

M

COMPANIES FORM No. 395

Particulars of a mortgage or charge

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

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

For official use

Company number

Name of company

* The Portsmouth Harbour Ferry Company Plc (the "Owner")

Date of creation of the charge

12th May 2005

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

Deed of Covenants (the "Deed")

Amount secured by the mortgage or charge

The aggregate of all amounts whatsoever whether principal, interest or otherwise which may from time to time or at any time be or become due and owing actually or contingently from the Owner (whether as principal, surety or otherwise) to the Lender (as defined below) under the Security Documents (as defined below) or under any other agreement, arrangement or account between the Owner and the Lender (the "Indebtedness").

"Financial Agreement" means the asset loan agreement dated 12 May 2005 between the Lender and the Owner pursuant to which the Lender has agreed to make available a loan of one million, nine hundred and nine thousand, nine hundred and ten pounds (£1,909,910) to the owner to fund the purchase of a 32 MVT Halmetic Foot Passenger Ferry.

"Security Documents" means the Financial Agreement, the Statutory Mortgage (as defined below), the Deed, and all other documents executed as security for the Indebtedness or any part thereof whether pursuant to clause 7.1.26 of the Deed or otherwise.

Please see continuation sheet 1, page 2

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

HSBC Asset Finance (UK) Limited (registered number 229341) whose registered office is at 8 Canada Square, London (the "Lender")

Postcode E14 5HQ

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

Wragge & Co LLP
55 Colmore Row
Birmingham
B3 2AS

1900878/HEH1/AHM1

Time critical reference

For official Use (02/00)
Mortgage Section

Post room



Short particulars of all the property mortgaged or charged

1. The Owner with full title guarantee thereby:

(a) mortgaged and charged the Ship in favour of the Lender;

(b) assigned absolutely to the Lender the Insurances (as defined below) and the Requisition Compensation (as defined below); and

(c) covenanted and agreed that the Ship shall be held subject to the Statutory Mortgage which shall be held by the Lender for the payment of the Indebtedness so that the charge thereby created shall be a continuing security, but the Deed shall continue in full force and effect (save to the extent only that the Deed constituted a mortgage on the Ship) notwithstanding the discharge of the Statutory Mortgage until the Indebtedness has been paid to the Lender in full.

"Insurances" means all policies and contracts of insurance (which expressions includes all entries of the Ship in a protection and indemnity or mutual hull or war risks association) or such other arrangements by way of insurance which are from time to time taken out or entered into in respect of or in connection with the Ship pursuant to clause 6 of the Deed and including all benefits thereof and all claims of whatsoever nature and return of premiums

Please see continuation sheet 1, page 4

Please do not write in this margin

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

Particulars as to commission allowance or discount (note 3)

Nil

Signed

Wage & Co LLP

Date

24th May 2005

On behalf of [company] [mortgagee/chargee] †

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

†delete as appropriate

Notes

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

CHFP025

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

Please do not
write in this
binding margin

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

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

Company Number

00018751

Name of Company

The Portsmouth Harbour Ferry Company Plc

Limited*

* delete if
inappropriate

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

"Ship" means the vessel "Spirit of Portsmouth" registered in the name of the Owner at the port of Portsmouth under Official Registered No. 909851 and including any share or interest therein and the hull, machinery, equipment, fuel and stores thereof whether now owned or thereafter acquired and all additions, improvements and replacements thereafter made in or to the Ship or any party thereof and/or the said machinery and equipment.

"Statutory Mortgage" means the statutory mortgage on the Ship dated the same date as the Deed by the Owner to the Lender.

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

Please do not
write in this
binding margin

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

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

"Requisition Compensation" means all compensation payable by reason of requisition for title or other compulsory acquisition of the Ship other than requisition for hire

2. The Owner thereby covenants with the Lender that during the period commencing on the date of the Deed and ending on the date on which the Indebtedness is repaid in full to the Lender (the **"Security Period"**) the Owner will not:

(a) sell, transfer, mortgage, charge, pledge or abandon (save in the case of maritime necessity) the Ship or any share or interest therein nor assign the Insurances without the prior written consent of the Lender which it shall have full power to withhold; and

(b) create or permit to be created or continued any lien or encumbrances (except the Statutory Mortgage and the Deed and any other security as may be approved in writing by the Lender) whatsoever on the Ship and/or the Insurances (other than any lien on the Ship as a result of any necessary salvage or arising in the ordinary course of operation of the Ship) and in the ordinary course of business discharge and/or satisfy all claims and demands which if unpaid might in law or by statute or otherwise create a lien or encumbrance on the Ship.

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

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 00018751

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEED OF COVENANTS DATED THE 12th MAY 2005 AND CREATED BY PORTSMOUTH HARBOUR FERRY COMPANY PUBLIC LIMITED COMPANY(THE) FOR SECURING THE AGGREGATE OF ALL AMOUNTS HATSOEVER DUE OR TO BECOME DUE FROM THE COMPANY TO HSBC ASSET FINANCE (UK) LIMITED UNDER THE TERMS OF THE AFOREMENTIONED INSTRUMENT CREATING OR EVIDENCING THE CHARGE WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 25th MAY 2005.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 31st MAY 2005.



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



Companies House

— for the record —