

**CHECK LIST No. 12 - CREATION OF MORTGAGE.**

( 'Tick' if complied. 'X' if not. Clarify if not complied)

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No	Requirements	Mortgage '.....' for Rs.....	Mortgagee Bank .....	Regd on.....	Y/N
1	To be executed in appropriate Forms ; To secure Principal sum & interest – Use Form No.s 10 & 11; To secure Current account – Use Form No.s 12 & 13; Individual or Joint owners – Use Form No.s 10 & 12 ; Company – Form No.s 11 & 13.				
2	Original Board Resolution signed by <b>the Company Secretary (or two directors)</b> regarding the Mortgage is required specifying (i). The name of the vessel (ii) the mortgagee bank (iii). Mortgage amount and (iv) authorised signatories. <b>The signatories of board resolution and Mortgage Form are to be different.</b> In case the actual amount of mortgage differs from the amount mentioned in the Board resolution, then the same is to be clarified in the covering letter or Annexure to Mortgage Form 11 to avoid any ambiguity. ( <b>Common Seal is <u>not</u> insisted on the board resolution.</b> However, the Mortgage Form, Power of Attorney etc as applicable shall be affixed with Common Seal.)				
3	All the columns / spaces provided in the Forms are to be filled in. (If space is insufficient, Annexure may be used)				
4	The Form and its Annexure (supplied by MMD) must be separate for each vessel mortgaged				
5	If the mortgage is a COMBINED one in more than one vessel, the same is to be stated in the Form with a marking (*) at the space for stating the amount (Same will be recorded in the register also).				
6	<b>Common Seal</b> is to be stamped in the Form. Annexure can avoid common seal if signed by the same authorised signatories as in the Form.				
7	Form & Annexure are to be signed by identifiable authorised signatories of the company (Signature is to be followed by Name and Designation). If there is only one authorised signatory, then at least one identifiable witness shall authenticate the signature.				
8	Letter (with reference number, date and name of signatory) from Mortgagee bank advising the Registrar to register the mortgage with details thereof. The letter has to mention details of existing mortgages, if any, availed earlier on the same vessel.				
9	If there are existing Mortgages, No Objection Certificates are to be obtained from each of the existing Mortgagee Banks.				
<p>NOTES: i). Such NOC from the existing mortgagee Bank(s) is to be unconditional and in clear, simple language which is not convoluted or open to interpretation and signed by an identifiable signatory with Name and Designation. {<b>SAMPLE FORM OF NOC</b> :- We hereby take cognizance of the fact that previous mortgage(s) has (ve) been created earlier and is (are) subsisting on the aforesaid vessel in favor of (Name of the Bank(s) for (specify type of loan and amount) ranking pari passu with the charge created in favor of (Name of bank) for (specify type of loan and amount) ii). Register can be inspected by anyone on request after paying Rs. 100/-. iii). Transcript of the register can be issued on request and payment of Rs. 500/-. <b>Prospective Mortgagee banks are welcome to verify the liability status of a vessel before releasing fresh loans to it.</b> iv). All payments to be in DD in favour of the Registrar of Ships, MMD, Mumbai.</p>					
10	Attested copy of the duly registered ROC (Registrar of Companies) Form No. 8 and 13. If ROC forms cannot be immediately presented, then to be submitted within a month for records.				
11	No activity to be outstanding in the earlier Mortgage(s) -such as submission of ROC Forms, Realisation of Fees etc.				
<p>NOTES: (i). Mortgages can be entered on the provisional registry. Once the mortgage is entered thus, the said mortgage shall continue to remain in force, even after the said ship has been granted permanent registration. (ii). There should not be notice of any trust, express or implied or constructive in the Mortgage Instrument (iii). The Mortgages will be registered in the same order and time in which they are produced to the Registrar of Ships. (iv) If there is more than one Mortgagee Bank for a ship then the mortgages have priority according to the dates they are registered and not according to the date of each mortgage itself. (v) The register where registration and mortgage details are recorded can be inspected by any interested party (including prospective mortgagee banks) on request and payment of Rs. 100/-. A transcript of register giving the status of mortgages can be issued on request and payment of Rs. 500/-. All payments are to be by Demand Draft payable to the 'Principal Officer, Mercantile Marine Department, Mumbai District' payable at Mumbai.</p>					

**Note: - Photocopy of any documents enclosed / attached as per the checklist should be duly signed and stamped by the company authorised person only. Without aforesaid attestation and stamp no documents shall be accepted by this office.**