

# M

COMPANIES FORM No. 395

# 395

## Particulars of a mortgage or charge

Please do not write in this margin

Pursuant to section 395 of the Companies Act 1985

M3570

To the Registrar of Companies

For official use

Company number

[ ] [ ] [ ] [ ]

FC005668

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

Name of company

\* "VARIG", S.A. (VIAÇÃO AÉREA RIO-GRANDENSE) ("Varig")

\* insert full name of company

Date of creation of the charge

27 December 1991

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

An assignment (the "Assignment") dated 27 December 1991 by Varig in favour of VCard Securities Limited ("VCard").

Amount secured by the mortgage or charge

All sums from time to time due and payable by Varig to VCard under a sale and purchase agreement between Varig and VCard.

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

VCard Securities Limited	
PO Box 1984, Elizabethan Square, Grand Cayman,	
British West Indies	Postcode

13 JAN 1992

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

Clifford Chance  
Royex House  
Aldermanbury Square  
London  
EC2V 7LD  
MIW/C1942/00672/ICJ

For official Use	Post room
Mortgage Section	
REGISTERED	
13 JAN 1992	

Time critical reference

Short particulars of all the property mortgaged or charged

Please do not write in this margin

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

Every sum falling due to Varig:

- (a) from American Express in Dollars under the American Express Contract;
- (b) from FIBC under the FIBC Contract; and
- (c) from Diners Club in Dollars under the Diners Club Contract,

which Varig has not assigned by way of outright sale to VCard under the Assignment.

Cont/.....

Particulars as to commission allowance or discount (note 3)

Nil

Signed Clifford Chance Date 10 January 1992

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

† delete as appropriate

Notes

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

Please do not  
write in this  
binding margin

# Particulars of a mortgage or charge (continued)

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

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

Company number

FC005668

Name of company

"VARIG", S.A. (VIAÇÃO AÉREA RIO-GRANDENSE)

~~Limited\*~~

\*delete if  
inappropriate

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

Amount due or owing on the mortgage or charge (continued)

Please do not  
write in this  
binding margin

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

A large, empty rectangular box with a thick black border, occupying most of the page. It is intended for the user to enter the amount due or owing on the mortgage or charge.

Please do not  
write in this  
binding margin

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

Please complete  
logibly, preferably  
in black type, or  
bold black lettering

--

Definitions

In this Form 395:

"American Express" means American Express Travel Related Services Company, Inc.;

"American Express Contract" means the agreement effective as of 3 December 1991 between American Express and Varig (as amended, supplemented or novated from time to time);

"Diners Club" means Diners Club International Ltd.;

"Diners Club Contract" means the agreement effective 1 December 1991 between Diners Club International Ltd. and Varig (as amended, supplemented or novated from time to time);

"Dollars" means the lawful currency for the time being of the United States of America;

"FIBC" means First Interstate Bank of California; and

"FIBC Contract" means the agreement dated 16 July 1980 as amended on 30 June 1982 between First Interstate Bank of California in its former name of United California Bank and Varig (as further amended, supplemented or novated from time to time).

Note: Varig has undertaken in the Sale and Purchase Agreement that, save as contemplated thereby, it will not assign or agree to assign any of its rights and benefits under the Contracts or otherwise sell or dispose of, or create or permit to subsist any mortgage, charge, pledge, lien or other security interest of any kind (including any agreement to give any of the foregoing) over, any of its rights and benefits under the Contracts.

FILE COPY



**CERTIFICATE OF THE REGISTRATION  
OF A MORTGAGE OR CHARGE**

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

I hereby certify that a mortgage or charge dated the 27th DECEMBER 1991  
and created by "VARIG" S.A. (VIAÇÃO AÉREA RIO GRANDENSE)

for securing all moneys due or to become due from the Company to VCARD  
SECURITIES LIMITED under the terms of A SALE AND PURCHASE AGREEMENT

was registered pursuant to Chapter I Part XII of the Companies Act  
1985, on the 13th JANUARY 1992

Given under my hand at the Companies Registration Office,

Cardiff the 15th JANUARY 1992

No. FC005668

A handwritten signature in cursive script, appearing to read 'R. M. Groves'.

R. M. GROVES

an authorised officer

C.69

U  
SM  
22/11



Particulars of a mortgage or charge

Please do not write in this margin

Pursuant to section 395 of the Companies Act 1985

M3580

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

To the Registrar of Companies

For official use

Company number



FC005668

Name of company

\*"VARIG", S.A. (VIAÇÃO AÉREA RIO-GRANDENSE) ("Varig")

\* insert full name of company

Date of creation of the charge

27 December 1991

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

An assignment (the "Assignment") dated 27 December 1991 by Varig in favour of VCard Securities Limited ("VCard").

Amount secured by the mortgage or charge

The Base Amounts and the Requisite Amount under a sale and purchase agreement between Varig and VCard (the "Sale and Purchase Agreement").

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

VCard Securities Limited
PO Box 1984, Elizabethan Square, Grand Cayman,
British West Indies Postcode

13 JAN 1992

Presentor's name address and reference (if any):
Clifford Chance
Aldermanbury Square
London
EC2V 7LD
MIW/C1942/00672, ICJ

For official Use
Mortgage Section
Post room
REGISTERED
13 JAN 1992

Time critical reference



Short particulars of all the property mortgaged or charged

(a) Every sum falling due to Varig prior to Acceleration in any Collection Period:

(i) from American Express Travel Related Services Company, Inc. in Dollars under the American Express Contract;

(ii) from First Interstate Bank of California ("FIBC") under the FIBC Contract; and

Cont/.....

Please do not write in this margin  
Please complete legibly, preferably in black type, or bold block lettering

Particulars as to commission allowance or discount (note 3)

Nil

Signed Clifford Chance Date 10 January 1992  
On behalf of ~~[company]~~ ~~[mortgagee/chargee]~~

† delete as appropriate

Notes

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

Please do not  
write in this  
binding margin

# Particulars of a mortgage or charge (continued)

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

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

Company number

FC005668

\*delete it  
inappropriate

Name of company

"VARIG", S.A. (VIAÇÃO AÉREA RIO-GRANDENSE)

~~Limited\*~~

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

Amount due or owing on the mortgage or charge (continued)

Please do not  
write in this  
binding margin

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

Please do not  
write in this  
binding margin

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

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

--

(iii) from Diners Club International Ltd. in Dollars under the Diners Club Contract,

in each case until the sum of the Collections in such Collection Period equals the Base Amount; and

(b) every sum falling due to Varig after Acceleration:

(i) from American Express in Dollars under the American Express Contract;

(ii) from FIBC under the FIBC Contract; and

(iii) from Diners Club in Dollars under the Diners Club Contract,

in each case until such date (the "relevant date") as the sum of all Collections equals the sum of (i) the outstanding principal amount of the Notes on the first day of the Collection Period in which Acceleration occurs, (ii) all interest accrued on the Notes (whether or not paid) since the first day of the Collection Period in which Acceleration occurs and (iii) (where Acceleration has occurred for an event which is not a Varig Specified Event but no Acceleration has occurred for Varig Specified Event and provided that the relevant date is not an Interest Payment Date) all interest which will accrue on the Notes (but which at the relevant date has not yet accrued) up to but excluding the Interest Payment Date immediately following the relevant date.

Definitions

In this Form 395:

"Acceleration" means the giving of notice by VCard or (as the case may be) Varig in accordance with the Sale and Purchase Agreement declaring that a Specified Event has occurred;

"Account Debtors" means American Express Travel Related Services Company, Inc. ("American Express"), First Interstate Bank of California, Diners Club International Ltd. ("Diners Club") and each Substitute Account Debtor or any one or more of them;

"Additional Amount" means, in relation to any Collection Period, an amount calculated on the Uncollected Total Amount as at the first day of such Collection Period at a rate equal to 1.75 per cent. per annum above LIBOR as determined by the Agent Bank on the second London business day prior to the commencement of such Collection Period and by reference to the actual number of days comprising such Collection Period (on the basis of a year of 360 days);

"Agent Bank" means Citibank, N.A. and shall be construed to include any successor agent bank appointed by VCard from time to time;

"American Express Contract" means the agreement effective as of 3 December 1991 between American Express and Varig (as amended, supplemented or novated from time to time);

"Base Amount" means, in respect of each Collection Period, the sum of \$5,500,000 and the Additional Amount for such Collection Period;

Cont/.....

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

Please do not  
write in this  
binding margin

# Particulars of a mortgage or charge (continued)

Continuation sheet No 2  
to Form No 395 and 410 (Scot)

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

Company number

FC005668

Name of company

"VARIG", S.A. (VIAÇÃO AÉREA RIO-GRANDENSE)

Limited\*

\*delete if  
inappropriate

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

Amount due or owing on the mortgage or charge (continued)

Please do not write in this binding margin

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

--

Please do not  
write in this  
binding margin

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

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

--



"Business Day" means a day (other than a Saturday or a Sunday) on which banks are open for business and on which dealings in foreign currencies may be carried on in London, New York City and Tokyo;

"Collection Agent" means Citibank, N.A. and shall be construed to include any successor collection agent appointed by VCard from time to time Provided that, if at any time there is no Collection Agent, all references to the Collection Agent shall be read as references to the Trustee;

"Collection Period" means each successive period of six months (each starting on the last day of the preceding such period or, if none, on 27 December 1991) during the period beginning on 27 December 1991 and ending on the date which is 60 months after 27 December 1991 and, for this purpose, (a) Collections received on the first day of a Collection Period shall be treated as received in that Collection Period (if any) and not in the Collection Period ending on that day and (b) Collections received on any of the last three Business Days of a Collection Period (other than the last Collection Period) shall be treated as received in the next Collection Period;

"Collections" means amounts received by the Collection Agent (net of any amounts deducted or withheld in respect of taxes and of any amounts which VCard is liable to pay in respect of taxes on or in relation thereto) under the Contracts;

"Contracts" means the American Express Contract, the FIBC Contract, the Diners Club Contract and each Substitute Contract or any one or more of them or any provision or provisions of any one or more of them;

"Diners Club Contract" means the agreement effective 1 December 1991 between Diners Club International Ltd. and Varig (as amended, supplemented or novated from time to time);

"Dollars" and "\$" mean lawful currency for the time being of the United States;

"FIBC Contract" means the agreement dated 16 July 1980 as amended on 30 June 1982 between First Interstate Bank of California in its former name of United California Bank and Varig (as further amended, supplemented or novated from time to time);

"LIBOR" means the rate determined from time to time by the Agent Bank in accordance with the Sale and Purchase Agreement;

"London Business Day" means any day on which interbank offered rates for deposits in Dollars would ordinarily be quoted by leading banks in London;

a reference to "month" is to a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month save that, where any such period would otherwise end on a day which is not a Business Day, it shall end on the next Business Day, unless that day falls in the calendar month succeeding that in which it would otherwise have ended, in which case it shall end on the preceding Business Day Provided that, if a period starts on the last Business Day in a calendar month or if there is no numerically corresponding day in the month in which that period ends, that period shall end on the last Business Day in that later month (and references to "months" shall be construed accordingly);

Cont/.....

Please do not  
write in this  
binding margin

# Particulars of a mortgage or charge (continued)

Continuation sheet No 3  
to Form No 395 and 410 (Scot)

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

Company number

FC005668

Name of company

"VARIG", S.A. (VIAÇÃO AÉREA RIO-GRANDENSE)

-Limited\*

\*delete if  
inappropriate

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

Amount due or owing on the mortgage or charge (continued)

Please do not  
write in this  
binding margin

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

Please do not  
write in this  
binding margin

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

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

--

"Notes" means the floating rate notes to be issued by the Issuer in order to finance the Purchase Price Down-Payment;

"Purchase Price Down-Payment" means \$55,000,000, being the down-payment of the purchase price payable under the Sale and Purchase Agreement;

"Requisite Amount" means, on any date, an amount equal to the aggregate of the outstanding principal amount of the Notes on the date of payment and accrued unpaid interest (including, for the avoidance of doubt, higher rate interest following Acceleration) in respect of the Notes on such date;

"Specified Event" means any of the events specified as such in the Sale and Purchase Agreement;

"Substitute Account Debtor" means any party (other than Varig) to any Substitute Contract;

"Substitute Contract" means any contract which is substituted for the FIBC Contract in accordance with the Sale and Purchase Agreement;

any reference to "taxes" shall be construed to include taxes, levies, imposts, duties and other charges of a similar nature (including, without limitation, any penalty payable in connection with any failure to pay or any delay in paying any of the same);

"Trustee" means The Law Debenture Trust Corporation p.l.c. as trustee for the holders from time to time of the Notes, and shall be construed to include its successors and assigns;

"Uncollected Total Amount" means, on any day, the Purchase Price Down-Payment less the sum which is the product of \$5,500,000 and the total number of Collection Periods ended on or prior to such date; and

"Varig Specified Event" means any of the events specified in Clause 9.01(e), (f), (g), (h), (k), (l), (m), (n), (o), (p), (q), (r) and (s) of the Sale and Purchase Agreement.

Note: Varig has undertaken in the Sale and Purchase Agreement that, save as contemplated thereby, it will not assign or agree to assign any of its rights and benefits under the Contracts or otherwise sell or dispose of, or create or permit to subsist any mortgage, charge, pledge, lien or other security interest of any kind (including any agreement to give any of the foregoing) over, any of its rights and benefits under the Contracts.

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