discretion think fit

16 **INDEMNITY**

The Mortgagor hereby agrees and undertakes to indemnify the Bank against all obligations and liabilities whatsoever arising which the Bank may incur in connection with the Mortgaged Property or otherwise howsoever in relation to or in connection with the Mortgage and this Deed

17 **POWER OF ATTORNEY**

The Mortgagor hereby irrevocably appoints the Bank as its attorney for the duration of the security period for the purposes of doing in its name all acts which the Mortgagor could do in relation to the Mortgaged Property including the execution of any documents relating to the sale of the Ship or any share therein which the Bank may consider expedient in the exercise of any of its powers under the terms of this Agreement **PROVIDED** that such power shall not be exercisable until the Outstanding Indebtedness becomes repayable. As regards any person dealing with the Bank, the exercise of the power by or on behalf of the Bank shall be conclusive evidence of its right to exercise the same and such person shall not be put on enquiry as to whether the Outstanding Indebtedness has become repayable nor shall any such person be affected by notice that the Outstanding Indebtedness has not become repayable

18 **FURTHER ASSURANCES**

The Mortgagor hereby undertakes at its own expense to execute, sign, perfect, do and (if required) register every such further assurance, document, act, or thing as in the opinion of the Bank may be necessary or desirable for the purpose of more effectually mortgaging charging and registering the Mortgaged Property or perfecting the security created hereby

19 **NOTICES**

19 1 Every notice, demand or other communication shall be in writing and shall be given -

19 1 1 in the case of the Mortgagor to

Andrew McLeay, Director

Osiris Hydrographic & Geophysical Projects Ltd

Maritime House,

4 Brunel Road

Croft Business Park

Bromborough

Wirral

CH62 3NY

Facsimile 0151 343 1057

Reference "PROTEUS OF LIVERPOOL"

19 1 2 in the case of the Bank to

Andrew Atkinson/Lynn Hibbert

Svenska Handelsbanken AB (publ)

Suite 209/213, 2nd Floor

India Buildings

Water Street L2 0QT

Facsimile 0151 236 3125

Reference Osiris/ "PROTEUS OF LIVERPOOL"

or to such other address in England or facsimile number as either the Bank or the Mortgagor may from time to time notify to the other

19 2 Every notice, demand or other communication shall be deemed to have been received

19 2 1 in the case of a letter when delivered personally or two days after its posting by first class post

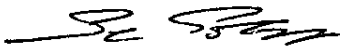
19 2 2 in the case of a facsimile when despatched

20 **LAW**

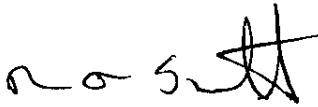
The provisions of this agreement shall be governed by and construed in accordance with English law and all disputes arising in connection with it shall be determined by the High Court of Justice in England to whose jurisdiction the Mortgagor hereby irrevocably submits

IN WITNESS whereof the Mortgagor has caused this Deed to be executed and delivered as a Deed the day and year first before written

Executed as a Deed by
the Mortgagor
in the presence of



Director



Director/Secretary

Duty Authorised Signatory
For and on behalf of
Bibby Bros. & Co. (Management)
Limited, SECRETARY

SCHEDULE 1

NOTICE OF ASSIGNMENT TO SHIP INSURERS ("INSURERS")

S V "PROTEUS OF LIVERPOOL" ("the Ship")

We, Osiris Hydrographic & Geophysical Projects Limited, the Owner of the Ship, hereby give you notice that by a Deed of Covenants dated [] December 2013 entered into by us with Svenska Handelsbanken AB (publ) as mortgagee ("Mortgagee") and collateral to a first priority statutory marine mortgage on the Ship given by us to the Mortgagee, we have assigned to the Mortgagee our right, title and interest in the Shipping Insurances on the Ship including the insurance evidenced by the policy on which this notice is endorsed including all amounts payable under the policy and all returns of premiums. Accordingly it has been agreed between the Owner and the Mortgagee that

- (a) unless Insurers shall have received notice from the Mortgagee to the contrary, all claims in respect of a total loss (including an actual, constructive, compromised or agreed total loss) or a major casualty (that is any claim which exceeds in aggregate £50,000 inclusive of any deductible) shall be paid direct to the Mortgagee to be distributed by the Mortgagee in accordance with clause 3(b) of the Deed of Covenants
- (b) all other claims shall be paid to Owner or to his order, unless or until notice in writing that the Owners are in default under the said statutory mortgage has been received by Insurers whereupon all such claims shall be paid to the Mortgagee or to its order
- (c) clauses (a) and (b) will be subject to any deduction of excess (deductible) as set out in the policy conditions and under the collision and protection and indemnity insurance or excess layers thereof where claims shall be negotiated and agreed between the Insurers and the third party involved direct and any payment which shall have been agreed is to be paid by the Insurers direct to the third party

Signed 

On duplicate

We acknowledge receipt of this notice of assignment and confirm that Insurers have noted the mortgagee interest/loss payee instruction on the policy

Signed

Dated

SCHEDULE 2

LOSS PAYABLE CLAUSE (HULL AND MACHINERY/ 3rd PARTY LIABILITY/P&I)

S V "PROTEUS OF LIVERPOOL" ("the Ship")

It is noted that by a Deed of Covenants dated [] November 2013 between Osiris Hydrographic & Geophysical Projects Limited ("the Owner") and Svenska Handelsbanken AB (publ) ("the Mortgagee") ("the Deed of Covenants") collateral to a first priority marine mortgage on the Ship given by the Owner to the Mortgagee the Owner has assigned to the Mortgagee its right, title and interest in the Shipping Insurances on the Ship including this policy of insurance

It has been agreed between the Owner and the Mortgagee that unless underwriters shall have received notice from the Mortgagee to the contrary, all claims in respect of a total loss (including an actual, constructive, compromised or agreed total loss) or a major casualty (that is any claim which exceeds in aggregate £50,000 inclusive of any deductible) shall be paid direct to the Mortgagee to be distributed by the Mortgagee in accordance with clause 3(b) of the Deed of Covenants

All other claims shall be paid to Owner or to his order, unless or until notice in writing that the Owners are in default under the said statutory mortgage has been received by Insurers whereupon all such claims shall be paid to the Mortgagee or to its order

Handelsbanken

Liverpool

The Directors
Osiris Hydrographic & Geophysical Projects Limited
Maritime House
4 Brunel Court
Croft Business Park
Bromborough
Wirral
CH62 3NY

Date 4th March 2013

Dear Sirs,

In accordance with arrangements recently agreed between us, we hereby set out in this letter (the "**Facility Letter**") the terms and conditions upon which we, Svenska Handelsbanken AB (publ) (the "**Bank**"), are prepared to make available a loan (the "**Facility**") to you, Osiris Hydrographic & Geophysical Projects Limited, Company Number 03408060 (the "**Borrower**"). This Facility Letter is open for acceptance within 30 days of the date hereof or such later date as the Bank shall agree after which it shall expire

The principal terms on which the Facility is made available are set out in Clause 1.1, subject to the terms and conditions contained in the remainder of this Facility Letter

1.1 Outline Terms

- **Amount & Type of Facility:** £485,000 Loan
- **Availability Period:** From the date hereof until 31st August 2013 unless the Bank shall agree otherwise
- **Bank's Fees:**
 - Arrangement Fee £4,850 payable on signing this Facility Letter
 - Prepayment Fee 0.4% of the amount prepaid on each prepayment
 - Breakage Fee £300 payable on the date the Loan or any part thereof is repaid or prepaid other than on expiry of an Interest Period
 - Break Costs (if applicable)
 - Security Discharge Fee of £150 in respect of the release of each Security Document payable on the date of such release
- **Drawdown:** In Advances

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Suite 209/213, 2nd Floor, India Buildings
Water Street
Liverpool, L2 0QT

Telephone 0151 236 9666
Fax 0151 236 3125
www.handelsbanken.co.uk/liverpool
SWIFT HANDGB22

Registered Office: Svenska Handelsbanken AB (publ), 3 Thomas More Square, London, E1W 1WY. VAT Registration No. GB524 9824 25.
Registered in England and Wales No. BR 000589. Incorporated in Sweden with limited liability. Registered in Sweden No. 502 007 7862.
Head Office in Stockholm. Authorised by the Swedish Financial Supervisory Authority (Finansinspektionen) and authorised and subject to limited regulation by the Financial Services Authority. Details about the extent of our authorisation and regulation by the Financial Services Authority are available from us on request.

1 2 **Definitions and Interpretation**

Unless otherwise defined herein the definitions which shall apply to the Facility Letter are contained in Schedules 4 and 5

2 **The Facility**

2 1 The Borrower may only use the Facility for the Specified Purpose and furthermore undertakes not to use the Facility for any purpose or in any manner that would result in a breach by it, or any other person, of any provision of the Bribery Act 2010.

2 2 The Facility may be utilised up to a maximum amount as set out in Clause 1 1

3 **Conditions Precedent**

3 1 The Facility shall be available for use by the Borrower only when the Bank (i) shall have received, to its satisfaction as to their form and substance, the documents and evidence set out in Schedule 3 other than the conditions detailed in Schedule 3 Clause 9 and subject always to the provisions of Clause 3 4 and (ii) is satisfied that the other conditions detailed in Schedule 3 have been satisfied

3 2 The Conditions Precedent set out in Schedule 3 are for the sole benefit of the Bank, and the Bank may in its sole and absolute discretion make the Facility, or a part thereof, available notwithstanding that one or more of such conditions have not been fulfilled on terms that such condition or conditions shall be fulfilled within such period or periods thereafter as the Bank shall determine unless the Bank shall otherwise agree to waive such condition or conditions in its sole and absolute discretion

3 3 If the Bank permits or allows the Borrower to satisfy certain of the conditions after the Drawdown Date and grants to the Borrower extra time in which to satisfy such Conditions Precedent, and if within such further period specified the Borrower fails to satisfy such Conditions Precedent, the Borrower shall be in default, and an Event of Default shall have occurred and all sums advanced shall become immediately due and payable and the Bank shall be entitled to cancel any undrawn Facility or parts thereof and the Facility offered pursuant to this Facility Letter shall cease to be available

3 4 The Bank shall furthermore not be obliged to make any Advance other than an initial Advance of £385,000, unless the conditions detailed in Schedule 3 Clause 9 are satisfied on the date the second Advance is made

4 **Availability and Drawdown**

4 1 Subject to the prior satisfaction of the Conditions Precedent, the Borrower may, borrow the relevant Advance during the Availability Period provided that -

4 1.1 the Bank has received and is satisfied with a duly completed drawdown notice in form and substance acceptable to the Bank, and

4 1.2 the first Advance shall be drawn within two months from the date this Facility Letter is signed on behalf of the Bank failing which the Bank shall be entitled to cancel the Facility

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writing that it is satisfied that such Event of Default has been remedied and (ii) the date on which the Loan is repaid and any other amounts outstanding under this Facility Letter have been paid in full Interest shall be payable at the rate both before and after demand, court decree or judgment on each Interest Payment Date or such other dates advised by the Bank to the Borrower any such interest which is not paid when due shall be added to the overdue sum and itself bear interest accordingly

If interest shall be payable under this Clause 5.8 such interest shall be calculated and payable by reference to successive periods of such duration as the Bank may from time to time at its absolute discretion select, each of which (other than the first, which shall begin on the due date) shall begin on the last day of the previous one

- 5.9 The Bank's certificate as to the amounts due pursuant to this Clause 5 shall be final and conclusive, save for manifest error

6 Repayment

- 6.1 The Loan, together with interest thereon, shall be repaid by the Borrower paying to the Bank

6.1.1 the Repayment Amounts at the time and intervals as set out in Clause 1.1, and

6.1.2 such sum as may be required to repay the Loan then outstanding together with all interest accrued thereon, any and all fees, costs, expenses and any other sums due or to become due under this Facility Letter or the Security Documents on or before the Maturity Date or if the Maturity Date is not a Business Day the following Business Day

- 6.2 In the event that the Repayment Amount is not sufficient to repay the Loan and interest thereon by the Maturity Date the Bank shall increase the Repayment Amount, to a level sufficient to ensure the Loan and interest thereon is repaid by the Maturity Date and shall promptly advise the Borrower of such changes

- 6.3 All interest and Repayment Amounts due shall be debited either to the Loan Account, or at the Bank's option to any other account held by the Borrower with the Bank or if the Borrower does not have any such account interest and each Repayment Amount due shall be payable by direct debit or such other payment instrument as the Bank shall agree with the Borrower

- 6.4 If when any interest or Repayment Amount is debited the Limit is exceeded, or there is an insufficient credit balance on any other account held by the Borrower with the Bank, as appropriate, the Borrower shall pay to the Bank on the Bank's first demand, such amount as shall be required to reduce the total outstanding balance under the Loan to within the Limit, or to otherwise restore any such account to credit, as the case may be

- 6.5 Any part of the Loan repaid shall not be available for redrawing and the Limit shall be permanently reduced by the amount so repaid or prepaid

- 6.6 If there is a repayment, prepayment or recovery of all or any part of the Loan other than on the last day of an Interest Period, then the Borrower will pay to the Bank on demand an amount equal to the Break Costs together with the Breakage Fee and the Borrower indemnifies the Bank against any other costs, liabilities or expenses incurred by the Bank in connection with that early repayment, prepayment or recovery

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deduction or withholding, the Bank shall receive a net sum equal to the sums which the Bank would have received had no such deduction or withholding been required to be made

9 4 Notwithstanding any other provisions of this Facility Letter if a Potential Event of Default or Event of Default occurs or if the Bank realises any security granted to it pursuant to any of the Security Documents and effects a repayment of the Loan as a result thereof, the Bank shall be entitled at the cost of the Borrower to break any Interest Period that may be applicable to the Loan, and the Borrower shall pay to the Bank the Breakage Fee and all Break Costs arising as a result thereof. In the event that the Bank shall exercise such right the Loan outstanding shall thereafter be fixed for such Interest Periods as shall be determined by the Bank in its sole and absolute discretion

9 5 The Borrower shall (within three Business Days of demand by the Bank) pay to the Bank an amount equal to the loss, liability or cost which the Bank determines will be or has been (directly or indirectly) suffered for or on account of Tax by the Bank in respect of the Facility Letter

9 6 Clause 9 5 above shall not apply

9.6.1 with respect to any Tax assessed on the Bank under the law of the jurisdiction in which the Bank is incorporated or, if different, the jurisdiction (or jurisdictions) in which the Bank is treated as resident for tax purposes, if that Tax is imposed on or calculated by reference to the net income received or receivable (but not any sum deemed to be received or receivable) by the Bank, or

9 6 2 to the extent a loss, liability or cost is compensated for by an increased payment under Clause 9 3

9 7 If the Bank makes (or intends to make) a claim under Clause 9 5 above, it shall notify the Borrower as soon as is reasonably practicable of the event which has caused (or will cause) that claim, however, the Bank's entitlement to exercise its rights under Clause 9.5 above is not conditional on such notification being made in accordance with this Clause 9 7.

9 8 For the purposes of Clauses 9 5 and 9 6

"Tax" means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same)

10 **The Borrower shall pay the Bank Fees**

10 1 In consideration of the Bank making the Facility available hereunder the Borrower shall pay to the Bank, the Bank's Fees which if not previously paid shall be deducted from any Advance made by the Bank. Any fees as set out in Clause 1 1 not due on drawdown shall be debited to the Borrower's account and be payable in advance at the time or times and in the manner set out in Clause 1 1

10 2 In the event that the level of administration undertaken by the Bank in connection with the operation and monitoring of the Facility shall in the opinion of the Bank have increased or be likely to increase from that envisaged by the Bank when the Facility was originally agreed then the Bank shall have the right to charge the Borrower an Administration Fee

16 **Set-Off**

16.1 In addition to any other rights to which it may be entitled, including rights under any Security Document, the Bank may retain, set off or appropriate any credit balances in name of the Borrower (whether current or not yet due) against the Borrower's obligations to the Bank under this Facility Letter. The Bank may exercise any of these rights without prior notice both before and after demand and in so doing may convert to sterling at the prevailing market rate of exchange any balance which is in a currency other than sterling.

16.2 Nothing expressed or implied in this Facility Letter or any other document in connection herewith shall be regarded as in any way negating or affecting any right which the Bank may have under applicable law to apply any credit balances to which the Borrower is entitled on any account of the Borrower in or towards satisfaction of any sum due from the Borrower hereunder.

17 **Remedies, Waivers, Amendments and Consents**

17.1 No failure on the part of the Bank to exercise, and no delay on its part in exercising, any right or remedy under this Facility Letter and/or the Security Documents will operate as a waiver thereof, nor will any single or partial exercise of any right or remedy preclude any other or further exercise thereof or the exercise of any other right or remedy. The rights and remedies provided in this Facility Letter and the Security Documents are cumulative and not exclusive of any rights or remedies provided by law or otherwise.

17.2 Save to the extent expressly provided to the contrary in this Facility Letter a person who is not a party to this Facility Letter or the Security Documents may not enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999.

18 **Assignment and Transferability**

18.1 The Borrower may not assign, transfer or otherwise dispose of all or any part of its rights, benefits or obligations under this Facility Letter or the Security Documents.

18.2 The Bank may at any time assign, novate or transfer all or any part of its rights, benefits and obligations under this Facility Letter and the Security Documents or grant participations therein to any one or more banks or financial institutions and the Borrower and any other party to this Facility Letter hereby agrees to execute any documents required to enable the Bank so to do (provided that the Borrower and any such other party shall neither be required thereby to pay any greater amount to satisfy its obligations hereunder nor be responsible for any legal or statutory costs or duties arising therefrom) and the Borrower and any other party to this Facility Letter further agrees that the Bank may disclose any information to any such bank or financial institution for said purpose.

19 **Illegality and Severance**

19.1 If, in the opinion of the Bank, the introduction of any law or regulation or change in its interpretation, makes it unlawful for the Bank to maintain all or any part of the Loan or carry out all or any of its obligations in relation to the Facility then the Bank will serve notice to that effect on the Borrower and that notice will release the Bank from those obligations. The Borrower will then repay to the Bank (on its demand or on such later date as the Bank reasonably specifies) the Facility together with any other sums payable to the Bank under this Facility Letter.

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22 Governing Law

This Facility Letter shall be governed by and construed in accordance with the laws of England and Wales

If you are in agreement with the aforesaid provisions, please sign and return the enclosed copy of this Facility Letter, as your acceptance of the terms and conditions set out herein

Yours faithfully

For and on behalf of
SVENSKA HANDELSBANKEN AB (publ)



Authorised Signatory

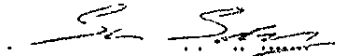


Authorised Signatory

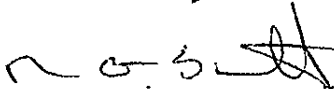
The Borrower hereby confirms and accepts the above mentioned terms and conditions contained in this Facility Letter and the following Schedules.

The Borrower

Signed for and on behalf of the Borrower
with the full authority of the Board of Directors



Director



Director/Secretary

Duty Authorised Signatory
For and on behalf of
Bibby Bros & Co (Management)
Limited SECRETARY

Date

7/3/13

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assets and in respect of its business for such amounts as would be prudent and provide to the Bank copies of all such insurances upon request together with receipts evidencing that all necessary premiums are paid on such insurance;

- 11 the Borrower holds and shall maintain all licences and consents (including Environmental Licences) necessary for the ownership of its property and which allow it to comply with the terms of this Facility Letter and the Security Documents and to conduct its business and has complied in all material respects with those licences and consents and with Environmental Law,
- 12 the Borrower will not (disregarding sales of stock in trade in the ordinary course of business) sell, transfer, lease (or where a lease is already in existence, consent to the lease being assigned) or otherwise dispose of, by one or more transactions or series of transactions (whether related or not), the whole or any material part of its revenue or its assets without the prior written consent of the Bank,
- 13 the Borrower will not without the previous consent in writing of the Bank (or in excess of or otherwise not in compliance with the conditions of such consent) create or purport or attempt to create or allow to subsist, other than in favour of the Bank any debenture, mortgage, pledge, charge or other encumbrance on or over the whole or any part of its assets or undertaking or permit any lien to arise on or to affect any part thereof other than a lien arising by operation of law and in the ordinary course of trading and other than any security interest arising under any retention of title or hire purchase or conditional sale agreement which does not arise as a result of any default by the borrower
- 14 the Borrower will not, without the previous consent in writing of the Bank (or in excess of or otherwise not in compliance with the conditions of such consent or other than in the ordinary course of trading), create or purport or attempt to create or allow to subsist any guarantees in favour of any third parties, other than those in favour of the Bank nor shall the Borrower other than in the ordinary course of trading lend or give credit to or indemnify or guarantee any other person(s),
- 15 the Borrower is either owner or licensee of all Intellectual Property Rights used in the Borrower's business and use of them does not infringe any third party rights and the Borrower shall preserve and defend its Intellectual Property Rights and observe all covenants and stipulations affecting them;
- 16 the Borrower shall take whatever steps and execute whatever documents the Bank may reasonably require in order to give effect to the Security Documents and comply with its obligations to the Bank,
- 17 the Borrower shall comply at all times with the terms of the Security Documents and in particular to notify the Bank of any actual or threatened claim against the Borrower in respect of an alleged breach of Environmental Law or remedial obligation or liability under such law which could, if well-founded, (1) have a Material Adverse Effect or (2) constitute a material liability of the Borrower (which shall be judged solely by the Bank);
- 18 the Borrower shall not join any partnership or enter into any joint venture with any other person or merge or amalgamate with any other person (other than as part of a solvent reconstruction with the prior written consent of the Bank),
- 19 the Borrower shall comply with all Statutory Controls and promptly give to the Bank a copy of any notice concerning compliance with them,

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Schedule 2 – Events of Default

The Loan or any part thereof outstanding, together with accrued interest, fees, costs, expenses and any other sums due or to become due hereunder, whether actual or contingent, shall become immediately due and payable to the Bank without further demand and any obligation of the Bank to make available or continue the Facility shall cease forthwith if any of the following shall occur:-

- 1 if the Borrower shall default in the payment on the due date therefor of any sum due hereunder or under the Security Documents,
- 2 if this Facility Letter or any of the Security Documents or any other documentation relating thereto shall be terminated, or shall prove to be or become invalid, not binding or unenforceable at any time,
- 3 if any representation or warranty made by the Borrower hereunder or under the Security Documents shall prove to be or to have been incorrect when made in any respect,
- 4 if the Borrower shall fail to comply at all times with the undertakings given hereunder or under the Security Documents,
- 5 if the Borrower shall default in the performance of any other term or condition of this Facility Letter or of the Security Documents and, if capable of remedy, such default shall continue unremedied for fourteen days after written notice thereof shall have been given by the Bank to the Borrower,
- 6 if any Borrowings or other obligation of the Borrower for the payment or repayment of money shall become due and payable prior to the specified maturity thereof by reason of default thereunder or if repayable on demand is not repaid upon a demand for same or is otherwise not paid when due. If there is any consistency between this facility letter and any previous facility letter to which the borrower and the bank are party then this facility letter shall prevail
- 7 if any formal legal step (including without limitation petition, proposal, convening a meeting or service of a notice of intention to appoint an administrator under paragraphs 15 or 26 of Schedule B1 to the Insolvency Act 1986, or any statutory modification or re-enactment thereof) is taken with a view to the administration, liquidation, winding-up or dissolution of the Borrower, or any other insolvency proceedings involving the Borrower,
- 8 if a winding up petition be presented in any Court or a meeting be convened for the purpose of considering a resolution for the winding up of the Borrower (except in the case of a reconstruction or amalgamation which has the prior written approval of the Bank under which the new or amalgamating company assumes liability hereunder and provides security therefor in form and amount approved by the Bank),
- 9 if a receiver, administrator or other similar officer be appointed of the whole or any part of the assets or undertaking of the Borrower or an encumbrancer takes possession of, or any person exercises or attempts to exercise any power of sale in relation to all or any part thereof,
- 10 if a judgement or order of any Court be made against the Borrower for payment of any sum of money and not be complied with within fourteen days or if a writ of execution be issued against or distress, execution or sequestration be levied or enforced upon or sued out against any of the property of the Borrower;

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Schedule 3 – Conditions Precedent

- 1 A copy of this Facility Letter signed by duly authorised officials accepting on behalf of the Borrower the terms and conditions set out herein,
- 2 A copy certified as true and accurate by a Director or the Secretary of the Borrower of a resolution authorising the appropriate officials to act on behalf of and to bind the Borrower in the acceptance of the terms and conditions of this Facility Letter, the execution of this Facility Letter and any other necessary supporting documents ancillary thereto
- 3 The Valuation of the Existing Vessels confirming without limitation that the current Market Value thereof is not less than the amount set out in Clause 1.1,
- 4 The Bank's Fees then due,
- 5 The availability as security for the Loan of any Existing Security Document is confirmed to the Bank's satisfaction,
- 6 The Bank being satisfied with the terms (including the level and type of cover) and conditions and the assets covered by the Borrower's insurance policies and the identity of the insurance company,
- 7 At the Bank's option the Bank's interest being noted on terms satisfactory to the Bank and/or the Bank being noted as loss payee in respect of the insurance policies or the Bank being jointly insured thereunder,
- 8 If the Borrower is required to provide management accounts under the terms of this Facility Letter, a copy of the most recent management accounts
- 9 Further Conditions Precedent in respect of any Advance other than the initial Advance of £385,000
- 9.1 The Valuation of the Further Vessel addressed to the Bank from such professional surveyors or valuers instructed by and acceptable to the Bank, (the "Valuers"), the Valuation being based upon criteria determined by the Bank in its sole and absolute discretion including, but not limited to , general condition of the hull, machinery, fittings and appurtenances, seaworthiness/fitness for purpose, regulatory compliance/ ability to trade (i.e. having relevant domestic and international certificates / documentation, including classification society certificate, and MCA licences), an assessment of the running characteristics of the engines and comment on the value of the engines in relation to the overall value of the vessel and current market value,
- 9.2 A copy certified as true and accurate by a Director or the Secretary of the Borrower of a resolution authorising the appropriate officials to act on behalf of and to bind the Borrower in the acceptance of the terms and conditions of the New Security Documents, the execution of the Security Documents and the granting of the Security Documents and any other necessary supporting documents ancillary thereto
- 9.3 The Bank has received and is satisfied the New Security Documents in relation to the Further Vessel to be funded with the relevant Advance, duly and properly executed and such other documents as the Bank shall require to ensure such Security Documents are perfected,

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Schedule 4 – Definitions and Interpretation

"**Administration Fee**" means an administration fee of such amount or administration fees of such amounts as shall be determined by the Bank in its absolute discretion from time to time to fully compensate the Bank for the additional costs incurred or likely to be incurred by it in the operation and monitoring of the Facility. Such fee or fees will be payable on the Bank's first demand.

"**Advance**" means the advance or advances to be made available to the Borrower under this Facility Letter.

"**Availability Period**" means the period ending on the date set out in Clause 1.1.

"**Bank's Fees**" means the Bank's Fees as set out in Clause 1.1.

"**BBA**" means the British Bankers' Association.

"**Borrowings**" means (without double counting) -

- (a) money borrowed or raised and includes capitalised interest,
- (b) any liability under any bond, note, debenture, loan stock, redeemable preference share capital or other instrument or security,
- (c) any liability for acceptance or documentary credits or discounted instruments,
- (d) any liability for the acquisition cost of assets or services payable on deferred payment terms where the period of deferment is more than 90 days,
- (e) any liability under debt purchase, factoring and similar agreements and capital amounts owing under finance leases, hire purchase or conditional sale agreements or arrangements,
- (f) the net liability under any derivative transaction protecting against or benefiting from fluctuations in any rate or price,
- (g) any other arrangements having the commercial effect of borrowing, and
- (h) any liability under any guarantee or indemnity in respect of any obligation falling within (a) to (g) (inclusive) above.

"**Break Costs**" means the amount (if any) by which

- (a) the interest which the Bank should have received for the period from the date of receipt of all or any part of the Loan or any unpaid sum to the last day of the current fixed rate period in respect of that Loan or unpaid sum, had the principal amount or unpaid sum received been paid on the last day of that Interest Period,

exceeds:

- (b) the amount which that Bank would be able to obtain by placing an amount equal to the principal amount or unpaid sum received by it on deposit with a leading bank in the relevant interbank market.

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discretion based on either the arithmetic mean of the rates (rounded upwards to four decimal places) quoted by the leading banks in the London Inter-Bank Market for an amount equal to the Advance for the Interest Period or the rate at which sterling deposits in an amount equal to the Advance are offered to the Bank in the London Inter-Bank Market for the Interest Period and, if any such rate is below zero, LIBOR will be deemed to be zero

"Limit" means the amount of the Loan set out in Clause 1.1 less any repayments required to be made under the terms of this Facility Letter

"Loan" means the loan made available hereunder the amount and type as set out in Clause 1.1

"Loan Account" means the account maintained by the Borrower with the Bank in connection with this Facility

"Margin" means the percentage set out in Clause 1.1

"Market Value" means (1) in regard to land or an interest in land over which the Bank has security, the Market Value as that term is defined or referred to in the RICS Appraisal and Valuation Manual (current edition) published by the RICS and (2) in regard to any other asset over which the Bank has security, the estimated amount which the Bank would receive as a result of the sale of the same on the open market at the time a valuation is made but in any case after deducting (a) any amounts payable in respect of legal and other expenses connected with that sale and (b) the principal, interest and charges payable to any prior ranking creditor. Market Value shall be determined (at such time or from time to time as the Bank decides) by a professionally qualified valuer appointed by the Bank at the expense of the Borrower

"Material Adverse Effect" means any effect which, in the reasonable opinion of the Bank, is likely to -

- (a) adversely affect the ability of the Borrower to comply with its obligations under this Facility Letter or the Security Documents,
- (b) adversely affect the business, assets or financial condition of Borrower, or
- (c) (where the context so admits) result in any of this Facility Letter or any of the Security Documents not being legal, valid and binding on, and enforceable substantially in accordance with its terms against any party to that document or, in the case of any of the Security Documents, not providing the Bank with enforceable security over the assets to be covered by it

"Maturity Date" means the date set out in Clause 1.1

"MLA Costs" means the costs (expressed as an annual percentage) calculated by the Bank in accordance with its usual practice of complying with any reserve asset and/or special deposit and/or cash ratio and/or liquidity and/or capital adequacy and/or banking control or similar requirements of Bank of England, the Financial Services Authority, the Riksbank, the European Central Bank or any other authority which replaces all or any of its functions

"New Security Documents" means the new security documents listed in Clause 1.1

"Prepayment Fee" means the fee set out in Clause 1.1

"Repayment Amount" means the amount(s) set out in Clause 1.1

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- (f) a person is to be construed to include references to a corporation, firm, company, partnership, joint venture, unincorporated body of persons, individual or any state or any agency of a state, whether or not a separate legal entity
- (g) any person is to be construed to include that person's assignees or transferees or successors in title, whether direct or indirect
- (h) any word or phrase includes all derivations thereof
- (i) a matter being in the opinion of the Bank or at the Bank's discretion shall be in the sole opinion of the Bank taking into consideration the Bank's interests hereunder and in the case of the Bank's discretion it shall be at the Bank's sole unfettered discretion without taking into consideration other party's interests

Clause headings are for ease of reference only and are not to affect the interpretation of this Facility Letter

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"Dividends" means, in relation to any accounting period of the Borrower, all dividends on the Borrower's (i) ordinary share capital, and (ii) preference share capital (other than redeemable preference shares)

"EBIT" means, for any specified period, the profit/loss of the Borrower, before the deduction of Interest and taxation or the addition of interest receivable, disregarding profits or losses arising in respect of exceptional or extraordinary items in that period

"Interest" means, for any specified period, interest and any amounts in the nature of interest in relation to any Borrowings of the Borrower (including, without limitation, the interest element of finance leases, guarantee fees, non-utilisation fees, discount and acceptance fees and payments under any hedging arrangements on a net basis but excluding arrangement fees), in each case in that period

"Net Profit" means, for any specified period, the profit/loss of the Borrower, after the deduction of interest and taxation or the addition of interest receivable, disregarding profits or losses arising in respect of exceptional or extraordinary items in that period

"Test Date" means 31st March, 30th June, 30th September and 31st December in each year

"Test Period" means a period of 12 months ending on a Test Date

- 5 If the accounting principles to be applied in the preparation of the Financial Statements or the management accounts of the Borrower are changed after the date of this Facility Letter (whether as a result of a change in GAAP or otherwise), or the introduction or implementation of any accounting standards or rules after the date of this Facility Letter requires that any such accounting principles be changed, the Borrower shall notify the Bank of such circumstances. If the Bank considers that the financial covenants in this Schedule require to be amended as a result of any such change in accounting principles, standards or rules the Bank and the Borrower shall negotiate in good faith to amend the financial covenants in order to provide the Bank with substantially the same protection as it would have had if the changes had not happened. If no agreement is reached on the requirement amendments to this Facility Letter, the Borrower must supply with each set of its Financial Statements another set of its financial statements prepared on the same basis as the original financial statements