



Registration of a Charge

Company name: **TEEKAY SHIPPING (UK) LIMITED**

Company number: **02017547**



X8D63P35

Received for Electronic Filing: **02/09/2019**

Details of Charge

Date of creation: **30/08/2019**

Charge code: **0201 7547 0007**

Persons entitled: **DNB BANK ASA, NEW YORK BRANCH**

Brief description:

Contains fixed charge(s).

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 SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **STEPHENSON HARWOOD LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 2017547

Charge code: 0201 7547 0007

The Registrar of Companies for England and Wales hereby certifies that a charge dated 30th August 2019 and created by TEEKAY SHIPPING (UK) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 2nd September 2019 .

Given at Companies House, Cardiff on 3rd September 2019

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

Deed of Assignment and Subordination

FSO "SUKSAN SALAMANDER"

Dated **30 August** 2019

- (1) **Clipper L.L.C.**
- (2) **Teekay Shipping (UK) Limited**
- (3) **DNB Bank ASA, New York Branch**

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Deed of Assignment and Subordination

Dated **30 August** 2019

Between:

- (1) **Clipper L.L.C.**, a limited liability company formed under the law of The Marshall Islands whose registered office is at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960 (the "**Owner**"); and
- (2) **Teekay Shipping (UK) Limited**, a company incorporated under the laws of England and Wales whose registered office is at 2nd Floor, 86 Jermyn Street, London SW1Y 6JD, England (the "**Head Charterer**"); and
- (3) **DNB Bank ASA, New York Branch**, acting through its office at 200 Park Avenue, New York, NY10166-03960, United States of America (the "**Mortgagee**").

Whereas:

- (A) Each of the banks listed in Schedule 1, Part I of the Loan Agreement (as defined below) (collectively the "**Lenders**") has agreed to lend to the Owner as borrower (the "**Borrower**") its Commitment (aggregating, with all the other Commitments, an amount of up to twenty six million two hundred and fifty thousand Dollars (\$26,250,000) (the "**Loan**") on the terms and subject to the conditions set out in a loan agreement dated **28 August** 2019 made between the Borrower (as borrower), the Lenders (as lenders), DNB Markets, Inc. and NIBC Bank N.V. as mandated lead arrangers, DNB Markets, Inc. and NIBC Bank N.V. as bookrunners, DNB Bank ASA, New York Branch as agent and the Mortgagee (as security trustee) (the "**Loan Agreement**").
- (B) Pursuant to the Loan Agreement, and as a condition precedent to the several obligations of the Lenders to make the Loan available to the Borrower, the Owner has executed and delivered in favour of the Mortgagee as security trustee for the Finance Parties a first priority statutory mortgage of the Owner's Bahamas flagged vessel FSO "SUKSAN SALAMANDER" (the "**Vessel**") together with a collateral deed of covenants (together the "**Mortgage**"), each of which is dated **30 August** 2019.
- (C) The Owner has let and the Head Charterer has taken the Vessel on bareboat charter under a bareboat charterparty dated 1 August 2013 as the same may be amended, supplemented and/or novated (the "**Charter**").
- (D) Under the terms of the Mortgage the consent of the Mortgagee is required for the entry by the Owner into the Charter and the Mortgagee is prepared to give that consent on condition that the Owner and the Head Charterer enter into this Deed as further security for the payment of the Indebtedness.

This Deed witnesses as follows:

1 Definitions and Interpretation

1.1 In this Deed:

"Assigned Property" means the Owner's Assigned Property and the Head Charterer's Assigned Property.

"Charter Guarantee" means the guarantee under which the Charter Guarantor guaranteed all of the obligations of the Sub-Charterer under the Sub-Charter.

"Charter Guarantee Rights" means all rights and benefits accruing to the Head Charterer under or pursuant to the Charter Guarantee.

"Charter Guarantor" means Salamander Energy Group Limited of 3rd Floor 25 Wilton Road, London, England SW1V 1LW, United Kingdom, a company incorporated under the laws of England and Wales.

"Charter Period" means that part of the Facility Period during which the Vessel is in the service of the Head Charterer pursuant to the Charter (whether or not off hire).

"Default Rate" means interest at the rate calculated in accordance with clause 7.8 of the Loan Agreement.

"Earnings" means all hires, freights, pool income and other sums payable to or for the account of the Owner and/or the Head Charterer in respect of the Vessel including (without limitation) all remuneration for salvage and towage services, demurrage and detention moneys, contributions in general average, compensation in respect of any requisition for hire, and damages and other payments (whether awarded by any court or arbitral tribunal or by agreement or otherwise) for breach, termination or variation of any contract for the operation, employment or use of the Vessel.

"Head Charterer's Assigned Property" means the Head Charterer's Insurances, the Head Charterer's Earnings, the Head Charterer's Requisition Compensation, the Head Charterer's Charter Rights and the Charter Guarantee Rights.

"Head Charterer's Charter Rights" means all rights and benefits accruing to the Head Charterer under or pursuant to the Sub-Charter and the Charter Guarantee, and not forming part of the Head Charterer's Earnings.

"Head Charterer's Earnings" means all the Head Charterer's right, title and interest in and to the Earnings.

"Head Charterer's Insurances" means all the Head Charterer's right, title and interest in and to the Insurances.

"Head Charterer's Requisition Compensation" means all the Head Charterer's right, title and interest in and to the Requisition Compensation.

"Indebtedness" means the aggregate from time to time of: the amount of the Loan outstanding; all accrued and unpaid interest on the Loan; and all other sums of any nature (together with all accrued and unpaid interest on any of those sums) payable by the Owner to any of the Finance Parties under all or any of the Finance Documents.

"Insurances" means all policies and contracts of insurance (including all entries in protection and indemnity or war risks associations) which are from time to time taken out or entered into in respect of or in connection with the Vessel or her increased value or the Earnings and (where the context permits) all benefits under such contracts and policies, including all claims of any nature and returns of premium.

"Owner's Assigned Property" means the Owner's Insurances, the Owner's Earnings, the Owner's Requisition Compensation and the Owner's Charter Rights.

"Owner's Charter Rights" means all rights and benefits accruing to the Owner under or pursuant to the Charter, and not forming part of the Owner's Earnings.

"Owner's Earnings" means all the Owner's right, title and interest in and to the Earnings.

"Owner's Insurances" means all the Owner's right, title and interest in and to the Insurances.

"Owner's Requisition Compensation" means all the Owner's right, title and interest in and to the Requisition Compensation.

"Requisition Compensation" means all compensation or other money which may from time to time be payable to the Owner and/or the Head Charterer as a result of the Vessel being requisitioned for title or in any other way compulsorily acquired (other than by way of requisition for hire).

1.2 Unless otherwise specified in this Deed, or unless the context otherwise requires, all words and expressions defined in the Loan Agreement shall have the same meaning when used in this Deed.

1.3 In this Deed:

1.3.1 words denoting the plural number include the singular and vice versa;

1.3.2 words denoting persons include corporations, partnerships, associations of persons (whether incorporated or not) or governmental or quasi-governmental bodies or authorities and vice versa;

1.3.3 references to Clauses are references to clauses of this Deed;

1.3.4 references to this Deed include the recitals to this Deed;

1.3.5 the headings and contents page(s) are for the purpose of reference only, have no legal or other significance, and shall be ignored in the interpretation of this Deed;

- 1.3.6 references to any document (including, without limitation, to any of the Finance Documents) are, unless the context otherwise requires, references to that document as amended, supplemented, novated or replaced from time to time;
- 1.3.7 references to statutes or provisions of statutes are references to those statutes, or those provisions, as from time to time amended, replaced or re-enacted; and
- 1.3.8 references to any Finance Party include its successors, transferees and assignees.

2 Covenant to Pay and Perform

- 2.1 The Owner agrees to pay to the Finance Parties all moneys comprised in the Indebtedness and to perform all its other obligations under or arising out of the Finance Documents as and when the same shall be due for payment or performance.

3 Owner's Assignment

- 3.1 In order to secure the payment of the Indebtedness and the performance by the Owner of all its other obligations under or arising out of the Finance Documents the Owner with full title guarantee (a) assigns absolutely and unconditionally to the Mortgagee as security trustee for the Finance Parties all the Owner's right, title and interest in and to the Owner's Assigned Property existing at the date of this Deed and (b) agrees to assign absolutely and unconditionally to the Mortgagee as Security Trustee for the Finance Parties all the Owner's right, title and interest in to the Owner's Assigned Property coming into existence in the future. Such rights shall be exercisable after the occurrence of an Event of Default which is continuing unremedied and unwaived.
- 3.2 The Owner warrants that it has not disposed of, nor created or permitted any Encumbrance or other third party right to arise on or over, any of the Owner's Assigned Property.
- 3.3 The Owner undertakes:
 - 3.3.1 immediately following the execution of this Deed and at any other time required by the Mortgagee during the Facility Period, to give written notice (materially in the form set out in Appendix A or in such other form as the Mortgagee may require) to the Insurance underwriters (or, in the case of entries in protection and indemnity or war risks associations or clubs, to the managers of those associations or clubs) of the assignment of the Owner's Insurances contained in this Deed; and
 - 3.3.2 immediately following the execution of this Deed and at any other time required by the Mortgagee during the Facility Period, to give to the Mortgagee a written authority (materially in the form set out in Appendix B or in such other form as the Mortgagee may require) addressed to the managers of each protection and indemnity or war risks association or club in which the Vessel is entered Irrevocably authorising those managers to give to the Mortgagee or its agents such information and documents relating

to the entry of the Vessel in the association or club as the Mortgagee may from time to time require; and

3.3.3 subject to Clause 4.3.3, to procure that a loss payable clause materially in the form set out in Appendix C (or in such other form as the Mortgagee may approve) or, in the case of entries in a protection and indemnity association, a note of the Mortgagee's interest in such form as the Mortgagee may approve, shall be endorsed on or attached to the policies, cover notes or certificates of entry relating to the Owner's Insurances and that letters of undertaking in such form as the Mortgagee may approve shall be issued to the Mortgagee by the brokers through whom the Insurances are placed (or, in the case of entries in protection and indemnity or war risks associations, by their managers); and

3.3.4 from time to time immediately on the written request of the Mortgagee to give such further written notice in such form as the Mortgagee shall require of the assignment of the Owner's Earnings and/or the Owner's Charter Rights and/or the Owner's Requisition Compensation contained in this Deed.

4 Head Charterer's Assignment

4.1 In order to secure the payment of the Indebtedness and the performance by the Head Charterer of all its obligations under or arising out of this Deed, the Head Charterer with full title guarantee (a) assigns absolutely and unconditionally to the Mortgagee as security trustee for the Finance Parties all the Head Charterer's right, title and interest, present and future, in and to the Head Charterer's Assigned Property existing at the date of this Deed and (b) agrees to assign absolutely and unconditionally to the Mortgagee as Security Trustee for the Finance Parties all the Head Charterer's right, title and interest in and to the Head Charterer's Assigned Property coming into existence in the future. Such rights shall be exercisable after the occurrence of an Event of Default which is continuing unremedied and unwaived.

4.2 The Head Charterer warrants that it has not disposed of, nor created or permitted any Encumbrance or other third party right to arise on or over, any of the Head Charterer's Assigned Property.

4.3 The Head Charterer undertakes:

4.3.1 Immediately following the execution of this Deed and at any other time required by the Mortgagee during the Charter Period, to give written notice (materially in the form set out in Appendix D or in such other form as the Mortgagee may require) to the insurance underwriters (or, in the case of entries in protection and indemnity or war risks associations or clubs, to the managers of those associations or clubs) of the assignment of the Head Charterer's Insurances contained in this Deed; and

4.3.2 Immediately following the execution of this Deed and at any other time required by the Mortgagee during the Charter Period, to give to the Mortgagee a written authority (materially in the form set out in Appendix E or in such other form as the Mortgagee may require) addressed to the managers of each protection and indemnity or war risks association or club in which the Vessel is entered irrevocably authorising those managers to

give to the Mortgagee or its agents such information and documents relating to the entry of the Vessel in the association or club as the Mortgagee may from time to time require; and

- 4.3.3 at all times during the Charter Period to procure that, in lieu of the loss payable clause referred to in Clause 3.3.3, a loss payable clause materially in the form set out in Appendix F (or in such other form as the Mortgagee may approve) or, in the case of entries in a protection and indemnity association, a note of the Mortgagee's interest in such form as the Mortgagee may approve, shall be endorsed on or attached to the policies, cover notes or certificates of entry relating to the Insurances and that letters of undertaking in such form as the Mortgagee may approve shall be issued to the Mortgagee by the brokers through whom the Insurances are placed (or, in the case of entries in protection and indemnity or war risks associations, by their managers); and
- 4.3.4 upon the occurrence of an Event of Default which is continuing, unremedied and unwaived, to give written notice (materially in the form of Appendix G or in such other form as the Mortgagee may require) to the Sub-Charterer of the assignment of the Earnings and Head Charterer's Charter Rights contained in this Deed, and to procure the acknowledgement of that notice by the Sub-Charterer in the manner provided in the notice;
- 4.3.5 upon the occurrence of an Event of Default which is continuing, unremedied and unwaived, to give written notice (materially in the form of Appendix H or in such other form as the Mortgagee may require) to the Charter Guarantor of the assignment of the Charter Guarantee Rights contained in this Deed, and to use reasonable endeavours to procure the acknowledgement of that notice by the Charter Guarantor in the manner provided in the notice; and
- 4.3.6 from time to time Immediately on the written request of the Mortgagee to give such further written notice in such form as the Mortgagee shall require of the assignment of the Head Charterer's Earnings and/or the Head Charterer's Charter Rights and/or the Head Charterer's Requisition Compensation contained in this Deed.

4.4 The Head Charterer represents and warrants to the Mortgagee as follows:

- 4.4.1 **Status and Due Authorisation** It is a company duly incorporated under the laws of its jurisdiction of incorporation with power to (a) enter into the Relevant Documents to which it is a party and to exercise its rights and perform its obligations under such Relevant Documents and all corporate and other action required to authorise its execution of such Relevant Documents and the performance of its obligations thereunder has been duly taken and (b) own its assets and carry on its business as it is being conducted.
- 4.4.2 **No Deductions or Withholding** Under the laws of its jurisdiction of incorporation in force at the date of this Deed, it is not required to make any deduction or withholding from any payment it may make under any of the Finance Documents to which it is a party.

- 4.4.3 **Governing Law and Judgments** In any proceedings taken in the its jurisdiction of incorporation in relation to any of the Relevant Documents to which it is a party in which there is an express choice of the law of a particular country as the governing law thereof, that choice of law and any judgment or (if applicable) arbitral award obtained in that country will be recognised and enforced.
- 4.4.4 **Validity and Admissibility in Evidence** As at the date of this Deed, all acts, conditions and things required to be done, fulfilled and performed in order (a) to enable it to lawfully enter into, exercise its rights under and perform and comply with the obligations expressed to be assumed by it in the Finance Documents to which it is a party, (b) to ensure that the obligations expressed to be assumed by it in the Finance Documents to which it is a party are legal, valid and binding and (c) to make the Finance Documents to which it is a party admissible in evidence in its jurisdiction of incorporation have been done, fulfilled and performed.
- 4.4.5 **No Filing or Stamp Taxes** Under the laws of its jurisdiction of incorporation in force at the date of this Deed, it is not necessary that any of the Finance Documents to which it is a party be filed, recorded or enrolled with any court or other authority in its jurisdiction of incorporation (other than the Registrar of Companies for England and Wales in respect of this Deed) or that any stamp, registration or similar tax be paid on or in relation to any of the Finance Documents to which it is a party.
- 4.4.6 **Binding Obligations** The obligations expressed to be assumed by it in the Relevant Documents to which it is a party are legal and valid obligations, binding and enforceable on it in accordance with the terms of such Relevant Documents and no limit on any of its powers will be exceeded as a result of the borrowings, granting of security or giving of guarantees contemplated by the Relevant Documents to which it is a party or the performance by it of any of its obligations thereunder.
- 4.4.7 **No Winding-up** It has not taken any corporate, action nor have any other steps been taken or legal proceedings been started or (to the best of its knowledge and belief) threatened against it for its winding-up, dissolution, administration or reorganisation or for the appointment of a receiver, administrator, administrative receiver, trustee or liquidator, or similar officer of it or of any or all of its assets or revenues which might have a Material Adverse Effect.
- 4.4.8 **Solvency**
- (a) It is not unable, or does not admit or has not admitted its inability, to pay its debts nor has it suspended making payments in respect of any of its debts.
 - (b) It has not by reason of actual or anticipated financial difficulties, commenced, nor does it intend to commence, negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness.

- (c) The value of its assets is not less than its liabilities (taking into account contingent and prospective liabilities).
- (d) No moratorium has been, or may, in the reasonably foreseeable future be, declared in respect of any of its indebtedness.

4.4.9 No Obligation to Create Security The execution of the Relevant Documents to which it is a party and the exercise of its rights and performance of its obligations thereunder has not resulted in and will not result in the existence of, nor oblige it to create, any Encumbrance over all or any of its present or future revenues or assets, other than Permitted Encumbrances.

4.4.10 No Breach The execution of the Finance Documents to which it is a party and the exercise of its rights and performance of its obligations under any of such Finance Documents does not constitute and will not result in any breach of any agreement or treaty to which it is a party.

4.4.11 Security It is the legal and beneficial owner of all assets and other property which it purports to charge, mortgage, pledge, assign or otherwise secure pursuant to this Deed and this Deed creates and gives rise to valid and effective security having the ranking expressed in in this Deed.

4.4.12 Necessary Authorisations The Necessary Authorisations required by it are in full force and effect, and it is in compliance with the material provisions of each such Necessary Authorisation relating to it and, to the best of its knowledge, none of the Necessary Authorisations relating to it are the subject of any pending or threatened proceedings or revocation.

4.4.13 Money Laundering The performance of its obligations under the Finance Documents to which it is a party will not involve any breach of any law or regulatory measure relating to "money laundering" as defined in Article 1 of the Directive ((EU) 2015/849) of the European Parliament and the Council of the European Communities and comparable US federal and state laws implemented to combat "money laundering", including but not limited to, the Patriot Act and the Bank Secrecy Act.

4.4.14 No breach of laws It has not breached any law or regulation which breach has or is reasonably likely to have a Material Adverse Effect.

4.4.15 Anti-money laundering, anti-corruption and anti-bribery laws Neither it nor any of its directors or officers, has engaged in any activity or conduct which would violate any anti money laundering, anti-corruption or anti bribery laws, regulations or rules in any applicable jurisdiction.

4.4.16 Sanctions

- (a) Neither it nor any of its directors, officers or employees:
 - (i) is a Restricted Party; or

(ii) has received notice of or is aware of any claim, action, suit, proceeding or investigation against it with respect to Sanctions by any Sanctions Authority.

(b) It is in compliance with all applicable Sanctions.

4.5 The Head Charterer further undertakes for the duration of the Charter Period as follows:

4.5.1 **Information: miscellaneous** It shall supply to the Mortgagee:

(a) promptly, details of any capture, seizure, arrest, confiscation or detention of the Vessel which remains in existence five (5) Business Days after the initial capture, seizure, arrest, confiscation or detention (as the case may be); and

(b) promptly upon becoming aware of them, details of any litigation, arbitration or administrative proceedings which are current, threatened or pending against it, and which, if adversely determined, are reasonably likely to have a Material Adverse Effect.

4.5.2 **Maintenance of Legal Validity** It shall, obtain, comply with the terms of and do all that is necessary to maintain in full force and effect all Authorisations required in or by the laws and regulations of its jurisdiction of incorporation and all other applicable jurisdictions, to enable it lawfully to enter into and perform its obligations under the Finance Documents to which it is a party and to ensure the legality, validity, enforceability or admissibility in evidence of the Finance Documents to which it is a party in its jurisdiction of incorporation and all other applicable jurisdictions.

4.5.3 **Management of Vessel** It shall ensure that (a) the Vessel is at all times technically and commercially managed by the Manager and (b) at any time that the manager is not a member of the Teekay Group or the Group, such Manager provides a written confirmation confirming that, among other things, following the occurrence of an Event of Default which is continuing unremedied and unwaived, all claims of the Manager against the Borrower and/or the Head Charterer shall be subordinated to the claims of the Finance Parties under the Finance Documents. It shall promptly inform the Mortgagee in writing of any proposed change of Manager.

4.5.4 **Classification** It shall ensure that the Vessel maintains the highest classification required for the purpose of the relevant trade of the Vessel which shall be with a Pre-Approved Classification Society free from any material overdue recommendations and adverse conditions affecting the Vessel's class.

4.5.5 **Certificate of Financial Responsibility** It shall obtain and maintain a certificate of financial responsibility in relation to the Vessel if it is to sail to the United States of America.

4.5.6 **Registration** It shall not for the duration of the Charter Period change or permit a change to the flag of the Vessel other than to a Pre Approved Flag

or such other flag as may be approved by the Mortgagee acting on the instructions of the Majority Lenders, such instructions not to be unreasonably withheld or delayed.

- 4.5.7 **ISM and ISPS Compliance** It shall comply in all material respects with the ISM Code and the ISPS Code or any replacements thereof and in particular (without prejudice to the generality of the foregoing) shall procure that the Manager holds (i) a valid and current DOC issued pursuant to the ISM Code, (ii) a valid and current SMC issued in respect of the Vessel pursuant to the ISM Code, and (iii) an ISSC in respect of the Vessel, and it shall promptly, upon request, supply the Mortgagee with copies of the same.
- 4.5.8 **Necessary Authorisations** Without prejudice to any specific provision of the Finance Documents relating to an Authorisation, it shall, (i) obtain, comply with and do all that is necessary to maintain in full force and effect all Necessary Authorisations if a failure to do the same may cause a Material Adverse Effect; and (ii) promptly upon request, supply certified copies to the Mortgagee of all Necessary Authorisations.
- 4.5.9 **Compliance with Applicable Laws** It shall, comply with all applicable laws, including Environmental Laws, to which it may be subject (except as regards Sanctions to which Clause 4.5.13 applies, and anti-money laundering, anti-corruption and anti-bribery laws to which Clause 4.5.14 applies) if a failure to do the same may have a Material Adverse Effect.
- 4.5.10 **Insurances** It shall procure that the Vessel is insured for such amounts and on such terms as are required by the relevant Security Documents.
- 4.5.11 **Charter** It shall not, amend, vary, novate, supplement, supersede, waive or terminate any material term of any Charter except as part of a Permitted Charter Reorganisation.
- 4.5.12 **Charter Hire** It will pay the charter hire under the Charter to the Earnings Account.
- 4.5.13 **Sanctions**
- (a) It shall ensure that no part or transaction(s) contemplated by any Finance Document to which it is a party shall, directly or indirectly, be used or otherwise made available:
 - (i) to fund any trade, business or other activity of, with or involving any Restricted Party or any country or territory that at the time of such funding, is a Sanctioned Country;
 - (ii) for the direct or indirect benefit of any Restricted Party; or
 - (iii) in any manner that would reasonably be expected to result in it being in breach of any Sanction (if and to the extent applicable to it) or becoming a Restricted Party; or
 - (iv) in any other manner that would result, or would reasonably be expected to result, in any party to the

Finance Documents (other than the Security Parties and itself) or any Affiliate of such party or any other person being party to or which benefits from any Finance Document being in breach of any Sanctions (if and to the extent applicable to any of them) or becoming a Restricted Party).

- (b) It shall ensure that its assets, the assets subject to the Security Documents to which it is a party or the Vessel shall not be used directly or indirectly:
 - (i) by or for the direct or indirect benefit of any Restricted Party; or
 - (ii) in any trade which is prohibited under applicable Sanctions or which could expose it, its assets, any asset subject to the Security Documents to which it is a party, the Vessel, any Finance Party or any other person being party to or which benefits from any Finance Document, to enforcement proceedings or any other consequences whatsoever arising from Sanctions (including, in the case of the Insurances, the triggering of the operation of any sanctions limitation or exclusion clause (or similar provision)).
- (c) It shall promptly, upon becoming aware of the same, inform the Mortgagee in writing if it is in breach of any Sanctions and of any proceedings or investigations initiated by any relevant Sanctions Authority against it.

4.5.14 Anti-money laundering, anti-corruption and anti-bribery laws It shall conduct its business in compliance with applicable anti-money laundering, anti-corruption and anti-bribery laws.

4.5.15 Environmental compliance It shall:

- (a) comply with all applicable Environmental Laws; and
- (b) obtain, maintain and ensure compliance with all requisite Environmental Approvals;
- (c) Implement procedures to monitor compliance with and to prevent liability under any Environmental Laws.

where failure to do so has or is reasonably likely to have a Material Adverse Effect.

4.5.16 Environmental claims It shall promptly upon becoming aware of the same, inform the Mortgagee in writing of:

- (a) any Environmental Claim against it which is current, pending or threatened against it; and

- (b) any facts or circumstances which are reasonably likely to result in any Environmental Claim being commenced or threatened against it,

where the claim, if determined against it, has or is reasonably likely to have a Material Adverse Effect.

5 Subordination

- 5.1 The Head Charterer acknowledges that it is aware that the Vessel is mortgaged to the Mortgagee pursuant to the Mortgage and that it is aware of the terms of the Mortgage.
- 5.2 The Head Charterer acknowledges that each of the Mortgagee's rights and powers arising out of or pursuant to the Mortgage shall in all respects and at all times have precedence and priority over the rights and powers of the Head Charterer arising out of or pursuant to the Charter.
- 5.3 The Head Charterer undertakes for the duration of the Charter Period to perform all of the Owner's obligations contained in clause 5 (*Covenants*) in the deed of covenants forming part of the Mortgage jointly and severally with the Owner and for this purpose the Head Charterer agrees that references in those clauses to "Earnings" and "Insurances" shall be deemed to include the Head Charterer's Earnings and the Head Charterer's Insurances respectively.
- 5.4 The Head Charterer agrees that, for the duration of the Charter Period, the rights and powers of the Mortgagee in relation to the Insurances and the Earnings shall (*mutatis mutandis*) be the same as the rights and powers of the Mortgagee under or pursuant to the Mortgage in relation to the Insurances and the Earnings as respectively defined in the deed of covenants forming part of the Mortgage.
- 5.5 The Head Charterer agrees that, should an Event of Default occur and the Mortgagee wish to take and enter into possession of the Vessel pursuant to its rights under the Mortgage, the Head Charterer will immediately on the demand of the Mortgagee surrender possession of the Vessel to or to the order of the Mortgagee free of the Charter.
- 5.6 The Head Charterer agrees that, should an Event of Default occur and be continuing unremedied and unwaived and the Mortgagee wish to sell the Vessel pursuant to its rights under the Mortgage, such sale may be made free of the Charter and any claim for loss of the same shall be made against the Owner or the balance (if any) of the proceeds of sale in the hands of the Mortgagee after payment of the Indebtedness unless the Mortgagee is obliged by law to apply such balance in favour of parties other than the Head Charterer.

6 Receiver

- 6.1 At any time after the occurrence and during the continuation of an Event of Default (unremedied and unwaived) the Mortgagee may (but shall not be obliged to) appoint any person to be receiver and/or manager of the Vessel and/or any of the Assigned Property.

- 6.2 The appointment of a receiver and/or manager by the Mortgagee may be made in writing under the hand of any authorised signatory of the Mortgagee.
- 6.3 The Mortgagee shall have the power to authorise any joint receiver and/or manager to exercise any or all of his powers independently of any other joint receiver and/or manager.
- 6.4 The Mortgagee may at any time and from time to time remove any receiver and/or manager from office and appoint a replacement.
- 6.5 The Mortgagee shall have the power from time to time to fix the remuneration of any receiver and/or manager on the basis of charging from time to time adopted by him or his firm and any receiver and/or manager shall not be limited to any maximum amount or rate specified by law.
- 6.6 Any receiver and/or manager appointed pursuant to this Clause shall be the agent of the Owner and/or the Head Charterer and the Owner and/or the Head Charterer shall be solely responsible for his acts and defaults and for the payment of his remuneration.
- 6.7 Any receiver and/or manager appointed pursuant to this Clause shall have all the powers provided for in Schedule 1 of the Insolvency Act 1986 without restriction, and in particular without the restrictions contained in Section 103 of the Law of Property Act 1925 or any other statutory or other restriction which the Mortgagee may consider analogous under the laws of any other jurisdiction.
- 6.8 Without limitation, any receiver and/or manager shall have power on behalf of the Owner and/or the Head Charterer (and at the Owner and the Head Charterer's expense) to do or omit to do anything which the Owner and/or the Head Charterer could do or omit to do in relation to the Vessel or any of the Assigned Property and may exercise all or any of the rights, powers, discretions and remedies conferred on the Mortgagee by the Finance Documents or at law.
- 6.9 No receiver and/or manager shall be liable as mortgagee in possession to account or be liable for any loss on realisation of, or any default of any nature in connection with, the Vessel or any of the Assigned Property or the exercise of any of the rights, powers, discretions and remedies vested in the receiver and/or manager by virtue of the Finance Documents or at law.

7 Ancillary Provisions

- 7.1 The Owner and the Head Charterer each undertakes to reimburse the Mortgagee on demand for all sums which the Mortgagee may from time to time pay or become liable for in or about the protection, maintenance or enforcement of the rights created in favour of the Mortgagee by this Deed or in or about the exercise by the Mortgagee of any of the powers vested in it under or pursuant to this Deed, together in each case with interest at the Default Rate from the date when those sums were paid by the Mortgagee until the date of actual receipt, before or after any relevant judgment, and to keep the Mortgagee fully and effectually indemnified from and against all actions, losses, claims, proceedings, costs, demands and liabilities which the Mortgagee may suffer or incur under or in connection with the Assigned Property.

- 7.2 Notwithstanding the assignments contained in this Deed, the Mortgagee shall not be obliged to make any enquiry as to the nature or sufficiency of any payment received by it under or in connection with this Deed nor to make any claim or take any other action to collect any money or to enforce any rights or benefits assigned to the Mortgagee by this Deed or to which the Mortgagee may at any time be entitled under or pursuant to this Deed.
- 7.3 The Owner and the Head Charterer shall each remain liable to perform all the obligations assumed by it in relation to the Assigned Property and the Mortgagee shall be under no obligation of any kind in respect of the Assigned Property nor under any liability in the event of any failure by the Owner or the Head Charterer to perform, or breach by the Owner or the Head Charterer of, any of those obligations.
- 7.4 The restrictions contained in Section 93 and Section 103 of the Law and Property Act 1925 shall not apply to this Deed or to the exercise by the Mortgagee of its right to consolidate all or any of the security created by or pursuant to this Deed with any other securities now or in the future or to its power of sale.
- 7.5 The Owner and the Head Charterer each undertakes to hold the original copies of any and all documents in connection with any of the Assigned Property to the order of the Mortgagee.
- 7.6 The Owner and the Head Charterer each undertakes to perform the Charter in accordance with its terms, and not without the prior written consent of the Mortgagee (such consent not to be unreasonably withheld or delayed) to terminate or purport to terminate the Charter (irrespective of the terms of the Charter), the Owner and the Head Charterer each acknowledging by its execution of this Deed that, if any such consent is given by the Mortgagee, the Mortgagee (such consent not to be unreasonably withheld or delayed) shall be under no liability in the event that any termination of the Charter is subsequently adjudged to constitute a repudiation of the Charter.
- 7.7 The Owner and the Head Charterer each undertakes not without the prior written consent of the Mortgagee (such consent not to be unreasonably withheld or delayed) to amend, vary, novate, supplement or supersede any material term of the Charter, nor to excuse the Owner or the Head Charterer (as the case may be) from performance of any of its material obligations pursuant to the Charter.

8 Notice of Owner's Assignment and Mortgage

For the purposes of the Charter, execution of this Deed by the Owner and the Head Charterer shall constitute notice by the Owner to the Head Charterer of (i) the assignment by the Owner of the Owner's Earnings and the Owner's Charter Rights and (ii) the name and details of the Mortgagee, and shall also constitute acknowledgement of that notice by the Head Charterer and the Owner respectively.

9 Application of Moneys

- 9.1 The benefits and proceeds of any of the Insurances shall be distributed in accordance with the terms of any relevant loss payable clause referred to in Clause 4.3.3.

- 9.2 Subject to Clause 9.1, the benefits and proceeds of any of the Assigned Property shall, unless otherwise agreed by the Mortgagee or otherwise expressly provided in the Loan Agreement, be applied by the Mortgagee in or towards satisfaction of, or retention on account for, the Indebtedness in accordance with clause 10.7 of the Loan Agreement.

10 Power of Attorney

So far as may be necessary to give effect to this Deed the Owner and the Head Charterer each hereby irrevocably appoints the Mortgagee its attorney (with unlimited power of substitution and delegation) for the purpose of doing in the name of the Owner and/or the Head Charterer all acts which the Owner and/or the Head Charterer could do in relation to the Assigned Property. This power of attorney may be used either (a) if the Owner and/or the Head Charterer has been requested in writing by the Assignee to execute a document or to do an act or thing and has failed to do so within five (5) Business Days of such request or (b) following an Event of Default which is continuing unremedied and unwaived.

11 Partial Invalidity

If, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

12 Further Assurance

The Owner and the Head Charterer each agrees that from time to time on the written request of the Mortgagee it will immediately execute and deliver to the Mortgagee all further documents which the Mortgagee may require for the purpose of obtaining the full benefits of this Deed.

13 Waiver of Rights as Surety

- 13.1 The rights of the Mortgagee under this Deed, the security constituted by this Deed and the warranties, covenants and obligations of the Owner and the Head Charterer contained in this Deed shall not in any way be discharged, impaired or otherwise affected by:

13.1.1 any forbearance (whether as to payment or otherwise) or any time or other indulgence granted to any of the other Security Parties under or in connection with any of the Finance Documents;

13.1.2 any amendment, variation, novation or replacement of any of the other Finance Documents;

13.1.3 any failure of any of the Finance Documents to be legal, valid, binding and enforceable in relation to any of the other Security Parties for any reason;

13.1.4 the winding-up or dissolution of any of the other Security Parties;

- 13.1.5 the release (whether in whole or in part) of, or the entering into of any compromise or composition with, any of the other Security Parties; or
 - 13.1.6 any other act, omission, thing or circumstance which would or might, but for this provision, operate to discharge, impair or otherwise affect the same.
- 13.2 Until the Indebtedness has been unconditionally and irrevocably paid and discharged in full, neither the Owner nor the Head Charterer shall by virtue of any payment made under this Deed on account of the Indebtedness or by virtue of any enforcement by the Mortgagee of its rights under, or the security constituted by, this Deed or by virtue of any relationship between or transaction involving, the Owner, the Head Charterer and any of the other Security Parties:
- 13.2.1 exercise any rights of subrogation in relation to any rights, security or moneys held or received or receivable by the Mortgagee or any other person; or
 - 13.2.2 exercise any right of contribution from any of the other Security Parties under any of the Finance Documents; or
 - 13.2.3 exercise any right of set-off or counterclaim against any of the other Security Parties; or
 - 13.2.4 receive, claim or have the benefit of any payment, distribution, security or indemnity from any of the other Security Parties; or
 - 13.2.5 unless so directed by the Mortgagee (when the Owner and the Head Charterer will prove in accordance with such directions), claim as a creditor of any of the other Security Parties in competition with the Mortgagee

and the Owner and the Head Charterer shall hold in trust for the Mortgagee and forthwith pay or transfer (as appropriate) to the Mortgagee any such payment (including an amount equal to any such set-off), distribution or benefit of such security, indemnity or claim in fact received by it.

14 Miscellaneous

- 14.1 In the event of there being any conflict between this Deed and the Loan Agreement or the Mortgage, the Loan Agreement or the Mortgage (as the case may be) shall prevail.
- 14.2 All covenants and agreements of the Owner in this Deed shall bind the Owner and its successors and permitted assignees and shall inure to the benefit of the Finance Parties and their respective successors, transferees and assignees.
- 14.3 All the covenants and agreements of the Head Charterer in this Deed shall bind the Head Charterer and its successors and permitted assignees and shall inure to the benefit of the Finance Parties and their respective successors, transferees and assignees.
- 14.4 The representations and warranties on the part of the Owner contained in this Deed shall survive the execution of this Deed.

- 14.5 The representations and warranties on the part of the Head Charterer contained in this Deed shall survive the execution of this Deed.
- 14.6 The rights of the Mortgagee under this Deed shall not be affected by any change in the constitution of the Owner and/or the Head Charterer or by the liquidation, bankruptcy or insolvency of the Owner and/or the Head Charterer.
- 14.7 No variation or amendment of this Deed shall be valid unless in writing and signed on behalf of the Owner, the Head Charterer and the Mortgagee.
- 14.8 Other than the Finance Parties, a person who is not a party to this Deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Deed.

15 Re-Assignment

Following the expiry of the Facility Period, the Mortgagee will, at the cost of and on the request of the Owner and the Head Charterer, and so long as no Event of Default shall then have occurred and be continuing, execute and deliver a re-assignment to the Owner and the Head Charterer of the Assigned Property, to the extent then still subsisting and capable of re-assignment.

16 Notices

- 16.1 Any communication to be made under or in connection with this Deed shall be made in writing and, unless otherwise stated, may be made by fax or letter or (subject to Clause 16.6) electronic mail.
- 16.2 The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each party to this Deed for any communication or document to be made or delivered under or in connection with this Deed are:
- 16.2.1 In the case of the Owner, c/o Teekay Norway AS, PO Box 8035, N-4068, Vervén 4, N-4014 Stavanger, Norway marked for the attention of Flinn Andre Løken, Treasury Manager;
- 16.2.2 in the case of the Head Charterer, c/o Teekay Shipping (Canada) Ltd, Suite 2000, Bentall 5, 550 Burrard Street, Vancouver B.C., Canada V6C 2K2 (fax no.: +1 604 681 3011) marked for the attention of Renee Eng, Treasury Manager; and
- 16.2.3 In the case of the Mortgagee, 200 Park Avenue, 31st Floor, New York, New York 10166-0396, United States of America (fax no: +1 212 681 3900) marked for the attention of Credit, Samantha Stone and email samantha.stone@dnb.no;
- or any substitute address, fax number, department or officer as any party may notify to the other by not less than five (5) Business Days' notice.
- 16.3 Any communication or document made or delivered by one party to this Deed to another under or in connection this Deed will only be effective:
- 16.3.1 If by way of fax, when received in legible form; or

16.3.2 if by way of letter, when it has been left at the relevant address or five (5) Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address; or

16.3.3 If by way of electronic mail, in accordance with Clause 16.5;

and, if a particular department or officer is specified as part of its address details provided under Clause 16.2, if addressed to that department or officer.

Any communication or document to be made or delivered to the Mortgagee will be effective only when actually received by the Mortgagee.

16.4 Any notice given under or in connection with this Agreement must be in English. All other documents provided under or in connection with this Agreement must be:

16.4.1 in English; or

16.4.2 If not in English, and if so required by the Mortgagee, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

16.5

16.5.1 Any communication to be made in connection with this Deed may be made by electronic mail or other electronic means, if the Owner, the Head Charterer and the Mortgagee:

- (a) agree that, unless and until notified to the contrary, this is to be an accepted form of communication;
- (b) notify each other in writing of their electronic mail address and/or any other information required to enable the sending and receipt of information by that means; and
- (c) notify each other of any change to their address or any other such information supplied by them.

16.5.2 Any electronic communication made between the Owner, the Head Charterer and the Mortgagee will be effective only when actually received in readable form and acknowledged by the recipient (it being understood that any system generated responses do not constitute an acknowledgement) and in the case of any electronic communication made by the Owner and the Head Charterer to Mortgagee only if it is addressed in such a manner as the Mortgagee shall specify for this purpose.

17 Counterparts

This Deed may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

18 Law and Jurisdiction

- 18.1 This Deed and any non-contractual obligations arising from or in connection with it shall in all respects be governed by and interpreted in accordance with English law.
- 18.2 For the exclusive benefit of the Mortgagee, the Owner and the Head Charterer Irrevocably agree that the courts of England are to have exclusive jurisdiction to settle any dispute (a) arising from or in connection with this Deed or (b) relating to any non-contractual obligations arising from or in connection with this Deed and that any proceedings may be brought in those courts.
- 18.3 Nothing contained in this Clause shall limit the right of the Mortgagee to commence any proceedings against the Owner and/or the Head Charterer in any other court of competent jurisdiction nor shall the commencement of any proceedings against the Owner and/or the Head Charterer in one or more jurisdictions preclude the commencement of any proceedings in any other jurisdiction, whether concurrently or not.
- 18.4 The Owner and the Head Charterer Irrevocably waive any objection which either of them may now or in the future have to the laying of the venue of any proceedings in any court referred to in this Clause and any claim that those proceedings have been brought in an inconvenient or inappropriate forum, and irrevocably agree that a judgment in any proceedings commenced in any such court shall be conclusive and binding on them and may be enforced in the courts of any other jurisdiction.
- 18.5 Without prejudice to any other mode of service allowed under any relevant law, the Owner:
- 18.5.1 irrevocably appoints WFW Legal Services of 15 Appold St., London, EC2A 2HB (ref SMIP2, 25247.50165), England as its agent for service of process in relation to any proceedings before the English courts; and
- 18.5.2 agrees that failure by a process agent to notify the Owner of the process will not invalidate the proceedings concerned.

In witness of which this Deed has been duly executed and delivered the day and year first before written.

Signed and delivered as a Deed
as duly authorised
for and on behalf of
Clipper L.L.C.
In the presence of:

signature
of witness

signature
redacted

name

Jimmy Biesiada
print name of witness

address

address
redacted

signature
redacted

signature

Natalie Grundy
Attorney-in-Fact

print name

Signed and delivered as a Deed
as duly authorised
for and on behalf of
Teekay Shipping (UK) Ltd.
In the presence of:

signature
of witness

signature
redacted

name

Jimmy Biesiada
print name of witness

address

address
redacted

signature
redacted

Patrick Smith
Attorney-in-Fact

print name

Signed and delivered as a Deed
as duly authorised
for and on behalf of
DNB Bank ASA, New York Branch
in the presence of:

signature
of witness

signature
redacted

name

Jimmy Biesiada

address

address
redacted

Signature
Redacted

signature

Michael Burgess
Attorney-in-fact

print name

Appendix A

Owner's Notice of Assignment

(For attachment by way of endorsement to all policies, contracts and cover notes)

We, **Clipper L.L.C.** of Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Island MH96960, the owner of the FSO "SUKSAN SALAMANDER" (the "**Vessel**") **give notice** that, by an assignment in writing dated _____ 2019, we assigned to DNB Bank ASA, New York Branch acting through its office at 200 Park Avenue, New York, NY10166-0396, United States of America (as security trustee for itself and others) all our right, title and interest in and to all insurances effected or to be effected in respect of the Vessel, including the insurances constituted by the policy on which this notice is endorsed, and including all money payable and to become payable thereunder or in connection therewith (including return of premiums).

Signed: _____

For and on behalf of
Clipper L.L.C.

Dated: _____ 2019

Appendix B

Owner's Letter of Authority

To: *[Managers of protection and indemnity or war risks association or club]*

We, **Clipper L.L.C.** of Trust Company Complex, Ageltake Road, Ajeltake Island, Majuro, Marshall Island MH96960, the owner of the FSO "SUKSAN SALAMANDER" (the "**Vessel**") irrevocably authorise you to disclose to DNB Bank ASA, New York Branch (the "**Mortgagee**") or its agents all information and documents relating to the entry of the Vessel in *[name of association or club]* as the Mortgagee or its agents may from time to time require.

Please note that this authority may not be varied or revoked without the prior written consent of the Mortgagee.

Signed: _____

For and on behalf of
Clipper L.L.C.

Dated: 2019

Appendix C

Owner's Loss Payable Clause

It is noted that, by an assignment in writing collateral to a first priority statutory mortgage and deed of covenants both dated 2019 (together the "**Mortgage**"), **Clipper L.L.C.** of Trust Company Compelx, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960 (the "**Owner**"), owner of the vessel "SUKSAN SALAMANDER" (the "**Vessel**"), assigned absolutely to DNB Bank ASA, New York Branch acting through its office at 200 Park Avenue, New York, NY10166-03960 (as security trustee for itself and others) (the "**Mortgagee**") this policy and all benefits of this policy, including all claims of any nature (including return of premiums) under this policy.

Claims payable under this policy in respect of a total or constructive total or an arranged or agreed or compromised total loss or unrepaired damage and all claims which (in the opinion of the Mortgagee) are analogous thereto shall be payable to the Mortgagee up to the Mortgagee's mortgage interest.

Subject thereto, all other claims, unless and until underwriters have received notice from the Mortgagee of a default under the Mortgage, in which event all claims under this policy shall be payable directly to the Mortgagee up to the Mortgagee's mortgage interest, shall be payable as follows:

- (i) a claim in respect of any one casualty where the aggregate claim against all insurers does not exceed **five million United States Dollars** (US\$5,000,000) or the equivalent in any other currency, prior to adjustment for any franchise or deductible under the terms of the policy, shall be paid directly to the Owner for the repair, salvage or other charges involved or as a reimbursement if the Owner has fully repaired the damage and paid all of the salvage or other charges;
- (ii) a claim in respect of any one casualty where the aggregate claim against all insurers exceeds **five million United States Dollars** (US\$5,000,000) or the equivalent in any other currency prior to adjustment for any franchise or deductible under the terms of the policy, shall, subject to the prior written consent of the Mortgagee, be paid to the Owner as and when the Vessel is restored to her former state and condition and the liability in respect of which the insurance loss is payable is discharged, and provided that the insurers may with such consent make payment on account of repairs in the course of being effected, but, in the absence of such prior written consent shall be payable directly to the Mortgagee up to the Mortgagee's mortgage interest.

Appendix D

Head Charterer's Notice of Assignment

(For attachment by way of endorsement to all policies, contracts and cover notes)

We, Teekay Shipping (UK) Ltd of 2nd Floor, 86 Jermyn Street, London SW1Y 6JD, England, the bareboat charterer of the m.v. "SUKSAN SALAMANDER" (the "**Vessel**") **give notice** that, by an assignment in writing dated 2019, we assigned to DNB Bank ASA, New York Branch acting through its office at 200 Park Avenue, New York, NY10166-03960, United States of America, all our right, title and interest in and to all insurances effected or to be effected in respect of the Vessel, including the insurances constituted by the policy on which this notice is endorsed, and including all money payable and to become payable thereunder or in connection therewith (including return of premiums).

Signed: _____

For and on behalf of

Teekay Shipping (UK) Ltd

Dated: 2019

Appendix E

Head Charterer's Letter of Authority

To: [Managers of protection and indemnity or war risks association or club]

We, **Teekay Shipping (UK) Ltd** of 2nd Floor, 86 Jermyn Street, London SW1Y 6JD, England, the bareboat charterer of the m.v. "SUKSAN SALAMANDER" (the "**Vessel**") irrevocably authorise you to disclose to DNB Bank ASA, New York Branch (the "**Assignee**") or its agents all information and documents relating to the entry of the Vessel in [name of association or club] as the Assignee or its agents may from time to time require.

Please note that this authority may not be varied or revoked without the prior written consent of the Assignee.

Signed: _____

For and on behalf of
Teekay Shipping (UK) Ltd

Dated: 2019

Appendix F

Loss Payable Clause

It is noted that, by an assignment in writing collateral to a first priority statutory mortgage and deed of covenants both dated _____ 2019 (together the "**Mortgage**"), **Clipper L.L.C.** of Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Island MH96960 (the "**Owner**"), owner of the vessel FSO "SUKSAN SALAMANDER" (the "**Vessel**"), assigned absolutely to DNB Bank ASA, New York Branch acting through its office at 200 Park Avenue, New York, NY10166-0396 (as security trustee for itself and others) (the "**Mortgagee**") this policy and all benefits of this policy, including all claims of any nature (including return of premiums) under this policy.

It is also noted that, by an assignment in writing also dated _____ 2019, **Teekay Shipping (UK) Ltd** of 2nd Floor, 86 Jermyn Street, London SW1Y 6JD, England (the "**Head Charterer**"), the bareboat charterer of the Vessel pursuant to a bareboat charterparty dated 1 August 2013, assigned absolutely to the Mortgagee (as security agent for itself and others) all its interest in this policy and all benefits of this policy, including all claims of any nature (including return of premiums) under this policy.

Claims payable under this policy in respect of a total or constructive total or an arranged or agreed or compromised total loss or unrepaired damage and all claims which (in the opinion of the Mortgagee) are analogous thereto shall be payable to the Mortgagee up to the Mortgagee's mortgage interest.

Subject thereto, all other claims, unless and until underwriters have received notice from the Mortgagee of a default under the Mortgage, in which event all claims under this policy shall be payable directly to the Mortgagee up to the Mortgagee's mortgage interest, shall be payable as follows:

- (iii) a claim in respect of any one casualty where the aggregate claim against all insurers does not exceed **five million United States Dollars** (US\$5,000,000) or the equivalent in any other currency, prior to adjustment for any franchise or deductible under the terms of the policy, shall be paid directly to the Head Charterer for the repair, salvage or other charges involved or as a reimbursement if the Head Charterer has fully repaired the damage and paid all of the salvage or other charges;
- (iv) a claim in respect of any one casualty where the aggregate claim against all insurers exceeds **five million United States Dollars** (US\$5,000,000) or the equivalent in any other currency prior to adjustment for any franchise or deductible under the terms of the policy, shall, subject to the prior written consent of the Mortgagee, be paid to the Head Charterer as and when the Vessel is restored to her former state and condition and the liability in respect of which the insurance loss is payable is discharged, and provided that the insurers may with such consent make payment on account of repairs in the course of being effected, but, in the absence of such prior written consent shall be payable directly to the Mortgagee up to the Mortgagee's mortgage interest.

Appendix G

Notice of Assignment

To: **Medco Thailand (Bualuang) Limited (anticipated to be renamed Medco Energi Thailand (Bualuang) Limited and formerly known as Ophir Thailand (Bualuang) Limited and prior to that as Salamander Energy (Bualuang) Limited)**

Copy to: Salamander Energy Group Limited

We, **Teekay Shipping (UK) Ltd** of 2nd Floor, 86 Jermyn Street, London SW1Y 6JD, bareboat charterer of the vessel "SUKSAN SALAMANDER" (the "**Vessel**") **give notice** that, by an assignment in writing dated 2019 collateral to a first priority statutory mortgage over the Vessel of the same date, we assigned absolutely to DNB Bank ASA, New York Branch acting through its office at 200 Park Avenue, New York, NY10166-03960, United States of America (as security trustee for itself and others) (the "**Mortgagee**") (i) all hires, freights, pool income and other sums payable to us or for our account in respect of the Vessel including (without limitation) all remuneration for salvage and towage services, demurrage and detention moneys, contributions in general average, compensation in respect of any requisition for hire, and damages and other payments (whether awarded by any court or arbitral tribunal or by agreement or otherwise) for breach, termination or variation of any contract for the operation, employment or use of the Vessel and (ii) (to the extent not included in (i) above) all our rights in respect of the Vessel under the time charter dated 3 May 2013 made between, among others, us and you (as amended, supplemented, novated or replaced from time to time the "**Sub-Charter**") ((i) and (ii) collectively the "**Earnings**").

Please note that:

- (i) the Sub-Charter may not be materially amended or varied in any material respect, nor may we waive any breach or excuse performance of any of your obligations under or pursuant to the Sub-Charter, without the prior written consent of the Mortgagee;
- (ii) until such time as the Mortgagee gives you written notice to the contrary, following which notice you are irrevocably authorised and instructed to pay all such sums to the Mortgagee or as it may direct, you should pay all sums which may become due to us in respect of the Earnings to our account number [] with the Mortgagee; and
- (iii) notwithstanding the above, we continue to be responsible to you for the performance of our obligations under or pursuant to the Sub-Charter.

The authority and instructions contained in this notice may not be varied or revoked without the prior written consent of the Mortgagee.

Signed: _____

For and on behalf of
Teekay Shipping (UK) Ltd

Dated:

20

To: **Teekay Shipping (UK) Ltd**

and

DNB Bank ASA, New York Branch

Copy to: Salamander Energy Group Limited

We acknowledge receipt of the notice set out above, consent to the assignment referred to in that notice and agree to comply in all respects with the instructions contained in that notice.

We confirm that to the best of our knowledge the Sub-Charter is in full force and effect and that neither of the parties is in default under its terms.

We also confirm that we have received no notice of any previous assignment of, or other third party right affecting, all or any part of the Earnings.

Signed: _____

For and on behalf of
Medco Thailand (Bualuang) Limited

Dated: _____ 20

Appendix H

Notice of Assignment to Charter Guarantor

To: Salamander Energy Group Limited

We, **Teekay Shipping (UK) Ltd** of 2nd Floor, 86 Jermyn Street, London SW1Y 6JD, England, the bareboat charterer of the FSO "SUKSAN SALAMANDER" (the "**Vessel**") **GIVE NOTICE** that, by an assignment in writing dated 2019 (the "**Assignment**"), collateral to a first priority statutory mortgage over the Vessel of the same date, we assigned absolutely to DNB Bank ASA, New York Branch (as security trustee for itself and others) (the "**Assignee**") all our right, title and interest in and to, and all benefits accruing to us under or pursuant to, the guarantee issued by you in our favour dated [] (as amended, supplemented, novated or replaced from time to time the "**Charter Guarantee**") in respect of the obligations of Medco Thailand (Bualuang) Limited under a bareboat charterparty in respect of the Vessel dated 1 August 2013 and made between ourselves, as bareboat charterer, and Medco Thailand (Bualuang) Limited, as sub-charterer (the "**Sub-Charter**").

Please note that:

- (i) nothing in this notice nor in the Assignment should be interpreted as imposing any obligation on the Assignee to you in respect of or relating to the Charter Guarantee;
- (ii) the Charter Guarantee may not be materially altered or supplemented, nor may we waive performance of any of your material obligations under or pursuant to the Charter Guarantee, without in each case the prior written consent of the Assignee;
- (iii) we may not make any demand for payment under the Charter Guarantee without the prior written consent of the Assignee; and
- (iv) until such time as the Assignee gives you written notice to the contrary, following which notice you are irrevocably authorised and instructed to pay all such sums to the Assignee, you shall pay all sums which you may become due to pay to us under or pursuant to the Charter Guarantee to us.

The authority and instructions contained in this notice may not be varied or revoked without the prior written consent of the Assignee.

Kindly acknowledge receipt of this notice by completing the acknowledgement in the form set out below on the two enclosed copies of this notice and forwarding one copy to us and the other to the Assignee.

Signed: _____

For and on behalf of

Teekay Shipping (UK) Ltd

Dated: 20

Teekay Shipping (UK) Ltd

and

DNB Bank ASA, New York Branch

We acknowledge receipt of the notice set out above and consent to the assignment referred to in that notice. We also agree to comply in all respects with the instructions contained in that notice.

We confirm that we have received no notice of any previous assignment of, or other third party right or interest affecting, the Charter Guarantee.

Signed: _____

For and on behalf of

Salamander Energy Group Limited

Dated: 20