



Registration of a Charge

Company name: **KORSBLUE LIMITED**

Company number: **08056039**



X5E29617

Received for Electronic Filing: **24/08/2016**

Details of Charge

Date of creation: **08/08/2016**

Charge code: **0805 6039 0005**

Persons entitled: **MR. AHMET DEMIRCI**

Brief description: **DEED OF COVENANTS WHICH CONTAINS THE TERMS AND CONDITIONS REGULATING THE SHIPPING MORTGAGE EXECUTED BY KORSBLUE LIMITED IN FAVOR OF MR. AHMET DEMIRCI OVER THE MOTOR YACHT INVICTUS REGISTERED UNDER BRITISH FLAG AT THE PORT OF LONDON WITH OFFICIAL NUMBER 913844. CONTAINS NEGATIVE PLEDGE.**

Contains negative pledge.

Authentication of Form

This form was authorised by: **a person with an interest in the registration of the charge.**

Authentication of Instrument

Certification statement: **I CERTIFY THAT THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by:

KEMAL HALIL



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 8056039

Charge code: 0805 6039 0005

The Registrar of Companies for England and Wales hereby certifies that a charge dated 8th August 2016 and created by KORSBLUE LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 24th August 2016 .

Given at Companies House, Cardiff on 25th August 2016

The above information was communicated by electronic means and authenticated
by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

DATED 8TH AUGUST 2016

"KORSBLUE LIMITED"

and

MR. AHMET DEMIRCI

**DEED OF COVENANT
M.Y. "INVICTUS"**

THIS DEED OF COVENANT is made the 8th day of August 2016,

BETWEEN:

1. **"KORSBLUE LIMITED"**, having its registered office at 23 Moscow Mansions, 224 Cromwell Road, London SW5 0SP, U.K (hereinafter called the "Owner" which expression shall include its successors and permitted assigns);

and

2. **MR. AHMET DEMIRCI**, resident of Evrenseki Koyu, Evrenseki Beldesi 07600, Manavgat 07000, Antalya, Turkey (hereinafter called "the Mortgagee" which expression shall include its successors and assigns).

WHEREAS:

- (A) The Owner is the sole, absolute and unencumbered owner of Sixty - Four Sixty Fourth shares of and in the Motor Yacht **"INVICTUS"**, registered under British flag at the Port of London with official number 913844 (hereinafter called "the Vessel").
- (B) By the Private Agreement dated 8th of August 2016 for the sale of the shares of the Owner made by and between the Mortgagee as Seller and Mr. Kemal Halil as Buyer (hereinafter called as the same it may from time to time be further amended referred to as "the Agreement"), the Seller agreed to sell the shares of the Owner to the Buyer against the purchase price of Euro Eight Hundred Fifty Thousand (€850.000) (hereinafter called the "Price") upon the terms and conditions referred in the Agreement.
- (C) The Buyer has paid to the Mortgagee the amount of Euro Two Hundred Twenty Five Thousand (€225.000) as deposit whereas the balance of the Price equal to Euro Six Hundred Twenty Five Thousand (€625.000) not yet paid to the Mortgagee (hereinafter referred to as the "Outstanding Principal") shall be paid by the Buyer to the Mortgagee in instalments in accordance with the Agreement.
- (D) Further, the Mortgagee and the Buyer, as the new Shareholder of the Owner, agreed (inter alia) to provide the Owner to the Mortgagee as security for the due and punctual payment of the Outstanding Principal a first preferred mortgage over the Yacht for an amount equal to 100% of the Outstanding Principal.
- (E) On the date hereof, the Outstanding Principal amounts to Euro Six Hundred Twenty Five Thousand (€625.000) and is payable to the Mortgagee, on and subject to the terms and conditions contained in the Agreement, by four (4) consecutive Instalments amounting (i) to Euro one hundred twenty five thousand (€125.000) the first one, (ii) to Euro one hundred fifty thousand (€150.000) the second one, (ii) to Euro one hundred fifty thousand (€150.000) the third one and (iv) to Euro two hundred thousand (€200.000) the last one. Each Instalment will be paid on each of the agreed payment dates as referred to hereinbelow:

No. of Instalments

Payment Dates

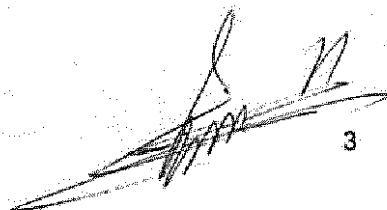
1 st	15.08.2016
2 nd	30.09.2016
3 rd	31.10.2016
4 th	30.11.2016

- (F) Contemporaneously with the execution of this Deed of Covenant there has been executed by the Owner in favour of the Mortgagee a statutory mortgage constituting a first priority mortgage of Sixty-four of sixty-fourth (64/64) shares in the said Vessel and as security for:
- (i) the payment of the Outstanding Principal and the payment of all other sums whatsoever payable to the Mortgagee under and pursuant to the terms of the Agreement; and
 - (ii) the due and punctual performance by the Owner of all the terms, covenants and conditions contained in the Agreement.
- (G) Pursuant to the Agreement, the Owner has agreed to and undertaken to execute the Mortgage and this Deed.
- (I) A copy of the Agreement is annexed to this Deed and is incorporated in and forms an integral part of this Deed, so that the term "Deed of Covenant" or "Deed" or "this Deed" when used shall be taken to mean this Deed and the Agreement. In case of any conflict between the provisions of the aforesaid documents, the provisions of the Agreement shall prevail.
- (J) This Deed is supplemental to the said Agreement and the Mortgage and to the security thereby created.

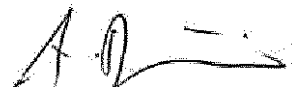
NOW THIS DEED WITNESSETH as follows:

1. FINANCIAL COVENANTS

1.01 PURSUANT to the Agreement and IN CONSIDERATION of other good and valuable consideration, receipt whereof is hereby acknowledged by the Owner, the Owner **HEREBY COVENANTS** with the Mortgagee to pay the Outstanding Principal to the Mortgagee in accordance with the terms of the Agreement by instalments and at the times and in the manner specified in the Agreement as well as to pay interest at the Default Rate on the Instalment which are by this Deed expressed to be payable and which are not paid forthwith as above until the date of payment **PROVIDED HOWEVER** that it being declared that this



3



Deed and the Mortgage shall be held by the Mortgagee as security for the Outstanding Principal and any interest accrued thereon.

2. MORTGAGE - CONTINUING SECURITY

2.01 **PURSUANT** to the Agreement and for the consideration aforesaid and by way of security for payment of the Outstanding Principal and the performance and observance of all covenants, terms and conditions to be observed and performed on the part of the Owner, pursuant to the Agreement and this Deed **THE OWNER WITH FULL TITLE GUARANTEE HEREBY MORTGAGES AND CHARGES** to and in favour of the Mortgagee all its interest present and future in the Vessel.

2.02 **IT IS DECLARED AND AGREED** that the security created by this Deed shall be held by the Mortgagee as a continuing security for the payment of the Outstanding Principal and that the security so created shall not be satisfied by any intermediate payment or satisfaction of any part of the amount hereby and thereby secured and that all the powers so vested in the Mortgagee may be exercised from time to time and as often as the Mortgagee may deem expedient.

PROVIDED ALWAYS that on the due and full payment to the Mortgagee of the Outstanding Principal in pursuance of the covenants herein, and in the Assignment of Insurances contained and provided further, that the Owner and/or the Buyer shall not then be in default under the Agreement or the Mortgage or the Assignment of Insurances, then the Mortgage shall, if required by the Owner, be discharged by the Mortgagee at the cost of the person or persons then entitled to have the same discharged and the security created thereby and by these presents shall be terminated.

2.03 Any release, discharge or settlement between the Owner and the Mortgagee shall be conditional upon no security, disposition or payment to the Mortgagee by the Owner or any other person being avoided or reduced pursuant to any provisions or enactments relating to bankruptcy, liquidation or insolvency.

3. ASSIGNMENT

The Owner hereby confirms that the Owner has assigned to the Mortgagee its successors and assigns all its title, rights and interest into the Insurances pursuant to the agreement for the assignment of insurances (hereinafter called the "Assignment of Insurances") and any Requisition Compensation of the Vessel as well as all monies and claims for monies which may become due to the Owner with respect to the actual or constructive or agreed or arranged or compromised Total Loss of the Vessel and all claims for damages and compensation with respect to such loss.

4. MAJOR COVENANTS

THE OWNER EXPRESSLY COVENANTS AND AGREES with the Mortgagee and **UNDERTAKES** throughout the security period which is the last date of the payment of the 4th



4



Instalment and shall last until the full payment to the Mortgagee of any sum owing by the Owner (hereinafter called the "Security Period") and so long as any part of the Outstanding Principal remains undischarged:

4.01.01 To hold the Vessel, her appurtenances and all improvements and replacements hereafter made in or to it or in any part thereof, subject to the further covenants, conditions, provisions, terms and uses hereinafter and in the Assignment of Insurances set forth;

4.01.02 To pay or to cause to be paid to the Mortgagee, the Outstanding Principal and to pay interest at the Default Rate (if any) in accordance with the relevant provisions of this Deed and of the Agreement and at all times to observe, perform and comply with **ALL AND SINGULAR** the covenants, conditions and agreements herein or in the Agreement expressed or implied on its part to be observed performed and complied with for so long as any monies payable hereunder or under the Agreement remain due and owing to the Mortgagee and to pay all sums that may hereafter become due hereunder or thereunder;

5. INSURANCES

The Owner **HEREBY EXPRESSLY COVENANTS AND AGREES** with the Mortgagee as follows:

5.01 To insure and keep the Vessel insured, at all times while there is an Outstanding Principal while navigating and while in port, at the sole expense of the Owner, including payment of all premiums and costs punctually by the due dates for:


5.01.01 Hull and machinery against fire and usual marine risks (including full cover for third party liabilities) subject to the conditions of "Institute Yacht Clauses" or other similar insurance clauses or contract the terms of which shall be acceptable to the Mortgagee;

5.01.02 War risks against usual war and allied risks including Confiscation and Expropriation, subject to the conditions of "Institute War and Strikes Clauses, Yachts" extended to include war protection and indemnity risks including crew liabilities or other such similar insurance clauses or contract, the terms of which shall be acceptable to the Mortgagee and which shall be maintained as full coverage without exception, including subsequent to the implementation of the Notice of Cancellation Clause therein;

5.02 To effect the insurances referred to Clauses 5.01.01 & 5.01.02 inclusive:

5.02.01 Through such insurance brokers and/or with such underwriters and Insurance Companies (hereinafter called the "insurers") as shall from time to time be acceptable to and approved by the Mortgagee in its sole discretion;

5.02.02 in such amount equal to the greater of (i) the Vessel's Hull and (ii) such amounts as are necessary so that the total insured value of the Vessel equals to the Outstanding Principal;



5



5.02.03 To renew all such insurances at least fourteen (14) days before the relevant policies or contracts expire, and to arrange that the Insurers shall promptly confirm in writing to the Mortgagee as and when each such renewal is effected; and

5.02.04 To procure that all the Insurers shall agree that the Mortgagee shall be given at least fourteen (14) days prior written notice of cancellation, alteration, termination or expiry of all insurances (War Risks Automatic Termination of Cover Clause excepted), or any failure by the Owner to pay any premiums as and when due.

5.03 The Owner undertakes to procure that the interest of the Mortgagee shall be duly endorsed upon all slips, cover notes, policies, certificates of entry or other instruments of insurance issued or to be issued in connection with the insurances, and that they shall contain a Notice of Assignment and Loss Payable Clauses in favour of the Mortgagee, as set forth in the Assignment of Insurances.

5.04 The Owner undertakes to procure that the Insurers shall furnish the Mortgagee with a Letter or Letters of Undertaking in such form as may be required by the Mortgagee, such letters to incorporate as evidence of the Insurances, copies of the cover notes or certificates of entry.

5.05 The Owner undertakes not to employ the Vessel or allow the Vessel to be employed without first obtaining the consent of the Insurers to such employment, and complying with such requirements as to extra premium or otherwise as the Insurers may prescribe.

5.06 If at any time the Owner fails to comply with any of the other provisions of this Clause 5, then the Mortgagee shall be entitled either to procure such insurance in accordance with the aforesaid provisions (at the Owner's expense) or at any time whilst such failure is continuing to require the Vessel to remain laid up until such provisions are fully complied with.

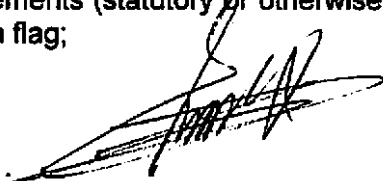
6. COVENANTS OF THE OWNER

So long as any part of the Outstanding Principal remains undischarged the Owner covenants and agrees with the Mortgagee as follows:

6.01 To perform and observe the several covenants and obligations imposed upon the Owner under this Deed, the Agreement and the Assignment of Insurances as well as all documents executed in connection herewith or therewith;

6.02 To remain legally domiciled and in good standing under the laws of England and to keep the Vessel duly registered as a British Vessel at the Port of London and not to do or suffer to be done anything whereby such registration may be forfeited or imperilled;

6.03 To keep the Vessel in a good, seaworthy and efficient state or repair so as to be maintained in a seaworthy condition and so as to comply with the provisions of all laws regulations and requirements (statutory or otherwise) from time to time applicable to vessels registered under British flag;



6.04 If so required for the purposes of Clause 5 above submit the Vessel regularly to such periodical or other surveys as may be required pursuant to the laws of the flag of the Vessel and if so required to supply the Mortgagee with copies of all survey reports and certificates issued in this respect;

6.05 To have on board all relevant certificates showing compliance with the requirements of Clauses hereof and to do everything necessary under English law for the purpose of perfecting and maintaining the Mortgage as a good and valid mortgage and in particular (but without prejudice to the generality of the foregoing) to keep on board the Vessel any document or receipt as may be required by law and to record therein or thereon such particulars relating to the Mortgage as may be required by law;

6.06 To permit the Mortgagee's agents or servants to board the Vessel at all reasonable times for the purpose of inspecting its condition or for the purpose of the Mortgagee satisfying itself as to executed repairs and to afford all proper facilities for such inspection;

6.07 Promptly, at the request of the Mortgagee from time to time and at no cost to the Mortgagee, to have the Vessel valued, as the Mortgagee may require (on the basis of sale for prompt delivery of the Vessel, free of encumbrances for cash at arm's length on normal commercial terms as between a willing seller and a willing buyer on an employment free basis) by a yacht broker nominated by the Mortgagee, and promptly to deliver the valuation certificate to the Mortgagee;

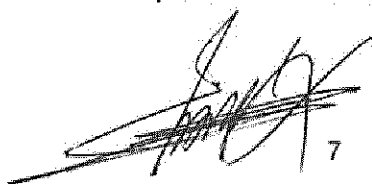
6.08 To pay and discharge or secure all debts, damages and liabilities whatsoever which the Owner shall have been called upon to pay, discharge or secure and which have given or may give rise to maritime or possessory liens on or claims enforceable against the Vessel and in the event of arrest of the Vessel pursuant to legal process or in the event of her detention in exercise or purported exercise of any such lien as aforesaid to procure the release of the Vessel from such arrest or detention forthwith upon receiving notice of the same by providing bail or otherwise as the circumstances may require;

6.09 To ensure and procure that the Vessel shall at all times be and remain a private pleasure yacht and not to employ the Vessel without the prior written consent of the Mortgagee, which the Mortgagee shall have full liberty to withhold and if granted, shall be subject to such terms and conditions as the Mortgagee may require in its absolute discretion;

6.10 Promptly to furnish the Mortgagee, when so required by it in writing, with all such information regarding the Vessel and all such material information as shall be or ought to be supplied to the Insurers of the Vessel or as the Mortgagee may from time to time require;

6.11 To notify the Mortgagee forthwith by telefax, e-mail, confirmed by letter, addressed to the Mortgagee of:

- (a) any accident to the Vessel ;
- (b) any occurrence resulting in the Vessel becoming or being likely to become a Total Loss ;
- (c) any requirement or recommendation made by any insurer or by any competent authority which is not complied with within any time limit imposed by such insurer or authority;



7



- (d) any arrest of the Vessel or the exercise or purported exercise of any lien on the Vessel or her Insurances;
- (e) any petition or notice of meeting to consider any resolution to wind-up the Owner;
- (f) the occurrence of any event referred to in Clause 9;
- (g) the Vessel ceasing to be registered as a British Vessel at the Port of London or anything which is done or suffered or omitted to be done whereby such registration may be forfeited or imperilled;
- (h) it becoming impossible or unlawful for the Owner to fulfil any of the obligations on its part to be performed;
- (i) anything done or suffered or omitted to be done in respect of the Vessel by the Owner which is likely to imperil the security created by the Mortgage.

6.12 Promptly to pay all tolls, dues and other outgoings whatsoever in respect of the Vessel, and to furnish satisfactory evidence that any crew's wages are being regularly paid;

6.13 Not without the previous consent in writing of the Mortgagee (which the Mortgagee shall have full liberty to withhold) and if granted shall be subject to such terms as the Mortgagee may impose:

- (a) to mortgage, charge or otherwise assign or encumber or agree to mortgage, charge or otherwise assign or encumber the Vessel or any part thereof, or to suffer the creation or continuance of any such mortgage, charge or assignment in favour of any person other than the Mortgagee;
- (b) to sell, agree to sell, or otherwise dispose of the Vessel or any share in the Vessel or the Insurances or any Requisition Compensation or agree to do any of the aforesaid;
- (c) to effect any change in the legal and beneficial ownership of its shares.

6.14 Not without the previous consent in writing of the Mortgagee to put the Vessel into the possession of any person for the purpose of work being done upon it unless either the Mortgagee is satisfied that the cost of such work is fully recoverable under the Insurances or such person has first given to the Mortgagee and in terms satisfactory to it a written undertaking not to exercise any lien on the Vessel for the cost of such work or otherwise.

6.15 To pay to the Mortgagee on demand all moneys whatsoever which the Mortgagee shall or may expend, be put to, or become liable for, in or about the protection, maintenance or enforcement of the security created by the Agreement, or in or about the exercise by the Mortgagee of any of the powers vested in it by the Assignment of Insurances and to pay interest on such moneys (as well after as before any judgement) from the date on which such expense or liability was incurred by the Mortgagee until the date of full payment by the Owner.

6.16 To pay on demand to the Mortgagee (or as it may direct) the amount of all investigation and legal expenses of any kind whatsoever stamp duties (if any) registration fees and any other charges incurred by the Mortgagee in connection with the preparation, completion and registration of the Agreement, the Mortgage and this Deed and the Assignment of Insurances or otherwise in connection with the Outstanding Principal and the security for it.




6.17 To place, and at all times and places to retain a properly certified copy of the Mortgage and of any assignment of the Mortgage (if requested by any assignee) on board the Vessel with its papers, and to cause each such certified copy and such papers to be exhibited to any and all persons having business with the Vessel which might give rise to any lien on it other than liens for crew's wages and salvage and to any representative of the Mortgagee;

6.18 To place, and at all times keep prominently displayed on board the Vessel, framed and printed (or, if permitted by the Mortgagee, typewritten) notice in English substantially as follows:-

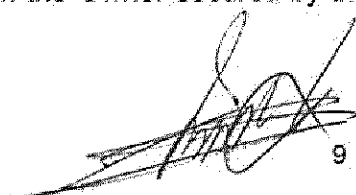
" NOTICE OF MORTGAGE "

This Vessel is owned by "KORSBLUE LIMITED" of England and is subject to a statutory Mortgage in favour of Mr. Ahmet Demirci of Evrenseki Koyu, Evrenseki Beldesi 07600, Manavgat 07000, Antalya, Turkey under the authority of the laws of England. Under the terms of said Mortgage and the related Deed of Covenant, neither the Owner, nor any other person has any right, power or authority to create, incur or permit to be imposed upon this Vessel any liens whatsoever other than for crew's wages, collision or salvage. "

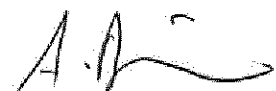
6.19 From time to time at the request of the Mortgagee to execute and deliver to the Mortgagee or procure the execution and delivery to the Mortgagee of all such documents as the Mortgagee shall deem desirable in its absolute discretion for giving full effect to this Deed and for perfecting, protecting the value of or enforcing any rights or securities granted, to the Mortgagee under any one or more of the Agreement, this Deed and the Assignment of Insurances and other documents executed pursuant hereto or thereto.

7. PROTECTION OF SECURITY – MORTGAGEES'S EXPENDITURE

7.01 The Mortgagee shall without prejudice to its other rights and powers hereunder be entitled (but not bound) at any time and as often as may be necessary to take such action and make all such expenditure as it may in its sole and absolute discretion think necessary or desirable for the purpose of completing, preserving, maintaining and/ or protecting the security created by the Mortgage and this Deed and each and every expense or liability so incurred by the Mortgagee in or about the preservation, completion, maintenance and/ or protection of such security including, but without limitation, the expense or liability incurred in the maintenance of any Insurances in respect of the Vessel, the discharge of any liens, taxes, dues, assessments, governmental charges, fines and penalties lawfully imposed in respect of the Vessel, repairs and/or surveys effected thereon, the provision of guarantees or other security and in respect of all such other matters for which the Owner is responsible under the terms hereof and/or of the Agreement and or of the Assignment of Insurances but fails to provide, including any legal fees in connection therewith, shall be repayable to the Mortgagee by the Owner on demand together with interest thereon at the Default Rate from the date whereon such expense or liability was incurred by the Mortgagee until the date of payment. Such obligation of the Owner to reimburse the Mortgagee shall be an additional indebtedness due from the Owner secured by the Mortgage and this Deed. The Mortgagee,



9



though privileged to do so, shall be under no obligation to the Owner to take any such action, to make expenditure or to incur any such liability as aforesaid.

8. REPRESENTATIONS AND WARRANTIES

The Owner hereby represents and warrants to the Mortgagee that:

8.01 the Owner is the sole legal and beneficial owner of the whole of the Vessel and neither the whole nor any share in the Vessel is subject to any security interest (save as constituted by the Mortgage and this Deed);

8.02 the representations and warranties contained in the Agreement are true and correct with respect to the facts and circumstances existing at the date of the Mortgage and this Deed and are hereby repeated and restated as if set out in full herein;

8.03 the Owner is duly formed and is validly existing in good standing under the laws of England has full power to carry on its business as it is now being conducted and has complied with all statutory and other requirements relative to such business;

8.04 all necessary consents and authorities for the Owner to enter into, and perform its obligations under the Mortgage and this Deed have been obtained and, as of the date of the Mortgage and this Deed, no further consents or authorities are necessary for the performance by the Owner of its obligations pursuant to the Mortgage and this Deed;

8.05 the Mortgage and this Deed constitute the legal, valid and binding obligations of the Owner enforceable in accordance with their terms; and

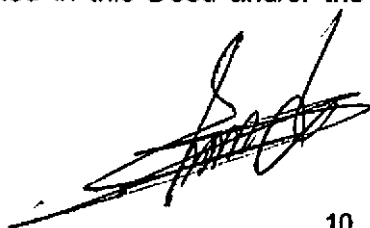
8.06 the execution and delivery by the Owner of, and the performance by the Owner of the provisions of, the Mortgage and this Deed does not, and will not, contravene any applicable law or regulation existing at the date of the Mortgage and this Deed or any contractual restriction binding on the Owner or any of its constitutional documents.

9. EVENTS OF DEFAULT

UPON the happening of any of the following events the security created by this Deed and the Mortgage shall become immediately enforceable and the Mortgagee may demand the immediate payment of the Outstanding Principal:

9.01.01 The Owner fails to make any payment due under the Agreement, the Mortgage, this Deed and the Assignment of insurances on its due date (which for this purpose means a Payment Date, unless otherwise specifically provided).

9.01.02 The Owner fails to observe and perform any one or more of the covenants, terms or obligations contained in this Deed and/or the Assignment of Insurances relating to the Insurances.



9.01.03 The Owner fails to observe and perform any other covenant, term or obligation in this Deed and/or in the Agreement and/or the Assignment of Insurances contained and such failure continues for a period of seven (7) days after the Mortgagee requires the same to be remedied.

9.01.04 The Vessel becomes a Total Loss.

9.01.05 A distress or execution being levied or enforced or sued for against any part of the assets of the Owner, including but without limitation the Vessel, and not being satisfied, removed or discharged within fourteen (14) days from the occurrence thereof.

9.01.06 It becomes impossible or unlawful for the Owner to fulfil any of the covenants and obligations contained herein or in the Agreement or the Assignment of Insurances or for the Mortgagee to exercise the rights or any of them vested in it hereunder or under the Agreement and/or the Assignment of Insurances or otherwise.

9.01.07 Anything is done or omitted to be done by the Owner which in the reasonable opinion of the Mortgagee may imperil the security created by the Agreement and/or the Assignment of Insurances.

10. ENFORCEMENT POWERS

UPON the security created by this Deed of Covenant and the Mortgage becoming immediately enforceable pursuant to Clause 9 hereof the Mortgagee shall become forthwith entitled by demand on the Owner to declare the Outstanding Principal to be forthwith due and payable whereupon the Outstanding Principal shall become so due and payable and (whether or not any such demand shall have been made) as and when it may see fit to put into force and to exercise all the powers possessed by it and in particular:

10.01.01 To take and enter into possession of the Vessel whether such possession be effected with or without legal process, without being responsible for loss or damage to the Owner and/or any other person, and the Owner or other person in possession forthwith upon demand of the Mortgagee shall surrender to the Mortgagee possession of the Vessel.

9.01.02 To require all policies, contracts and other records relating to the Insurances (including details of and correspondence concerning outstanding claims) be forthwith delivered to such adjusters and/or brokers and/or other insurers as the Mortgagee may nominate.

9.01.03 To collect, recover, compromise and give a good discharge for all claims then outstanding or thereafter arising under the Insurance or any of them and to take over or institute (if necessary using the name of the Owner) all such proceedings in connection therewith as the Mortgagee in its absolute discretion thinks fit and to permit any brokers through whom collection or recovery is effected to charge the usual brokerage therefor.

9.01.04 To discharge, compound, release or compromise claims against the Owner in respect of the Vessel which have given or may give rise to any charge or lien on the Vessel or which are or may be enforceable by proceedings against the Vessel.



9.01.05 To sell the Vessel or any share therein without prior notice to the Owner by public auction or private contract at such place and upon such terms as the Mortgagee in its absolute discretion may determine with power to postpone any such sale and without being answerable for any loss occasioned by such sale or resulting from postponement thereof.

9.01.06 To insure, maintain and repair the Vessel and to hold, lease, operate, employ, sail or lay up or otherwise use the Vessel in such manner and for such period as the Mortgagee in its absolute discretion deems expedient and for the purposes aforesaid the Mortgagee shall be entitled to do all acts and things incidental or conducive thereto and in particular to enter into such arrangements respecting the Vessel her insurance, maintenance, repair and employment in all respects as if the Mortgagee was the owner of the Vessel and without being responsible for any loss thereby incurred.

9.01.07 To recover from the Owner on demand any such losses as may be incurred by the Mortgagee in or about the exercise of the power vested in the Mortgagee under sub-clauses 9.01.05 and/ or 9.01.06 above with interest thereon from the date when such losses were incurred by the Mortgagee until the date of payment whether before or after any relevant judgment.

9.01.08 To recover from the Owner on demand all expenses payments and disbursements incurred by the Mortgagee in or about or incidental to the exercise by it of any of the powers aforesaid together with interest thereon from the date when such expenses, payments or disbursements were incurred by the Mortgagee until the date of actual receipt whether before or after any relevant judgement.

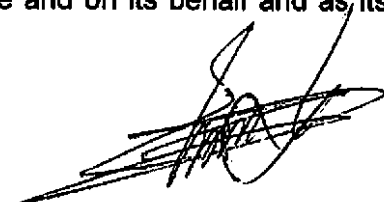
PROVIDED ALWAYS that upon any sale of the Vessel or any share therein by the Mortgagee pursuant to sub-clause 9.01.05 above the purchaser shall not be bound to see or enquire whether the Mortgagee's power of sale has arisen in the manner herein provided and the sale shall be deemed to be within the power of the Mortgagee and the receipt of the Mortgagee 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 therefore.

11. APPOINTMENT OF RECEIVER

11.01 At any time and from time to time after the security hereby constituted has become enforceable as aforesaid, the Mortgagee may appoint any person to be a Receiver of the Vessel and of all or part of any other property assigned or charged to the Mortgagee hereby and may from time to time remove any Receiver so appointed and appoint another in his place.

11.02 A Receiver appointed as aforesaid shall be the agent of the Owner (who shall be solely responsible for his acts and defaults and remuneration) and shall have power to exercise all or any of the powers conferred on the Mortgagee by law.

11.03 The Owner irrevocably appoints any Receiver appointed as aforesaid its attorney for and in its name and on its behalf and as its act and deed to execute, seal and deliver and



otherwise perfect any assurance, agreement, instrument or act which may be required or may be deemed proper for any of the purposes hereof.

11.04 The net proceeds of sale and all other moneys received by any Receiver shall be applied by him (subject to the claims of all secured and unsecured creditors (if any)).

i. first, in payment of all reasonable costs, charges and expenses of and incidental to the appointment of such Receiver and the exercise of all or any of the powers aforesaid and of all outgoings properly paid by him;

ii. second, in payment of remuneration of such Receiver at such rate as may be specified in the instrument of appointment or otherwise reasonably agreed between him and the Mortgagee.

12. WAIVER AND REMEDIES

12.01 NO delay or omission of the Mortgagee to exercise any right or power vested in it under the Agreement shall impair such right or power or be construed as a waiver of or an acquiescence in any default by the Owner and no express waiver given by the Mortgagee in relation to any default by the Owner or breach by the Owner of any of its obligations under the Mortgage shall prejudice the rights of the Mortgagee under the Mortgage and/or this Deed arising from any subsequent default or breach (whether or not such subsequent default or breach is of a nature different from the previous default or breach) nor shall the giving by the Mortgagee of any consent to the doing of any act which by the terms of the Mortgage and/ or this Deed requires the consent of the Mortgagee prejudice the right of the Mortgagee to give or withhold as it sees fit its consent to the doing of any other similar act.

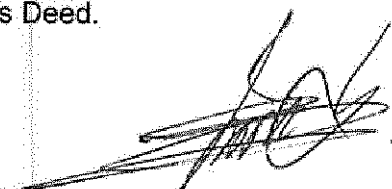
12.02 The rights and remedies of the Mortgagee contained in the Mortgage and this Deed and the Agreement are cumulative and not exclusive of each other not of any other rights or remedies conferred by law.

13. DELEGATION

THE Mortgagee shall be entitled at any time and as often as may be expedient to delegate all or any of the powers and discretion vested in it by the Agreement, the Mortgage and/ or this Deed (including the power vested in the Mortgagee by virtue of Clause 11 hereof) in such manner, upon such terms and to such persons as the Mortgagee in its absolute discretion may think fit.

14. INDEMNITY

THE OWNER HEREBY AGREES AND UNDERTAKES to indemnify the Mortgagee against all obligations and liabilities whatsoever and whensoever arising which the Mortgagee may incur in good faith in respect of in relation to or in connection with the Vessel its Insurances or otherwise howsoever in relation to or in connection with any of the matters dealt with in the Mortgage and this Deed.



15. POWER OF ATTORNEY

THE OWNER HEREBY IRREVOCABLY APPOINTS the Mortgagee as its attorney for the duration of the whole Security Period for the purpose of doing in its name and in accordance with the terms hereof, all acts which the Owner itself do in relation to the Mortgaged Vessel.

16. FURTHER ASSURANCE

THE OWNER HEREBY FURTHER 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 Mortgagee may be necessary or desirable for the purpose of more effectually mortgaging and charging the Mortgaged Vessel or perfecting the security constituted by this Deed.

17. NOTICES

17.01 All notices, demands or communications to be given or made under this Agreement shall be made or given by facsimile or full rate cable or registered air mail letter in the English language and addressed:

- a) in the case of the Owner, as follows:

"KORSBLUE LIMITED"

Attention: Mr Kemal Halil

Tel Number: +90 312 4269617

Fax Number: +90 312 4269619

- b) in the case of the Mortgagee as follows:

Attention: Mr Ahmet Demirci

Tel Number: (+90) 5327660292

Fax Number: (+90) 2427638603

17.02 If either the Owner or the Mortgagee wishes to change its address for communication, the one shall give to the other not less than five (5) Days' notice in writing of the change desired.

17.03 Notices given by facsimile shall be deemed to be received at the time of dispatch, provided they are given within normal working hours in the country of the addressee, otherwise upon the next following Banking Day. Full rate cables shall be deemed to have been received forty eight (48) hours after the time of dispatch and registered air mail letters seven (7) days after the same have been posted, notwithstanding that it be returned undelivered.

18. CONTINUING VALIDITY



ANY provisions of this Deed prohibited by or unlawful or unenforceable under any applicable law shall (to the extent required by such law) be ineffective without modifying the remaining provisions of this Deed but where the provisions of any such applicable law may be waived they are hereby waived to the full extent permitted by such law to the end that this Deed shall be valid, binding and enforceable in accordance with its respective terms.

19. ASSIGNMENT AND PARTICIPATION

The rights of the Mortgagee shall incur to the benefit of its successors and assigns and the Mortgagee may, without the consent of the Owner, assign, transfer to banks or financial institutions or any other person whatsoever, in whole or in part, or in any manner dispose of all or any of its rights arising or accruing hereunder, and such assignment shall take effect on written notice thereof being given by the Mortgagee to the Owner and the Registrar of Vessels at the port of registry of the Vessel and for the purpose of giving effect to this provision the Mortgagee is hereby irrevocably appointed attorney-in-fact of the Owner by way of security to execute on behalf of the Owner any deed or document recording such assignment and the Owner hereby further agrees and undertakes that on request it will enter into and execute register at its expense such supplement to this Mortgage and any other deed or assignment as there may be necessary or appropriate at the Mortgagee's discretion, in order to enable the Mortgagee to complete and/or perfect the assignment and/or transfer and/or offer participation referred to herein, and will accept the assignee(s) named therein as though such assignee(s) were the Mortgagee.

20. GOVERNING LAW

20.01 This Deed shall be governed by, and construed in accordance with English law. For the exclusive benefit of the Mortgagee, the Owner hereby irrevocably submits to the non-exclusive jurisdiction of the High Court of Justice in England and waives any objection to proceedings with respect to this Deed in such Court on the grounds of venue or inconvenient forum; and

20.02 The Owner hereby irrevocably appoints Messrs. **CROMWELL FUNDING LIMITED** currently located at 23 Moscow Mansions, 224 Cromwell Road, London SW5 0SP, U.K (or otherwise at its place of business for the time being) to receive service of proceedings in such Courts on its behalf but the Mortgagee reserves the right to proceed under this Deed in the Courts of any other country having or claiming jurisdiction in respect thereof.

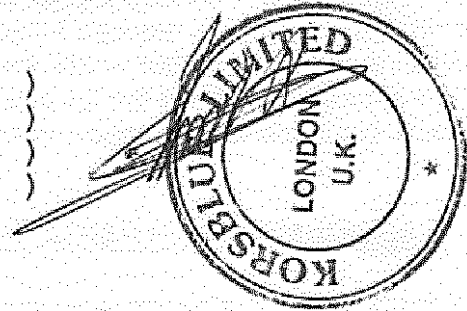
20.03 The Owner agrees that in the event of any judicial or other legal process being issued against it in Greece, same may be served upon Mr. Georgios Geronymakis currently located at 371 Syngrou Avenue, P. Faliro 175 64, Athens, Greece, upon whom any judicial or other legal process may be served and any request or demand hereunder or any of the other Security Documents. In the event of Mr. Georgios Geronymakis cannot be found at the address specified above, which will be conclusively evidenced by a deed of a process server to that effect, any process, request or demand to be sent to the Owner hereunder may be validly effected upon the District Attorney of the First Instance Court of Athens.



IN WITNESS whereof the parties hereto have caused this Deed to be executed the day and year first before written.

SIGNED and DELIVERED AS A DEED

by: Mr. KEMAL HALIL
the Sole Director of:
"KORSBLUE LIMITED"



in the presence of: *B. G. SEL SEREF*

A handwritten signature in dark ink.

SIGNED and DELIVERED AS A DEED
by : MR AHMET DEMIRCI

A handwritten signature in dark ink.

in the presence of: *Elvanna Halida*

A handwritten signature in dark ink.

True copy from the original
Athens 08/08/2016
The Certifying Director
OF KORSBLUE LIMITED

