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COMPANIES FORM No. 395

6380 82/39

Particulars of a mortgage or charge

395

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

Pursuant to section 395 of the Companies Act 1985

CHFP025

Please do not
write in
this margin

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

* insert full name
of Company

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

For official use

Company number

2

FC027409

Name of company

A & L CF (Jersey) No.2 Limited, a company incorporated in Jersey whose registered office is at PO Box 248, 39-41 Broad Street, St Helier, Jersey, JE4 5PS and whose principal place of business is at 298 Deansgate, Manchester, M3 4HH, England (the **Lessor**)

Date of creation of the charge

13 August 2009

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

Deed of Covenant relating to m.v. "STENA FORTH" (formerly Hull No. 1747 at Samsung Heavy Industries Co., Ltd.) (the **Deed**)

Amount secured by the mortgage or charge

The aggregate of the Proceeds, Rebate Amount and the Disposal Expenses (to the extent that the Disposal Expenses are payable by the Lessor pursuant to any of the Lease Documents) (the **Lessor Proceeds Rebate Indebtedness**) and the discharge of all the Lessor's obligations to the Lessee under the Lease:

- (a) to pay any Proceeds Rebate Amount under the Proceeds Rebate Provisions; and
- (b) to transfer all the Lessor's right, title and interest in and to the Ship to a purchaser when obliged to do so in accordance with the provisions of the Lease and the Proceeds Deed or any contract for the sale of the Lessor's interest in the Ship entered into by the Lessor pursuant to such provisions (it being acknowledged by the Lessee that the Lessor shall not be prevented from complying with the obligations referred to in this paragraph (b) solely by reason of a failure by the Lessee or its transferee or assignee to release the Lessor Mortgage) (the **Lessor Proceeds Obligations**).

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

Stena Drillmax III Limited of Clarendon House, 2 Church Street, Hamilton, Bermuda (the **Lessee**)

Postcode HM11

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

Denton Wilde Sapte LLP
One Fleet Place
London EC4M 7WS

AJXB/GRK/56471.00091

Time critical reference

For official Use (02/00)
Mortgage Section

FRIDAY

Post room



L11 28/08/2009 692
COMPANIES HOUSE

Please return
via
CH London Counter

Short particulars of all the property mortgaged or charged

See the M395 Continuation Sheet attached.

495
The Lessor mortgaged and charged, and agreed to mortgage and charge, to and in favour of the Lessee all its rights, title and interest present and future in and to the Ship and, without prejudice to the generality of the foregoing, thereby assigned and agreed to assign to the Lessee absolutely all its rights, title and interest in and to the Total Loss Proceeds, the Sale Proceeds and any Sale Proceeds Receivable and all its benefits and interests present and future therein provided however that until such time as a Lessor Enforcement Event has occurred or as otherwise provided in the Proceeds Deed any moneys in respect of the Lessor Mortgaged Property shall continue to be paid to the Lessor for application in accordance with the provisions of the Proceeds Deed. After the occurrence of a Lessor Enforcement Event all moneys in respect of the Lessor Mortgaged Property shall be paid to the Lessee to be applied in accordance with the Proceeds Deed.

Negative Pledge:

The Lessor thereby covenanted with the Lessee that, throughout the Lessor Rebate Security Period, it will not save as permitted or contemplated by the Transaction Documents, not without the prior written consent of the Lessee (and then subject to such conditions as the Lessee may impose) create of purport or agree to create any Encumbrance over or in respect of the Ship or any share or interest therein or in any other part of the Lessor Mortgaged Property otherwise than to or in favour of the Lessee.

Particulars as to commission allowance or discount (note 3)

Nil

Signed

Dexter Wilde Sapte LLP

Date 28 August 2009

On behalf of company

Please do not write in this margin

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

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

Notes

† delete as appropriate

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

Name of company

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A & L CF (Jersey) No.2 Limited

Short particulars of all the property mortgaged or charged (continued)

Banking Day means a day (other than a Saturday or Sunday) on which dealings in deposits in Sterling are carried on in the London Interbank Eurocurrency Market and on which banks are open for business in London and in the principal financial centre of the country of the currency of any sum payable under the Lease or, in respect of any sum payable under any other Relevant Document, the currency of such payable sum (if such currency is not Sterling).

Builder means Samsung Heavy Industries Co., Ltd., a company incorporated in the republic of Korea of 11th Floor, KIPS Bldg. 647-9, Yeoksam-Dong, Kangnam-Ku, Seoul, Korea 135-080.

Classification Society has the meaning given to such term in the Lease.

Compulsory Acquisition has the meaning given to that term in the Lease.

Delivery means the date on which the Ship was deemed to be delivered to the Lessee pursuant to the Lease, being 13 August 2009.

Disposal Expenses has the meaning given to that term in the Proceeds Deed.

Encumbrance means with respect to any property or assets, any mortgage or deed of trust, pledge, hypothecation, assignment, security deposit arrangement, security interest, lien, charge, easement (other than any easement not materially impairing usefulness or marketability), encumbrance, preference, priority or other security agreement or preferential agreement (other than the subordination of inter-subsidary Financial Indebtedness to the extent required by a lender or a lessor of Stena AB or any of its Subsidiaries (as defined in the Lease)) of any kind or nature whatsoever on or with respect to such property or assets (including, without limitation, any conditional sale or other title retention agreement having substantially the same economic effect as any of the foregoing).

Government Entity has the meaning given to that term in the Lease.

Insurances means all policies and contracts of insurance (which expression includes all entries of the Ship in a protection and indemnity or war risks association) which are from time to time during the Lease Period (as defined in the Lease) in place or taken out or entered into by the Lessee or, during a Sub-Demise Charter Period (as defined in the Lease), the Sub-Demise Charterer (as defined in the Lease) pursuant to clause 16 of the Lease for the benefit of the Lessee alone or the Lessee and the Lessor or, during a Sub-Demise Charter Period, the Sub-Demise Charterer in respect of the Ship or otherwise howsoever in connection with the Ship (but not any such insurances taken out for the benefit of persons who do not include the Lessor or taken out for the benefit of the Lessor alone) and all benefits thereof (including claims of whatsoever nature and return of premiums).

Lease means the lease dated 28 July 2006 (as amended and restated) made between the Lessor (1) and the Lessee (2) in respect of the Ship.

Lease Documents means the Lease, the Novation Option Procurement Agreement, the Novation Option Agreement, the Supervision Agreement, the Refund Guarantee, the Proceeds Deed, the Lessor Mortgage, the Direct Support Agreement, the Lessor Proceeds Account Charge, the Second Lessee Insurance Assignment, any Contribution Deed, any Second Reinsurance Assignment, any Subordination Agreement, any Second Sub-Charterer's Assignment (each as defined in the Proceeds Deed or Lease, as applicable) and any other document which is agreed in writing by the Lessor and the Lessee from time to time to be a "Lease Document" and all notices, consents, certificates and other documents and agreements to which the Lessee is party issued or, as the case may be, to be issued pursuant to any of the foregoing.

Lessor Default means any of the following events:

- (a) the entry by a court of competent jurisdiction of a decree or order for relief in respect of the Lessor, the New Parent or the Lessor Parent in an involuntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of the Lessor, the New Parent or the Lessor Parent or for substantially all of their respective

Name of company

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property, or ordering the winding up or liquidation of its affairs, if such decree or order shall remain unstayed and in effect for a period of 60 consecutive days; or

- (b) the commencement by the Lessor, the New Parent or the Lessor Parent of a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or the Lessor's, the New Parent's or the Lessor Parent's consent to the entry of an order for relief in any involuntary case under any such law, or its consent to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or similar official) of the Lessor, the New Parent or the Lessor Parent or for substantially all of their respective property or the making by the Lessor, the New Parent or the Lessor Parent of any general assignment for the benefit of creditors, or its failure generally to pay its debts as they become due; or
- (c) the making by a court having jurisdiction of an order for the winding up of the Lessor, the New Parent or the Lessor Parent or the appointment of an administrator or liquidator of the Lessor, the New Parent or the Lessor Parent if such order shall remain unstayed and in effect for a period of 60 consecutive days; or
- (d) the passing of an effective resolution for the winding up of the Lessor, the New Parent or the Lessor Parent (except for a member's voluntary winding up for the purposes of reorganisation, reconstruction or amalgamation) or the Lessor's, the New Parent's or the Lessor Parent's consent to the appointment of or taking possession by a receiver or administrative receiver or administrator of the Lessor, the New Parent or the Lessor Parent or for substantially all of their respective property or the making by the Lessor, the New Parent or the Lessor Parent of any general assignment for the benefit of its creditors, or its failure generally to pay its debts as they become due; or
- (e) an event occurs or proceeding is taken with respect of the Lessor Parent, the New Parent or the Lessor which has an effect equivalent or similar to any of the events mentioned in (a) to (d) above; or
- (f) the Lessor Parent commits any breach of a Lessor Parent Support Letter then in force.

Lessor Enforcement Event means:

- (a) a breach by the Lessor of any of the Lessor Proceeds Obligations which is subsisting one Banking Day after the Lessee or (during the Loan Period) the Security Trustee has given the Lessor notice in writing that a breach of the Lessor Proceeds Obligations has occurred provided that such breach has in fact occurred; or
- (b) the occurrence of a Lessor Default.

Lessor Mortgage means the statutory mortgage executed by the Lessor in favour of the Lessee dated 13 August 2009 in account current form constituting a first priority mortgage of sixty-four sixty-fourth shares in the Ship.

Lessor Mortgaged Property means:

- (a) the Ship;
- (b) any Total Loss Proceeds;
- (c) the Sale Proceeds; and
- (d) any Sale Proceeds Receivable.

Lessor Parent means Alliance & Leicester plc or such other company which the Lessee and the Security Trustee may approve (such approval is not to be unreasonably withheld or delayed).

Lessor Parent Support Letter means the support letters issued by the Lessor Parent to each of the Lessee and the Security Trustee in respect of the Lessor and the New Parent.

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Loan Period has the meaning given to that term in the Proceeds Deed.

Lessor Proceeds Account means the interest bearing Dollar account of the Lessor with the Proceeds Account Bank designated "A & L CF (Jersey) No.2 Proceeds Account" with account number 64292029 and includes any sub-accounts thereof or any other account with the proceeds Account bank which the parties hereto may agree shall be a "Lessor Proceeds Account" for the purposes of the Proceeds Deed.

Lessor Rebate Security Period means the period commencing on the date of the Lessor Mortgage and terminating upon the date upon which:

- (a) the Lessor has performed the Lessor Proceeds Obligations; and
- (b) the Lessor Proceeds Rebate Indebtedness has been paid to a Lessor Proceeds Account free of any Lessor's Encumbrance.

Lessor's Encumbrance means any Encumbrance which arises from or is created solely as a result of:

- (a) any obligation of the Lessor or any claim against or affecting the Lessor (other than a claim for or obligation in respect of Taxes (as defined in the Lease) or a claim or obligation in respect of which the liability to pay the same, or the amount of the same, or the amount of the same, is then being disputed by the Lessor in good faith and which will not cause any interference to the use, possession and quiet enjoyment of the Ship by the Lessee during the Lease Period), in each case, that arises after Completion (as defined in the SPA) and is not related to, or does not arise directly or indirectly as a result of, the transactions contemplated by the Lease or any other Lease Documents; or
- (b) any Taxes imposed upon the Lessor in respect of any period on or after Completion which are not required to be indemnified against by the Lessee or by any other person under this Lease or under any of the other Lease Documents (other than Taxes in respect of which the liability to pay the same, or the amount of the same, is being disputed by the Lessor in good faith and which will not cause any interference to the use, possession and quiet enjoyment of the Ship by the Lessee during the Lease Period).

Manuals and Technical Records means all books, records, logs, manuals, handbooks, technical data, drawings, and other materials and documents (whether or not kept or required to be kept in compliance with any applicable laws or the requirements of the Classification Society) relating to the Ship.

New Parent means Alliance & Leicester Commercial Finance plc.

Novation Option Agreement has the meaning given to that term in the SPA.

Old Parent means Stena Don AB, a company incorporated in Sweden of SE-405 19 Gothenburg, Sweden.

Proceeds Account Bank means Alliance & Leicester plc acting through its branch at Bridle Road, Bootle, Merseyside G1R 0AA.

Proceeds Deed means the agreement dated 16 March 2007 made between the Lessor, the Lessee, the Receivables Purchaser, the New Parent, the Security Trustee and the Proceeds Account Bank.

Proceeds Rebate Amount means any amount payable by the Lessor to the Lessee or its assignee or to the Lessee's or its assignee's account under the Proceeds Rebate Provisions.

Proceeds Rebate Provisions means clauses 3.4, 22.4, 22.5 and 27.2 of the Lease and clauses 2.1 and 3.1 of the Proceeds Deed.

Receivables Purchaser means Stena (Switzerland) AG a company incorporated in Switzerland whose registered office is at Bahnhofplatz, CH-6300 Zug, Switzerland.

Name of company

* insert full name
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A & L CF (Jersey) No.2 Limited

Relevant Document has the meaning given to such term in the Lease.

Sale Proceeds has the meaning given to that term in the Proceeds Deed.

Sale Proceeds Receivable means the rights against any potential purchaser of the Ship which, if such purchaser performed its obligations, would result in there being Sale Proceeds.

Security Trustee means Citicorp Trustee Company Limited.

Ship means the dynamically positioned deepwater drillship m.v "STENA FORTH" (formerly hull No. 1747 at the Builder) registered as a Bermuda ship at the port of Hamilton under official no. 737973 with IMO no. 9428932 and to be re-flagged to British flag on or shortly after Delivery at the port of Aberdeen under the same official no. and includes any share or interest therein and its engines, machinery, boats, tackle, outfit, equipment, derricks, tools, drillers, cranes, rigging, drill stem, drilling equipment, pumps and pumping equipment, blow out preventers, mud systems, tubing, casing, spare gear, belongings and appurtenances whether on board or ashore (but excluding consumable stores and provisions, bunkers, domestic fuel, lubricants, rented or leased equipment, and charterer's and sub-charterer's additions) which are the property of the Lessor or become installed on the Ship thereafter and become the property of the Lessor in accordance with the Lease, or which, having being removed therefrom, remain the property of the Lessor pursuant to the Lease, together with any and all substitutions thereof and replacements and renewals therefrom from time to time made in or to it in accordance with the provisions of the Lease and, where the context permits **Ship** shall include the Manuals and Technical Records.

SPA means the sale and purchase agreement dated 16 March 2007 (as amended) made between the Old Parent, the New Parent and Stena AB in respect of the acquisition of the entire issued share capital of the Lessor by the New Parent.

Stena AB means Stena AB (publ) of SE-405 19 Gothenburg, Sweden and includes its successors and assignees.

Termination Event means any of the events or circumstances described in clause 26.1 of the Lease.

Total Loss means in relation to the Ship:

- (a) the actual or constructive or compromised or arranged total loss of the Ship; or
- (b) the Compulsory Acquisition of the Ship; or
- (c) the hijacking, theft, condemnation, forfeiture, capture, seizure, arrest, detention or confiscation of the Ship (other than where the same amounts to Compulsory Acquisition of the Ship by any Government Entity, or by persons acting or purporting to act on behalf of any Government Entity), unless the Ship be released and restored to the Lessee or, during a Sub-Demise Charter Period (as defined in the Lease) to the Sub-Demise Charterer (as defined in the Lease) from such hijacking, theft, condemnation, capture, seizure, arrest, detention or confiscation within 180 days after the occurrence thereof; or
- (d) the expiration of 90 days after the Ship shall have been requisitioned for hire by any Government Entity or other competent authority, whether de jure or de facto, unless either the Insurances shall not have lapsed or ceased to cover (which, subject to clause 16.1.17 of the Lease, constitutes a Termination Event under clause 26.1.2 of the Lease) or the Lessee shall have obtained an indemnity either from such Government Entity or from another authority who, in either case, is acceptable to the Lessor covering the same risks and the same amounts which the Lessee is required to insure against under the provisions of clause 16 of the Lease.

Total Loss Proceeds means the proceeds of any policy or contract of insurance arising in respect of a Total Loss of the Ship.

Transaction Documents has the meaning given to that term in the Proceeds Deed.



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

**COMPANY NO. FC27409
CHARGE NO. 2**

**THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES
HEREBY CERTIFIES THAT A DEED OF COVENANT DATED 13
AUGUST 2009 AND CREATED BY A&L CF (JERSEY) NO.2
LIMITED FOR SECURING THE AGGREGATE OF THE PROCEEDS
REBATE AMOUNT AND THE DISPOSAL EXPENSES AND THE
DISCHARGE OF ALL LESSOR'S OBLIGATIONS TO THE LEESSEE
UNDER THE LEASE WAS REGISTERED PURSUANT TO
CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 28
AUGUST 2009**

**GIVEN AT COMPANIES HOUSE, CARDIFF THE 1 SEPTEMBER
2009**

(Handwritten signature: DX ADE)



Companies House
— for the record —



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