Two Major Transactions

Jinhui Holdings Company Limited (00137)

- (1) the First MoA
- (2) the First Vessel Charter Agreement
- (3) the First Bareboat Charter Guarantee
- (4) the Second MoA
- (5) the Second Vessel Charter Agreement
- (6) the Second Bareboat Charter Guarantee
- (7) the written approval dated 24 July 2026 from Fairline and Timberfield in relation to the ICBC Sale and Leaseback Arrangements
- (8) the Third MoA
- (9) the Third Vessel Charter Agreement
- (10) the Third Bareboat Charter Guarantee
- (11) the Fourth MoA
- (12) the Fourth Vessel Charter Agreement
- (13) the Fourth Bareboat Charter Guarantee
- (14) the written approval dated 27 July 2026 from Fairline and Timberfield in relation to the JFL Sale and Leaseback Arrangements

Execution version

Memorandum of Agreement
in respect of
one (1)
bulk carrier
with builder's hull number JNS674

Dated 28 July 2026

(1) **Hai Kuo Shipping 1971T Limited**
as Buyers

(2) **Jinyao Marine Inc.**
as Sellers

Contents Page

This Agreement is made on 28 July 2026

Between:

(1) **Jinyao Marine Inc.**, a company incorporated under the laws of Panama with registration number 535876 whose registered address is Floor 19, Banco General Tower, Aquilino de la Guardia Street, Marbella, Panama City, Republic of Panama and a registered non-Hong Kong company under Part 16 of the Companies Ordinance (Cap.622 of the Laws of Hong Kong) with Business Registration Number 37166308 whose principal place of business in Hong Kong is at 26th Floor, Yardley Commercial Building, 1-6 Connaught Road West, Hong Kong (the "**Sellers**"); and

(2) **Hai Kuo Shipping 1971T Limited**, a company incorporated under the laws of Hong Kong with business registration number 71354353 whose registered address is Room 1915, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong (the "**Buyers**").

Background:

(A) Pursuant to a shipbuilding contract dated 30 September 2025 and made between the Sellers and the Builder (as may be amended, supplemented, novated or replaced from time to time, the "**Building Contract**"), the Builder has agreed to design, engineer, build, launch, equip, complete, deliver and sell, and the Sellers have agreed to purchase, one (1) new 64,500 DWT bulk carrier as further described in the Building Contract and bearing the Builder's hull number JNS674, along with all her appurtenances, associated equipment, materials, stores, spare parts and documentation (the "**Vessel**"), upon the terms and conditions therein.

(B) The Sellers have agreed to sell the Vessel to the Buyers upon the terms and conditions set forth in this Agreement.

(C) The Buyers have agreed to pay the Purchase Price (as defined below) in instalments upon the terms and conditions set forth in this Agreement.

(D) The Buyers (as owners) have agreed to let the Vessel to the Sellers (as bareboat charterers) and the Sellers have agreed to charter the Vessel from the Buyers immediately upon the acceptance of the Vessel by the Buyers from the Sellers under this Agreement, pursuant to the terms and conditions set forth in a bareboat charter agreement (as amended and or supplemented from time to time) (the "**Charter**") entered into or to be entered into between the Buyers (as owners) and the Sellers (as bareboat charterers) on or about the date of this Agreement.

It is agreed as follows:

1 Definitions and interpretations

1.1 Definitions

Words and expressions having defined meanings in the Charter shall, except where otherwise defined herein, have the same meanings when used in this Agreement, and in this Agreement:

"**Actual Delivery Date**" means the date on which the Vessel is actually delivered by the Sellers to the Buyers under this Agreement.

"**Applicable Rate**" means, in relation to any Pre-Delivery Interest Period:

(a) the applicable Term SOFR on the Quotation Day and for a period equal to the length to the relevant Pre-Delivery Interest Period; or

(b) as otherwise determined pursuant to Clause 10.3 (*Unavailability of Term SOFR*),

and if, in either case, that rate is less than zero, the Applicable Rate shall be deemed as zero.

"**Builder**" means Jiangmen Nanyang Ship Engineering Co., Ltd., a corporation organized and existing under the laws of the People's Republic of China, having its registered office at Gujing 529145, Xinhui, Jiangmen City, Guangdong Province, the People's Republic of China.

"**Builder's Bank**" means China CITIC Bank, Guangzhou Branch or such other first-class bank acceptable to the Buyers and the Sellers.

"**Builder's Account**" the bank account in the name of the Builder (account number 8110914013601315853) opened with the Builder's Bank.

"**Builder's PDA**" means the protocol of delivery and acceptance in respect of the Vessel to be executed by the Builder and the Sellers (evidencing the unconditional physical delivery of the Vessel by the Builder to the Sellers pursuant to the Building Contract).

"**Cancellation Date**" means the date specified as such in the Cancellation Notice.

"**Cancellation Notice**" has the meaning given to such term in Clause 9 (*Cancellation and refund*).

"**Charterers**" means the Sellers in their capacity as bareboat charterers under the Charter.

"**Contractual Purchase Price**" means the price in respect of the Vessel as stipulated in paragraph 1 of article II (*Contract Price & Terms of Payment*) of the Building Contract which, as at the date of this Agreement, is thirty-three million and fifty thousand US Dollars (US$33,050,000), as the same may be subject to adjustment in accordance with the terms of the Building Contract.

"**Default Rate**" means two per cent. (2%) per annum above the Interest Rate.

"**Deferred Payment**" means, in respect of an Instalment and to the extent applicable, the payment of such Instalment by the Buyers to the Earnings Account for the purpose of reimbursing the Sellers after the Sellers have (whether utilising their own funds or from whatever source of funds they may select) settled the corresponding instalment of the Contractual Purchase Price under the Building Contract directly with the Builder.

"**Delivery Instalment**" means an amount which:

(a) is payable by the Buyers under this Agreement;

(b) relates to (and shall be no more than) the "4th Installment" of the Contractual Purchase Price which the Sellers (as buyer) are obliged to pay to the Builder pursuant to paragraph 3(d) of article II (*Contract Price & Terms of Payment*) of the Building Contract; and

(c) (when aggregated with the First Instalment) is not more than eighteen million US Dollars (US$18,000,000).

"**Delivery Location**" means:

(a) the Builder's shipyard; or

(b) such other location as the Sellers and the Buyers may mutually agree prior to the Actual Delivery Date following consultation with the Builder and which is in a jurisdiction without any interference to the operation of the Vessel.

"**Direct Payment**" means, in respect of an Instalment and to the extent applicable, the payment of such Instalment by the Buyers at the request of the Sellers towards direct settlement with the Builder of the corresponding instalment of the Contractual Purchase Price under the Building Contract.

"**First Instalment**" means an amount which:

(a) is payable by the Buyers under this Agreement;

(b) relates to (and shall be no more than) the "1st Installment" of the Contractual Purchase Price which the Sellers (as buyer) are obliged to pay to the Builder pursuant to paragraph 3(a) of article II (*Contract Price & Terms of Payment*) of the Building Contract; and

(c) is no more than three million three hundred and five thousand US Dollars (US$3,305,000).

"**Flag State**" means Hong Kong or such other flag state as may be nominated by the Sellers and acceptable to the Buyers from time to time.

"**Historic Term SOFR**" means, in relation to any Pre-Delivery Interest Period, the most recent applicable Term SOFR for a period equal in length to the relevant Pre-Delivery Interest Period and which is as of a day which is no more than three (3) US Government Securities Business Days before the Quotation Day.

"**Indemnitees**" has the meaning given to such term in Clause 30 (*Indemnities*).

"**Instalment**" means each of the First Instalment and the Delivery Instalment, and "**Instalments**" means both of them.

"**Interest Rate**" means the percentage rate per annum which is the aggregate of the Margin and the Applicable Rate for the relevant period.

"**Interpolated Historic Term SOFR**" means in relation to any Pre-Delivery Interest Period, the rate (rounded to the same number of decimal places as Term SOFR) which results from interpolating on a linear basis between:

(a) either:

(i) the most recent applicable Term SOFR (as of a day which is not more than three (3) US Government Securities Business Days before the Quotation Day) for the longest period (for which Term SOFR is available) which is less than the relevant Pre-Delivery Interest Period; or

(ii) if no such Term SOFR is available for a period which is less than the relevant Pre-Delivery Interest Period, the most recent SOFR for a day which is no more than five (5) US Government Securities Business Days (and no less than two (2) US Government Securities Business Days) before the Quotation Day; and

(b) the most recent applicable Term SOFR (as of a day which is not more than three (3) US Government Securities Business Days before the Quotation Day) for the shortest period (for which Term SOFR is available) which exceeds the relevant Pre-Delivery Interest Period.

"**Interpolated Term SOFR**" means, in relation to any Pre-Delivery Interest Period, the rate (rounded to the same number of decimal places as Term SOFR) which results from interpolating on a linear basis between:

(a) either:

(i) the applicable Term SOFR (as of the Quotation Day) for the longest period (for which Term SOFR is available) which is less than the relevant Pre-Delivery Interest Period; or

(ii) if no such Term SOFR is available for a period which is less than the relevant Pre-Delivery Interest Period, SOFR for the day which is two (2) US Government Securities Business Days before the Quotation Day; and

(b) the applicable Term SOFR (as of the Quotation Day for the shortest period (for which Term SOFR is available)) which exceeds the relevant Pre-Delivery Interest Period.

"**Long Stop Date**" means the earlier of (i) the Actual Delivery Date and (ii) 26 September 2028.

"**Margin**" means one point four per cent (1.4%) per annum.

"**Market Value**" means the value of the Vessel ascertained in accordance with Clause 33 (*Determination of Market Value*).

"**MOA Purchase Price**" means the aggregate of (1) the Purchase Price and (2) the Pre-Delivery Interest accrued up to the Actual Delivery Date.

"**MOA Termination Event**" means each of the events specified in Clause 15.1 of Clause 15 (*MOA Termination Events*).

"**Parties**" means the Sellers and the Buyers.

"**Payment Date**" means, in respect of each Instalment, the date specified as such in the relevant Payment Notice or, if different, on which such Instalment is actually paid by the Buyers.

"**Payment Notice**" means a notice in substantially the form set out in Schedule 2 (*Form of Payment Notice*) hereto (or such other form as the Buyers may require).

"**Port State**" means the jurisdiction:

(a) in which the Delivery Location is located; and/or

(b) in which delivery of the Vessel will take place; and/or

(c) which would otherwise have the power under all applicable laws to detain the Vessel before she is delivered by the Builder to the Sellers or by the Sellers to the Buyers (as applicable).

"**Potential MOA Termination Event**" means an MOA Termination Event or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination under the Transaction Documents or any combination of any of the foregoing) be an MOA Termination Event.

"**Pre-Delivery Assignment**" means a deed of assignment of the Building Contract, the Refund Guarantee and Related Rights executed or to be executed by the Sellers in favour of the Buyers.

"**Pre-Delivery Interest**" means each amount of interest accrued on the Instalments payable by the Sellers in accordance with Clause 10 (*Pre-Delivery Interest*).

"**Pre-Delivery Interest Period**" means each period determined in accordance with Clause 12 (*Pre-Delivery Interest Periods*) and, in relation to an Unpaid Sum, each period determined in accordance with Clause 11 (*Default interest*).

"**Pre-Delivery Period**" means the period commencing from the date of this Agreement up to the Actual Delivery Date and acceptance of the Vessel by the Buyers.

"**Pre-Position Date**" means, in relation to each of the Delivery Instalment and the relevant Payment Notice, the date specified in such Payment Notice as the date on which the Buyers shall pre-position the relevant amount into the Builder's Bank.

"**Purchase Price**" means the amount which is the aggregate of the following amounts which the Buyers shall pay or deemed to have paid in accordance with this Agreement:

(a) the First Instalment; and

(b) the Delivery Instalment.

"**Quotation Day**" means, in relation to a Pre-Delivery Interest Period, five (5) US Government Securities Business Days before the first day of that Pre-Delivery Interest Period.

"**Refund Guarantee**" means the letter of guarantee numbered 749101LG25000032, dated 12 December 2025 and issued by the Refund Guarantor in favour of the Sellers in relation to the Building Contract.

"**Refund Guarantor**" means China CITIC Bank, Guangzhou Branch.

"**Related Rights**" means, in relation to the Warranty, all rights and interests of every kind which the Sellers now or at any later time have to, in or in connection with the Warranty or in relation to any matter arising out of or in connection with the Warranty, including, without limitation:

(a) all rights and interests relating to any amount of any kind payable under the terms of the Warranty;

(b) all rights to require the remedy of any defect relating to the Vessel pursuant to the Warranty;

(c) all rights to commence, conduct, defend, compromise or abandon any legal or arbitration proceedings relating to the Warranty or to any matter arising out of or in connection with the Warranty; and

(d) all rights to any monies, damages, interest, costs or other sums payable under any judgment or order of any court, or any arbitration award, or payable agreed to be paid by or on behalf of the Builder in each case relating to the Warranty or to any matter arising out of or in connection with the Warranty.

"**Scheduled Delivery Date**" means the date on which the Builder is ready to deliver and the Sellers are ready to accept delivery of the Vessel in accordance with the terms of the Building Contract, and in any event no later than the Long Stop Date, which the Sellers shall notify to the Buyers in the Payment Notice in respect of the Delivery Instalment.

"**Sellers' PDA**" means the protocol of delivery and acceptance in respect of the Vessel to be executed by the Sellers and the Buyers (evidencing the unconditional physical delivery of the Vessel by the Sellers to the Buyers pursuant to this Agreement).

"**Warranty**" means all warranties given by the Builder in respect of the Vessel under article IX (*Warranty of Quality*) of the Building Contract, including any renewal of such warranty after making good of any warranty claim.

1.2 **Interpretations**

1.2.1 In this Agreement, unless the context otherwise requires, any reference to:

(a) this Agreement includes the Schedules hereto and references to Clauses and Schedules are, unless otherwise specified, references to Clauses of and Schedules to this Agreement and, in the case of a Schedule, to such Schedule as incorporated in this Agreement and as substituted from time to time;

(b) any statutory or other legislative provision shall be construed as including any statutory or legislative modification or re-enactment thereof, or any substitution therefor;

(c) the term "**Vessel**" includes any part of the Vessel;

(d) "**assets**" includes present and future properties, revenues and rights of every description;

(e) the "**Buyers**", the "**Sellers**", any "**Project Party**" or any other person include any of their respective successors, permitted assignees and permitted transferees;

(f) a "**Project Document**" or any other agreement, instrument or document include such agreement, instrument or document as the same may from time to time be amended, modified, supplemented, novated or substituted;

(g) "**control**" over a particular company means the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to:

(i) cast, or control the cast of, more than fifty per cent. (50%), of the maximum number of votes that might be cast at a general meeting of such company;

(ii) appoint or remove all, or the majority of the directors or other equivalent officers of such company; or

(iii) give directions with respect to the operating and financial policies of such company with which the directors or other equivalent officers of such company are obliged to comply;

(h) the "**equivalent**" in one currency (the "**first currency**") as at any date of an amount in another currency (the "**second currency**") shall be construed as a reference to the amount of the first currency which could be purchased with such amount of the second currency at the spot rate of exchange quoted by the Buyers at or about 11:00 a.m. two (2) business days (being a day other than a Saturday or Sunday on which banks and foreign exchange markets are generally open for business in Beijing) prior to such date for the purchase of the first currency with the second currency for delivery and value on such date;

(i) "**hereof**", "**herein**" and "**hereunder**" and other words of similar import means this Agreement as a whole (including the Schedules) and not any particular part hereof;

(j) "**law**" includes common or customary law and any constitution, decree, judgment, legislation, order, ordinance, regulation, rule, statute, treaty or other legislative measure in any jurisdiction or any present or future directive, regulation, request or requirement, or official or judicial interpretation of any of the foregoing, in each case having the force of law and, if not having the force of law, in respect of which compliance is generally customary;

(k) "**month**" means, save as otherwise provided, a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month, except that if there is no numerically corresponding day in the calendar month in which that period is to end, that period shall end on the last day in that calendar month;

(l) the word "**person**" or "**persons**" or to words importing persons include, without limitation, any state, divisions of a state, government, individuals, partnerships, corporations, ventures, government agencies, committees, departments, authorities and other bodies, corporate or unincorporated, whether having distinct legal personality or not;

(m) the "**winding-up**", "**dissolution**", "**administration**", "**liquidation**", "**insolvency**", "**reorganisation**", "**readjustment of debt**", "**suspension of payments**", "**moratorium**" or "**bankruptcy**" (and their derivatives and cognate expressions) of any person shall each be construed so as to include the others and any equivalent or analogous proceedings or event under the laws of any jurisdiction in which such person is incorporated or any jurisdiction in which such person carries on business;

(n) the Buyers' "**cost of funds**" in relation to maintaining the funding of the purchase of the Vessel or an Unpaid Sum (as the case may be) is a reference to the average cost (determined either on an actual or a notional basis) which the Owner would incur if it were to fund, from whatever source(s) it may reasonably select, an amount equal to the amount of the funding of the purchase of the Vessel or that Unpaid Sum for a period equal in length to the relevant Pre-Delivery Interest Period;

(o) a Potential MOA Termination Event or an MOA Termination Event is "continuing" if it has not been remedied or waived; and

(p) words denoting the plural number include the singular and vice versa.

1.2.2 Headings are for the purpose of reference only, have no legal or other significance, and shall be ignored in the interpretation of this Agreement.

1.2.3 A time of day (unless otherwise specified) is a reference to Beijing time.

2 Sale and purchase

2.1 Agreement for sale and purchase

The Sellers hereby agree to sell and transfer all rights, title and interest in the Vessel, the Warranty and its Related Rights absolutely, with full title guarantee, to the Buyers and the Buyers hereby agree to purchase the Vessel on the terms and conditions of this Agreement.

2.2 Delivery

2.2.1 Not later than 11.00 a.m. three (3) Business Days (or such shorter period as the Buyers and the Sellers may agree) prior to the date on which the Sellers may deliver to the Buyers the Payment Notice in respect of the Delivery Instalment, the Sellers shall give the Buyers an irrevocable notice in writing of delivery which shall specify the Scheduled Delivery Date. At the time of delivery of the Vessel by the Sellers to the Buyers, the Vessel shall be located at the Delivery Location.

2.2.2 On delivery of the Vessel by the Sellers to the Buyers pursuant to this Agreement the Buyers shall accept the Vessel on an "as is where is" basis in exactly the same form, state and condition as the Vessel is delivered by the Builder to the Sellers pursuant to the Building Contract.

2.2.3 Upon delivery of the Vessel, the Sellers and the Buyers shall execute the Sellers' PDA, whereupon the Sellers shall be deemed to have given, and the Buyers to have received and accepted, possession of the Vessel.

3 Purchase Price

3.1 Purchase price of the Vessel

3.1.1 The purchase price of the Vessel payable by the Buyers to the Sellers under this Agreement shall be an amount equal to the Purchase Price.

3.1.2 The purchase price referred to in Clause 3.1.1 shall cover the purchase of the Vessel and, to the extent owned by the Sellers, everything then belonging to her on board, except any remaining bunkers and unused lubricating and hydraulic oils and greases in storage tanks and unopened drums and any unused stores and provisions which shall remain the property of the Sellers and for which no payment by the Buyers shall be required.

4 Currency of payment

4.1 Subject to the remaining provisions of this Clause 4, USD is the currency of account and payment for any sum due from:

4.1.1 the Buyers to the Sellers under this Agreement; and

4.1.2 an Obligor to the Buyers under any Transaction Document.

4.2 Each payment in respect of costs, expenses or Taxes shall be made in the currency in which the costs, expenses or Taxes are incurred.

4.3 Any amount expressed to be payable in a currency other than USD shall be paid in that currency.

4.4 If a change in any currency occurs, this Agreement will, to the extent the Buyers specify to be necessary, be amended to comply with any generally accepted conventions and market practice in the relevant market and otherwise to reflect the change in currency.

5 Payment Notice

5.1 **Delivery of a Payment Notice**

5.1.1 The Sellers may request the Buyers to make a payment in respect of an Instalment by delivery to the Buyers of a duly completed Payment Notice no later than five (5) Business Days before the proposed payment date and no later than the Long Stop Date (or such other period as may be agreed by the Sellers and the Buyers).

5.1.2 The Sellers may request the Buyers to make a payment in respect of the Delivery Instalment by delivery to the Buyers of a duly completed Payment Notice:

(a) for the purpose of effecting a Direct Payment, at least seven Business Days prior to the proposed payment date or the proposed Pre-Position Date; or

(b) for the purpose of effecting a Deferred Payment, no later than seven Business Days before the proposed payment date.

5.2 **Completion of a Payment Notice**

Each Payment Notice is irrevocable and will not be regarded as having been duly completed or valid unless:

5.2.1 it is delivered by the Sellers and received by the Buyers before the Long Stop Date;

5.2.2 it clearly:

(a) identifies (A) the Instalment to which such Payment Notice relates, (B) the proposed date of payment or the proposed Pre-Position Date (as the case may be) and (C) in case of the Delivery Instalment, the Scheduled Delivery Date; and

(b) sets out the precise amount of the Instalment to which such Payment Notice relates;

5.2.3 it is signed by an authorised signatory of the Sellers;

5.2.4 the currency of the proposed Instalment to be paid is US Dollars;

5.2.5 the proposed date of payment, the proposed Pre-Position Date and the Scheduled Delivery Date (as applicable) is a Business Day and is no later than the Long Stop Date; and

5.2.6 for a Direct Payment in relation to the First Instalment, the Builder's Account is designated to receive such Direct Payment and for a Deferred Payment in relation to any Instalment, the Earnings Account is designated to receive such Deferred Payment.

6 Direct Payments and Deferred Payments

6.1 **Sellers' election to pay Builder directly**

Notwithstanding any other provision of this Agreement, the Sellers may elect to settle any instalment of the Contractual Purchase Price that has not been paid as at the date of this Agreement (whether utilising their own funds or from whatever source of funds they may select) directly with the Builder by making the relevant payment to the Builder in accordance with the Building Contract.

6.2 **Deemed satisfaction of Buyers' Instalment payment obligations**

The obligation of the Buyers to pay the relevant Instalment under this Agreement shall be deemed to have been satisfied to the extent of (and in each case as applicable):

6.2.1 the Buyers' settling of the corresponding amount by way of a Deferred Payment; or

6.2.2 the Buyers' (acting on the instructions of the Sellers) direct deposit of the corresponding amount to the Builder's Bank by way of a Direct Payment.

7 Pre-position of Delivery Instalment

7.1 **Pre-position**

Subject always to the conditions in this Clause 7 and the other terms of this Agreement, the Sellers may request the Buyers to pre-position the Delivery Instalment to the Builder's Bank in accordance with the relevant Payment Notice.

7.2 **Conditions to pre-position**

The Buyers will only be obliged to pre-position the Delivery Instalment in accordance with Clause 7.1 (*Pre-position*) if, on or before the Pre-Position Date, the Buyers have received:

7.2.1 in relation to the Delivery Instalment, the additional documents and other evidence listed in Part III (*Pre-position conditions precedent*) of Schedule 1 (*Conditions precedent and subsequent*) (or evidence satisfactory to the Buyers that they shall, on the Pre-Position Date, receive such documents or evidence);

7.2.2 evidence (in such form and subject to such terms and conditions as the Buyers may specify) from the Builder's Bank in writing (electronically or otherwise) on or before the Pre-Position Date that the Delivery Instalment will:

(a) be held by the Builder's Bank in suspense to the order of the Buyers; and

(b) only be released to the Builder upon presentation to the Builder's Bank of a copy (transmitted by fax, email or otherwise) of the duly executed, dated and timed Builder's PDA, which is:

(i) signed by a duly authorised officer, signatory, attorney-in-fact or other representative of the Builder and the Sellers (as original buyers under the Building Contract), whose details shall be communicated to the Builder's Bank in writing (electronically by SWIFT message or otherwise) on or before the Pre-Position Date; and

(ii) countersigned by a duly authorised officer, signatory, attorney-in-fact or other representative of (1) the Buyers and, (2) if requested by a Finance Party and acceptable to the Builder, such Finance Party, whose details shall (in each case as applicable) be communicated to the Builder's Bank in writing (electronically or otherwise) on or before the Pre-Position Date.

7.3 **Deemed payment of Delivery Instalment**

7.3.1 A transfer of funds by the Buyers to the Builder's Bank in accordance with Clauses 7.1 (*Pre-position*) and 7.2 (*Conditions to pre-position*) above shall constitute payment of the Delivery Instalment for the purposes of this Agreement and shall, as from the date of such transfer, constitute a valid and binding obligation upon the Sellers in respect of the refund of the Delivery Instalment and any other amount payable in relation thereto, each in accordance with and in the manner contemplated by this Agreement.

7.3.2 Any repayment by the Builder's Bank to the Buyers or their bank of any part of the Delivery Instalment shall constitute (in each case as applicable), to the extent of such repayment, a refund of such part of the Delivery Instalment by the Sellers.

8 Conditions precedent and subsequent

8.1 **Initial conditions precedent**

8.1.1 The Sellers may not deliver the first Payment Notice unless the Buyers have received all the documents and other evidence listed in Part I (*Initial conditions precedent*) of Schedule 1 (*Conditions precedent and subsequent*) hereto in form and substance satisfactory to the Buyers.

8.1.2 The Buyers shall only be obliged to make a payment in respect of any Payment Notice if:

(a) no Potential MOA Termination Event or MOA Termination Event has occurred and is continuing or would result from such payment; and

(b) the Repeating Representations are true in all material respects on the date of the relevant Payment Notice and the actual date of payment; and

(c) no event of default (however described) has occurred under the Building Contract, the Refund Guarantee, any Sub-Charter or any other Project Documents entitling the non-defaulting party to terminate the Building Contract, the Refund Guarantee, any Sub-Charter or any other Project Documents.

8.2 **Instalment conditions precedent**

The Buyers will only be obliged to make a payment in respect of the First Instalment if on or before the Sellers' delivery of the relevant Payment Notice, the Buyers have received all the documents and other evidence listed in Part II (*Instalment conditions precedent*) of Schedule 1 (*Conditions precedent and subsequent*) hereto in form and substance satisfactory to the Buyers (or evidence satisfactory to the Buyers that they shall, on the date of such payment, receive such documents or evidence).

8.3 **Further conditions precedent to a Deferred Payment**

The Buyers will only be obliged to make a payment in respect of an Instalment for the purpose of effecting a Deferred Payment if the Buyers have received evidence of full payment to the Builder's Account of the corresponding instalment of the Contractual Purchase Price under the Building Contract, in form and substance satisfactory to the Buyers.

8.4 **Delivery Instalment conditions precedent**

8.4.1 The Buyers will only be obliged to:

(a) make a payment in respect of the Delivery Instalment and accept the Vessel under this Agreement on the Actual Delivery Date; or

(b) (if the Sellers elect for the Delivery Instalment to be pre-positioned under Clause 7 (*Pre-position of Delivery Instalment)*) countersign the Builder's PDA, agree to the release of the pre-positioned Delivery Instalment and accept the Vessel under this Agreement on the Actual Delivery Date;

if, in each applicable case:

(i) on the Actual Delivery Date, the Buyers have received:

(A) all the documents and other evidence listed in Part III (*Pre-position conditions precedent*) of Schedule 1 (*Conditions precedent and subsequent*) hereto in form and substance satisfactory to the Buyers (to the extent that such documents and other evidence have not already been provided to the Buyers prior to the Actual Delivery Date); and

(B) all the documents and other evidence listed in Part IV (*Delivery Date conditions precedent*) of Schedule 1 (*Conditions precedent and subsequent*) hereto in form and substance satisfactory to the Buyers; and

(ii) no Potential MOA Termination Event or MOA Termination Event has occurred and is continuing or would result from the payment or (as applicable) release of the Delivery Instalment; and

(iii) the Repeating Representations are true in all material respects on the Actual Delivery Date.

8.4.2 For the avoidance of doubt, the Sellers must, on the Actual Delivery Date, deliver to the Buyers all the documents and other evidence listed in Part III (*Pre-position conditions precedent*) and Part IV (*Delivery Date conditions precedent*) of Schedule 1 (*Conditions precedent and subsequent*) hereto in form and substance satisfactory to the Buyers.

8.5 **Conditions subsequent**

The Sellers undertake to deliver or cause to be delivered to the Buyers the documents and evidence listed in Part V (*Conditions subsequent*) of Schedule 1 (*Conditions precedent and subsequent*) hereto within the relevant time periods stipulated therein.

8.6 **No waiver**

8.6.1 The conditions set out in this Clause 8 are for the sole benefit of the Buyers and may be waived or deferred by the Buyers in whole or in part and with or without conditions. The foregoing is without prejudice to the Buyers' rights to require fulfilment of any such conditions by the Sellers in whole or in part at any time after the date of payment or release of the Purchase Price.

8.6.2 If the Buyers in their sole discretion agree to advance all or any part of the Purchase Price to the Sellers before all of the documents and evidence required by this Clause 8 have been delivered to the Buyers, the Sellers undertake to deliver all outstanding documents and evidence to the Buyers no later than the date specified by the Buyers.

8.6.3 The advance of all or any part of the Purchase Price under this Clause 8.6 shall not be taken as a waiver of the Buyers' right to require production of all the documents and evidence required by this Clause 8.

8.7 **Form and content**

All documents and evidence delivered to the Buyers under this Clause 8 shall be in form and substance acceptable to the Buyers.

9 Cancellation and refund

If an MOA Termination Event is continuing, the Buyers may by notice in writing to the Sellers (such notice being the "**Cancellation Notice**") cancel this Agreement, whereupon the Buyers' purchase of the Vessel under this Agreement shall be cancelled on the applicable Cancellation Date, and the Buyers shall forthwith be relieved from any further obligation to pay any part of the Purchase Price (or any other amount) under this Agreement from the Cancellation Date, and the Sellers shall upon demand:

9.1 refund to the Buyers the full amount of all the Instalments which the Buyers have already paid up to and including the Cancellation Date; and

9.2 pay the Buyers all accrued but unpaid Pre-Delivery Interests and any other fee and legal costs, and other reasonably incurred and documented out-pocket expenses and liabilities of the Buyers suffered or incurred by the Buyers in connection with the transactions contemplated by this Agreement and the other Transaction Documents,

9.3 pay the Buyers any other sum due and payable but unpaid by any Obligor under any Transaction Document,

in each case together with Break Costs.

10 Pre-Delivery Interest

10.1 Calculation of Pre-Delivery Interest

The rate of Pre-Delivery Interest to accrue and be payable over each Instalment for each Pre-Delivery Interest Period is the Interest Rate. The total amount of Pre-Delivery Interest over each Instalment that has been paid by the Buyers for each Pre-Delivery Interest Period is calculated in accordance with the following formula:

A x B x C

Where

A	=	the amount of the relevant Instalment;
B	=	Interest Rate;
C	=	a fraction whose denominator is three hundred and sixty (360) and numerator is the number of days which have elapsed from the first day of such Pre-Delivery Interest Period (including that day) to the last day of such Pre-Delivery Interest Period (not including that day).

10.2 Pre-Delivery Interest included as part of the MOA Purchase Price

Subject to Clause 9.2, all accrued Pre-Delivery Interest shall constitute part of the MOA Purchase Price and shall be paid by way of payment of Hire in accordance with the terms of the Charter.

10.3 Unavailability of Term SOFR

10.3.1 **Interpolated Term SOFR** If no Term SOFR is available for a Pre-Delivery Interest Period the applicable Applicable Rate shall be Interpolated Term SOFR for a period equal in length to that Pre-Delivery Interest Period.

10.3.2 **Historic Term SOFR** If no Term SOFR is available for a Pre-Delivery Interest Period and it is not possible to calculate the Interpolated Term SOFR, the applicable Applicable Rate shall be the Historic Term SOFR for a period equal in length to that Pre-Delivery Interest Period.

10.3.3 **Interpolated Historic Term SOFR** If Clause 10.3.2 above applies but no Historic Term SOFR is available for the relevant Pre-Delivery Interest Period, the applicable Applicable Rate shall be the Interpolated Historic Term SOFR for a period equal in length to that Pre-Delivery Interest Period.

10.3.4 **Cost of funds** If Clause 10.3.3 above applies but it is not possible to calculate the Interpolated Historic Term SOFR, Clause 10.5 (*Cost of funds*) shall apply for the relevant Pre-Delivery Interest Period.

10.4 **Market disruption** If before close of business in Beijing on the Quotation Day for the relevant Pre-Delivery Interest Period, the Buyers notify the Sellers that their cost of funds relating to its funding of the purchase of the Vessel would be in excess of the Applicable Rate then Clause 10.5 (*Cost of funds*) shall apply in relation to the calculation of the relevant Pre-Delivery Interest.

10.5 **Cost of funds**

10.5.1 If this Clause 10.5 applies, then Interest Rate for the relevant Pre-Delivery Interest Period shall be the percentage rate per annum which is the sum of:

(a) the Margin; and

(b) the rate notified to the Sellers by the Buyers as soon as practicable and in any event within three Business Days of the first day of that Pre-Delivery Interest Period (or, if earlier, on the date falling three Business Days before the date on which interest is due to be paid in respect of that Pre-Delivery Interest Period) to be that which expresses as a percentage rate per annum the cost to the Buyers of maintaining the funding of the purchase of the Vessel or that Unpaid Sum (as the case may be) from whatever source it may reasonably select or, if such rate is less than zero, such rate shall be deemed to be zero.

10.5.2 If this Clause 10.5 applies and the Buyers or the Sellers so require, the Buyers and the Sellers shall enter into negotiations (for a period of not more than thirty (30) days) with a view to agreeing a substitute basis for determining the rate for the Pre-Delivery Interest or (as the case may be) an alternative basis for funding.

10.8.3 Any alternative basis agreed pursuant to Clause 10.5.2 shall be binding on all Parties.

10.8.4 If an alternative basis is not agreed pursuant to Clause 10.5.2, the Interest Rate shall continue to be determined in accordance with Clause 10.5.1.

11 Default interest

11.1 If the Sellers fail to pay any amount payable by them under this Agreement on its due date, interest shall accrue on the Unpaid Sum from the due date to the date of actual payment (both before and after judgment) at the Default Rate, in US Dollars for successive Pre-Delivery Interest Periods (as if the consecutive Pre-Delivery Interest Periods will continue until the Unpaid Sum is paid notwithstanding the end of the Pre-Delivery Period, and as if the Unpaid Sum had, during the period of non-payment, constituted part of the Instalments). Any interest accruing under this Clause 11 shall be immediately payable by the Sellers on demand by the Buyers.

11.2 Default interest (if unpaid) arising on an Unpaid Sum will be compounded with the Unpaid Sum at the end of each period applicable to that Unpaid Sum but will remain immediately due and payable.

11.3 The Parties agree that, without prejudice to other rights, benefits and remedies of the Buyers under this Agreement, in the event that any other loss, damage, costs or expenses was suffered or incurred by the Buyers wholly or partly as a result of the Sellers' failure to pay any amount payable under this Agreement on its due date, the Sellers shall be responsible for all such loss, damage, costs and expenses in addition to the interests payable under this Clause 11, to the extent not covered by any payable Break Costs.

12 Pre-Delivery Interest Periods

12.1 Duration of Pre-Delivery Interest Periods

12.1.1 Subject to the other provisions of this Agreement, each Pre-Delivery Interest Period for each Instalment shall have a duration of three (3) months.

12.1.2 No Pre-Delivery Interest Period shall extend beyond the Actual Delivery Date.

12.1.3 Each Pre-Delivery Interest Period for each Instalment shall start on the Payment Date in respect of that Instalment or (if that Instalment is already paid) on the last day of the preceding Pre-Delivery Interest Period.

12.2 Subsequent Instalments

If any subsequent Instalment is made otherwise than on the first day of a Pre-Delivery Interest Period in respect of the First Instalment, there shall be a separate initial Pre-Delivery Interest Period for that subsequent Instalment commencing on the Payment Date of that subsequent Instalment and expiring on the final date of the then current Pre-Delivery Interest Period in respect of the First Instalment.

12.3 Non-Business Days

If a Pre-Delivery Interest Period would otherwise end on a day which is not a Business Day, that Pre-Delivery Interest Period will instead end on the next Business Day in that calendar month (if there is one) or the preceding Business Day (if there is not).

13 intentionally left blank

14 Sellers' undertakings

The Sellers hereby undertake to the Buyers that they will comply in full and procure compliance (where applicable) with the following undertakings throughout the Pre-Delivery Period.

14.1 Compliance with Charter

The Sellers shall comply with all their undertakings of the Sellers (as charterer) set out in the Charter.

14.2 Notification of MOA Termination Event

The Sellers shall promptly, upon becoming aware of the same, inform the Buyers in writing of the occurrence of any Potential MOA Termination Event (and the steps, if any, being taken to remedy this) and, upon receipt of a request from the Buyers, confirm to the Buyers that, save as previously notified to the Buyers or as notified in such confirmation, no Potential MOA Termination Event is continuing or if a Potential MOA Termination Event is continuing specifying the steps, if any, being taken to remedy it.

14.3 Refund of pre-positioned amount

If the Buyers have made a transfer of all or any part of the Delivery Instalment to the Builder's Bank but delivery of the Vessel does not occur on a date within fourteen (14) calendar days after the Pre-Position Date, then the Sellers shall forthwith refund to the Buyers the Delivery Instalment and any other amount so transferred by the Buyers in accordance with the relevant payment instructions (or such other equivalent document), **provided that** the Sellers' obligations under this Clause 14.3 shall be deemed to be complied with by any repayment (but only to the extent and amount of such repayment) by the Builder's Bank to the Buyers or their bank of any part of the Delivery Instalment and any other amount so transferred by the Buyers in connection with Clauses 7.1 (*Pre-position*) and 7.2 (*Conditions to pre-position*).

14.4 Purchase Price

14.4.1 The Sellers may request for a Deferred Payment solely for the purpose of reimbursing the Sellers for their payment made to the Builder in respect of an instalment of the Contractual Purchase Price under the Building Contract.

14.4.2 The Sellers may request for a Direct Payment solely for the purpose of settling an instalment of the Contractual Purchase Price under the Building Contract.

15 MOA Termination Events

15.1 Each of the following events shall constitute an MOA Termination Event.

15.1.1 **Conditions precedent and subsequent**

(a) Any of the conditions set out in Clause 8 (*Conditions precedent and subsequent*) is not satisfied by the date specified by the Buyers pursuant to Clause 8.6.2 (*No waiver*).

(b) Any of the conditions referred to in Clause 8.5 (*Conditions subsequent*) is not satisfied by the relevant time or such other time period specified by the Buyers in their discretion.

15.1.2 **Charter termination events** Any event or circumstance referred to in clause 58.1 (*Termination Events*) of the Charter occurs.

15.1.3 **Late delivery of Vessel** The Vessel is not delivered by:

(a) the Builder to the Sellers under the Building Contract by the date set out in (ii) of the definition of "Long Stop Date"; or

(b) the Sellers to the Buyers under this Agreement by the date set out in (ii) of the definition of "Long Stop Date" (including, without limitation, by reason of failure by the Sellers to satisfy any of their obligations under Clause 8 (*Conditions precedent and subsequent*)).

15.1.4 **Illegality** It becomes unlawful or it is prohibited for the Buyers to purchase the Vessel pursuant to this Agreement and, to the extent that the law permits the Buyers to notify the Sellers of the relevant event, the Sellers and the Buyers fail to agree an alternative having negotiated in good faith for a period of thirty (30) days (or such longer period as may be agreed by the Buyers) after the Buyers have given notice to the Sellers of the relevant event.

15.1.5 **Building Contract and Refund Guarantee**

(a) The Building Contract or a Refund Guarantee is terminated, rescinded, cancelled, repudiated, suspended or otherwise ceases to remain in full force and effect, or is transferred, assigned, novated or otherwise disposed of to any person (other than pursuant to the relevant Security Documents).

(b) Any obligation of the Builder under the Building Contract, or of the Refund Guarantor under a Refund Guarantee becomes unlawful or unenforceable.

(c) Any of the events or circumstances specified in clauses 58.1.6 (*Insolvency and rescheduling*), 58.1.7 (*Insolvency proceedings*) 58.1.8 (*Creditors' process*) or 58.1.9 (*Execution or distress*) of the Charter occurs in relation to the Refund Guarantor.

15.2 Upon the occurrence of an MOA Termination Event which is continuing, and without prejudice to the generality of the powers and remedies vested in the Buyers under this Agreement, the Buyers may exercise their rights and powers referred to under Clauses 9 (*Cancellation and refund*) and 16 (*Buyers' powers following cancellation*).

16 Buyers' powers following an MOA Termination Event

16.1 Powers following an MOA Termination Event

Without prejudice to the generality of the powers and remedies vested in the Buyers under this Agreement and the other Transaction Documents, at any time after the occurrence of an MOA Termination Event which is continuing, the Buyers shall become immediately entitled:

16.1.1 to implement the Building Contract or to agree with the Builder to terminate the Building Contract on such terms and conditions as the Buyers and the Builder may mutually agree;

16.1.2 subject to the terms of the Building Contract, to assign all rights, title, interest and benefits in and under the Building Contract or to sell the Vessel in her then state of construction or after her delivery under the Building Contract or otherwise and upon such terms as the Buyers shall in their absolute discretion determine;

16.1.3 to undertake the further supervision of construction of the Vessel;

16.1.4 to collect, recover, compromise and give a good discharge for, all claims then outstanding or arising subsequently under or in respect of all or any part of such claims, and to take over or institute (if necessary using the names of the Sellers) all such proceedings as the Buyers in their sole and absolute discretion think fit;

16.1.5 to discharge, compound, release or compromise claims in respect of the Building Contract which have given or may give rise to any charge or lien or other claim on the Building Contract or which are or may be enforceable by proceedings against the Building Contract;

16.1.6 where any money under the Refund Guarantee becomes refundable, to make a demand, or to request the Sellers to promptly make a demand for payment under the Refund Guarantee and to direct payment of the funds to an account designated by the Buyers and to the extent that any money so refunded exceeds all amounts owed to the Buyers under the Transaction Documents, the Buyers shall refund an amount equal to such excess to an account designated by the Sellers within seven Business Days of receiving such money under the Refund Guarantee;

16.1.7 to recover from the Sellers on demand all properly incurred costs and expenses (including legal fees) incurred or paid by the Buyers in connection with the exercise of the powers (or any of them) referred to in this Clause 16.1;

16.1.8 to not make any payment in relation to any Payment Notice; and

16.1.9 to exercise any or all of the rights and remedies available to the Buyers under any Security Documents.

16.2 **Delegation**

The Buyers may delegate in any manner to any person any rights exercisable by the Buyers under this Agreement. Any such delegation may be made upon such terms and conditions (including power to sub-delegate) as the Buyers think fit.

16.3 **Survival of Sellers' obligations**

The termination of this Agreement for any cause whatsoever shall not affect the right of the Buyers to recover from the Sellers any money due to the Buyers in consequence thereof and all other rights of the Buyers (including but not limited to any rights, benefits or indemnities which are expressly provided to continue after the termination of this Agreement) are reserved hereunder.

17 Changes to parties

17.1 The Sellers may not assign or transfer any or all of their rights or obligations under this Agreement.

17.2 The Buyers may assign or transfer any or all of their rights or obligations under this Agreement to any party to which they are entitled to assign or transfer their rights under clause 52.2 of the Charter, following which the Sellers shall execute such document and do all such things as required by the Buyers to facilitate or effect such assignment or transfer.

18 Cumulative rights

The rights, powers and remedies provided in this Agreement are cumulative and not exclusive of any rights, powers or remedies at law or in equity unless specifically otherwise stated.

19 No waiver

No delay, failure or forbearance by a party to exercise (in whole or in part) any right, power or remedy under, or in connection with, this Agreement will operate as a waiver. No waiver of any breach of any provision of this Agreement will be effective unless that waiver is in writing and signed by the party against whom that waiver is claimed. No waiver of any breach will be, or be deemed to be, a waiver of any other or subsequent breach.

20 Entire agreement and amendments

20.1 The written terms of this Agreement comprise the entire agreement between the Buyers and the Sellers in relation to the sale and purchase of the Vessel and supersede all previous agreements whether oral or written between the parties in this Agreement in relation thereto.

20.2 Each of the parties to this Agreement acknowledges that in entering into this Agreement, it has not relied on and shall have no right or remedy in respect of any statement, representation, assurance or warranty (whether or not made negligently) other than as expressly set out in this Agreement.

20.3 Any terms implied into this Agreement by the Sale of Goods Act 1979 are hereby excluded to the extent that such exclusion can legally be made. Nothing in this Clause shall limit or exclude any liability for fraud.

20.4 This Agreement may not be amended, altered or modified except by a written instrument executed by each of the parties to this Agreement.

21 Invalidity

If any term or provision of this Agreement or the application thereof to any person or circumstances shall to any extent be invalid or unenforceable the remainder of this Agreement or application of such term or provision to persons or circumstances (other than those as to which it is already invalid or unenforceable) shall (to the extent that such invalidity or unenforceability does not materially affect the operation of this Agreement) not be affected thereby and each term and provision of this Agreement shall be valid and be enforceable to the fullest extent permitted by law.

22 English language

All notices, communications and financial statements and reports under or in connection with this Agreement and the other Transaction Documents shall be in English language or, if in any other language, shall be accompanied by a translation into English. In the event of any conflict between the English text and the text in any other language, the English text shall prevail.

23 No partnership

Nothing in this Agreement creates, constitutes or evidences any partnership, joint venture, agency, trust or employer/employee relationship between the parties, and neither party may make, or allow to be made any representation that any such relationship exists between the parties. Neither party shall have the authority to act for, or incur any obligation on behalf of, the other party, except as expressly provided in this Agreement.

24 Notices

24.1 Any notices to be given to the Buyers under this Agreement shall be sent in writing by registered letter, facsimile or email and addressed to:

Hai Kuo Shipping 1971T Limited

Address: c/o ICBC Financial Leasing Co., Ltd.

16-19/F, Building #5, Yuetan Centre

Yard 1, Yuetan South Street

Xicheng District, Beijing 100045

The People's Republic of China

Email: saijianan@leasing.icbc.com.cn

Attention: Simon Sai

or to such other address, facsimile number or email address as the Buyers may notify to the Sellers in accordance with this Clause 24.

24.2 Any notices to be given to the Sellers under this Agreement shall be sent in writing by registered letter, facsimile or email and addressed to:

Jinyao Marine Inc.

Address: 26/F Yardley Commercial Building, 1-6 Connaught Road West, Hong Kong

Email: shumyh@jinhuiship.com / teresa@jinhuiship.com

Attention: Shum Yee Hong / Teresa Chau

or to such other address or email address as the Sellers may notify to the Buyers in accordance with this Clause 24.

24.3 Any such notice shall be deemed to have reached the party to whom it was addressed, when dispatched and acknowledged received (in case of a facsimile or an email) or when delivered (in case of a registered letter). A notice or other such communication received on a non-working day or after 5:00 pm in the place of receipt shall be deemed to be served on the following day in such place.

25 Counterparts

This Agreement may be executed in any number of counterparts and any single counterpart or set of counterparts signed, in either case, by all the parties hereto shall be deemed to constitute a full and original agreement for all purposes.

26 Third Parties Act

26.1 Any person which is an Indemnitee and is not a party to this Agreement shall be entitled to enforce such terms of this Agreement as provided for in this Agreement in relation to the obligations of the Sellers to such Indemnitee, subject to the provisions of Clause 32 (*Law and jurisdiction*) and the Third Parties Act. The Third Parties Act applies to this Agreement as set out in this Clause 26.

26.2 A person who is not a party to this Agreement has no right under the Third Parties Act to enforce or to enjoy the benefit of any term of this Agreement.

27 Spares, bunkers and other items

27.1 To the extent owned by the Sellers, the Sellers shall deliver the Vessel to the Buyers with everything belonging to her on board **provided that** any remaining bunkers and unused lubricating and hydraulic oils and greases in storage tanks and unopened drums and any unused stores and provisions shall remain the property of the Sellers.

27.2 All spare parts and spare equipment including spare tail-end shaft(s) and/or spare propeller(s)/propeller blade(s), if any, belonging to the Vessel at the time of delivery used or unused, whether on board or not shall become the Buyers' property.

27.3 Concurrent with the delivery of the Vessel under this Agreement, the Buyers shall gain title and ownership to the classification certificate(s) as well as all plans, drawings and manuals, which are on board the Vessel and shall remain on board the Vessel, **provided that** the Buyers agree that the Sellers are only required to provide copies of all plans, drawings and manuals to the Buyers by way of a CD-ROM (or any other portable data storage device) within thirty (30) days from the Actual Delivery Date if requested by the Owners. Other certificates which are on board the Vessel shall also be handed over to the Buyers unless the Sellers (as bareboat charterers under the Charter) are required to retain same, in which case the Buyers have the right to take copies.

27.4 Copies of other technical documentation which may be in the Sellers' possession shall promptly after delivery be forwarded to the Buyers at the Sellers' expense, if the Buyers so request.

28 Encumbrances, access to information and inspection

28.1 The Sellers warrant that the Vessel, at the time of delivery, is free from all charters (other than the Charter and the Sub-Charter), encumbrances, mortgages and maritime liens or any other debts whatsoever, and is not subject to Port State or other administrative detentions. The Sellers hereby undertake to indemnify the Buyers against all consequences of claims made against the Vessel which have been incurred prior to the time of delivery.

28.2 The Sellers hereby acknowledge that with respect of the sale and purchase of the Vessel pursuant to this Agreement, the Buyers are relying on the Sellers in all respects to check all matters concerning the Vessel, including her safety, condition, quality and fitness for purpose.

28.3 The Buyers shall be entitled to request:

28.3.1 such information that they may reasonably require in relation to the construction of the Vessel and the status of such construction or otherwise in connection with the Building Contract; and

28.3.2 copies of documentation held by the Sellers relating to the construction of the Vessel,

and such information and documentation shall be delivered promptly to the Buyers by the Sellers.

28.4 The Buyers (or their representatives) shall be entitled to inspect the Vessel at any time after giving reasonable notice to the Sellers during the course of her construction and the Sellers shall procure that access shall be granted by the Builder for such inspection subject to provision of prior notice and provided that such inspection does not unreasonably interfere with the construction of the Vessel. The costs and expenses of the first such inspection in each calendar year shall be for the Sellers' account, and the costs and expenses of any additional inspections in that calendar year shall be for the Buyers' account (unless a Termination Event is continuing in which case the costs and expenses for each such additional inspection shall be for the Sellers' account).

28.5 Subject to the Sellers giving the Buyers not less than five (5) Business Days' prior written notice setting out the proposed disclosure content for the Buyers' comments, the Sellers may make disclosures required to be made by Jinhui Shipping and Transportation Limited ("**Jinhui Shipping**") and Jinhui Holdings Company Limited ("**Jinhui Holdings**") pursuant to the rules and regulations of the Oslo Stock Exchange and the Hong Kong Stock Exchange respectively, subject to any comments the Buyers may have.

29 Taxes, costs and expenses

Any Taxes, costs and expenses in connection with the purchase and registration of the Vessel in the Flag State shall be for the Sellers' account.

30 Indemnities

30.1 Whether or not any of the transactions contemplated hereby are consummated, the Sellers shall indemnify, protect, defend and hold harmless the Buyers and their respective officers, directors, agents and employees (collectively, the "**Indemnitees**") throughout the Pre-Delivery Period from, against and in respect of, any and all liabilities, obligations, losses, damages, penalties, fines, fees (including but not limited to any vessel registration, tonnage and reasonable legal fees), claims, actions, proceedings, judgement, order or other sanction, lien, salvage, general average, suits, costs, expenses and disbursements, including reasonable legal fees and expenses, of whatsoever kind and nature imposed on, suffered or incurred by or asserted against any Indemnitee, in any way relating to, resulting from or arising out of or in connection with, in each case, directly or indirectly, any one or more of the following:

30.1.1 the delivery (including the Vessel not being delivered on the Scheduled Delivery Date after the Sellers have informed the Buyers of the Scheduled Delivery Date), registration and purchase of the Vessel by the Buyers whether prior to, during or after termination of this Agreement and whether or not the Vessel is in the possession or the control of the Sellers or otherwise in relation to any non-delivery to or acceptance by the Sellers (as bareboat charterers) of the Vessel under the Charter;

30.1.2 any breach of or failure to perform or observe, or any other non-compliance with, any covenant or agreement or other obligation to be performed by the Sellers under any Transaction Document to which they are a party or the falsity of any representation or warranty of the Sellers in any Transaction Document to which they are a party or the occurrence of any Potential MOA Termination Event;

30.1.3 a failure by an Obligor to pay any amount due under a Transaction Document on its due date;

30.1.4 funding, or making arrangements to fund, an amount required to be paid by the Buyers pursuant to a Payment Notice but not made by reason of the operation of any one or more of the provisions of this Agreement (other than by reason of default or negligence of the Buyers).

30.2 Notwithstanding anything to the contrary herein, the indemnities provided by the Sellers in favour of the Buyers shall continue in full force and effect notwithstanding any breach of the terms of this Agreement or termination of this Agreement pursuant to the terms hereof.

30.3 If the Flag State requires, or if there is any change in the flag state from the Flag State at the date of this Agreement and such new Flag State requires the Buyers to have a physical presence or office in the jurisdiction of the Flag State, all fees, costs and expenses arising out of or in connection with the establishment and maintenance of such physical presence or office by the Buyers shall be borne by the Sellers.

31 Calculations and certificates

31.1 In any litigation or arbitration proceedings arising out of or in connection with a Transaction Document, the entries made in the accounts maintained by the Buyers are prima facie evidence of the matters to which they relate.

31.2 Any certification or determination by the Buyers of a rate or amount under any Transaction Document is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

31.3 Any Pre-Delivery Interest, interest, commission or fee accruing under a Transaction Document will accrue from day to day and is calculated on the basis of the actual number of days elapsed and a year of 360 days or, in any case where the practice in the relevant market differs, in accordance with that market practice.

31.4 Confirmation of Pre-Delivery Interest

31.4.1 Without prejudice to Clause 31.2 above, the Buyers (as owners under the Charter) shall notify the Sellers (as bareboat charterers under the Charter) in writing, of the total amount of Pre-Delivery Interest accrued up to the Actual Delivery Date (the "**Total Pre-Delivery Interest**") no later than seven (7) Business Days prior to the first Hire Payment Date (as defined in the Charter).

31.4.2 If no written objection to the Total Pre-Delivery Interest as so notified is received by the Buyers from the Sellers by the date falling one (1) Business Day prior to the first Hire Payment Date, the Total Pre-Delivery Interest as determined and notified by the Buyers shall be deemed to have been accepted by the Sellers and shall be conclusive evidence of the amount of Pre-Delivery Interest accrued up to the Actual Delivery Date.

32 Law and jurisdiction

32.1 This Agreement and any non-contractual obligations arising from or in connection with it are in all respects governed by and shall be interpreted in accordance with English law.

32.2 Any dispute, controversy, difference or claim arising out of or relating to this contract, including the existence, validity, interpretation, performance, breach or termination thereof or any dispute regarding non- contractual obligations arising out of or relating to it shall be referred to and finally resolved by arbitration administered by the Hong Kong International Arbitration Centre (HKIAC) under the HKIAC Administered Arbitration Rules in force when the Notice of Arbitration is submitted.

32.2.1 The law of this arbitration clause shall be Hong Kong law.

32.2.2 The seat of arbitration shall be Hong Kong.

32.2.3 The number of arbitrators shall be three. The arbitration proceedings shall be conducted in English.

33 Determination of Market Value

33.1 The Market Value of the Vessel shall be the valuation of the Vessel under the Valuation Report which shall be prepared by an Approved Valuer nominated by the Buyers.

33.2 The Sellers shall arrange deliver to the Buyers and bear the cost of the issue of the Valuation Report required under this Clause 33.

33.3 If an Approved Valuer determines that the valuation of the Vessel shall fall within a range, the valuation as determined by such Approved Valuer shall be deemed to be the lower value of such range.

33.4 The valuation shall be provided by an Approved Valuer:

33.4.1 in US Dollars;

33.4.2 on a date no earlier than thirty (30) days prior to the Scheduled Delivery Date;

33.4.3 with or without physical inspection of the Vessel (as the Buyers may require);

33.4.4 on the basis of a sale for prompt delivery for cash on normal arm's length commercial terms as between a willing seller and a willing buyer, free of any existing charter or other contract of employment or such other basis as may be agreed by the Buyers; and

33.4.5 on such other terms and conditions as may be required by the Buyers.

Schedule 1

Conditions precedent and subsequent

Part I – Initial conditions precedent

1 Obligors

1.1 **Constitutional documents** Copies of the constitutional documents of each Obligor together with such other evidence as the Buyers may reasonably require that each Obligor is duly incorporated in its country of incorporation and remains in existence with power to enter into, and perform its obligations under, the Transaction Documents to which it is or is to become a party.

1.2 **Certificate of good standing** A copy of a certificate of good standing in respect of each Obligor (if such a certificate can be obtained).

1.3 **BVI certificate of good standing** A certificate of good standing in respect of the Chargor issued by the Registry of Corporate Affairs in the British Virgin Islands.

1.4 **Bermuda certificate of compliance** A certificate of compliance in respect of the Charter Guarantor issued by the Registry of Companies in Bermuda.

1.5 **Written resolutions** A copy of a resolution of the board of directors of each Obligor:

1.5.1 approving the terms of, and the transactions contemplated by, the Transaction Documents to which it is a party and resolving that it execute those Transaction Documents; and

1.5.2 authorising a specified person or persons to execute those Transaction Documents (and all documents and notices to be signed and/or dispatched under those documents) on its behalf.

1.6 **Copy passport and specimen signatures** A copy of the passport and specimen signatures of each person actually executing any of the Transaction Documents pursuant to the resolution referred to in 1.3 above.

1.7 **Shareholder resolutions** If required by any legal advisors to the Buyers, copy of a resolution signed by all the holders of the issued shares in each Obligor, approving the terms of, and the transactions contemplated by, the Transaction Documents to which that Obligor is a party.

1.8 **Powers of attorney** If applicable, the original power of attorney of each Obligor under which any document (including the Transaction Documents) are to be executed or transactions undertaken by it.

1.9 **Other approvals** If applicable, copies of all governmental and other consents, licences, approvals and authorisations as may be necessary to authorise the performance by each of the Obligors of its obligations under the Transaction Documents to which it is or (as the case may be) will be a party, and the execution, validity and enforceability of such Transaction Documents.

1.10 **Officer's certificates** An original certificate of a duly authorised representative of each Obligor:

1.10.1 certifying that each copy document relating to it specified in this Part I of Schedule 1 is correct, complete and in full force and effect;

1.10.2 setting out the names of the directors, officers and shareholders of that Obligor and the proportion of shares held by each shareholder;

1.10.3 confirming that guaranteeing or securing, as appropriate, the respective indebtedness or obligations would not cause any guarantee, security or similar limit binding on that Obligor to be exceeded; and

1.10.4 confirming that (a) it has not delivered particulars of any UK Establishment to the Registrar of Companies as required under the Overseas Regulations or (b) it has a UK Establishment and specifying the name and registered number under which it is registered with the Registrar of Companies.

2 Transaction Documents and related documents

2.1 **Vessel-related documents** Copies, certified as true, accurate and complete by a duly authorised representative of the Sellers, of:

2.1.1 the Building Contract;

2.1.2 the Refund Guarantee;

2.1.3 the other Project Documents (other than the Transaction Documents and any Time Charter);

2.2 **Transaction Documents** A duly executed original of:

2.2.1 this Agreement;

2.2.2 the Charter;

2.2.3 the Account Charge;

2.2.4 the Charter Guarantee;

2.2.5 the Charterers' Assignment;

2.2.6 any Manager's Undertaking;

2.2.7 the Pre-Delivery Assignment;

2.2.8 the Share Charge; and

2.2.9 the other Transaction Documents,

in each case together with all other documents required by any of them according to their terms, including, without limitation, all notices of assignment, charge and/or pledge and acknowledgements of all such notices of assignment, charge and/or pledge (other than (x) the acknowledgement executed by the Account Bank to the notice of charge required under the Account Charge and (y) the notices of assignment of insurances and the letters of undertaking required under the Charterers' Assignment).

2.3 **No disputes** The written confirmation of the Sellers that there is no dispute under any of the Project Documents as between the parties to any such document.

2.4 **Sellers' contribution** Evidence of full payment to the Builder of any part of the Contractual Purchase Price which is due and payable on or before the date of this Agreement.

3 **Legal opinions** A legal opinion of the legal advisers to the Buyers in each relevant jurisdiction (including England, Bermuda, BVI and Panama), or confirmation satisfactory to the Buyers that such an opinion will be given.

4 **Other documents and evidence**

4.1 **Other Authorisation** Such other Authorisation or other document, opinion or assurance which the Buyers reasonably consider to be necessary in connection with their entry into and performance of the transactions contemplated by any of the Transaction Documents or for the validity and enforceability thereof which, at the date of this Agreement, the Buyers are not aware of, and the Buyers shall, to the extent any Authorisation becomes necessary after the date of this Agreement, provide reasonable notice to the Sellers of such required Authorisation.

4.2 **Fees** Evidence satisfactory to the Buyers that the fees, costs and expenses due from the Sellers to the Buyers under Clauses 29 (*Taxes, costs and expenses*) and 30 (*Indemnities*) and fees, costs and expenses due from the Sellers (as charterers) to the Buyers (as owners) under clause 64 (*Fees and expenses*) of the Charter have been paid in accordance with the terms of such Clauses.

4.3 **"Know your customer" documents** Such documentation and other evidence as is reasonably requested by the Buyers or the Finance Parties in order for the Buyers or the Finance Parties to comply with all necessary "know your customer" or similar identification procedures in relation to the transactions contemplated in the Transaction Documents.

4.4 **Other documents etc.** Such other documents or evidence as the Buyers may require in relation to the Vessel, the Project Parties and/or the Project Documents.

4.5 **Listco shareholders' approval** Evidence that the approval of the majority shareholders of Jinhui Holdings in respect of the transactions contemplated under this Agreement has been obtained.

Part II – Instalment conditions precedent

1 **Notice/invoice** The notice and/or invoice issued by the Builder evidencing the obligation of the Sellers to pay the 1st instalment of the Contractual Purchase Price (that corresponds to the relevant Instalment) under the Building Contract on a date no later than the proposed Payment Date as specified in the relevant Payment Notice.

2 **Sellers' equity contribution** Evidence of full payment to the Builder of any part of the Contractual Purchase Price which is due and payable on or before the relevant Payment Date and which is not being financed by the Buyers.

3 **Fees** Evidence satisfactory to the Buyers that the fees, costs and expenses due from the Sellers to the Buyers under Clauses 29 (*Taxes, costs and expenses*) and 30 (*Indemnities*) and fees, costs and expenses due from the Sellers (as charterers) to the Buyers (as owners) under clause 64 (*Fees and expenses*) of the Charter have been paid in accordance with the terms of such Clauses.

4 **Other documents etc.** Such other documents or evidence as the Buyers may require in relation to the Vessel, the Project Parties and/or the Project Documents.

Part III – Pre-position conditions precedent

1 **Bringdown certificate** A certificate signed by a duly authorised representative of the Sellers confirming that none of the documents and evidence delivered to the Buyers pursuant to Clauses 8.1 (*Initial conditions precedent*) and 8.2 (*Instalment conditions subsequent*) has been amended, modified or revoked in any way since its delivery to the Buyers.

2 **Vessel-related documents**

2.1 **Title transfer documents** Agreed forms or drafts of the following:

2.1.1 the builder's certificate and/or bill of sale transferring title in the Vessel from the Builder;

2.1.2 the legal bill(s) of sale recordable in the Buyers' Flag State, transferring title of the Vessel to the Buyers and stating that the Vessel is free from all mortgages, encumbrances and maritime liens or any other debts whatsoever;

2.1.3 the Sellers' PDA;

2.1.4 the Builder's PDA;

2.1.5 if applicable, the declaration of warranty issued by the Builder evidencing that the Vessel is free from any registered Encumbrance,

2.1.6 any additional documents as may be required by the Flag State for the purpose of registering the Vessel.

2.2 **Notice/invoice** The notice and/or invoice issued by the Builder evidencing the obligation of the Sellers to pay the relevant instalment of the Contractual Purchase Price (that corresponds to the relevant Instalment under the Building Contract) on a date no later than the proposed Payment Date as specified in the relevant Payment Notice.

2.3 **Vessel documents** Copies of:

2.3.1 if applicable, each Management Agreement;

2.3.2 the most updated and valid Document of Compliance (as such term is defined pursuant to the ISM Code).

2.4 **FME Registration** If required in connection with the Buyers' ownership of the Vessel, confirmation from the registry of the Flag State that the Buyers have been registered as a foreign maritime entity.

2.5 **Evidence of Buyers' title** Evidence satisfactory to the Buyers that:

2.5.1 any prior registration of the Vessel in the ownership of the Builder and any Encumbrance registered against that ownership will be cancelled on the Actual Delivery Date (or written confirmation from the Builder that there was no such prior registration); and

2.5.2 the Vessel will be registered in the Flag State in the ownership of the Buyers on the Actual Delivery Date.

3 **Sellers' equity contribution** Evidence of full payment to the Builder of any part of the Contractual Purchase Price which is due and payable on or before the Payment Date and which is not being financed by the Buyers (including but not limited to any shortfall between the Delivery Instalment and the "4th Installment" (the final instalment) of the Contractual Purchase Price).

4 **Valuation** A Valuation Report of the Vessel addressed to the Buyers certifying the Market Value for the Vessel, acceptable to the Buyers.

5 **Fees** Evidence satisfactory to the Buyers that the fees, costs and expenses then due from the Sellers to the Buyers under Clauses 29 (*Taxes, costs and expenses*) and 30 (*Indemnities*) and fees, costs and expense due from the Sellers (as charterers) to the Buyers (as owners) under clause 64 (*Fees and expenses*) under the Charter have been paid in accordance with the terms of such Clauses.

6 **Other Authorisation** Such other Authorisation or other document, opinion or assurance which the Buyers reasonably consider to be necessary in connection with their entry into and performance of the transactions contemplated by any of the Transaction Documents or for the validity and enforceability thereof (including, without limitation in relation to or for the purposes of any financing by the Buyers).

7 **Evidence of insurance**

7.1 Evidence that the Vessel will on the Actual Delivery Date be insured in the manner required by the Transaction Documents.

7.2 If required by the Buyers, an insurance report of the Insurances in form and substance acceptable to the Buyers by an insurance adviser appointed by the Buyers.

8 **Other documents and evidence** Such other documents or evidence relating to the Vessel, the Project Parties and/or the Project Documents as the Buyers may reasonably require.

9 **Sub-Charter and Time Charter** Copies, certified as true, accurate and complete by a duly authorised representative of the Sellers of any Sub-Charter, Sub-Charter Guarantee, Time Charter and Time Charter Guarantee which are or will be in effect as at the Actual Delivery Date.

10 **Time Charter Assignment and related documents** If a Time Charter will be in effect as at the Actual Delivery Date:

10.1 **Time Charter Assignment** a duly executed original of the Time Charter Assignment, together with all other documents required by the Time Charter Assignment according to its terms, including, without limitation, the notice of assignment and acknowledgement of such notice of assignment required under the Time Charter Assignment;

10.2 **Constitutional documents** copies of the constitutional documents of the Time Charter Assignor together with such other evidence as the Buyers may reasonably require that the Time Charter Assignor is duly incorporated in its country of incorporation and remains in existence with power to enter into, and perform its obligations under, the Transaction Documents to which it is or is to become a party.

10.3 **Certificate of good standing** a copy of a certificate of good standing in respect of the Time Charter Assignor (if such a certificate can be obtained).

10.4 **Written resolutions** a copy of a resolution of the board of directors of the Time Charter Assignor:

10.4.1 approving the terms of, and the transactions contemplated by, the Transaction Documents to which it is a party and resolving that it execute those Transaction Documents; and

10.4.2 authorising a specified person or persons to execute those Transaction Documents (and all documents and notices to be signed and/or dispatched under those documents) on its behalf.

10.5 **Copy passport and specimen signatures** a copy of the passport and specimen signatures of each person actually executing any of the Transaction Documents pursuant to the resolution referred to in 10.4 above.

10.6 **Shareholder resolutions** If required by any legal advisors to the Buyers, a copy of a resolution signed by all the holders of the issued shares the Time Charter Assignor, approving the terms of, and the transactions contemplated by, the Transaction Documents to which the Time Charter Assignor is a party.

10.7 **Powers of attorney** if applicable, the original power of attorney of the Time Charter Assignor under which any document (including the Transaction Documents) are to be executed or transactions undertaken by it.

10.8 **Other approvals** if applicable, copies of all governmental and other consents, licences, approvals and authorisations as may be necessary to authorise the performance by the Time Charter Assignor of its obligations under the Transaction Documents to which it is or (as the case may be) will be a party, and the execution, validity and enforceability of such Transaction Documents.

10.9 **Officer's certificates** an original certificate of a duly authorised representative of the Time Charter Assignor:

10.9.1 certifying that each copy document relating to it specified in this Part III of Schedule 1 is correct, complete and in full force and effect;

10.9.2 setting out the names of the directors, officers and shareholders of the Time Charter Assignor and the proportion of shares held by each shareholder;

10.9.3 confirming that guaranteeing or securing, as appropriate, the respective indebtedness or obligations would not cause any guarantee, security or similar limit binding on the Time Charter Assignor to be exceeded; and

10.9.4 confirming that (a) it has not delivered particulars of any UK Establishment to the Registrar of Companies as required under the Overseas Regulations or (b) it has a UK Establishment and specifying the name and registered number under which it is registered with the Registrar of Companies; and

10.10 **Legal opinion** a legal opinion of the legal advisers to the Buyers in each relevant jurisdiction (including England and the jurisdiction of incorporation of the Time Charter Assignor) in relation to the Time Charter Assignment, or confirmation satisfactory to the Buyers that such an opinion will be given.

Part IV – Delivery Date conditions precedent

1 Vessel-related documents

1.1 **Title transfer documents** Originals of the following duly executed documents:

1.1.1 the builder's certificate and/or bill of sale transferring title in the Vessel from the Builder;

1.1.2 the legal bill(s) of sale recordable in the Buyers' Flag State, transferring title of the Vessel to the Buyers and stating that the Vessel is free from all mortgages, encumbrances and maritime liens or any other debts whatsoever, duly notarially attested and legalised or apostilled, as required by the Flag State;

1.1.3 the Sellers' PDA;

1.1.4 the Builder's PDA; and

1.1.5 the declaration of warranty issued by the Builder evidencing that the Vessel is free from any registered Encumbrance; and

1.1.6 such other additional documents as may be required by the Flag State for the purpose of registering the Vessel.

1.2 **Technical documents** Copies of the following:

1.2.1 the Vessel's current Safety Management Certificate (as such term is defined pursuant to the ISM Code);

1.2.2 the Vessel's current ISSC;

1.2.3 the Vessel's current IAPPC;

1.2.4 the Vessel's current tonnage certificate;

1.2.5 the Vessel's classification certificate evidencing that it is free of all recommendations and requirements from the Classification Society,

in each case (A) together with all addenda, amendments or supplements, and (B) in respect of any of the Safety Management Certificate, ISSC, IAPPC and classification certificate, such document may be in provisional form (where applicable) or if such provisional form is not available on or prior to the Actual Delivery Date, in final draft form.

1.3 **Evidence of Buyers' title** Evidence satisfactory to the Buyers that any prior registration of the Vessel in the ownership of the Builder and any Encumbrance registered against that ownership have been cancelled (or written confirmation from the Builder that there was no such prior registration) and evidence that on the Actual Delivery Date the Vessel will be at least provisionally registered under the Flag State in the ownership of the Buyers.

2 **Other Authorisation** Such other Authorisation or other document, opinion or assurance which the Buyers reasonably consider to be necessary in connection with their entry into and performance of the transactions contemplated by any of the Transaction Documents or for the validity and enforceability thereof (including, without limitation in relation to or for the purposes of any financing by the Buyers).

3 **Fees** Evidence satisfactory to the Buyers that the fees, costs and expenses then due from the Sellers to the Buyers under Clauses 29 (*Taxes, costs and expenses*) and 30 (*Indemnities*) and fees, costs and expenses due from the Sellers (as charterers) to the Buyers (as owners) under clause 64 (*Fees and expenses*) under the Charter have been paid in accordance with the terms of such Clauses.

4 **Delivery under Sub-Charter or Time Charter** Evidence that the Vessel has been delivered to and accepted by the relevant Sub-Charterers or Time Charterer pursuant to the relevant Sub-Charter or Time Charter (as the case may be) (such evidence to be demonstrated by a protocol of delivery and acceptance duly executed by the Charterers and the relevant Sub-Charterers or Time Charterer or such other documentary evidence satisfactory to the Buyers).

5 **Log books etc.** True copies of all log books, classification certificates, plans, drawings, record books, instruction manuals and other requisite certificates as may be requested by the Buyers.

Part V – Conditions subsequent

The Sellers undertake to deliver or cause to be delivered to the Buyers the following documents and evidence within the relevant time period as specified below:

1 **Technical documents** To the extent that any certificate received by the Buyers and referred to in paragraph 1.2 of Part IV (*Delivery Date conditions precedent*) of this Schedule 1 was:

1.1 in final draft form at the time of the receipt, deliver or cause to be delivered to the Buyers the corresponding provisional certificate within three Business Days of the Actual Delivery Date, with the formal certificate to follow as soon as possible after the Sellers' receipt of the same from the relevant persons, and in any event prior to the expiry of the validity period of such provisional certificate;

1.2 in provisional form at the time of the receipt, deliver or cause to be delivered to the Buyers the corresponding formal certificate as soon as possible after the Sellers' receipt of the same from the relevant persons, and in any event prior to the expiry of the validity period of such provisional certificate.

2 **Evidence of Buyers' title** Within two days from the Actual Delivery Date, the certificate of registry and/or transcript of register (or other equivalent) issued by the registry of the ships of the Flag State confirming that the Vessel is definitively and permanently registered under that flag in the absolute and unencumbered ownership of the Buyers.

3 **Letters of undertaking** Within ten Business Days from the Actual Delivery Date:

3.1 letters of undertaking in respect of the Insurances as required by the Transaction Documents, together with copies of the relevant policies or cover notes or entry certificates in respect of the Insurances duly endorsed with the interest of the Buyers;

3.2 if applicable, the original of the insurance report referred to under paragraph 8.2 of Part III (*Pre-position conditions precedent*) of this Schedule 1.

4 **Registration of charges** Evidence that the prescribed particulars of the relevant Security Documents have been delivered to the relevant registry of companies within the statutory time limit.

Schedule 2

Form of Payment Notice

To: **Hai Kuo Shipping 1971T Limited**
c/o ICBC Financial Leasing Co., Ltd.
16-19/F, Building #5, Yuetan Centre
Yard 1, Yuetan South Street
Xicheng District, Beijing 100045
The People's Republic of China

From: **Jinyao Marine Inc.**

20[•]

Dear Sirs

Hull No. JNS674 – memorandum of agreement dated (the "MOA")

1 We refer to the MOA. This is a Payment Notice.

2 Terms defined in the MOA shall have the same meaning in this Payment Notice unless given a different meaning in this Payment Notice.

3 Pursuant to clause 5.2 (*Completion of a Payment Notice*) of the MOA we irrevocably request that you advance US$[•], being the [First/Delivery] Instalment in respect of the Vessel, to us on _________ 20[•], which is a Business Day, by paying the advance in accordance with the MOA to the following account:

Beneficiary Bank:	[•]
Swift Code:	[•]
Account number:	[•]
Name on Account:	[•]

4 [The Scheduled Delivery Date is [•] and the Pre-Position Date is [•].]

5 We warrant that each condition specified in Clause 8.1.2 (*Initial and further conditions precedent*) is satisfied on the date of this Payment Notice.

Yours faithfully

For and on behalf of

Jinyao Marine Inc.

....

Name:

Title:

In witness of which the parties to this Agreement have executed this Agreement the day and year first before written.

SELLERS

Signed for and on behalf of)
Jinyao Marine Inc.)
by its lawfully appointed attorney)
Shum Yee Hong)
in the presence of:)

Witness signature: ....
Name: Kwok Wai Yu Rosanna
Address: 26/F, Yardley Commercial Building,
1-6 Connaught Road West,
Hong Kong

BUYERS

Signed for and on behalf of)
Hai Kuo Shipping 1971T Limited)
by its lawfully appointed attorney)
____________________)
in the presence of:)

Witness signature: ....
Name:
Address:

In witness of which the parties to this Agreement have executed this Agreement the day and year first before written.

SELLERS

Signed for and on behalf of)
Jinyao Marine Inc.)
by its lawfully appointed attorney)
____________________)
in the presence of:)

Witness signature: ....
Name:
Address:

BUYERS

Signed for and on behalf of)
Hai Kuo Shipping 1971T Limited)
by its lawfully appointed attorney) Jianan Sai
Jianan Sai)
in the presence of:)

Witness signature: ....
Name: Yeung Sze Cheuk
Address:

43/F, One Taikoo Place,
979 King's Road,
Quarry Bay, Hong Kong

BARECON 2017

BIMCO STANDARD FORM

STANDARD BAREBOAT CHARTER

PART 1

1. Place and date 28 July 2026	
2. Owners (Cl. 1) (i) Name: **Hai Kuo Shipping 1971T Limited** (ii) Place of registered office: **Room 1915, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong** (iii) Law of registry: **Hong Kong**	3. Charterers (Cl. 1) (i) Name: **Jinyao Marine Inc.** (ii) Place of registered office: **Floor 19, Banco General Tower, Aquilino de la Guardia Street, Marbella, Panama City, Republic of Panama** (iii) Law of registry: **Panama**
4. Vessel (Cl. 1 and 3) (i) Name: **Hull number JNS674** (ii) IMO number: **TBA** (iii) Flag State: **(on Actual Delivery Date) Hong Kong** (iv) Type: **Bulk carrier**	(v) GT/NT: **as per Building Contract** ~~/~~ (vi) Summer DWT: **as per Building Contract** (vii) When/where built: **scheduled for 2028** / **Jiangmen Nanyang Ship Engineering Co., Ltd.** (viii) Classification Society: **Bureau Veritas**
5. Date of last special survey by the Vessel's Classification Society	6. Validity of class certificates (state number of months to apply) (i) Delivery (Cl. 3): (ii) Redelivery (Cl. 10):
7. Latent Defects (state number of months to apply) (Cl. 1, 3)	8. Port or place of delivery (Cl. 3) **As per MOA (as defined in Additional Clause 39 (Definitions))**
9. Delivery notices (Cl. 4) **N/A** ~~days' approximate notices and~~ ~~days' definite notices~~	10. Time for delivery (Cl. 4) **See Additional Clause 42 (Pre-delivery and delivery)**
11. Cancelling date (Cl. 4, 5) **N/A**	12. Port or place of redelivery (Cl. 10) **See Additional Clause 49 (Redelivery)**
13. Redelivery notices (Cl. 10) **N/A** ~~days' approximate notices and~~ ~~days' definite notices~~	14. Trading limits (Cl. 11) **Worldwide, always within International Navigating Limits, see also Additional Clause 54.40 (Trading limits)**

Explanatory notes are available from BIMCO at www.bimco.org. First published in 1974 as BARECON A and B. Amalgamated and revised in 1989. Revised 2001 and 2017.

15. Bunker fuels, unused oils and greases (optional, state if (a) (actual net price), or (b) (current net market price) to apply) (Cl. 9)	16. Charter period (Cl. 2) **See Additional Clause 39 (Definitions)**
17. Charter hire ~~(state currency and amount) (Cl. 2, 10 and 15)~~ ~~(i) Charter hire:~~ **See Additional Clause 47 (Hire)** ~~(ii) Charter hire for optional period:~~	18. Optional period and notice (Cl. 2) (i) State extension period in months: (ii) State when declarable:
19. Rate of interest payable (Cl. 15(g)) **See Additional Clause 47.8 (Default interest)**	20. Owners' bank details (state beneficiary and bank account) (Cl. 15) **See Additional Clause 47 (Hire)**

21. New class and other regulatory requirements (Cl. 13(b))

(i) State if 13(b)(i) or (ii) to apply: **13(b)(i) applies. See also Additional Clause 46.2**

(ii) Threshold amount (AMT):

(iii) Vessel's expected remaining life in years on the date of delivery:

22. Mortgage(s), if any (state if 16(a) or (b) to apply; if 16(b) applies state date of Financial Instrument and name of Mortgagee(s)/Place of business) (Cl. 1, 16)

Clause 16 (b) applies. Form of Financial Instrument and name of mortgagee to be determined.

23. Insured Total Loss value (Cl. 17) **N/A**	24. Insuring party (state if Cl. 17(b) (Charterers to insure) or Cl. 17(c) (Owners to insure) to apply) **See Additional Clause 48 (Insurance)**

25. Performance guarantee (state amount and entity) (Cl. 27) (optional)

See definition of "Charter Guarantee"

26. Dispute Resolution (state 33(a), 33(b), 33(c) or 33(d); if 33(c) is agreed, state Singapore or English law; if 33(d) is agreed, state governing law and place of arbitration) (Cl. 33)

(d) See Additional Clause 84 (Law and jurisdiction)

27. Newbuilding Vessel (indicate with "yes" or "no" whether PART III applies and if "yes", complete details below) (optional) Part III does not apply

No

(i) Name of Builders:

(ii) Hull number:

(iii) Date of newbuilding contract:

(iv) Liquidated damages for physical defects or deficiencies (state party):

(v) Liquidated damages for delay in delivery (state party):

28. Purchase Option (indicate with "yes" or "no" whether PART IV applies) (optional) **Yes** See Additional Clause 61 (Early Termination, purchase option, purchase obligation and transfer of title)	29. Bareboat Charter Registry (indicate with "yes" or "no" whether PART V applies and if "yes", complete details below) (optional) Part V does not apply (i) Underlying Registry: (ii) Bareboat Charter Registry:
30. Notices to Owners (state full style details for serving notices) (Cl. 34) **See Additional Clause 76 (Notices)**	31. Notices to Charterers (state full style details for serving notices) (Cl. 34) **See Additional Clause 76 (Notices)**

It is mutually agreed that this Charter Party shall be performed subject to the conditions contained in this Charter Party which shall include PART I and PART II. In the event of a conflict of conditions, the provisions of PART I shall prevail over those of PART II to the extent of such conflict but no further. ~~It is further mutually agreed that PART III and/or PART IV and/or PART V shall only apply and only form part of this Charter Party if expressly agreed and stated in Box 27, 28 and 29. If PART III and/or PART IV and/or PART V applies, it is further agreed that in the event of a conflict of conditions, the provisions of PART I and PART II shall prevail over those of PART III and/or PART IV and/or PART V to the extent of such conflict but no further.~~

Additional Clauses 39 to 84 (both inclusive) form an integral part of this Charter Party. In the event of any inconsistency between any terms set out in clauses 1 to 38 of this Charter Party and any terms set out in the Additional Clauses (i.e., clauses 39 to 84) of this Charter Party, the terms of the Additional Clauses shall prevail.

~~Signature (Owners)~~	~~Signature (Charterers)~~

PART II

1. Definitions

In this Charter Party:

~~"Banking Day" means a day on which banks are open in the places stated in Boxes 2, 3, 30 and 31, and, for payments in US dollars, in New York.~~

"Charterers" means the party identified in Box 3.

"Crew" means the Master, officers and ratings and any other personnel employed on board the Vessel.

"Financial Instrument" means any Finance Document (as defined in Additional Clauses 39 (Definitions) and 40 (Interpretation).~~the mortgage, deed of covenant or other such financial security instrument as identified in Box 22.~~

"Flag State" means the flag state in Box 4 or such other flag state to which the Charterers may have re-registered the Vessel with the Owners' consent during the Charter Period.

"Latent Defect" means a defect which could not be discovered on such an examination as a reasonably careful skilled person would make.

"Owners" means the party identified in Box 2.

~~"Total Loss" means an actual, constructive, compromised or agreed total loss of the Vessel under the insurances.~~

~~"Vessel" means the vessel described in Box 4 including its equipment, machinery, boilers, fixtures and fittings.~~

2. Charter Period

The Owners have agreed to let and the Charterers have agreed to hire the Vessel for the ~~period stated in Box 16 ("Charter Period").~~Charter Period.

~~The Charterers shall have the option to extend the Charter Period by the period stated in Box 18(i) at the rate stated in Box 17(ii), which option shall be exercised by written notice to the Owners latest as stated in Box 18(ii).~~

Subject to the terms and conditions herein provided, during the Charter Period the Vessel shall be in the full possession and at the absolute disposal for all purposes of the Charterers and under their complete control in every respect.

3. Delivery - See Additional Clause 42 (Predelivery and delivery)

~~(not applicable when Part III applies, as stated in Box 27).~~

~~(a) The Owners shall deliver the Vessel in a seaworthy condition and in every respect ready for service under this Charter Party and in accordance with the particulars stated in Boxes 4 to 6.~~

~~If the Charterers have inspected the Vessel prior to delivery, the Vessel shall be delivered by the Owners in the same condition as at the time of inspection, fair wear and tear excepted.~~

~~The Vessel shall be delivered by the Owners and taken over by the Charterers at the port or place stated in Box 8 at such readily accessible safe berth or mooring as the Charterers may direct.~~

~~(b) The Vessel shall be properly documented on delivery in accordance with the laws and regulations of the Flag State and the requirements of the Classification Society stated in Box 4. The Vessel upon delivery shall have its survey cycles up to date and class certificates valid and unextended for at least the number of months stated in Box 6(i) free of any conditions or recommendations. If Box 6(i) is not filled in, then six (6) months shall apply.~~

~~(c) The delivery of the Vessel by the Owners and the taking over of the Vessel by the Charterers shall constitute a full performance by the Owners of all the Owners' obligations under this Clause, and thereafter the Charterers shall not be entitled to make or assert any claim against the Owners on account of any conditions, representations or warranties expressed or implied with respect to the Vessel but the Owners shall be liable for the cost of but not the time for repairs or renewals arising out of Latent Defects in the Vessel existing at the time of delivery under this Charter Party,~~

~~provided such Latent Defects manifest themselves within the number of months after delivery stated in Box 7. If Box 7 is not filled in, then twelve (12) months shall apply.~~

4. Time for Delivery **- See Additional Clause 42 (Pre-delivery and delivery)**

~~(not applicable when Part III applies, as stated in Box 27)~~

~~The Vessel shall not be delivered before the date stated in Box 10 without the Charterers' consent and the Owners shall exercise due diligence to deliver the Vessel not later than the date stated in Box 11.~~

~~The Owners shall keep the Charterers informed of the Vessel's itinerary for the voyage leading up to delivery and shall serve the Charterers with the number of days approximate/definite notices of the Vessel's delivery stated in Box 9. Following the tender of any such notices the Owners shall give or allow to be given to the Vessel only such further employment orders as are reasonably expected when given to allow delivery to occur by the date notified.~~

5. Cancelling **- See Additional Clause 41 (MOA)**

~~(not applicable when Part III applies, as stated in Box 27)~~

~~(a) Should the Vessel not be delivered by the cancelling date stated in Box 11, the Charterers shall have the option of cancelling this Charter Party.~~

~~(b) If it appears that the Vessel will be delayed beyond the cancelling date, the Owners may, as soon as they are in a position to state with reasonable certainty the day on which the Vessel should be ready, give notice thereof to the Charterers asking whether they will exercise their option of cancelling, and the option must then be declared within three (3) Banking Days of the receipt by the Charterers of such notice. If the Charterers do not then exercise their option of cancelling, the readiness date stated in the Owners' notice shall be substituted for the cancelling date stated in Box 11 for the purpose of this Clause 5 (Cancelling).~~

~~(c) Cancellation under this Clause 5 (Cancelling) shall be without prejudice to any claim the Charterers may otherwise have against the Owners under this Charter Party.~~

6. Familiarisation

~~(a) The Charterers shall have the right to place a maximum of two (2) representatives on board the Vessel at their sole risk and expense for a reasonable period prior to the delivery of the Vessel.~~

~~The Charterers and the Charterers' representatives shall sign the Owners' usual letter of indemnity prior to embarkation.~~

~~(b) The Owners shall have the right to place a maximum of two (2) representatives on board the Vessel at their sole risk and expense for a reasonable period prior to the redelivery of the Vessel~~.

~~The Owners and the Owners' representatives shall sign the Charterers' usual letter of indemnity prior to embarkation.~~

~~(c) Such representatives shall be on board for the purpose of familiarisation and in the capacity of observers only, and they shall not interfere in any respect with the operation of the Vessel.~~

7. Surveys on Delivery and Redelivery

~~(a) The Owners and Charterers shall each appoint and pay for their respective surveyors for the purpose of determining and agreeing in writing the condition of the Vessel at the time of delivery and redelivery hereunder. The Owners shall bear all the Vessel's expenses related to the on-hire survey including loss of time, if any. The Charterers shall bear all the Vessel's expenses related to the off-hire survey including loss of time, if any.~~

~~(b) Divers inspection on delivery/re-delivery~~

~~The Charterers shall have the option at delivery and the Owners shall have the option at redelivery, at their respective time, cost and expense, to arrange for an underwater inspection by a diver approved by the Classification Society, in~~

~~the presence of a Classification Society surveyor, to determine the condition of the rudder, propeller, bottom and other underwater parts of the Vessel.~~

8. Inventories

A complete inventory of the Vessel's equipment, outfit, spare parts and consumable stores on board the Vessel shall be made by the parties on delivery and redelivery of the Vessel.

9. Bunker fuels, oils and greases - See Additional Clause 44 (Bunkers and luboils)

~~The Charterers and the Owners, respectively, shall at the time of delivery and redelivery take over and pay for all bunker fuels and unused lubricating and hydraulic oils and greases in storage tanks and unopened drums at:~~

~~(a)* The actual price paid (excluding barging expenses) as evidenced by invoices or vouchers.~~

~~(b)* The current market price (excluding barging expenses) at the port and date of delivery/redelivery of the Vessel or, if unavailable, at the nearest bunkering port.~~

~~*Subclauses (a) and (b) are alternatives; state alternative agreed in Box 15. If Box 15 is not filled in, then subclause (a) shall apply.~~

10. Redelivery - See Additional Clauses 49 (Redelivery) and 50 (Redelivery conditions)

~~At the expiration of the Charter Period the Vessel shall be redelivered by the Charterers and taken over by the Owners at the port or place stated in Box 12 at such readily accessible safe berth or mooring as the Owners may direct.~~

~~The Charterers shall keep the Owners informed of the Vessel's itinerary for the voyage leading up to redelivery and shall serve the Owners with the number of days approximate/definite notices of the Vessel's redelivery stated in Box 13.~~

~~The Charterers warrant that they will not permit the Vessel to commence a voyage (including any preceding ballast voyage) which cannot reasonably be expected to be completed in time to allow redelivery of the Vessel within the Charter Period and in accordance with the notices given. Notwithstanding the above, should the Charterers fail to redeliver the Vessel within the Charter Period, the Charterers shall pay the daily equivalent to the rate of hire stated in Box 17(i) applicable at the time plus ten (10) per cent or the market rate, whichever is the higher, for the number of days by which the Charter Period is exceeded. Such payment of the enhanced hire rate shall be without prejudice to any claims the Owners may have against the Charterers in this respect. All other terms, conditions and provisions of this Charter Party shall continue to apply.~~

~~Subject to the provisions of Clause 13 (Maintenance and Operation), the Vessel shall be redelivered to the Owners in the same condition and class as that in which it was delivered, fair wear and tear not affecting class excepted.~~

~~The Vessel upon redelivery shall have her survey cycles up to date and class certificates valid and unextended for at least the number of months agreed in Box 6(ii) free of any conditions or recommendations. If Box 6(ii) is not filled in, then six (6) months shall apply.~~

~~All plans, drawings and manuals (excluding ISM/ISPS manuals) and maintenance records shall remain on board and accessible to the Owners upon redelivery. Any other technical documentation regarding the Vessel which may be in the Charterers' possession shall promptly after redelivery be forwarded to the Owners at their expense, if they so request. The Charterers may keep the Vessel's log books but the Owners shall have the right to make copies of the same.~~

11. Trading Restrictions

The Vessel shall be employed in lawful trades for the carriage of lawful merchandise within the trading limits stated in Box 14.

The Charterers undertake not to employ the Vessel or allow the Vessel to be employed otherwise than in conformity with the terms of the contracts of insurance (including any warranties expressed or implied therein) without first obtaining the consent of the insurers to such employment and complying with such requirements as to additional premium or otherwise as the insurers may require.

The Charterers will not do or permit to be done anything which might cause any breach or infringement of the laws and regulations of the Flag State, or of the places where the Vessel trades.

Notwithstanding any other provisions contained in this Charter Party it is agreed that nuclear fuels or radioactive products or waste are specifically excluded from the cargo permitted to be loaded or carried under this Charter Party. This exclusion does not apply to radio-isotopes used or intended to be used for any industrial, commercial, agricultural, medical or scientific purposes provided the Owners' prior approval has been obtained to loading thereof. See also Additional Clause 54.40 (Trading limits).

12. Contracts of Carriage

(a) The Charterers are to procure that all documents issued during the ~~Charter Period~~Agreement Term evidencing the terms and conditions agreed in respect of carriage of goods shall contain a paramount clause which shall incorporate the Hague-Visby Rules, the Hague Rules or the Hamburg Rules unless any other legislation relating to carrier's liability for cargo is compulsorily applicable in the trade. The documents shall also contain the New Jason Clause and the Both-to-Blame Collision Clause.

~~(b) The Charterers are to procure that all passenger tickets issued during the Charter Period for the carriage of passengers and their luggage under this Charter Party shall contain a paramount clause which shall incorporate the Athens Convention Relating to the Carriage of Passengers and their Luggage by Sea, 1974, and any protocol thereto, unless any other legislation relating to carrier's liability for passengers and their luggage is compulsorily applicable in the trade.~~

13. Maintenance and Operation

(a) Maintenance

The Charterers shall properly maintain the Vessel in a good state of repair, in efficient operating condition and in accordance with good commercial maintenance practice and, at their own expense, maintain the Vessel's Class with the Classification Society stated in Box 4 and all necessary certificates.

(b) New Class and Other Regulatory Requirements

(i)* In the event of any structural changes or new equipment becoming necessary for the continued operation of the Vessel by reason of new class requirements or by compulsory legislation ("Required Modification"), all such costs shall be for the Charterers' account.

~~(ii)* In the event of any structural changes or new equipment becoming necessary for the continued operation of the Vessel by reason of a Required Modification, the costs shall be apportioned as follows:~~

~~(1) if the costs of the Required Modification are less than the amount stated in Box 21(ii), such costs shall be for the Charterers' account;~~

~~(2) if the costs of the Required Modification are greater than the amount stated in Box 21(ii), the Charterers' portion of costs shall be apportioned using the formula below; all costs other than the Charterers' portion shall be for the Owners' account.~~

~~AMT = agreed amount stated in Box 21(ii)~~

~~CRM = cost of Required Modification~~

~~MEL = modification's expected life in years~~

~~VEL = the Vessel's expected remaining life in years stated in Box 21(iii) less the number of years between the date of delivery and the date of the modification.~~

~~RPY = remaining charter period in years~~

Explanatory notes are available from BIMCO at www.bimco.org. First published in 1974 as BARECON A and B. Amalgamated and revised in 1989. Revised 2001 and 2017.

~~(i) If the Required Modification is expected to last for the remaining life of the Vessel, then:~~

~~Charterers' portion of costs = (CRM/VEL) x RPY~~

~~(ii) If the Required Modification is not expected to last for the remaining life of the Vessel, then:~~

~~Charterers' portion of costs = (CRM/MEL) x RPY~~

~~*Subclauses 13(b)(i) and 13(b)(ii) are alternatives, state alternative agreed in Box 21(i). If Box 21(i) is not filled in, then subclause 13(b)(i) shall apply.~~

(c) Financial Security

The Charterers shall maintain financial security or responsibility in respect of third party liabilities as required by any government, including federal, state or municipal or other division or authority thereof, to enable the Vessel, without penalty or charge, lawfully to enter, remain at, or leave any relevant port, place, territorial or contiguous waters of any country, state or municipality in performance of this Charter Party without any delay. This obligation shall apply whether or not such requirements have been lawfully imposed by such government or division or authority thereof. The Charterers shall make and maintain all arrangements by bond or otherwise as may be necessary to satisfy such requirements at the Charterers' sole expense and the Charterers shall indemnify the Owners against all consequences whatsoever (including loss of time) for any failure or inability to do so.

(d) Operation of the Vessel

The Charterers shall at their own expense crew, victual, navigate, operate, supply, fuel, maintain and repair the Vessel during the ~~Charter Period~~Agreement Term and they shall be responsible for all costs and expenses whatsoever relating to their use and operation of the Vessel, including any taxes and fees. The Crew shall be the servants of the Charterers for all purposes whatsoever, even if for any reason appointed by the Owners.

(e) Information to Owners

The Charterers shall keep the Owners advised of the intended employment, planned dry-docking and major repairs of the Vessel, as reasonably required by the Owners. See also Additional Clause 54.4.11

(f) Flag and Name of Vessel - See Additional Clause 60 (Name of Vessel)

~~During the Charter Period, the Charterers shall have the liberty to paint the Vessel in their own colours, install and display their funnel insignia and fly their own house flag. The Charterers shall also have the liberty, with the Owners' prior written consent, which shall not be unreasonably withheld, to change the flag and/or the name of the Vessel during the Charter Period. Painting and re-painting, instalment and re-instalment, registration and re-registration, if required by the Owners, shall be at the Charterers' expense and time.~~

(g) Changes to the Vessel - See Additional Clause 46 (Structural changes and alternations)

~~Subject to subclause 13(b) (New Class and Other Regulatory Requirements), the Charterers shall make no structural or substantial changes to the Vessel without the Owners' prior written approval. If the Owners agree to such changes, the Charterers shall, if the Owners so require, restore the Vessel, prior to redelivery of the Vessel, to its former condition.~~

(h) Use of the Vessel's Outfit and Equipment

The Charterers shall have the use of all outfit, equipment and spare parts on board the Vessel at the time of delivery, provided the same or their substantial equivalent shall be returned to the Owners on redelivery in the same good order and condition as on delivery as per the inventory (see Clause 8 (Inventories)), ordinary wear and tear excepted. The Charterers shall from time to time during the Charter Period replace such equipment that become unfit for use. The Charterers shall procure that all repairs to or replacement of any damaged, worn or lost parts or equipment will be effected in such manner (both as regards workmanship and quality of materials, including spare parts) as not to diminish the value of the Vessel.

The Charterers have the right to fit additional equipment at their expense and risk but title to such additional equipment shall be deemed to have passed to the Owners immediately upon such titling, and the Charterers shall remove such equipment at the end of the Charter Period if requested by the Owners. Any hired equipment on board the Vessel at the time of delivery shall be kept and maintained by the Charterers and the Charterers shall assume the obligations and liabilities of the Owners under any lease contracts in connection therewith and shall reimburse the Owners for all expenses incurred in connection therewith, also for any new hired equipment required in order to comply with any regulations.

(i) Periodical Dry-Docking

The Charterers shall dry-dock the Vessel and clean and paint her underwater parts whenever the same may be necessary, but not less than once every sixty (60) calendar months or such other period as may be required by the Classification Society or Flag State.

14. Inspection during the Charter Period - See also Additional Clause 54.33

~~The Owners shall have the right at any time after giving reasonable notice to the Charterers to inspect the Vessel or instruct a duly authorised surveyor to carry out such inspection on their behalf to ascertain its condition and satisfy themselves that the Vessel is being properly repaired and maintained or for any other commercial reason they consider necessary (provided it does not unduly interfere with the commercial operation of the Vessel).~~

~~The fees for such inspections shall be paid for by the Owners. All time used in respect of inspection shall be for the Charterers' account and form part of the Charter Period.~~

The Charterers shall also permit the Owners to inspect the Vessel's class records, log books, certificates, maintenance and other records whenever requested and shall whenever required by the Owners furnish them with full information regarding any casualties or other accidents or damage to the Vessel.

15. Hire - See Additional Clause 47 (Hire)

~~(a) The Charterers shall pay hire due to the Owners punctually in accordance with the terms of this Charter Party.~~

~~(b) The Charterers shall pay to the Owners for the hire of the Vessel a lump sum in the amount stated in Box 17(i) which shall be payable not later than every thirty (30) running days in advance, the first lump sum being payable on the date and hour of the Vessel's delivery to the Charterers. Hire shall be paid continuously throughout the Charter Period.~~

~~(c) Payment of hire shall be made to the Owners' bank account stated in Box 20.~~

~~(d) All payments of Charter Hire and any other payments due under this Charter shall be made without any set off whatsoever and free and clear of any withholding or deduction for, or on account of, any present or future income, freight, stamp or other taxes, levies, imposts, duties, fees, charges, restrictions or conditions of any nature. If the Charterers are required by any authority in any country to make any withholding or deduction from any such payment, the sum due from the Charterers in respect of such payment will be increased to the extent necessary to ensure that, after the making of such withholding or deduction the Owners receive a net sum equal to the amount which it would have received had no such deduction or withholding been required to be made.~~

~~(e) If the Charterers fail to make punctual payment of hire due, the Owners shall give the Charterers three (3) Banking Days written notice to rectify the failure, and when so rectified within those three (3) Banking Days following the Owners' notice, the payment shall stand as punctual.~~

~~Failure by the Charterers to pay hire due in full within three (3) Banking Days of their receiving a notice from Owners shall entitle the Owners, without prejudice to any other rights or claims the Owners may have against the Charterers, to terminate this Charter Party at any time thereafter, as long as hire remains outstanding.~~

~~(f) If the Owners choose not to exercise any of the rights afforded to them by this Clause in respect of any particular late payment of hire, or a series of late payments of hire, under the Charter Party, this shall not be construed as a waiver of their right to terminate the Charter Party.~~

~~(g) Any delay in payment of hire shall entitle the Owners to interest at the rate per annum as agreed in Box 19. If Box 19 has not been filled in, the one month Interbank offered rate in London (LIBOR or its successor) for the currency stated in Box 17, as quoted on the date when the hire fell due, increased by three (3) per cent, shall apply.~~

~~(h) Payment of interest due under subclause 15(g) shall be made within seven (7) running days of the date of the Owners' invoice specifying the amount payable or, in the absence of an invoice, at the time of the next hire payment date.~~

~~(i) Final payment of hire, if for a period of less than thirty (30) running days, shall be calculated proportionally according to the number of days and hours remaining before redelivery and advance payment to be effected accordingly.~~

16. Mortgage - See Additional Clauses 52 (Owners' mortgage and Charterers' quiet enjoyment) and 54.16 (Further assurance)

~~(only to apply if Box 22 has been appropriately filled in)~~

~~(a)* The Owners warrant that they have not effected any mortgage(s) of the Vessel and that they shall not effect any mortgage(s) without the prior consent of the Charterers, which shall not be unreasonably withheld.~~

(b)* The Vessel chartered under this Charter Party ~~is~~may be financed by a mortgage according to the Financial Instrument. The Charterers undertake to comply, and provide such information and documents to enable the Owners to comply, with all such instructions or directions in regard to the employment, insurances, operation, repairs and maintenance of the Vessel as laid down in the Financial Instrument or as may be directed from time to time during the currency of the Charter Party by the mortgagee(s) in conformity with the Financial Instrument, including the display or posting of such notices as the Mortgagees may require. The Charterers confirm that, for this purpose, they ~~have acquainted~~will, once such Financial Instrument is available, acquaint themselves with all relevant terms, conditions and provisions of the Financial Instrument and agree to acknowledge this in writing in any form that may be required by the mortgagee(s). ~~The Owners warrant that they have not effected any mortgage(s) other than stated in Box 22 and that they shall not agree to any amendment of the mortgage(s) referred to in Box 22 or effect any other mortgage(s) without the prior consent of the Charterers, which shall not be unreasonably withheld.~~

~~*(Optional, Subclauses 16(a) and 16(b) are alternatives; indicate alternative agreed in Box 22).~~

17. Insurance - See Additional Clause 48 (Insurance)

~~(a) General~~

~~(i) The value of the Vessel for hull and machinery (including increased value) and war risks insurance is the sum stated in Box 23, or such other sum as the parties may from time to time agree in writing. The party insuring the Vessel shall do so on such terms and conditions and with such insurers as the other party shall approve in writing, which approval shall not be unreasonably withheld, and shall name the other party as co-assured.~~

~~(ii) Notwithstanding that the parties are co-assured, these insurance provisions shall neither exclude nor discharge liability between the Owners and the Charterers under this Charter Party, but are intended to secure payment of the loss insurance proceeds as a first resort to make good the Owners' loss. If such payment is made to the Owners it shall be treated as satisfaction (but not exclusion or discharge) of the Charterers' liability towards the Owners. For the avoidance of doubt, such payment is no bar to a claim by the Owners and/or their insurers against the Charterers to seek indemnity by way of subrogation.~~

~~(iii) Nothing herein shall prejudice any rights of recovery of the Owners or the Charterers (or their insurers) against third parties.~~

~~(b)* Charterers to Insure~~

~~(i) During the Charter Period the Vessel shall be kept insured by the Charterers at their expense against hull and machinery, war, and protection and indemnity risks (and any risks against which it is compulsory to insure for the operation of the Vessel, including maintaining financial security in accordance with subclause 13(c) (Financial Security)).~~

~~(ii) Such insurances shall be arranged by the Charterers to protect the interests of the Owners and the Charterers and the mortgagee(s) (if any), and the Charterers shall be at liberty to protect under such insurances the interests of any managers they may appoint.~~

~~(iii) The Charterers shall upon the request of the Owners, provide information and promptly execute such documents as may be required to enable the Owners to comply with the insurance provisions of the Financial Instrument.~~

~~(c)* Owners to Insure~~

~~(i) During the Charter Period the Vessel shall be kept insured by the Owners at their expense against hull and machinery and war risks. The Charterers shall progress claims for recovery against any third parties for the benefit of the Owners' and the Charterers' respective interests.~~

~~(ii) During the Charter Period the Vessel shall be kept insured by the Charterers at their expense against Protection and Indemnity risks (and any risks against which it is compulsory to insure for the operation of the Vessel, including maintaining financial security in accordance with subclause 13(c) (Financial Security)).~~

~~(iii) In the event that any act or negligence of the Charterers prejudices any of the insurances herein provided, the Charterers shall pay to the Owners all losses and indemnify the Owners against all claims and demands which would otherwise have been covered by such insurances.~~

~~*Subclauses 17(b) and 17(c) are alternatives, state alternative agreed in Box 24. If Box 24 is not filled in, then subclause 17(b) (Charterers to Insure) shall apply.~~

18. Repairs - See Additional Clause 48 (Insurance)

~~(a) Subject to the provisions of any Financial Instrument, and the approval of the Owners, the Charterers shall effect all insured repairs, and undertake settlement of all miscellaneous expenses in connection with such repairs as well as all insured charges, expenses and liabilities.~~

~~To the extent of coverage under the insurances provided for under the provisions of subclause 17(c) (Owners to Insure), the Charterers shall be reimbursed under the Owners' insurances for such expenditures upon presentation of accounts.~~

~~(b) The Charterers shall remain responsible for and effect repairs and settlement of costs and expenses incurred thereby in respect of all repairs not covered by the insurances and/or not exceeding any deductibles provided for in the insurances.~~

~~(c) All time used for repairs under the provisions of subclauses 18(a) and 18(b) and for repairs of Latent Defects according to Clause 3 (Delivery) above, including any deviation, shall be for the Charterers' account and shall form part of the Charter Period.~~

19. Total loss - See Additional Clause 62 (Total Loss)

~~(a) The Charterers shall be liable to the Owners by way of damages if the Vessel becomes a Total Loss. Subject to the provisions of any Financial Instrument, if the Vessel becomes a Total Loss, all insurance payments for such loss shall be paid to the Owners who shall distribute the monies between the Owners and the Charterers according to their respective interests, which shall satisfy (but not exclude or discharge) the Charterers' liability to the Owners thereof. The Charterers undertake to notify the Owners and the mortgagee(s), if any, of any occurrences in consequence of which the Vessel is likely to become a Total Loss.~~

~~(b) Notwithstanding any other clause herein, it is recognised that the Charterers have a continuing obligation to protect and preserve the Vessel as an asset of the Owners. The Charterers shall have a continuing duty after the termination of the Charter Party to preserve and present claims on behalf of Owners and Charterers and/or any subrogated insurers against any third party held responsible for the Total Loss during the Charter Period and account for any recovery achieved.~~

~~(c) The Owners or the Charterers, as the case may be, shall upon the request of the other party, promptly execute such documents as may be required to enable the other party to abandon the Vessel to the insurers and claim a constructive total loss.~~

20. Lien

The Owners shall have a lien upon all cargoes, hires and freights (including deadfreight and demurrage) belonging or due to the Charterers or any sub-charterers, for any amounts due under this Charter Party. ~~and the Charterers shall have a lien on the Vessel for all monies paid in advance and not earned.~~

21. Non-Lien

The Charterers will not suffer, nor permit to be continued, any lien or encumbrance incurred by them or their agents, which might have priority over the title and interest of the Owners in the Vessel. The Charterers further agree to fasten to the Vessel in a conspicuous place and to keep so fastened during the Charter Period a notice reading as follows: "This Vessel is the property of (name of Owners). It is under charter to (name of Charterers) and by the terms of the Charter Party neither the Charterers nor the Master have any right, power or authority to create, incur or permit to be imposed on the Vessel any lien whatsoever.

22. Indemnity - See also Additional Clause 66 (Further indemnities)

(a) The Charterers shall indemnify the Owners against any loss, damage or expense (including, without limitation, legal expenses) arising out of or in relation to a breach of this Charter Party and/or the operation of the Vessel by the Charterers, and against any lien of whatsoever nature arising out of an event occurring during the ~~Charter Period~~Agreement Term. This shall include indemnity for any loss, damage or expense arising out of or in relation to any international convention which may impose liability upon the Owners.

(b) Without prejudice to the generality of the foregoing, the Charterers agree to indemnify the Owners against all consequences or liabilities arising from the Master, officers or agents signing bills of lading or other documents.

(c) If the Vessel is arrested or otherwise detained for any reason whatsoever other than those covered in subclause (d), the Charterers shall at their own expense ~~take all reasonable steps to~~ secure that within a reasonable time the Vessel is released, including the provision of bail.

(d) If the Vessel is arrested or otherwise detained by reason of a claim or claims against the Owners, the Owners shall at their own expense take all reasonable steps to secure that within a reasonable time the Vessel is released, including the provision of bail.

In such circumstances the Owners shall indemnify the Charterers against any loss, damage or expense incurred by the Charterers (including hire paid under this Charter Party) as a direct consequence of such arrest or detention.

23. Salvage

All salvage and towage performed by the Vessel shall subject to the Security Documents, be for the Charterers' benefit and the cost of repairing damage occasioned thereby shall be borne by the Charterers.

24. Wreck Removal

If the Vessel becomes a wreck, or any part of the Vessel is lost or abandoned, and is an obstruction to navigation or poses a hazard and has to be raised, removed, destroyed, marked or lit by order of any lawful authority having jurisdiction over the area or as a result of any applicable law, the Charterers shall be liable for any and all expenses in connection with the raising, removal, destruction, lighting or marking of the Vessel and shall indemnify the Owners against any sums whatsoever, which the Owners become liable to pay as a consequence.

25. General Average

The Owners shall not contribute to General Average.

26. Assignment, Novation, Sub-Charter and Sale - See Additional Clause 59 (Sub-chartering and assignment)

~~(a) The Charterers shall not assign or novate this Charter Party nor sub-charter the Vessel on a bareboat basis except with the prior consent in writing of the Owners, which shall not be unreasonably withheld, and subject to such terms and conditions as the Owners shall approve.~~

~~(b) The Owners shall not sell the Vessel during the currency of this Charter Party except with the prior written consent of the Charterers, which shall not be unreasonably withheld, and subject to the buyer accepting a novation of this Charter Party.~~

~~(c) The Owners shall be entitled to assign their rights under this Charter Party.~~

27. Performance Guarantee

(Optional, to apply only if Box 25 filled in)

The Charterers undertake to furnish, before delivery of the Vessel, a guarantee or bond in the amount of and from the entity stated in Box 25 in a form acceptable to the Owners as guarantee for full performance of their obligations under this Charter Party.

28. Anti-Corruption - See Additional Clause 54.39 (Anti-Bribery Laws)

~~(a) The parties agree that in connection with the performance of this Charter Party they shall each:~~

~~(i) comply at all times with all applicable anti-corruption legislation and have procedures in place that are, to the best of its knowledge and belief, designed to prevent the commission of any offence under such legislation by any member of its organisation and/or by any person providing services for it or on its behalf; and~~

~~(ii) make and keep books, records, and accounts which in reasonable detail accurately and fairly reflect the transactions in connection with this Charter Party.~~

~~(b) If either party fails to comply with any applicable anti-corruption legislation, it shall defend and indemnify the other party against any fine, penalty, liability, loss or damage and for any related costs (including, without limitation, court costs and legal fees) arising from such breach.~~

~~(c) Without prejudice to any of its other rights under this Charter Party, either party may terminate this Charter Party without incurring any liability to the other party if:~~

~~(i) at any time the other party or any member of its organisation has committed a breach of any applicable anti-corruption legislation in connection with this Charter Party; and~~

~~(ii) such breach causes the non-breaching party to be in breach of any applicable anti-corruption legislation.~~

~~Any such right to terminate must be exercised without undue delay.~~

~~(d) Each party represents and warrants that in connection with the negotiation of this Charter Party neither it nor any member of its organisation has committed any breach of applicable anti-corruption legislation. Breach of this subclause (d) shall entitle the other party to terminate the Charter Party without incurring any liability to the other.~~

29. Sanctions and Designated Entities - See Additional Clause 54.10 (Sanctions)

~~(a) The provisions of this clause shall apply in relation to any sanction, prohibition or restriction imposed on any specified persons, entities or bodies including the designation of specified vessels or fleets under United Nations Resolutions or trade or economic sanctions, laws or regulations of the European Union or the United States of America.~~

~~(b) The Owners and the Charterers respectively warrant for themselves (and in the case of any sub-charter, the Charterers further warrant in respect of any sub-charterers, shippers, receivers, or cargo interests) that at the date of this fixture and throughout the duration of this Charter Party they are not subject to any of the sanctions, prohibitions, restrictions or designation referred to in subclause (a) which prohibit or render unlawful any performance under this Charter Party. The Owners further warrant that the Vessel is not a designated vessel.~~

~~(c) If at any time during the performance of this Charter Party either party becomes aware that the other party is in breach of warranty in this Clause, the party not in breach shall comply with the laws and regulations of any Government to~~

~~which that party or the Vessel is subject, and follow any orders or directions which may be given by any body acting with powers to compel compliance, including where applicable the Owners' Flag State. In the absence of any such orders, directions, laws or regulations, the party not in breach may, in its option, terminate the Charter Party forthwith in accordance with Clause 31 (Termination).~~

~~(d) If, in compliance with the provisions of this Clause, anything is done or is not done, such shall not be deemed a deviation but shall be considered due fulfilment of this Charter Party.~~

~~(e) Notwithstanding anything in this Clause to the contrary, the Owners or the Charterers shall not be required to do anything which constitutes a violation of the laws and regulations of any State to which either of them is subject.~~

~~(f) The Owners or the Charterers shall be liable to indemnify the other party against any and all claims, losses, damage, costs and fines whatsoever suffered by the other party resulting from any breach of warranty in this Clause.~~

30. Requisition/Acquisition

(a) In the event of the requisition for hire of the Vessel by any governmental or other competent authority at any time during the ~~Charter Period~~Agreement Term, this Charter Party shall not be deemed to be frustrated or otherwise terminated. The Charterers shall continue to pay hire according to the Charter Party until the time when the Charter Party would have expired or terminated pursuant to any of the provisions hereof. However, if any requisition hire or compensation is received by the Owners for the remainder of the ~~Charter Period~~Agreement Term or the period of the requisition, whichever is shorter, it shall be payable by the Owners to the Charterers unless any amount is due and payable by the Charterers under this Charter Party.

~~(b) In the event of the Owners being deprived of their ownership in the Vessel by any compulsory acquisition of the Vessel or requisition for title by any governmental or other competent authority (hereinafter referred to as "Compulsory Acquisition"), then, irrespective of the date during the Charter Period when Compulsory Acquisition may occur, this Charter Party shall be deemed terminated as of the date of such Compulsory Acquisition. In such event hire to be considered as earned and to be paid up to the date and time of such Compulsory Acquisition. The Owners shall be entitled to any compensation received for such Compulsory Acquisition.~~

31. Termination - See Additional Clauses 58 (Termination Events), 61 (Early Termination, purchase option, purchase obligation and transfer of title) and 62 (Total Loss)

~~(a) Charterers' Default~~

~~The Owners shall be entitled to terminate this Charter Party by written notice to the Charterers under the following circumstances and to claim damages including, but not limited to, for the loss of the remainder of the Charter Party:~~

~~(i) Non-payment of hire (see Clause 15 (Hire)).~~

~~(ii) Charterers' failure to comply with the requirements of:~~

~~(1) Clause 11 (Trading Restrictions); or~~

~~(2) Subclause 17(b) (Charterers to Insure).~~

~~(iii) The Charterers do not rectify any failure to comply with the requirements of subclause 13(a) (Maintenance) as soon as practically possible after the Owners have notified them to do so and in any event so that the Vessel's insurance cover is not prejudiced.~~

~~(b) Owners' Default~~

~~The Charterers shall be entitled to terminate this Charter Party with immediate effect by written notice to the Owners and to claim damages including, but not limited to, for the loss of the remainder of the Charter Party:~~

~~(i) If the Owners shall by any act or omission be in breach of their obligations under this Charter Party to the extent that the Charterers are deprived of the use of the Vessel and such breach continues for a period of fourteen (14) running days after written notice thereof has been given by the Charterers to the Owners; or~~

~~(ii) if the Owners fail to arrange or maintain the insurances in accordance with subclause 17(c) (Owners to Insure).~~

~~(c) Loss of Vessel~~

~~This Charter Party shall be deemed to be terminated, without prejudice to any accrued rights or obligations, if the Vessel becomes lost either when it has become an actual total loss or agreement has been reached with the Vessel's underwriters in respect of its constructive total loss or if such agreement with the Vessel's underwriters is not reached it is adjudged by a competent tribunal that a constructive loss of the Vessel has occurred, or has been declared missing. The date upon which the Vessel is to be treated as declared missing shall be ten (10) days after the Vessel was last reported or when the Vessel is recorded as missing by the Vessel's underwriters, whichever occurs first.~~

~~(d) Bankruptcy~~

~~Either party shall be entitled to terminate this Charter Party with immediate effect by written notice to the other party if that other party has a petition presented for its winding up or administration or any other action is taken with a view to its winding up (otherwise than for the purpose of solvent reconstruction or amalgamation), or becomes bankrupt or commits an act of bankruptcy, or makes any arrangement or composition for the benefit of creditors, or has a receiver or manager or administrative receiver or administrator or liquidator appointed in respect of any of its assets, or suspends payments, or anything analogous to any of the foregoing under the law of any jurisdiction happens to it, or ceases or threatens to cease to carry on business.~~

~~(e) The termination of this Charter Party shall be without prejudice to all rights accrued due between the parties prior to the date of termination and to any claim that either party might have.~~

32. Repossession

In the event of the early termination of this Charter Party in accordance with the applicable provisions of this Charter Party, the Owners shall have the right to repossess the Vessel from the Charterers at its current or next port of call, or at a port or place convenient to them without hindrance or interference by the Charterers, courts or local authorities. Pending physical repossession of the Vessel, the Charterers shall hold the Vessel as gratuitous bailee only to the Owners and the Charterers shall procure that the master and crew follow the orders and directions of the Owners. ~~The Owners shall arrange for an authorised representative to board the Vessel as soon as reasonably practicable following the termination of this Charter Party.~~ The Vessel shall be deemed to be repossessed by the Owners from the Charterers upon the boarding of the Vessel by the Owners' representative. All arrangements and expenses relating to the settling of wages, disembarkation and repatriation of the Crew shall be the sole responsibility of the Charterers.

33. BIMCO Dispute Resolution Clause 2017 - See Additional Clause 84 (Law and jurisdiction)

~~(a)* This Charter Party shall be governed by and construed in accordance with English law and any dispute arising out of or in connection with this Charter Party shall be referred to arbitration in London in accordance with the Arbitration Act 1996 or any statutory modification or re-enactment thereof save to the extent necessary to give effect to the provisions of this Clause.~~

~~The arbitration shall be conducted in accordance with the London Maritime Arbitrators Association (LMAA) Terms current at the time when the arbitration proceedings are commenced.~~

~~The reference shall be to three arbitrators. A party wishing to refer a dispute to arbitration shall appoint its arbitrator and send notice of such appointment in writing to the other party requiring the other party to appoint its own arbitrator within fourteen (14) calendar days of that notice and stating that it will appoint its arbitrator as sole arbitrator unless the other party appoints its own arbitrator and gives notice that it has done so within the fourteen (14) days specified. If the other party does not appoint its own arbitrator and give notice that it has done so within the fourteen (14) days specified, the party referring a dispute to arbitration may, without the requirement of any further prior notice to the other party, appoint its arbitrator as sole arbitrator and shall advise the other party accordingly. The award of the sole arbitrator shall be binding on both parties as if he had been appointed by agreement.~~

~~Nothing herein shall prevent the parties agreeing in writing to vary these provisions to provide for the appointment of a sole arbitrator.~~

~~In cases where neither the claim nor any counterclaim exceeds the sum of USD 100,000 (or such other sum as the parties may agree) the arbitration shall be conducted in accordance with the LMAA Small Claims Procedure current at the time when the arbitration proceedings are commenced.~~

~~In cases where the claim or any counterclaim exceeds the sum agreed for the LMAA Small Claims Procedure and neither the claim nor any counterclaim exceeds the sum of USD 400,000 (or such other sum as the parties may agree) the arbitration shall be conducted in accordance with the LMAA Intermediate Claims Procedure current at the time when the arbitration proceedings are commenced.~~

~~(b)*~~ ~~This Charter Party shall be governed by U.S. maritime law or, if this Charter Party is not a maritime contract under U.S. law, by the laws of the State of New York. Any dispute arising out of or in connection with this Charter Party shall be referred to three (3) persons at New York, one to be appointed by each of the parties hereto, and the third by the two so chosen. The decision of the arbitrators or any two of them shall be final, and for the purposes of enforcing any award, judgment may be entered on an award by any court of competent jurisdiction. The proceedings shall be conducted in accordance with the SMA Rules current as of the date of this Charter Party.~~

~~In cases where neither the claim nor any counterclaim exceeds the sum of USD 100,000 (or such other sum as the parties may agree) the arbitration shall be conducted in accordance with the SMA Rules for Shortened Arbitration Procedure current as of the date of this Charter Party.~~

~~(c)*~~ ~~This Charter Party shall be governed by and construed in accordance with Singapore**/English** law.~~

~~Any dispute arising out of or in connection with this Charter Party, including any question regarding its existence, validity or termination shall be referred to and finally resolved by arbitration in Singapore in accordance with the Singapore International Arbitration Act (Chapter 143A) and any statutory modification or re-enactment thereof save to the extent necessary to give effect to the provisions of this Clause.~~

~~The arbitration shall be conducted in accordance with the Arbitration Rules of the Singapore Chamber of Maritime Arbitration (SCMA) current at the time when the arbitration proceedings are commenced.~~

~~The reference to arbitration of disputes under this Clause shall be to three arbitrators. A party wishing to refer a dispute to arbitration shall appoint its arbitrator and send notice of such appointment in writing to the other party requiring the other party to appoint its own arbitrator and give notice that it has done so within fourteen (14) calendar days of that notice and stating that it will appoint its own arbitrator as sole arbitrator unless the other party appoints its own arbitrator and gives notice that it has done so within the fourteen (14) days specified. If the other party does not give notice that it has done so within the fourteen (14) days specified, the party referring a dispute to arbitration may, without the requirement of any further prior notice to the other party, appoint its arbitrator as sole arbitrator and shall advise the other party accordingly. The award of a sole arbitrator shall be binding on both parties as if he had been appointed by agreement.~~

~~Nothing herein shall prevent the parties agreeing in writing to vary these provisions to provide for the appointment of a sole arbitrator.~~

~~In cases where neither the claim nor any counterclaim exceeds the sum of USD 150,000 (or such other sum as the parties may agree) the arbitration shall be conducted before a single arbitrator in accordance with the SCMA Small Claims Procedure current at the time when the arbitration proceedings are commenced.~~

~~**Delete whichever does not apply. If neither or both are deleted, then English law shall apply by default.~~

~~(d)*~~ ~~This Charter Party shall be governed by and construed in accordance with the laws of the place mutually agreed by the Parties and any dispute arising out of or in connection with this Charter Party shall be referred to arbitration at a mutually agreed place, subject to the procedures applicable there.~~

~~(e) The parties may agree at any time to refer to mediation any difference and/or dispute arising out of or in connection with this Charter Party. In the case of any dispute in respect of which arbitration has been commenced under subclause (a), (c) or (d), the following shall apply:~~

~~(i) Either party may at any time and from time to time elect to refer the dispute or part of the dispute to mediation by service on the other party of a written notice (the "Mediation Notice") calling on the other party to agree to mediation.~~

~~(ii) The other party shall thereupon within fourteen (14) calendar days of receipt of the Mediation Notice confirm that they agree to mediation, in which case the parties shall thereafter agree a mediator within a further fourteen (14) calendar days, failing which on the application of either party a mediator will be appointed promptly by the Arbitration Tribunal ("the Tribunal") or such person as the Tribunal may designate for that purpose. The mediation shall be conducted in such place and in accordance with such procedure and on such terms as the parties may agree or, in the event of disagreement, as may be set by the mediator.~~

~~(iii) If the other party does not agree to mediate, that fact may be brought to the attention of the Tribunal and may be taken into account by the Tribunal when allocating the costs of the arbitration as between the parties.~~

~~(iv) The mediation shall not affect the right of either party to seek such relief or take such steps as it considers necessary to protect its interest.~~

~~(v) Either party may advise the Tribunal that they have agreed to mediation. The arbitration procedure shall continue during the conduct of the mediation but the Tribunal may take the mediation timetable into account when setting the timetable for steps in the arbitration.~~

~~(vi) Unless otherwise agreed or specified in the mediation terms, each party shall bear its own costs incurred in the mediation and the parties shall share equally the mediator's costs and expenses.~~

~~(vii) The mediation process shall be without prejudice and confidential and no information or documents disclosed during it shall be revealed to the Tribunal except to the extent that they are disclosable under the law and procedure governing the arbitration.~~

~~(Note: The parties should be aware that the mediation process may not necessarily interrupt time limits.)~~

~~*Subclauses (a), (b), (c) and (d) are alternatives; indicate alternative agreed in Box 26.~~

~~If Box 26 in Part I is not appropriately filled in, subclause (a) of this Clause shall apply. Subclause (e) shall apply in all cases except for alternative (b).~~

34. Notices - See Additional Clause 76 (Notices)

~~All notices, requests and other communications required or permitted by any clause of this Charter Party shall be given in writing and shall be sufficiently given or transmitted if delivered by hand, email, express courier service or registered mail and addressed if to the Owners as stated in Box 30 or such other address or email address as the Owners may hereafter designate in writing, and if to the Charterers as stated in Box 31 or such other address or email address as the Charterers may hereafter designate in writing. Any such communication shall be deemed to have been given on the date of actual receipt by the party to which it is addressed.~~

35. Partial Validity - See Additional Clause 73 (Invalidity)

~~If by reason of any enactment or judgment any provision of this Charter Party shall be deemed or held to be illegal, void or unenforceable in whole or in part, all other provisions of this Charter Party shall be unaffected thereby and shall remain in full force and effect.~~

36. Entire Agreement - See Additional Clause 72 (Entire agreement)

~~This Charter Party is the entire agreement of the parties, which supersedes all previous written or oral understandings and which may not be modified except by a written amendment signed by both parties.~~

37. Headings

~~The headings of this Charter Party are for identification only and shall not be deemed to be part hereof or be taken into consideration in the interpretation or construction of this Charter Party.~~

38. Singular/Plural

~~The singular includes the plural and vice versa as the context admits or requires.~~

PART III

PROVISIONS TO APPLY FOR NEWBUILDING VESSELS ONLY

(OPTIONAL, only applicable if Box 27 has been completed)

1. Specifications and Building Contract

~~(a) The Vessel shall be constructed in accordance with the building contract between the Builders and the Owners including the specifications and plans incorporated therein ("Building Contract"). The Owners shall provide the Charterers with a copy of the Building Contract to the extent relevant to this Charter Party.~~

~~(b) No variations shall be made to the Building Contract without the Charterers' prior written consent. The Charterers shall be entitled to request change orders in accordance with the Building Contract. Any additional costs or consequences due to Charterers' change orders shall be borne by the Charterers.~~

~~(c) The Owners and the Charterers will liaise and cooperate in all matters regarding the construction of the Vessel and the Building Contract. The Charterers shall have the right to send their representative to the Builders' yard to inspect the Vessel during its construction.~~

~~(d) The Owners shall assign their guarantee rights under the Building Contract to the Charterers, if permitted. If not permitted, the Owners shall exercise their guarantee rights against the Builders for the benefit of the Charterers. The Charterers shall be obliged to accept such sums as the Owners are reasonably able to recover under the guarantee provisions of the Building Contract.~~

2. Delivery and Cancellation

~~(a) (i) Subject to the provisions of Clause 3 (Liquidated Damages) hereunder, the Charterers shall be obliged to accept the Vessel from the Owners, constructed and delivered in accordance with the Building Contract and including buyers' supplies, on the date of delivery by the Builders. The Charterers undertake that having accepted the Vessel they will not thereafter raise any claims against the Owners in respect of the Vessel's performance or specification or defects, if any.~~

~~(ii) The date of delivery for the purpose of this Charter shall be the date (the "Delivery Date") when the Vessel is in fact delivered by the Builders to the Owners in accordance with the Building Contract, whether that is before or after the scheduled delivery date under the Building Contract. The Owners shall be under no responsibility for any delay whatsoever in delivery of the Vessel to the Charterers under this Charter Party, except to the extent caused solely by the Owners' acts or omissions resulting in a default by the Owners under the Building Contract. The Owners shall be responsible to the Charterers for any direct losses incurred by the Charterers, if the Vessel is not delivered to the Owners due solely to the Owners' acts or omissions resulting in a default by the Owners under the Building Contract.~~

~~(iii) The Owners and the Charterers shall on the Delivery Date sign a Protocol of Delivery and Acceptance evidencing delivery of the Vessel hereunder.~~

~~(b) (i) The Owners' obligation to charter the Vessel to the Charterers hereunder is conditional upon delivery of the Vessel to the Owners by the Builders in accordance with the Building Contract.~~

~~(ii) If for any reason other than a default by the Owners under the Building Contract, the Builders become entitled under that Contract not to deliver the Vessel and exercise that right, the Owners shall be entitled to cancel this Charter Party by written notice to the Charterers.~~

~~(iii) If for any reason the Owners become entitled to cancel the Building Contract and exercise that right, the Owners shall be entitled to cancel this Charter Party by written notice to the Charterers. If, however, the Owners do not exercise their right to cancel the Building Contract, the Charterers shall be entitled to cancel this Charter Party by written notice to the Owners.~~

3. Liquidated Damages

~~(a) Any liquidated damages for physical defects or deficiencies and any costs incurred in pursuing a claim therefor shall be credited to the party stated in Box 27(iv) or if not filled in shall be shared equally between the parties.~~

~~(b) Any liquidated damages for delay in delivery under the Building Contract and any costs incurred in pursuing a claim therefor shall be credited to the party stated in Box 27(v) or if not filled in shall be shared equally between the parties.~~

PART IV

PURCHASE OPTION

(OPTIONAL, only applicable if Box 28 has been completed)

See Additional Clause 61 (Early Termination, purchase option, purchase obligation and transfer of title)

~~1. The Charterers shall have an option to purchase the Vessel (the "Purchase Option") exercisable on each of the dates stated below as follows:~~

~~Date (state number of months after delivery of the Vessel)~~	~~Purchase Price (the "Purchase Option Price")~~
	~~(amount and currency)~~

~~2. To exercise their Purchase Option, the Charterers shall notify the Owners in writing not later than six (6) months prior to the relevant date stated in the table above. Such notification shall not be withdrawn or cancelled.~~

~~3. If the Charterers exercise their Purchase Option, the ownership of the Vessel shall be transferred to them on the relevant date. If such date is not a Banking Day, the ownership of the Vessel shall be transferred on the next Banking Day, on a strictly "as is/where is" basis, at the Charterers' sole cost and expense.~~

~~4. The Owners shall obtain and provide the Charterers with such documents and take such actions as the Charterers may reasonably request to facilitate the sale and the registration of the Vessel under the flag designated by the Charterers.~~

~~5. The Owners warrant that the Vessel at the time of transfer of ownership shall be free of any of Owners' encumbrance or mortgage and that they have not committed any act or omission which would impair title to the Vessel.~~

~~6. The Owners make no representation or warranty as to the seaworthiness, value, condition, design, merchantability or operation of the Vessel, or as to the quality of the material, equipment or workmanship in the Vessel, or as to the fitness of the Vessel for any particular trade.~~

~~7. In exchange for the transfer of ownership of the Vessel, the Charterers shall pay the Purchase Option Price to the bank account nominated by the Owners together with any unpaid charter hire and other amounts due and payable under this Charter Party.~~

~~8. Upon payment and transfer of ownership in accordance with Clause 7 above, this Charter Party and all rights and obligations of the parties shall terminate without prejudice to all rights accrued due between the parties prior to the date of termination and any claim that either party might have.~~

PART V

PROVISIONS TO APPLY FOR VESSELS REGISTERED IN A BAREBOAT CHARTER REGISTRY

(OPTIONAL, only to apply if expressly agreed and stated in Box 29)

~~1. Definitions~~

~~“Bareboat Charter Registry” shall mean the registry stated in Box 29(ii) whose flag the Vessel will fly and in which the Charterers are registered as the bareboat charterers during the period of this Charter Party.~~

~~“Underlying Registry” shall mean the registry stated in Box 29(i) in which the Owners of the Vessel are registered as Owners and to which jurisdiction and control of the Vessel will revert upon termination of the Bareboat Charter registration.~~

~~2. The Owners have agreed to and the Charterers shall arrange for the Vessel to be registered under the Bareboat Charter Registry. The Charterers shall be responsible for all costs thereof.~~

~~3. Upon termination of this Charter Party for any reason whatsoever the Charterers shall immediately arrange for the deletion of the Vessel from the Bareboat Registry.~~

~~4. In the event of the Vessel being deleted from the Bareboat Charter Registry due to any default by the Owners, the Charterers shall have the right to terminate this Charter forthwith and without prejudice to any other claim they may have against the Owners under this Charter Party.~~

Explanatory notes are available from BIMCO at www.bimco.org. First published in 1974 as BARECON A and B. Amalgamated and revised in 1989. Revised 2001 and 2017.

Contents

Additional Clauses to Bareboat Charter for the bulk carrier with Builder's Hull Number JNS674

39 Definitions

In this Charter:

"**Account Bank**" means The Hongkong and Shanghai Banking Corporation Limited or such other bank or financial institution as selected or designated by the Charterers and approved by the Owners.

"**Account Charge**" means the account charge over the Earnings Account and all amounts from time to time standing to the credit of the Earnings Account from the Charterers in favour of the Owners.

"**Actual Delivery Date**" means the date of delivery of the Vessel by the Owners to the Charterers under this Charter.

"**Affiliate**" means, in relation to any person, a Subsidiary of that person, a Holding Company of that person or any other Subsidiary of that Holding Company.

"**Agent**" means, with respect to an entity, any director, officer, employee or other representative of such entity; any person for whose acts such entity may be vicariously liable; and any other person that acts for or on behalf of, or provides services for or on behalf of, such entity, in each case, whilst acting in his capacity as such.

"**Agreement Term**" means the period commencing on the date of this Charter and terminating on the later of:

(a) the expiration of the Charter Period; and

(b) the date on which all monies of any nature owed by the Obligors to the Owners under the Transaction Documents or otherwise in connection with the Vessel have been paid in full to the Owners and no obligations of the Obligors of any nature to the Owners or otherwise in connection with the Transaction Documents or with the Vessel remain unperformed or undischarged.

"**Anti-Bribery Laws**" means the United States Foreign Corrupt Practices Act of 1977, the United Kingdom Bribery Act 2010 (as amended from time to time), all other applicable anti-corruption laws and all other national, regional, provincial, state, municipal or local laws and regulations that prohibit the bribery of, or the providing of unlawful gratuities, or any other benefits to, any person.

"**Anti-Money Laundering Laws**" means all applicable financial record-keeping and reporting requirements, anti-money laundering statutes (including all applicable rules and regulations thereunder) and all applicable related or similar laws, rules, regulations or guidelines, of all jurisdictions including and without limitation, the United States of America, the European Union, the United Kingdom and the People's Republic of China and which in each case are:

(a) issued, administered or enforced by any governmental agency having jurisdiction over the Owners or any Obligor;

(b) of any jurisdiction in which the Owners or any Obligor conducts business; or

(c) to which the Owners or any Obligor is subjected or subject to.

"**Applicable Rate**" means, in relation to any Hire Period:

(a) the applicable Term SOFR on the Quotation Day and for a period equal to three (3) months; or

(b) as otherwise determined pursuant to Clause 47.12 (*Unavailability of Term SOFR*),

and if, in either case, that rate is less than zero, the Applicable Rate shall be deemed as zero.

"**Approved Commercial Manager**" means, in relation to the Vessel:

(a) Goldbeam International Limited; or

(b) any other management company appointed by the Charterers for the commercial management of the Vessel and approved in writing by the Owners (such approval not to be unreasonably withheld or delayed).

"**Approved Manager**" means, in relation to the Vessel, either the Approved Commercial Manager or, as the context may require, the Approved Technical Manager.

"**Approved Technical Manager**" means, in relation to the Vessel:

(a) Goldbeam International Limited;

(b) any other management company appointed by the Charterers for the technical management of the Vessel and approved in writing by the Owners (such approval not to be unreasonably withheld or delayed).

"**Approved Valuer**" means each of BRS Shipbrokers, Clarksons Platou, Fearnley, Simpson Spence Young (or any Affiliate of such person through which valuations are commonly issued) and any other reputable and independent ship brokers acceptable to and approved by the Owners.

"**Authorisation**" means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration.

"**Balloon Amount**" means the lower of (a) US$11,000,000 and (b) 35% of the Contractual Purchase Price (as defined in the MOA).

"**Bank Member**" means Industrial and Commercial Bank of China or any of their Affiliates (including branches) and representatives in any jurisdiction.

"**Basic Fixed Hire**" has the meaning given to such term in Clause 47.1.1.

"**Break Costs**" means all costs, losses, premiums or penalties incurred by the Owners as a result of:

(a) the receipt by the Owners of any Hire amount under or in relation to the Transaction Documents on a date other than the relevant Hire Payment Date;

(b) the receipt by the Owners of the Early Termination Sum on a day other than the relevant Termination Payment Date;

(c) in respect of any other amount payable to the Owners under or in relation to the Transaction Documents, the receipt by the Owners of such amount on a day other than the due date for payment of the sum in question;

(d) the relevant payment being made by the Charterers under clause 9 (*Cancellation and refund*) of the MOA;

(e) the relevant prepayment being made by the Charterers under Clause 57.3.2,

in each case including (but not limited to) any break costs incurred by the Owners under the Finance Documents.

"**Break Gains**" means all additional amounts received by the Owners as a result of:

(a) the receipt by the Owners of any Hire amount under or in relation to the Transaction Documents on a date other than the relevant Hire Payment Date;

(b) the receipt by the Owners of the Early Termination Sum on a day other than the relevant Termination Payment Date;

(c) in respect of any other amount payable to the Owners under or in relation to the Transaction Documents, the receipt by the Owners of such amount on a day other than the due date for payment of the sum in question;

(d) the relevant payment being made by the Charterers under clause 9 (*Cancellation and refund*) of the MOA;

(e) the relevant prepayment being made by the Charterers under Clause 57.3.2,

in each case including (but not limited to) any break gains incurred by the Owners under the Finance Documents.

"**Builder**" has the meaning given to such term in the MOA.

"**Building Contract**" has the meaning given to such term in the MOA..

"**Business**" means, with respect to an entity, its business conducted in its ordinary course of business.

"**Business Day**" means a day (other than a Saturday or Sunday) on which banks are open for general business in Hong Kong and Beijing; and

(a) New York; and

(b) (in relation to the fixing of an interest rate) which is a US Government Securities Business Day.

"**Change of Control**" means

(a) the Charterers cease to be 100% controlled (whether directly or indirectly) by the Charter Guarantor; or

(b) the Charter Guarantor ceases to be under the control of the NG Family,

and "**NG Family**" means 吴少辉 (Siu Fai NG) (HK ID number D178683(1)), 吴锦华(Kam Wah NG) (HK ID number D254632(A)) and any of their respective spouse and descendants.

"**Chargor**" means Jin Hui Shipping Inc., a BVI business company incorporated under the laws of the British Virgin Islands with BVI company number 46107 whose registered office is at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola VG1110, British Virgin Islands.

"**Charter Guarantee**" means the guarantee made or to be made by the Charter Guarantor in favour of the Owners in respect of the Charterers' obligations under the Transaction Documents.

"**Charter Guarantor**" means Jinhui Shipping and Transportation Limited, an exempted company incorporated under the laws of Bermuda with registration number 19469 whose registered office is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.

"**Charter Period**" means, subject to Clauses 58 (*Termination Events*), 61 (*Early Termination, purchase obligation and transfer of title*) and 62 (*Total Loss*), the period of 60 months commencing from the Actual Delivery Date.

"**Charterers' Assignment**" means any deed of assignment executed or to be executed (as the case may be) by the Charterers in favour of the Owners in relation to the Charterers' rights and interest in and to (a) the Earnings, (b) the Insurances, (c) the Requisition Compensation, (d) any Sub-Charter which may have a duration of twenty-four (24) months or more (taking into account any option to renew or extend) and (e) any Sub-Charter Guarantee in favour of the Charterers for the performance of the obligations of any Sub-Charterers under any Sub-Charter referred to under paragraph (d) above.

"**Classification Society**" means the vessel classification society referred to in Box 4 (*Classification Society*) of this Charter, or such other reputable classification society which:

(a) is a member of the International Association of Classification Societies; or

(b) the Owners may otherwise approve from time to time.

"**Compliance Certificate**" means a certificate substantially in the form set out in Schedule 3 (*Form of Compliance Certificate*).

"**Cost Balance**" means, at any relevant time during the Agreement Term, an amount equal to the MOA Purchase Price as may be reduced by payment or prepayment of (a) any Basic Fixed Hire pursuant to Clause 47.1.1 (*Hire*) and (b) the Balloon Amount.

"**Default Rate**" means three point four per cent. (3.4%) per annum above the Interest Rate.

"**Default Termination**" means a termination of the Charter Period pursuant to the provisions of Clause 58 (*Termination Events*).

"**Disruption Event**" means either or both of:

(a) a material disruption to those payment or communications systems or to those financial markets which are, in each case, required to operate in order for payments to be made in order for the transactions contemplated by the Transaction Documents to be carried out which disruption is not caused by, and is beyond the control of, any of the Parties; or

(b) the occurrence of any other event which results in a disruption (of a technical or systems-related nature) to the treasury or payments operations of a Party preventing that, or any other Party:

  (i) from performing its payment obligations under the Transaction Documents; or

  (ii) from communicating with other Parties in accordance with the terms of the Transaction Documents,

and which (in either such case) is not caused by, and is beyond the control of, the Party whose operations are disrupted.

"**Earliest Purchase Option Date**" means the day following the Actual Delivery Date.

"**Early Termination**" means a Termination in accordance with 61.1 (*Early Termination – Charterers' purchase option*) or 61.2 (*Early Termination – Project Parties, Project Documents and Illegality of Owners*).

"**Early Termination Fee**" means in respect of an Early Termination in accordance with Clause 61.1 (*Early Termination – Charterers' purchase option*), an amount equal to:

(a) one per cent. (1%) of the then current Cost Balance if the Termination Payment Date falls on or before the second anniversary of the Actual Delivery Date;

(b) zero point five per cent. (0.5%) of the then current Cost Balance if the Termination Payment Date falls after the second anniversary of the Actual

Delivery Date but on or before the fourth anniversary of the Actual Delivery Date; or

(c) zero if the Termination Payment Date falls after the fourth anniversary of the Actual Delivery Date.

"**Early Termination Sum**" means an amount representing the Owners' losses following acceptance by the Owners of a breach of condition by the Charterers or an agreed sum payable to the Owners in specified circumstances which do not involve a breach of contract by the Charterers, which the Parties acknowledge is proportionate as to amount, having regard to the legitimate interest of the Owners, in protecting against the risk of the Charterers failing to perform its obligations under this Charter and the chartering of the Vessel being early terminated following the occurrence of the specific circumstances and it shall consist of the following (without double counting):

(a) all Variable Hire accrued, but unpaid, under this Charter up to (and including) the relevant Termination Payment Date together with interest accrued thereon pursuant to Clause 47.8 (*Default interest*) from the due date for payment thereof to the date of actual payment;

(b) an amount equal to the then current Cost Balance;

(c)

(i) if the Termination Payment Date falls on a Hire Payment Date, the Special Fixed Hire applicable to that Hire Payment Date; or

(ii) in any other case, the Special Fixed Hire applicable to the Hire Payment Date which immediately falls after the relevant Termination Payment Date;

(d) the applicable Early Termination Fee;

(e) any other Unpaid Sums due and payable together with interest accrued thereon pursuant to Clause 47.8 (*Default interest*) from the due date for payment thereof up to the date of actual payment;

(f) all liabilities, costs and expenses so incurred in recovering possession of, and in repositioning, berthing, insuring and maintaining the Vessel for carrying out any works or modifications required to cause the Vessel to conform with the provisions of Clauses 49 (*Redelivery*) and 50 (*Redelivery conditions*) necessarily incurred by reason of the failure of the Charterers to perform any such action;

(g) any other sums as the Owners may be entitled to under the terms of this Charter, including (but not limited to) any payments referred to in Clause 22 (*Indemnity*) and Clause 66 (*Further indemnities*); and

(h) the Break Costs (if any),

(in respect of Early Termination in accordance with 61.1 (*Early Termination – Charterers' purchase option*)) less Break Gains (if any), if the Purchase Option Date does not fall on a Hire Payment Date.

"**Earnings**" means:

(a) all hires, freights, passage money and other sums payable to or for the account of the Charterers and/or the Sub-Charterers in respect of the Vessel including (without limitation) all earnings received or to be received from each Sub-Charter, 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;

(b) if and whenever the Vessel is employed on terms whereby any moneys falling within paragraph (a) are pooled or shared with any other person, that proportion of the net receipts of the relevant pooling or sharing arrangement which is attributable to the Vessel.

"**Earnings Account**" means the bank account in the name of the Charterers opened or to be opened with the Account Bank, and includes any sub-account thereof and such account which is designated by the Owners in accordance with Clause 55 (*Earnings Account*) as the earnings account for the purposes of this Charter.

"**Emission Allowances**" means an allowance, credit, quota, permit, penalty or equivalent, representing vessel emissions of a specified quantity of greenhouse gas emissions regulated by the Emission Scheme.

"**Emission Scheme**" means a greenhouse gas regulatory scheme which for the purposes of this Charter shall include EU ETS, FuelEU and any other similar systems imposed by applicable lawful authorities that regulate the issuance, allocation, trading, pooling, banking or surrendering of Emission Allowances.

"**Encumbrance**" means a mortgage, charge, assignment, pledge, lien, or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

"**Environmental Approvals**" means any present or future permit, licence, approval, ruling, variance, exemption or other Authorisation required under the applicable Environmental Law.

"**Environmental Claim**" means any claim, proceeding or investigation by any person in respect of any Environmental Law, and for this purpose, "claim" includes but is not limited to:

(a) a claim for damages, compensation, contribution, injury, fines, losses and penalties or any other payment of any kind, including in relation to clean-up and removal, whether or not similar to the foregoing;

(b) an order or direction to take, or not to take, certain action or to desist from or suspend certain action; and

(c) any form of enforcement or regulatory action, including the arrest or attachment of any asset.

"**Environmental Incident**" means:

(a) any release, emission, spill or discharge from the Vessel or into or upon the air, sea, land or soils (including the seabed) or surface water of Environmentally Sensitive Material within or from the Vessel; or

(b) any incident in which Environmentally Sensitive Material is released, emitted, spilled or discharged into or upon the air, sea, land or soils (including the seabed) or surface water from a vessel other than the Vessel and which involves a collision between the Vessel and such other vessel or some other incident of navigation or operation, in either case, in connection with which the Vessel is actually or potentially liable to be arrested, attached, detained or injuncted and/or the Vessel and/or any Obligor and/or any operator or manager of the Vessel is at fault or allegedly at fault or otherwise liable to any legal or administrative action; or

(c) any other incident in which Environmentally Sensitive Material is released, emitted, spilled or discharged into or upon the air, sea, land or soils (including the seabed) or surface water otherwise than from the Vessel and in connection with which the Vessel is actually or potentially liable to be arrested and/or where any Obligor and/or any operator or manager of the Vessel is at fault or allegedly at fault or otherwise liable to any legal or administrative action, other than in accordance with an Environmental Approval.

"**Environmental Law**" means any applicable law and regulation in any applicable jurisdiction in which any Obligor conducts business which relates to the pollution or protection of the environment or harm to or the protection of human health or the health of animals or plants.

"**Environmentally Sensitive Material**" means (a) oil and oil products and (b) any other waste, pollutant, contaminant or other substance (including any liquid, solid, gas, ion, living organism or noise) that may be harmful to human health or other life or the environment or a nuisance to any person or that may make the enjoyment, ownership or other territorial control of any affected land, property or waters more costly for such person to a material degree.

"**EU ETS**" means the European Union Emissions Trading System specifically applicable to shipping pursuant to the European Directive 2023/959 amending European Directive 2003/87/EC and Commission Implementing Regulation (EU) 2023/2599 of 22 November 2023 laying down rules for the application of Directive 2003/87/EC of the European Parliament and of the Council as regards the administration of shipping companies by administering authorities in respect of a shipping company.

"**EU ETS and FuelEU Maritime Letter**" shall have the meaning as defined under Clause 54.46.2(b).

"**FATCA Deduction**" has the meaning given to such term in Clause 83 (*FATCA*).

"**FATCA Exempt Party**" has the meaning given to such term in Clause 83 (*FATCA*).

"**Finance Document**" means any facility agreement, security document, fee letter and any other document designated as such by any Finance Party and the Owners and which have been or (as the case may be) may be entered into between the Finance Parties and the Owners for the purpose of, among other things, financing all or any part of the MOA Purchase Price.

"**Finance Party**" means:

(a) any Affiliate of the Owners; or

(b) bank, financial institution, trust, fund, leasing company or other entity which is regularly engaged in or established for the purpose of making, purchasing or investing in loans, securities or other financial assets,

which is or will be party to a Finance Document (other than the Owners and other entities which may have agreed or be intended as debtors and/or obligors thereunder) and "**Finance Parties**" means two (2) or more of them.

"**Finance Party Quiet Enjoyment Letter**" means, in relation to the Vessel, a letter which the Finance Parties (or, if any, their authorised agent on their behalf) issue in favour of the Charterers, such letter to be in a form acceptable to the Charterers, the Owners and the Finance Parties.

"**Financial Indebtedness**" means any indebtedness for or in respect of:

(a) moneys borrowed;

(b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;

(c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or similar instrument;

(d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with GAAP, be treated as a balance sheet liability;

(e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);

(f) any amount raised under any other transaction (including any forward sale or hire purchase agreement) of a type not referred to in any other paragraph of this definition having the commercial effect of a borrowing;

(g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that derivative transaction, that amount) shall be taken into account);

(h) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and

(i) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (h) above.

"**Financial Quarter**" means, in respect of the Charter Guarantor, its interim quarterly accounting periods ending on 30 June, 30 September and 31 December in any calendar year that falls within the Agreement Term.

"**Financial Year**" means, in respect of the Charter Guarantor, its annual accounting period ending on 31 December in each calendar year during the Agreement Term.

"**FuelEU**" means the FuelEU Maritime Regulation (Regulation (EU) 2023/1805) of 13 September 2023 on the use of renewable and low-carbon fuels in maritime transport, amending Directive 2009/16/EC.

"**GAAP**" means generally accepted accounting principles in (in the case of the Charter Guarantor) Bermuda.

"**Government Authority**" means any governmental or other regulatory body.

"**Group**" means the Charter Guarantor and its Subsidiaries from time to time.

"**Hire**" means each or any combination or aggregate of (as the context may require):

(a) the Basic Fixed Hire;

(b) the Special Fixed Hire;

(c) the Variable Hire; and

(d) the Balloon Amount.

"**Hire Payment Date**" means the last day of each Hire Period.

"**Hire Period**" means each and every consecutive period of three (3) months' duration during the Charter Period, provided that:

(a) the first Hire Period shall commence on the Actual Delivery Date;

(b) each subsequent Hire Period shall commence on the last day of the preceding Hire Period;

(c) any Hire Period which would otherwise overrun a Hire Payment Date shall instead end on that Hire Payment Date;

(d) any Hire Period which would otherwise extend beyond the last day of the Charter Period shall instead end on (and include) the last day of the Charter Period.

"**Historic Term SOFR**" means, in relation to any Hire Period, the most recent applicable Term SOFR for a period equal in length to the relevant Hire Period and which is as of a day which is no more than three (3) US Government Securities Business Days before the Quotation Day.

"**Holding Company**" means, in relation to a person, any other person in respect of which it is a Subsidiary.

"**Indemnitee**" has the meaning given to such term in Clause 66 (*Further indemnities*).

"**Indirect Tax**" means any goods and services tax, consumption tax, sales tax, value added tax or any tax of a similar nature.

"**Innocent Owners' Interest Insurances**" means all policies and contracts of innocent owners' interest insurance and innocent owners' additional perils (oil pollution) from time to time taken out by the Owners in relation to the Vessel.

"**Instalment**" has the meaning given to such term in the MOA.

"**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 her Earnings and (where the context permits) all benefits under such contracts and policies, including all claims of any nature and returns of premium.

"**Interest Rate**" means the percentage rate per annum which is the Applicable Rate for the relevant period.

"**Interpolated Historic Term SOFR**" means in relation to any Hire Period, the rate (rounded to the same number of decimal places as Term SOFR) which results from interpolating on a linear basis between:

(a) either:

(i) the most recent applicable Term SOFR (as of a day which is not more than three (3) US Government Securities Business Days before the

Quotation Day) for the longest period (for which Term SOFR is available) which is less than the relevant Hire Period; or

(ii) if no such Term SOFR is available for a period which is less than the relevant Hire Period, the most recent SOFR for a day which is no more than five (5) US Government Securities Business Days (and no less than two (2) US Government Securities Business Days) before the Quotation Day; and

(b) the most recent applicable Term SOFR (as of a day which is not more than three (3) US Government Securities Business Days before the Quotation Day) for the shortest period (for which Term SOFR is available) which exceeds the relevant Hire Period.

"**Interpolated Term SOFR**" means, in relation to any Hire Period, the rate (rounded to the same number of decimal places as Term SOFR) which results from interpolating on a linear basis between:

(a) either:

(i) the applicable Term SOFR (as of the Quotation Day) for the longest period (for which Term SOFR is available) which is less than the relevant Hire Period; or

(ii) if no such Term SOFR is available for a period which is less than the relevant Hire Period, SOFR for the day which is two (2) US Government Securities Business Days before the Quotation Day; and

(b) the applicable Term SOFR (as of the Quotation Day for the shortest period (for which Term SOFR is available)) which exceeds the relevant Hire Period.

"**ISM Code**" means the International Safety Management Code for the Safe Operation of Ships and for Pollution Prevention (including the guidelines on its implementation), adopted by the International Maritime Organisation, as the same may be amended, supplemented or superseded from time to time (and the terms "safety management system", and "Document of Compliance" have the same meanings as are given to them in the ISM Code).

"**ISM Company**" means, at any given time, the company responsible for the Vessel's compliance with the ISM Code under paragraph 1.1.2 of the ISM Code.

"**ISPS Code**" means the International Ship and Port Facility Security Code adopted by the International Maritime Organisation (as the same may be amended, supplemented or superseded from time to time).

"**ISPS Company**" means, at any given time, the company responsible for the Vessel's compliance with the ISPS Code.

"**ISSC**" means a valid and current international ship security certificate for the Vessel issued under the ISPS Code.

"**Legal Reservations**" means:

(a) the principle that equitable remedies may be granted or refused at the discretion of a court and the limitation of enforcement by laws relating to insolvency, reorganisation and other laws generally affecting the rights of creditors;

(b) the time barring of claims under the Limitation Acts, the possibility that an undertaking to assume liability for, or indemnify a person against, non-payment of United Kingdom stamp duty may be void and defences of set-off or counterclaim;

(c) similar principles, rights and defences under the laws of any Relevant Jurisdiction; and

(d) any reservations as to matters of law (but excluding at all times any reservations or qualifications as to matters of fact) referred to in the legal opinions delivered to the Owners under Clause 43 (*Conditions precedent and subsequent*) of this Charter.

"**Limitation Acts**" means the Limitation Act 1980 and the Foreign Limitation Periods Act 1984.

"**Long Stop Date**" has the meaning given to such term in (ii) of the definition "Long Stop Date" in the MOA.

"**Major Casualty Amount**" means five hundred thousand US Dollars (US$500,000) or its equivalent in any other currency or currencies.

"**Management Agreement**" means, in relation to the Vessel:

(a) the technical and commercial ship management agreement dated __________________ and executed between (i) Goldbeam International Limited (as technical and commercial manager) and (ii) the Charterers (as owners); or

(b) such other technical and commercial ship management agreement to be executed between such other Approved Managers (as technical and commercial managers) and the Charterers (as disponent owners).

"**Managers' Undertaking**" means the letter of undertaking from the Approved Technical Manager and the letter of undertaking from the Approved Commercial Manager subordinating the rights of the Approved Technical Manager and the Approved Commercial Manager respectively against the Vessel and the Charterers to the rights of the Owners in agreed form.

"**Market Value**" means the market value of the Vessel as ascertained in accordance with Clause 57.2 (*Valuations*).

"**MARPOL**" means the International Convention for the Prevention of Pollution from Ships adopted by the International Maritime Organisation (as the same may be amended, supplemented or superseded from time to time).

"**MARPOL Carbon Intensity Regulations**" means the regulations contained in Chapters 1, 2 and 4 of Revised MARPOL Annex VI which relate to "Regulations on the Carbon Intensity of International Shipping" and Resolution MEPC.328(76) implementing the CII and any associated guidelines and/or subsequent amendments, including the Ship Energy Efficiency Management Plan (SEEMP).

"**Material Adverse Effect**" means in the reasonable opinion of the Owners a material adverse effect on:

(a) the business, operations, property, condition (financial or otherwise) or prospects of any Obligor; or

(b) the ability of any Obligor to perform its obligations under any Transaction Document; or

(c) the validity or enforceability of, or the effectiveness or ranking of any Encumbrance granted or purporting to be granted pursuant to any of, the Transaction Documents or the rights or remedies of the Owners under any of the Transaction Documents.

"**MOA**" means the memorandum of agreement dated on or about the date of this Charter made between the Owners (as buyers) and the Sellers (as sellers) pursuant to which the Owners have agreed to purchase and the Sellers have agreed to sell the Vessel subject to the terms and conditions therein.

"**MOA Purchase Price**" means the "MOA Purchase Price" as defined in the MOA.

"**Mortgagees' Interest Insurances**" means all policies and contracts of mortgagees' interest insurance, mortgagees' additional perils (oil pollution) insurance and any other insurance from time to time taken out by any Finance Party or as in accordance with any request of any Finance Party in relation to the Vessel.

"**Necessary Authorisations**" means all Authorisations of any person including any government or other regulatory authority required by applicable law to enable it to:

(a) lawfully enter into and perform its obligations under the Transaction Documents to which it is party;

(b) ensure the legality, validity, enforceability or admissibility in evidence in England and, if different, its jurisdiction of incorporation, of such Transaction Documents to which it is party;

(c) carry on its business from time to time； and

(d) perfect any Encumbrance created by the Security Documents.

"**Net Sale Proceeds**" means the proceeds of a sale of the Vessel received or receivable, net of any fees, commissions, costs, disbursements or other expenses incurred by the Owners or the Charterers (as applicable) as a result of the Owners or the Charterers arranging the proposed sale.

"**Obligors**" means, together:

(a) the Charterers;

(b) the Charter Guarantor;

(c) any Approved Manager which is a member of the Group;

(d) the Chargor;

(e) the Time Charter Assignor; and

(f) any person that may be party to a Transaction Document from time to time (other than (i) the Owners and (ii) the Account Bank),

and "**Obligor**" means any one of them.

"**Party**" means a party to this Charter.

"**PDA**" means the protocol of delivery and acceptance in relation to the Vessel to be executed between the Owners and the Charterers, substantially in the form of Schedule 1 (*Form of Protocol of Delivery and Acceptance*) hereto.

"**Permitted Disposal**" means any sale, lease, licence, transfer or other disposal:

(a) of assets in exchange for other assets comparable or superior as to type, value and quality (other than an exchange of a non-cash asset for cash);

(b) of obsolete or redundant equipment for cash; and

(c) arising as a result of any Permitted Encumbrance.

"**Permitted Encumbrance**" means:

(a) any Encumbrance created or to be created in accordance with the Security Documents;

(b) any Encumbrance created or to be created by the Owners in favour of the Finance Parties in accordance with the relevant Finance Documents (but subject to any Finance Party Quiet Enjoyment Letter);

(c) any Encumbrance which has the prior written approval of the Owners; and

(d) any other lien arising by operation of law or otherwise in the ordinary course of the operation, repair or maintenance of the Vessel:

(a) not as a result of any default or omission by the Charterers;

(b) not being enforced through arrest; and

(c) subject, in the case of liens for repair or maintenance, to Clause 45.4,

and provided such lien does not secure amounts more than 45 days overdue.

"**Permitted Parties**" means any of the Owners' Affiliates and all Bank Members.

"**Potential Termination Event**" means a Termination Event or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination under the Transaction Documents or any combination of any of the foregoing) be a Termination Event.

"**Pre-Delivery Assignment**" has the meaning as defined in the MOA.

"**Pre-Delivery Interest**" has the meaning as defined in the MOA.

"**Prohibited Person**" means any person who is the subject of Sanctions (whether designated by name or by reason of being included in a class of persons to whom the applicable Sanctions apply in accordance with their terms).

"**Project Documents**" means, together, the Transaction Documents, the Building Contract, the Refund Guarantee, any Sub-Charter, any Sub-Charter Guarantee, any Time Charter and any Time Charter Guarantee.

"**Project Party**" means each of the Builder, the Refund Guarantor, any Sub-Charterers, any Sub-Charter Guarantor, any Time Charterer and any Time Charter Guarantor and "**Project Parties**" means any two (2) or more of them.

"**Purchase Obligation Price**" means the amount due and payable by the Charterers to the Owners pursuant to Clause 61.3 (*Purchase obligation*), being the aggregate of:

(a) the Balloon Amount;

(b) all Unpaid Sums due and payable together with interest accrued thereon pursuant to Clause 47.8 (*Default interest*) from the due date for payment thereof up to the date of actual payment;

(c) any other sums as the Owners may be entitled to under the terms of this Charter, including (but not limited to) any payments referred to in Clause 22 (*Indemnity*) and Clause 66 (*Further indemnities*); and

(d) Break Costs (if any).

"**Purchase Option Date**" means a Hire Payment Date which falls on or after the Earliest Purchase Option Date or such other date as the Owners may in their sole discretion agree.

"**Quotation Day**" means, in relation to a Hire Period, five (5) US Government Securities Business Days before the first day of that Hire Period.

"**Refund Guarantee**" has the meaning as defined in the MOA.

"**Refund Guarantor**" has the meaning as defined in the MOA.

"**Related Charter**" means, other than this Charter, the other bareboat charter listed in the fourth column (Bareboat Charters) of Schedule 4 (*The Vessels, The Parties and The Charters*).

"**Relevant Jurisdictions**" means, in relation to an Obligor:-

(a) its jurisdiction of incorporation;

(b) any jurisdiction where any asset subject to or intended to be subject to any Encumbrance to be created by it pursuant to the relevant Security Document is situated;

(c) any jurisdiction where it is licensed to conduct its business; and

(d) the jurisdiction whose laws govern the perfection of any of the Security Documents entered into by it.

"**Repeating Representations**" means the representations and warranties referred to in Clause 53 (*Charterers' representations and warranties*) except for 53.1.8 (*No filing or stamp taxes*) and 53.1.24 (Taxation).

"**Required Modification**" has the meaning as defined in Clause 13(b).

"**Requisition**" means:

(a) any expropriation, confiscation, requisition (excluding a requisition for hire or use which does not involve a requisition for title) or acquisition of the Vessel, whether for full consideration, a consideration less than its proper value, a nominal consideration or without any consideration, which is effected (whether *de jure* or *de facto*) by any government or official authority or by any person or persons claiming to be or to represent a government or official authority; and

(b) any capture or seizure of the Vessel (including any hijacking or theft) by any person whatsoever.

"**Requisition Compensation**" means all compensation or other money which may from time to time be payable to the Charterers as a result of any Requisition or any arrest or detention of the Vessel in the exercise or purported exercise of any lien or claim.

"**Sanctioned Country**" means a country or territory whose government is the target of Sanctions or that is subject to comprehensive country-wide or territory-wide

Sanctions (including, without limitation, as regards US Sanctions, Cuba, Syria, Iran, North Korea, Crimea and Venezuela).

"**Sanctioned Vessel**" means a vessel which is the subject of Sanctions.

"**Sanctions**" means any sanctions (including US "secondary sanctions"), embargoes, freezing provisions, prohibitions or other restrictions relating to trading, doing business, investment, exporting, financing or making assets available (or other activities similar to or connected with any of the foregoing):

(a) imposed by law or regulation of the United Kingdom, the Council of the European Union, the People's Republic of China, the United Nations or its Security Council, the United States of America, the Flag State of the Vessel, the jurisdiction of incorporation of the Owners and the Charterers or any government official institution or agency of any of the foregoing, whether or not any Obligor is legally bound to comply with the foregoing; or

(b) otherwise imposed by law or regulation by which any Obligor is bound or as regards a regulation, compliance with which is reasonable in the ordinary course of the Charterers' business.

"**Sanctions Advisory**" means the Sanctions Advisory for the Maritime Industry, Energy and Metals Sectors, and Related Communities issued May 14, 2020 by the US Department of the Treasury, Department of State and Coast Guard, as may be amended or supplemented, and any similar future advisory.

"**Security Assets**" means all of the assets of the Obligors which from time to time are, or are expressed to be, the subject of the Encumbrances created or evidenced or expressed to be created or evidenced under the Security Documents.

"**Security Documents**" means the following:

(a) the Account Charge;

(b) the Charter Guarantee;

(c) the Charterers' Assignment;

(d) any Manager's Undertaking;

(e) the Pre-Delivery Assignment;

(f) the Share Charge;

(g) the Time Charter Assignment; and

(h) any other document that may at any time be executed by any person creating, evidencing or perfecting any Encumbrance to secure all or part of the Obligors' obligations under or in connection with the Transaction Documents,

and "**Security Document**" means any one of them.

"**Sellers**" means the Charterers in their capacity as buyers under the Building Contract and the Charterers in their capacity as sellers under the MOA.

"**Settlement Date**" means, following a Total Loss of the Vessel, the earliest of:

(a) the date which falls on sixty (60) days after the date of occurrence of the Total Loss or such later date as the Owners may agree; and

(b) the date on which the Owners receive the Total Loss Proceeds in respect of the Total Loss,

and if such date is not a Business Day, the immediately preceding Business Day.

"**Share Charge**" means the charge/pledge agreement in relation to the entire issued share capital of the Charterers executed or (as the case may be) to be executed by the Chargor in favour of the Owners.

"**SMC**" means a valid safety management certificate issued for the Vessel by or on behalf of the Administration under paragraph 13.7 of the ISM Code.

"**SOFR**" means the secured overnight financing rate (SOFR) administered by the Federal Reserve Bank of New York (or any other person which takes over the administration of that rate) published (before any correction, recalculation or republication by the administrator) by the Federal Reserve Bank of New York (or any other person which takes over the publication of that rate).

"**SOLAS**" means the International Convention for the Safety of Life at Sea 1974.

"**Special Fixed Hire**" has the meaning given to such term in Clause 47.1.2.

"**Special Fixed Hire Schedule**" means the schedule of Special Fixed Hire set out in Schedule 5 (*Special Fixed Hire Schedule*) (including any amendments and replacements from time to time).

"**Sub-Charter**" means any charterparty in respect of the Vessel entered into between the Charterers (as disponent owners) which may have a duration of twenty-four (24) months or more (taking into account any option to renew or extend).

"**Sub-Charter Guarantee**" means any guarantee provided by a Sub-Charter Guarantor in favour of the Charterers in respect of the relevant Sub-Charterers' obligations under the relevant Sub-Charter.

"**Sub-Charter Guarantor**" means any sub-charter guarantor in connection with a Sub-Charter which is or will be a party to a Sub-Charter Guarantee.

"**Sub-Charterers**" means any sub-charterers proposed by the Charterers (as disponent owners) which are or will be parties to a Sub-Charter.

"**Subordination Deed**" means any deed of subordination required by Clause 54.24.3, being in such form as the Owners may agree.

"**Subsidiary**" means a subsidiary undertaking within the meaning of section 1162 of the Companies Act 2006.

"**Tax**" or "**tax**" means any present and future tax (including, without limitation, value added tax, consumption tax or any other tax in respect of added value or any income, tonnage, freight, stamp), levy, impost, duty, fee, or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same); and "**Taxes**", "**taxes**", "**Taxation**" and "taxation" shall be construed accordingly.

"**Tax Deduction**" means a deduction or withholding for or on account of Tax from a payment under a Transaction Document.

"**Term SOFR**" means the term SOFR reference rate administered by CME Group Benchmark Administration Limited (or any other person which takes over the administration of that rate) for the relevant period published (before any correction, recalculation or republication by the administrator) by CME Group Benchmark Administration Limited (or any other person which takes over the publication of that rate).

"**Termination**" means the termination at any time of the chartering of the Vessel under this Charter.

"**Termination Event**" means each of the events specified in Clause 58.1.

"**Termination Notice**" has the meaning given to such term in (as the context may require):

(a) as the context may require, Clause 58.2 (*Owners' options after occurrence of a Termination Event*);

(b) Clause 61.1 (*Early Termination – Charterers' purchase option*);

(c) Clause 61.2 (*Early Termination – Project Parties, Project Documents and Illegality of Owners*).

"**Termination Payment Date**" means, as the context may require:

(a) in respect of a Default Termination, the date specified as such in the Termination Notice served on the Charterers pursuant to Clause 58.2 (*Owners' options after occurrence of a Termination Event*) in respect of such Default Termination; or

(b) in respect of an Early Termination, the date specified as such in the Termination Notice served on the Charterers pursuant to 61.1 (*Early Termination – Charterers' purchase option*) or 61.2 (*Early Termination – Project Parties, Project Documents and Illegality of Owners*) (as applicable) in respect of such Early Termination; or

(c) in respect of a Total Loss Termination, the Settlement Date in respect of the Total Loss which gives rise to such Total Loss Termination.

"**Third Parties Act**" means the Contracts (Rights of Third Parties) Act 1999.

"**Time Charter**" means any charterparty in respect of the Vessel entered or to be entered into between the Time Charter Assignor (as disponent owners) and any Time Charterer (as charterers) which may have a duration of twenty-four (24) months or more (taking into account any option to renew or extend).

"**Time Charter Assignment**" means the deed of assignment executed or to be executed (as the case may be) by the Time Charter Assignor in favour of the Owners in relation to the Time Charter Assignor's rights and interest in and to (among other things):

(a) any Time Charter; and

(b) any Time Charter Guarantee in favour of the Time Charter Assignor for the performance of the obligations of any Time Charterer under any Time Charter referred to under paragraph (a) above.

"**Time Charter Assignor**" means any company proposed by the Charterers which is a member of the Group and is or will be a party (as disponent owners) to a Time Charter.

"**Time Charterer**" means any time charterer which is or will be a party (as charterers) to a Time Charter.

"**Time Charter Guarantee**" means any guarantee provided by a Time Charter Guarantor in favour of the Time Charter Assignor in respect of the relevant Time Charterer's obligations under the relevant Time Charter.

"**Time Charter Guarantor**" means any charter guarantor in connection with a Time Charter which is or will be a party to a Time Charter Guarantee.

"**Title Re-transfer PDA**" means the protocol of delivery and acceptance in relation to the Vessel to be executed between the Owners and the Charterers, substantially in the form of Schedule 2 (*Form of Title Re-transfer Protocol of Delivery and Acceptance*) hereto.

"**Total Loss**" means during the Charter Period:

(a) actual or constructive or compromised or agreed or arranged total loss of the Vessel;

(a) the Requisition unless the Vessel is released and returned to the possession of the Owners or the Charterers within sixty (60) days after the capture, seizure, arrest, detention, hijacking, theft, condemnation as prize, confiscation or forfeiture in question, and for the purpose of this Charter, (i) an actual Total Loss of the Vessel shall be deemed to have occurred at the date and time when the Vessel was lost but if the date of the loss is unknown the actual Total Loss shall be deemed to have occurred on the date on which the Vessel was last reported, (ii) a constructive Total Loss shall be deemed to have occurred at the date and time at which a notice of abandonment of the Vessel is given to the insurers of the Vessel and (iii) a compromised, agreed or arranged Total Loss shall be deemed to have occurred on the date of the relevant compromise, agreement or arrangement.

"**Total Loss Proceeds**" means the proceeds of the Insurances or any other compensation of any description in respect of a Total Loss.

"**Total Loss Termination**" means a termination of the Charter Period pursuant to the provisions of Clause 62.1 (*Total Loss*).

"**Transaction Documents**" means, together, this Charter, the MOA, the Security Documents, any Subordination Deed, and such other documents as maybe designated as such by the Owners and the Charterers from time to time and "**Transaction Document**" means any one of them.

"**Unpaid Sum**" means any sum due and payable but unpaid by any Obligor under the Transaction Documents.

"**US Dollars**", "**United States Dollars**", "**Dollars**", "**USD**", "**US$**" and "**$**" each means available and freely transferable and convertible funds in lawful currency of the United States of America.

"**US Government Securities Business Day**" means any day other than:

(a) a Saturday or a Sunday; and

(b) a day on which the Securities Industry and Financial Markets Association (or any successor organisation) recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in US Government securities.

"**US Tax Obligor**" means:

(a) an Obligor which is resident for tax purposes in the United States of America; or

(b) an Obligor some or all of whose payments under the Transaction Documents to which it is a party are from sources within the United States for US federal income tax purposes.

"**Valuation Report**" means, in relation to the Vessel, a valuation report of the Vessel issued by an Approved Valuer and in compliance with the requirements under Clause 57 (*Value maintenance clause*).

"**Variable Hire**" has the meaning given to such term in Clause 47.1.3.

"**Vessel**" means the bulk carrier with the Builder's hull number JNS674 as more particularly described in Box 4 (*Vessel*) of this Charter including its equipment, machinery, boilers, fixtures and fittings.

40 Interpretations

40.1 In this Charter, unless the context otherwise requires, any reference to:

40.1.1 this Charter includes the Schedules hereto and references to Clauses and Schedules are, unless otherwise specified, references to Clauses of and Schedules to this Charter and, in the case of a Schedule, to such Schedule as incorporated in this Charter as substituted from time to time;

40.1.2 any statutory or other legislative provision shall be construed as including any statutory or legislative modification or re-enactment thereof, or any substitution therefor;

40.1.3 the term "**Vessel**" includes any part of the Vessel;

40.1.4 the "**Owners**", the "**Charterers**", any "**Obligor**", "**Project Party**", "**Sub-Charterers**", "**Sub-Charter Guarantor**", the "**Time Charter Assignor**", any "**Time Charterer**", any "**Time Charter Guarantor**" or any other person include any of their respective successors, permitted assignees and permitted transferees;

40.1.5 any agreement, instrument or document include such agreement, instrument or document as the same may from time to time be amended, modified, supplemented, novated or substituted;

40.1.6 "**control**" over a particular company means:

(a) the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to cast, or control the cast of, more than fifty per cent. (50%), of the maximum number of votes that might be cast at a general meeting of such company; and/or

(b) the holding beneficially of more than fifty per cent. (50%) of the issued share capital of that company (excluding any part of that issued share capital that carries no right to participate beyond a specified amount in a distribution of either profits or capital).

40.1.7 the "**equivalent**" of one currency (the "**first currency**") as at any date of an amount in another currency (the "**second currency**") shall be construed as a reference to the amount of the first currency which could be purchased with such amount of the second currency at the spot rate of exchange selected by the Owners at or about 11:00 a.m. on such date for the purchase of the first currency with the second currency for delivery and value on such date;

40.1.8 "**excess risks**" means, in respect of the Vessel, the proportion (if any) of claims for general average, salvage and salvage charges not recoverable under the hull and machinery policies in respect of the Vessel in consequence of its insured value being less than the value at which the Vessel is assessed for the purpose of such claims;

40.1.9 "**hereof**", "**herein**" and "**hereunder**" and other words of similar import means this Charter as a whole (including the Schedules) and not any particular part hereof;

40.1.10 "**law**" includes common or customary law and any constitution, decree, judgment, legislation, order, ordinance, regulation, rule, statute, treaty or other legislative measure in any jurisdiction or any present or future directive, regulation, request or requirement, or official or judicial interpretation of any of the foregoing, in each case having the force of law and, if not having the force of law, in respect of which compliance is generally customary or a normal course of business;

40.1.11 "**month**" means, save as otherwise provided, a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month, except that if there is no numerically corresponding day in the calendar month in which that period is to end, that period shall end on the last day in that calendar month;

40.1.12 Owners' "**cost of funds**" in relation to maintaining the funding of the purchase of the Vessel or an Unpaid Sum (as the case may be) is a reference to the average cost (determined either on an actual or a notional basis) which the Owners would incur if they were to fund, from whatever source(s) they may reasonably select, an amount equal to the amount of the funding of the purchase of the Vessel or that Unpaid Sum for period in length to the relevant Hire Period.

40.1.13 the word "**person**" or "**persons**" or to words importing persons include, without limitation, any state, divisions of a state, government, individuals, partnerships, corporations, ventures, government agencies, committees, departments, authorities and other bodies, corporate or unincorporated, whether having distinct legal personality or not;

40.1.14 the "**winding-up**", "**dissolution**", "**administration**", "**liquidation**", "insolvency", "reorganisation", "readjustment of debt", "suspension of payments", "moratorium" or "bankruptcy" (and their derivatives and cognate expressions) of any person shall each be construed so as to include the others and any equivalent or analogous proceedings or event under the laws of any jurisdiction in which such person is incorporated or any jurisdiction in which such person carries on business;

40.1.15 "**protection and indemnity risks**" means the usual risks covered by a protection and indemnity association which is a member of the International

Group of P&I Club, including pollution risks and the proportion (if any) of any sums payable to any other person or persons in case of collision which are not recoverable under the hull and machinery policies by reason of the incorporation in them of clause 6 of the International Hull Clauses (1/11/02 or 1/11/03), clause 8 of the Institute Time Clauses (Hull)(1/10/83) or clause 8 of the Institute Time Clauses (Hulls)(1/11/1995) or the Institute Amended Running Down Clause (1/10/71) or any equivalent provision;

40.1.16 a "**regulation**" in the definition of "**Sanctions**" or in any provision in relation to Sanctions includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation;

40.1.17 a Potential Termination Event or a Termination Event is "continuing" if it has not been remedied or waived; and

40.1.18 words denoting the plural number include the singular and vice versa.

40.2 Headings are for the purpose of reference only, have no legal or other significance, and shall be ignored in the interpretation of this Charter.

40.3 A time of day (unless otherwise specified) is a reference to Beijing time.

41 MOA

41.1 The Parties hereby agree that the chartering of the Vessel under this Charter is subject to the effective transfer of ownership of the Vessel to the Owners pursuant to the MOA.

41.2 If:

41.2.1 the Vessel is not delivered by the Long Stop Date (or such later date as the Owners and Sellers may agree);

41.2.2 prior to the Actual Delivery Date the Vessel suffers a Total Loss;

41.2.3 prior to the Actual Delivery Date, it becomes unlawful or it is prohibited for the Owners to comply with any of its obligations under the Transaction Documents; or

41.2.4 prior to the Actual Delivery Date, the MOA is cancelled, terminated, rescinded or otherwise ceases to remain in full force and effect for any reason,

the Owners' obligation to charter the Vessel on the terms of this Charter shall immediately terminate without the need for either the Owners or the Charterers to take any action whatsoever, provided that:

(a) the Charterers shall:

(i) remain liable under each of Clause 64 (*Fees and expenses*), Clause 22 (*Indemnity*) and Clause 66 (*Further indemnities*);

(ii) to the extent that it has not then been paid, pay all fees payable by the Charterers under the MOA (including without limitation all Pre-Delivery Interest due and payable or accrued but unpaid under the MOA, in each case within thirty (30) days of the earlier of:

(A) the Long Stop Date,

(B) the date on which the Total Loss occurs,

(C) the date of it becoming unlawful or it is prohibited for the Owners to comply with its obligations under any of its obligations under the Transaction Documents; and

(D) the date of cancellation, termination, rescission or ceasing to be in full force and effect of the MOA for any reason; and

(b) the Owners shall retain all fees payable by the Charterers under the MOA or the Charter if already paid.

41.3 The Parties agree and acknowledge that all payment made in accordance this Clause 41 shall not be construed as a penalty but is agreed to be proportionate as to amount, having regard to the legitimate interest of the Owners, in protecting against the risk of early termination of this Charter and the MOA or the Charterers failing to perform their obligations under this Charter and the MOA.

42 Pre-delivery and delivery

42.1 Subject to Clauses 42.4 and 43 (*Conditions precedent and subsequent*), the Owners shall be deemed to have delivered and the Charterers shall be deemed to have taken delivery of the Vessel under this Charter immediately after:

42.1.1 the Builder delivers the Vessel to the Sellers under the Building Contract; and

42.1.2 the Sellers deliver the Vessel to the Owners under the terms of the MOA.

The Owners and the Charterers nevertheless agree to enter into and execute the PDA on the Actual Delivery Date. The Charterers hereby agree that the acceptance by the Sellers of the Vessel under the Building Contract and by the Owners of the Vessel under the MOA shall constitute deemed delivery of the Vessel to the Charterers under this Charter.

42.2 The Charterers shall in no circumstances be entitled to reject the Vessel under this Charter if the Vessel has been accepted by and delivered to the Sellers under the Building Contract.

42.3 The Charterers shall be deemed to have accepted the Vessel on an "as is where is" basis on delivery under this Charter in exactly the same form and state as the Vessel is delivered by the Sellers to the Owners pursuant to the MOA with any faults, deficiencies and errors of description.

42.4 The obligation of the Owners to charter the Vessel to the Charterers pursuant to this Charter is subject to the following conditions:

42.4.1 no Termination Event or Potential Termination Event is continuing on the Actual Delivery Date;

42.4.2 the Repeating Representations are true and correct on the Actual Delivery Date;

42.4.3 the Actual Delivery Date falls on or before the Long Stop Date (or such later date as may be agreed between the Owners (as buyers under the MOA) and the Sellers);

42.4.4 the Builder has delivered the Vessel to the Sellers under the Building Contract and the Sellers have delivered the Vessel to the Owners under and subject to the terms of the MOA.

42.5 The Charterers shall, at their own expense, upon the delivery of the Vessel by the Sellers to the Owners procure title to the Vessel to be registered in the name of the Owners.

42.6 The Charterers acknowledge and agree that the Owners (not being the manufacturer or original supplier of the Vessel) makes no representations or warranties in respect of the Vessel or any part thereof, and hereby waive all their rights in respect of any warranty or condition implied (whether statutory or otherwise) on the part of the Owners and all claims against the Owners howsoever the same might arise at any time in respect of the physical condition of the Vessel, or arising out of the construction, operation or performance of the Vessel and the chartering thereof under this Charter (including, without limitation, in respect of the seaworthiness or otherwise of the Vessel).

42.7 Without prejudice to the generality of Clause 42.6, the Owners shall be under no liability whatsoever, howsoever arising, in respect of the injury, death, loss, damage or delay of or to or in connection with the Vessel or any person or property whatsoever, whether on board the Vessel or elsewhere, and irrespective of whether such injury, death, loss, damage or delay shall arise from the unseaworthiness of the Vessel. For the purpose of this Clause 42.7, "delay" shall include delay to the Vessel (whether in respect of delivery under this Charter or thereafter and any other delay whatsoever).

42.8 The Owners hereby appoint the Charterers, who hereby accept such appointment, to deal directly, at the Charterers' cost, with the Builder in relation to the guarantee described in article IX (*Warranty of Quality*) of the Building Contract in accordance with the applicable provisions of article IX (*Warranty of Quality*) of the Building Contract, unless and until the Owners cancel such appointment in writing.

42.9 The Charterers shall keep the Owners informed about any works required or carried out in connection with Clause 42.8, and send copies of all material correspondence in this regard.

43 Conditions precedent and subsequent

The obligations of the Owners to charter the Vessel to the Charterers under this Charter are subject to and conditional upon the Owners' receipt of the documents and evidence referred to in and in accordance with:

43.1 clause 8 (*Conditions precedent and subsequent*) (other than clause 8.5 (*Conditions subsequent*)) of the MOA on or before the Actual Delivery Date; and

43.2 clause 8.5 (*Conditions subsequent*) of the MOA within the time limit specified in that clause,

in each case in form and substance satisfactory to the Owners, unless the Owners (as buyers under the MOA) have waived in writing their right to require production of any such documents and evidence.

44 Bunkers and luboils

44.1 At delivery, the Charterers (in their capacity as charterers under this Charter) shall take over such bunkers, lubricating oil, hydraulic oil, greases, water and unbroached stores and provisions in the Vessel which remained the property of the Charterers (in their capacity as sellers under the MOA) without cost; and the Charterers shall, at their own time, costs and risks, purchase all other bunkers, lubricating oil, hydraulic oil, greases, water and unbroached stores and provisions in the Vessel at no costs of the Owners.

44.2 To the extent that Clause 49 (*Redelivery*) applies, at redelivery the Owners are entitled to take over all bunkers, unused lubricating oil, hydraulic oil, greases, water and unbroached provisions and other consumable stores in the said Vessel at the Charterers' cost.

45 Further maintenance and operation

45.1 The good commercial maintenance practice under Clause 13 (*Maintenance and Operation*) (Part II) of this Charter shall be deemed to include:

45.1.1 the maintenance and operation of the Vessel by the Charterers in accordance with:

(a) the relevant regulations and requirements of the Classification Society;

(b) the relevant regulations and requirements of the Flag State;

(c) any applicable IMO regulations (including but not limited to the ISM Code, the ISPS Code and MARPOL);

(d) all other regulations, requirements and recommendations of any international, national state or local government with jurisdiction applicable to this Charter and/or the Vessel; and

(e) the operations and maintenance manuals of the Charterers or of the relevant Sub-Charterers;

45.1.2 the maintenance and operation of the Vessel by the Charterers taking into account:

(a) engine manufacturers' recommended maintenance and service schedules;

(b) vendor's operations and maintenance manuals; and

(c) the Charterers' and/or the Approved Manager's experience in operating vessels of similar calibre as the Vessel; and

45.1.3 recommended maintenance and service schedules of all installed equipment and pipework.

45.2 In addition to the above, the Charterers covenant with the Owners to arrange online access to class records for the Owners as available to the Charterers, at no cost of the Owners.

45.3 The title to any equipment (or part thereof):

45.3.1 placed on board as a result of operational requirements of the Charterers shall automatically be deemed to belong to the Owners (unless hired from a third party) immediately upon such placement, and such equipment may only be removed with the Owners' prior written consent and at the Charterers' own time and expense (and when seeking consent the Charterers shall provide the Owners with evidence satisfactory to the Owners that the removal will be carried out without damage to the Vessel); and

45.3.2 replaced, renewed or substituted shall remain with the Owners until the part or equipment which replaced it or the new or substitute part or equipment becomes property of the Owners.

45.4 The Charterers shall not put the Vessel into the possession of any person for the purpose of work being done upon it in an amount exceeding or likely to exceed the Major Casualty Amount (or its equivalent in any other currency) without the Owners' prior consent in writing.

45.5 Without prejudice to any other provisions under this Charter, the Charterers shall maintain, use and operate the Vessel with reasonable care as if the Charterers were the owner of the same.

46 Structural changes and alterations

46.1 Upon the occurrence of:

46.1.1 any Termination Event which is continuing, if the Owners retake possession of the Vessel pursuant to Clause 58 (*Termination Events*); or

46.1.2 an Early Termination pursuant to Clause 61.2 (*Early Termination – Project Parties, Project Documents and Illegality of Owners*) (if the Owners retake possession of the Vessel pursuant to that Clause),

the Charterers shall at their expense restore the Vessel to its former condition unless the changes made are carried out:

46.1.3 to improve the performance, operation or marketability of the Vessel; or

46.1.4 as a result of a regulatory compliance.

46.2 The Charterers shall not, without obtaining the Owners' consent, make any modification or changes to the Vessel's basic particulars or her machinery, engines, appurtenances or spare parts (including but not limited to remove or replace parts or equipment of the Vessel) which would or might materially alter the structure, type, performance characteristics or technical parameters of the Vessel or reduce its value, save only for the Required Modification.

46.3 In respect of any change or modification consented by the Owners and any Required Modification, the Charterers shall:

46.3.1 provide to the Owners of the details of such changes and/or modification and evidence of improvement to the performance, operation, marketability and/or value of the Vessel, in each case reasonably in advance of such changes and/or modification;

46.3.2 promptly carry out and complete all relevant changes and/or modification at the Charterers' account; and

46.3.3 not have any right to recover from the Owners any part of the cost for such changes or modification.**Hire**

47.1 **Hire during Charter Period** In consideration of the Owners' agreement to charter the Vessel to the Charterers pursuant to the terms hereof, the Charterers shall pay to the Owners,

47.1.1 on each Hire Payment Date throughout the Charter Period by way of basic fixed hire (each a "**Basic Fixed Hire**") an amount equal to one twentieth ($1/20^{th}$) of the difference between the MOA Purchase Price and the Balloon Amount;

47.1.2 on each Hire Payment Date throughout the Charter Period by way of special fixed hire (each a "**Special Fixed Hire**") an amount applicable to that Hire Payment Date as set out in the Special Fixed Hire Schedule;

47.1.3 on each Hire Payment Date throughout the Charter Period by way of variable hire (each a "**Variable Hire**"), an amount of interest calculated by multiplying (A) (in relation to the first Hire Payment Date) the MOA Purchase Price or (in relation to any other Hire Payment Date) the Cost Balance immediately after the immediately preceding Hire Payment Date by (B) the Interest Rate for the relevant Hire Period ending on that Hire Payment Date and (C) a fraction whose denominator is three hundred and sixty (360) and numerator is the number of days which have elapsed (in respect of the 1st Hire Payment Date) from the Actual Delivery Date (including that date) to the 1st Hire Payment Date (not including that date), (in respect of all other Hire Payment Dates except the last Hire Payment Date) from the immediately preceding Hire Payment Date (including that date) to that Hire Payment Date (not including that date) and (in respect of the last Hire Payment Date) from the immediately preceding Hire Payment Date (including that date) to the last Hire Payment Date (including that date); and

47.1.4 unless the Early Termination Sum or Purchase Obligation Price has been paid in full in accordance with the terms of this Charter, the Charterers shall pay to the Owners, on the final Hire Payment Date and in addition to any Basic Fixed Hire, Special Fixed Hire and Variable Hire, an amount equal to the Balloon Amount.

47.2 **Accrual of Variable Hire** Variable Hire shall be an interest accruing on a daily basis throughout the Charter Period on the Cost Balance at an interest rate equal to the Interest Rate. For the purpose of determining any Hire payment under Clause 47.1 (*Hire during Charter Period*) above, each instalment of Variable Hire shall accrue from and including the first (1st) day of the relevant Hire Period in accordance with paragraph 47.1 (*Hire during Charter Period*) above.

47.3 **Payment of Hire**

47.3.1 Each payment of Hire shall be made in arrears; and

47.3.2 each payment of Hire (other than the Balloon Amount) shall be made on each Hire Payment Date (Beijing time) (in respect of which time is of the essence) and in same day available funds and received by the Owners by no later than 5 p.m. (Beijing time) on the relevant Hire Payment Date.

47.4 **Non-Business Day** Any payment under and in relation to any Transaction Documents by the Charterers due on any day which is not a Business Day shall be payable on the immediately preceding Business Day.

47.5 **Payment account information** All payments under this Charter shall be made to such account as the Owners may from time to time notify the Charterers by a written notice certified by a director of the Owners.

47.6 **Charterers' Hire payment obligation absolute** Following delivery of the Vessel to, and acceptance by, the Charterers under this Charter, the Charterers' obligation to pay Hire in accordance with this Clause 47 and any other payments payable to the Owner under the Transaction Documents shall be absolute and unconditional irrespective of any contingency whatsoever including but not limited to:

47.6.1 any set-off, condition, counterclaim, recoupment, defence or other whatsoever right the Charterers may have against the Owners, the Finance Parties or any other third party;

47.6.2 any lack or invalidity of title or any other defect in title to the Vessel, any unavailability of the Vessel, for any reason, including but not limited to capture, seizure, arrest or similar event of whatsoever nature in relation to the Vessel, seaworthiness, condition, design, operation, merchantability or fitness for use or purpose of the Vessel or any apparent or latent defects in the Vessel or its machinery and equipment or the ineligibility of the Vessel for any particular use or trade or for registration of documentation under the laws of any relevant jurisdiction or lack of registration or the absence or withdrawal of any consent required under the applicable law of any relevant jurisdiction for the ownership, chartering, use or operation of the Vessel or any damage to the Vessel;

47.6.3 any failure or delay on the part of either party to this Charter, whether with or without fault on its part, in performing or complying with any of the terms, conditions or other provisions of this Charter;

47.6.4 any insolvency, bankruptcy, reorganisation, arrangement, readjustment of debt, dissolution, administration, liquidation or similar proceedings by or against the Owners or the Charterers or any change in the constitution of the Owners or the Charterers;

47.6.5 any invalidity or unenforceability or lack of due authorisation of or any defect in this Charter;

47.6.6 any other cause which would but for this provision have the effect of terminating or in any way affecting the obligations of the Charterers hereunder,

it being the declared intention of the Parties that the provisions of this Clause 47, and the obligation of the Charterers to pay Hire and make any payments under this Charter, shall (save as expressly provided in this Clause 47) survive any frustration and that, save as expressly provided in this Charter, no moneys paid under this Charter by the Charterers to the Owners shall in any event or circumstance be repayable to the Charterers.

47.7 All payments free from deductions

47.7.1 The Charterers shall procure that all payments to the Owners pursuant to this Charter and the other Transaction Documents shall be made in immediately available funds in US Dollars, free and clear of, and without any Tax Deduction.

47.7.2 In the event that any Obligor is required by any applicable law or regulation to make any Tax Deduction on any payment due under this Charter or any other Transaction Document, then:

(a) the Charterers shall notify the Owners promptly after they become aware of such requirement;

(b) the Charterers shall procure that the amount of such taxes is remitted to the appropriate taxation authority within any applicable time limits and in any event prior to the date on which penalties attach thereto; and

(c) the Charterers shall procure that such payment shall be increased by such amount as may be necessary to ensure that the Owners receive a net amount which, after making any Tax Deduction, is equal to the full amount which the Owners would have received had such payment not been subject to such Tax Deduction.

47.7.3 The Charterers shall forward to the Owners evidence reasonably satisfactory to the Owners that any Tax or Tax Deduction which is required to be paid or deducted from or in relation to any payment to the Owners under a Transaction Document has been made and/or remitted to the appropriate taxation authority within thirty (30) days of making such remittance and/or deduction. For the avoidance of doubt the Charterers shall remain wholly responsible for paying or deducting such Tax or Tax Deduction and the Owners shall not bear any liability, or have any claim against the Charterers prevented or diminished, due to the contents of the evidence provided.

47.8 **Default interest** If the Charterers fail to pay any amount payable by it under a Transaction Document on its due date, interest shall accrue on a daily basis on the Unpaid Sum from the due date up to the date of actual payment (both before and after judgment) at the Default Rate, in the currency of the Unpaid Sum for successive Hire Periods (as if the Unpaid Sum had, during the period of non-payment, constituted part of the Cost Balance and as if the consecutive Hire Periods will continue until the Unpaid Sum is paid notwithstanding the end of the Charter Period). Any interest accruing under this Clause 47.8 shall be immediately payable by the Charterers on demand by the Owners. Default interest (if unpaid) arising on an Unpaid Sum will be compounded with the Unpaid Sum at the end of each Hire Period applicable to that Unpaid Sum but will remain immediately due and payable. The Parties agree that, without prejudice to other rights, benefits and remedies of the Owners under the Transaction Documents, in the event that any other loss, damage, costs or expenses was suffered or incurred by the Owners wholly or partly as a result of the Charterers' failure to pay any amount payable under the Transaction Documents on its due date, the Charterers shall be responsible for all such loss, damage, costs and expenses in addition to the interests payable under this Clause 47.8, to the extent not covered by any payable Break Costs.

47.9 **Hire payment obligation to survive termination** In the event that this Charter is terminated for whatever reason, the Charterers' obligation to pay Hire and such other Unpaid Sum which (in each case) has accrued due on or before the date of such termination, and which remains unpaid, at the date of such termination shall continue notwithstanding such termination.

47.10 **Increased Costs**

(a) Subject to Clause 47.10(d), the Charterers shall, within five (5) Business Days of a demand by the Owners, pay for the account of the Owners the amount of any Increased Costs incurred by the Owners or any of their Affiliates as a result of:

(i) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation made after the date of this Charter; or

(ii) compliance with any law or regulation made after the date of this Charter; or

(ii) the implementation or application of or compliance with Basel III or CRD IV or any other law or regulation which implements Basel III or CRD IV.

(b) In this Clause 47:

"**Basel III**" means:

(i) the agreements on capital requirements, a leverage ratio and liquidity standards contained in "Basel III: A global regulatory framework for more resilient banks and banking systems", "Basel III: International framework for liquidity risk measurement, standards and monitoring" and "Guidance for national authorities operating the countercyclical capital buffer" published by the Basel Committee on Banking Supervision in December 2010, each as amended, supplemented or restated;

(ii) the rules for global systemically important banks contained in "Global systemically important banks: assessment methodology and the additional loss absorbency requirement – Rules text" published by the Basel Committee on Banking Supervision in November 2011, as amended, supplemented or restated; and

(iii) any further guidance or standards published by the Basel Committee on Banking Supervision relating to "Basel III".

"**CRD IV**" means:

(i) Regulation (EU) No 575/2013 of the European Parliament of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending regulation (EU) No.648/2012, as amended by Regulation (EU) 2019/876;

(ii) Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC, as amended by Directive (EU) 2019/878; and

(iii) any other law or regulation which implements Basel III.

"**Increased Costs**" means:

(i) a reduction in the rate of return from the transactions contemplated by the Transaction Documents or on the Owners' (or their Affiliates') overall capital;

(ii) an additional or increased cost; or

(iii) a reduction of any amount due and payable under any Transaction Document,

which is incurred or suffered by the Owners or any of their Affiliate to the extent that it is attributable to the Owners having agreed to finance or refinance the acquisition of the Vessel or funding, maintaining or performing their obligations under the Transaction Documents.

(c) The Owners shall notify the Charterers of any claim arising from Clause 47.10(a) (and of the event giving rise to such claim). The Owners shall, as soon as practicable after having made a demand in respect of such claim, provide a certificate confirming the amount of its Increased Costs.

(d) Clause 47.10(a) does not apply to the extent any Increased Costs is:

(i) attributable to a Tax Deduction required by law to be made by the Charterers; or

(ii) compensated for by Clause 54.38 (*Tax indemnity*) (or would have been compensated for under Clause 54.38 (*Tax indemnity*) but was not so compensated solely because any of the exclusions in paragraph (b) of Clause 54.38 (*Tax indemnity*) applied); or

(iii) attributable to the wilful breach by the Owners of any law or regulation.

47.11 **Break Costs** The Charterers shall, within five (5) Business Days of demand by the Owners, pay to the Owners their Break Costs.

47.12 **Unavailability of Term SOFR**

47.13.1 **Interpolated Term SOFR** If no Term SOFR is available for a Hire Period the applicable Applicable Rate shall be Interpolated Term SOFR for a period equal in length to that Hire Period.

47.13.2 **Historic Term SOFR** If no Term SOFR is available for a Hire Period and it is not possible to calculate the Interpolated Term SOFR, the applicable Applicable Rate shall be the Historic Term SOFR for a period equal in length to that Hire Period.

47.13.3 **Interpolated Historic Term SOFR** If Clause 47.13.2 above applies but no Historic Term SOFR is available for the relevant Hire Period, the applicable Applicable Rate shall be the Interpolated Historic Term SOFR for a period equal in length to that Hire Period.

47.13.4 **Cost of funds** If Clause 47.13.3 above applies but it is not possible to calculate the Interpolated Historic Term SOFR, Clause 47.15 (*Cost of funds*) shall apply for the relevant Hire Period.

47.14 **Market disruption** If before close of business in Beijing on the Quotation Day for the relevant Hire Period, the Charterers receive notifications from the Owners that the cost to them of funding the Cost Balance from whatever source they may reasonably select would be in excess of Term SOFR, then Clause 47.15 (*Cost of funds*) shall apply to the Cost Balance for the relevant Hire Period.

47.15 **Cost of funds**

47.15.1 If this Clause 47.15 applies, the Interest Rate for the relevant Hire Period shall be the percentage rate per annum which is the rate notified to the Charterers by the Owners as soon as practicable and in any event within three Business Days of the first day of that Hire Period (or, if earlier, on the date falling three Business Days before the date on which Variable Hire or interest (as the case may be) is due to be paid in respect of that Hire Period to be that which expresses as a percentage rate per annum the cost to the Owners of maintaining the funding of the purchase of the Vessel or that Unpaid Sum (as the case may be) from whatsoever source they may reasonably select and if such rate is less than zero then such rate shall be deemed to be zero.

47.15.2 If this Clause 47.15 applies and the Owners or the Charterers so require, the Owners and the Charterers shall enter into negotiations (for a period of not more than third (30) days) with a view to agreeing a substitute basis for determining the rate of interest or (as the case may be) an alternative basis for funding.

47.15.3 Any alternative basis agreed pursuant to Clause 47.15.2 shall be binding on all Parties.

47.15.4 If an alternative basis is not agreed pursuant to Clause 47.15.2, the Interest Rate shall continue to be determined in accordance with Clause 47.15.1.

47.16 **Remittance information**

47.16.1 The Charterers shall provide the Owners with details of the remittance bank from which payments from the Charterers are to be made under this Charter and shall procure that no change is made to such remittance bank during the Agreement Term, unless the Charterers give the Owners written notice no later than five Business Days before such change.

47.16.2 The Charterers shall provide the Owners with such remittance information for each payment as may be reasonably requested by the Owners.

48 Insurance

48.1 **Charterers' obligation to place insurance** During the Agreement Term, the Charterers shall at their expense keep the Vessel insured against fire and usual marine risks (including hull and machinery and excess risks), oil pollution liability risks, war risks and protection and indemnity risks (and any risks against which it is compulsory to insure for the operation for the Vessel or which the Owners (or if applicable, the Finance Parties) consider, having regard to practice and other circumstances prevailing at the relevant time, it would be reasonable for the Charterers to insure and which are notified to the Charterers):

48.1.1 in US Dollars; and

48.1.2 in such market and on such terms as are customary for owners of similar tonnage,

and the Charterers shall keep such insurance valid throughout the whole Agreement Term.

48.2 **Beneficiaries of Insurances** Such insurances shall be arranged by the Charterers to protect the interests of the Owners (including naming the Owners as assured/insured in the insurance covers), the Charterers and (if requested by the Owners or a Finance Party) the mortgagee of the Vessel or such other relevant Finance Party, and the Charterers shall be at liberty to protect under such insurances the interests of any Approved Manager (subject to the provision of a Manager's Undertaking by each such Approved Manager). The Charterers shall procure that the Owners are named as loss payee with such directions for payment as the Owners may specify. As the case may be the Charterers shall upon the request of the Owners procure that the mortgagee of the Vessel is named as loss payee with such directions for payment as the mortgagee may specify.

48.3 **Scope of insurance** Insurance policies shall cover the Owners, the Charterers, the Approved Managers and (if requested by the Owners or a Finance Party) the Finance Parties according to their respective interests. Subject to the approval of the Owners (acting on the instructions or with the approval of the Finance Parties (in each case if applicable)) and the insurers, the Charterers shall effect all insured repairs and shall undertake settlement and reimbursement from the insurers of all costs in connection with such repairs as well as insured charges, expenses and liabilities to the extent of coverage under the insurances herein provided for, provided that the aforementioned approval from the Owners will not be required for (i) emergency repairs that are required to be carried out to enable the Charterers to continue to utilise the Vessel in accordance with this Charter, or (ii) any repair the aggregate costs of which is less than the Major Casualty Amount.

48.4 **Repairs etc. not covered by Insurances** The Charterers shall also remain responsible for and to effect repairs and settlement of costs and expenses incurred thereby in respect of all other repairs not covered by the insurances and/or not exceeding any possible franchise(s) or deductibles provided for in the insurances.

48.5 **H&M and war risks coverage** The Charterers shall arrange that, at any time during the Agreement Term, the hull and machinery and war risks insurance shall be in an amount not less than the greater of:

48.5.1 an amount which equals one hundred and ten per cent. (110%) of the then current Cost Balance; and

48.5.2 the current Market Value or (as the case may be) the "Market Value" (as defined in the MOA) of the Vessel.

48.6 **Protection and indemnity coverage** The Vessel shall be entered in a protection and indemnity club which is a member of the International Group of P&I Clubs on customary terms and shall be covered against liability for pollution claims for the highest amount from time to time available in the international marine insurance market for vessels of a similar age, size and type to the Vessel and in any event in an amount not less than one thousand million US Dollars (US$1,000,000,000). All insurances shall include customary protection in favour of the Owners and (if any) the Finance Parties as notice of cancellation and exclusion from liability for premiums or calls.

48.7 **Named assureds, no alteration to terms of Insurances and insurance report**

The Charterers:

48.7.1 undertake to place the Insurances in such markets, in such currency, on such terms and conditions, and with such brokers, underwriters and associations as are customary for owners of similar tonnage;

48.7.2 shall not alter the terms of or waive any rights relating to any of the Insurances nor allow any person (other than those referred to in Clause 48.2 (*Beneficiaries of Insurances*)) to be co-assured under any of the Insurances without the prior written consent of the Owners, unless the interest of every other such named insured or co-assured is limited:

(a) in respect of any obligatory insurances for hull and machinery and war risks:

(i) to any provable out-of-pocket expenses that it has incurred and which form part of any recoverable claim on underwriters; and

(ii) to any third party liability claims where cover for such claims is provided by the policy (and then only in respect of discharge of any claims made against it); and

(b) in respect of any obligatory insurances for protection and indemnity risk, to any recoveries it is entitled to make by way of reimbursement following discharge of any third party liability claims made specifically against it;

and every other such named insured has undertaken in writing to the Owners, and if applicable, the Finance Parties (in such form as the Owners and, if applicable, any Finance Party requires) that any deductible shall be apportioned between the Charterers and every other named insured in proportion to the gross claims made or paid by each of them and that they shall do all things necessary and provide all documents, evidence and information to enable the Owners or, if applicable, the Finance Parties to collect or recover any moneys which at any time become payable in respect of the obligatory insurances;

48.7.3 will supply the Owners and, if applicable, the Finance Parties from time to time on request with such information as the Owners and, if applicable, any Finance Party may in their discretion reasonably require with regard to the Insurances and the brokers, underwriters or associations through or with which the Insurances are placed; and

48.7.4 shall reimburse the Owners and/or (if applicable) any Finance Party on demand for all costs and expenses incurred by the Owners and/or such Finance Party in obtaining from time to time a report on the adequacy of the Insurances from an insurance adviser instructed by the Owners and/or such Finance Party.

48.8 **Payment of premiums etc.** The Charterers undertake duly and punctually to pay all premiums, calls and contributions, and all other sums at any time payable in connection with the Insurances, and, at their own expense, to arrange and provide any guarantees from time to time required by any protection and indemnity or war risks association. From time to time upon the Owners' request, the Charterers shall provide the Owners and/or such Finance Party with (i) copies of all invoices issued by the brokers, underwriters or associations in respect of such premiums calls, contributions and other sums, and (ii) evidence satisfactory to the Owners and/or such Finance Party that such premiums, calls, contributions and other sums have been duly and punctually paid; that any such guarantees have been duly given; and that all declarations and notices required by the terms of any of the Insurances to be made or given by or on behalf of the Charterers to brokers, underwriters or associations have been duly and punctually made or given.

48.9 **Compliance with Insurances** The Charterers will comply in all respects with all terms and conditions of the Insurances and will make all such declarations to brokers, underwriters and associations as may be required to enable the Vessel to operate in accordance with the terms and conditions of the Insurances. The Charterers will not do, nor permit to be done, any act, nor make, nor permit to be made, any omission, as a result of which any of the Insurances may become liable to be suspended, cancelled or avoided, or may become unenforceable, or as a result of which any sums payable under or in connection with any of the Insurances may be reduced or become liable to be repaid or rescinded in whole or in part. In particular, but without limitation, the Charterers will not permit the Vessel to be employed other than in conformity with the Insurances without first taking out additional insurance cover in respect of that employment in all respects to the satisfaction of the Owners and, if applicable, the Finance Parties, and the Charterers will promptly notify the Owners and, if applicable, the Finance Parties of any new requirement imposed by any broker, underwriter or association in relation to any of the Insurances.

48.10 **Renewal of Insurances** The Charterers will:

48.10.1 no later than five (5) days before the expiry of any of the Insurances renew them and shall immediately give the Owners and, if applicable, the Finance Parties such details of those renewals as the Owners and, if applicable, the Finance Parties may require; and

48.10.2 no later than seven (7) days before the expiry of any of the Insurances, give notice to the relevant insurers or insurance brokers of their intention to renew.

48.11 **Delivery of documents relating to Insurances** The Charterers shall:

48.11.1 deliver to the Owners (upon the Owners' request) and, if applicable, the Finance Parties (upon their request) copies (and, if required by the Owners, the originals) of all policies, certificates of entry (endorsed with the appropriate loss payable Clauses as may be required by the Owners and the Finance Parties from time to time) and other documents relating to the Insurances (including, without limitation, receipts for premiums, calls or contributions); and

48.11.2 procure that letters of undertaking (in such form as are customary for the market) shall be issued to the Owners and, if applicable, the Finance Parties by the brokers through which the Insurances are placed (or, in the case of protection and indemnity or war risks associations, by their managers).

48.11 **Fleet cover** If the Vessel is at any time during the Agreement Term insured under any form of fleet cover, the Charterers shall procure that those letters of undertaking contain confirmation that the brokers, underwriters or association (as the case may be) will not set off claims relating to the Vessel against premiums, calls or contributions in respect of any other vessel or other insurance, and that the insurance cover of the Vessel will not be cancelled by reason of non-payment of premiums, calls or contributions relating to any other vessel or other insurance. Failing receipt of those confirmations, the Charterers will instruct the brokers, underwriters or association concerned to issue a separate policy or certificate for the Vessel in the sole name of the Charterers or of the Charterers' brokers as agents for the Charterers.

48.12 **Provision of information on casualty, accidence or damage** The Charterers shall promptly provide the Owners with full information regarding any casualty or other accident or damage to the Vessel, including, without limitation, any communication with all parties involved in case of a claim under any of the Insurances.

48.13 **Step-in rights of Owners and Finance Parties** The Charterers agree that, at any time after the occurrence of a Termination Event which is continuing, the Owners and, if applicable, the Finance Parties shall be entitled to:

48.13.1 collect, sue for, recover and give a good discharge for all claims in respect of any of the Insurances;

48.13.2 to pay collecting brokers the customary commission on all sums collected in respect of those claims;

48.13.3 to compromise all such claims or refer them to arbitration or any other form of judicial or non-judicial determination; and

48.13.4 otherwise to deal with such claims in such manner as the Owners and, if applicable, the Finance Parties shall in their discretion think fit.

48.14 **Total loss insurance proceeds** Whether or not a Termination Event shall have occurred, the proceeds of any claim under any of the Insurances in respect of a Total Loss shall be paid and applied in accordance with Clause 62 (*Total Loss*).

48.15 **Payment of insurance proceeds**

48.15.1 The Owners agree that any amounts which may become due under any protection and indemnity entry or insurance shall be paid to the Charterers to reimburse the Charterers for, and in discharge of, the loss, damage or expense in respect of which they shall have become due, unless, at the time the amount in question becomes due, a Termination Event shall have occurred and is continuing, in which event the Owners shall be entitled to receive the amounts in question and to apply them either in reduction of the Early Termination Sum owed by the Charterers pursuant to Clause 58.3 (*Payment* *of Early Termination Sum*) or, at the option of the Owners, to the discharge of the liability in respect of which they were paid.

48.15.2 All claims in relation to the Insurances (other than in respect of a Total Loss) shall be payable in accordance with the applicable loss payable clause as set out in the Charterers' Assignment.

48.16 **Settlement, compromise or abandonment of claims** The Charterers shall not settle, compromise or abandon any claim under or in connection with any of the Insurances (other than a claim of less than the Major Casualty Amount arising other than from a Total Loss) without the prior written consent of the Owners and, if applicable, the Finance Parties.

48.17 **Owners' rights to maintain Insurances**

48.17.1 If the Charterers fail to effect or keep in force the Insurances, the Owners may (but shall not be obliged to) effect and/or keep in force such insurances on the Vessel and such entries in protection and indemnity or war risks associations as the Owners in their discretion consider desirable, and the Owners may (but shall not be obliged to) pay any unpaid premiums, calls or contributions. The Charterers will reimburse the Owners from time to time on demand for all such premiums, calls or contributions paid by the Owners, together with interest calculated in accordance with Clause 47.8 (*Default interest*) from the date of payment by the Owners until the date of reimbursement.

48.17.2 The Charterers shall, or shall procure that the relevant insurers or insurance brokers shall, promptly give notice to the Owners if:

(a) the Charterers fail to effect or keep in force the Insurances, whether by reason of non-payment of premium or otherwise; or

(b) any substantial change is made to the coverage which adversely affects the interest of the Owners or the Finance Parties (if any).

48.18 **Environmental protection issues** The Charterers shall comply strictly with the requirements of any legislation relating to pollution or protection of the environment which may from time to time be applicable to the Vessel in any jurisdiction in which the Vessel shall trade and in particular the Charterers shall comply strictly with the requirements of the United States Oil Pollution Act 1990 (the "Act") if the Vessel is to trade in the United States of America and Exclusive Economic Zone (as defined in the Act). Before any such trade is commenced and during the entire period during which such trade is carried on, the Charterers shall:

48.18.1 pay any additional premiums required to maintain protection and indemnity cover for oil pollution up to the limit available to the Charterers for the Vessel in the market; and

48.18.2 make all such quarterly or other voyage declarations as may from time to time be required by the Vessel's protection and indemnity association in order to maintain such cover; and

48.18.3 submit the Vessel to such additional periodic, classification, structural or other surveys which may be required by the Vessel's protection and indemnity insurers to maintain cover for such trade; and

48.18.4 implement any recommendations contained in the reports issued following the surveys referred to in Clause 48.18.3 above within the relevant time limits contained in such reports, or such longer period as may be acceptable to the Owners in their absolute discretion, and provide evidence satisfactory to the Owners that the protection and indemnity insurers are satisfied that this has been done; and

48.18.5 in addition to the foregoing (if such trade is in the United States of America and Exclusive Economic Zone):

(a) obtain and retain a certificate of financial responsibility under the Act in form and substance satisfactory to the United States Coast Guard and upon request provide the Owners with evidence of the same; and

(b) procure that the protection and indemnity insurances do not contain a US Trading Exclusion Clause or any other analogous provision and provide the Owners with evidence that this is so; and

(c) comply strictly with any operational or structural regulations issued from time to time by any relevant authorities under the Act so that at all times the Vessel falls within the provisions which limit strict liability under the Act for oil pollution.

48.19 **Innocent Owners' Interest Insurance** The Owners shall be at liberty to, in relation to the Vessel, take out or require the Charterers to arrange an Innocent Owners' Interest Insurance on such terms and conditions as the Owners may from time to time decide. The Charterers shall from time to time upon the Owners' demand reimburse the Owners for all costs, premiums and expenses paid or incurred by the Owners in connection with such Innocent Owners' Interest Insurance, but only to the extent corresponding to an Owners' Interest Insurance for an amount not exceeding one hundred and ten per cent. (110%) of the then current Cost Balance.

48.20 **Mortgagees' Interest Insurance** Any Finance Party shall be at liberty to take out a Mortgagees' Interest Insurance in relation to the Vessel on such terms and conditions as that Finance Party may from time to time decide. The Charterers shall from time to time upon the Owners' demand reimburse the Owners for all costs, premiums and expenses paid or incurred by the Owners or that Finance Party in connection with such Mortgagees' Interest Insurance, but only to the extent corresponding to a Mortgagee's Interest Insurance for an amount not exceeding one hundred and ten per cent. (110%)

of the amount then outstanding under any loan made available by the Finance Parties pursuant to any Finance Documents. Without prejudice to the foregoing, if the Charterers have reimbursed the Owners in accordance with this Clause 48.20, the Charterers shall not be obliged to reimburse the Owners in accordance with Clause 48.19 (*Innocent Owners' Interest Insurance*) for such proportion of the relevant Cost Balance which shall be covered by the Mortgagees' Interest Insurance.

49 Redelivery

Upon the occurrence of:

49.1 any Termination Event which is continuing and if the Owners take any action to retake possession of the Vessel pursuant to Clause 58 (*Termination Events*); or

49.2 an Early Termination pursuant to Clause 61.2 (*Early Termination – Project Parties, Project Documents and Illegality of Owners*) and if the Owners take any action to retake possession of the Vessel,

the Charterers shall, at their own cost and expense, redeliver or cause to be redelivered the Vessel to the Owners at such safe, ice free port as the Owners may direct where the Vessel would be afloat at all times in a ready safe berth or anchorage, in accordance with Clauses 49 (*Redelivery*), 50 (*Redelivery conditions*) and 51 (*Diver's inspection at redelivery*).

50 Redelivery conditions

50.1 In addition to what has been agreed in Clause 49 (*Redelivery*), the condition of the Vessel shall at redelivery be as follows:

50.1.1 the Vessel shall be free of any overdue class and statutory recommendations affecting its trading certificates;

50.1.2 the Vessel must be redelivered with all equipment and spares or replacement items listed in the delivery inventory carried out pursuant to Clause 8 (*Inventories*) and any spare parts on board or on order for any equipment installed on the Vessel following delivery (provided that any such items which are on lease or hire purchase shall be replaced with items of an equivalent standard and condition fair wear and tear excepted); all records, logs, plans, operating manuals and drawings, spare parts on board shall be included at the time of redelivery in connection with a transfer of the Vessel or such other items as are then in the possession of the Charterers shall be delivered to the Owners;

50.1.3 the Vessel must be redelivered with all national and international trading certificates and hull/machinery survey positions for both class and statutory surveys free of any overdue recommendation and qualifications valid and un-extended for a period of at least six months beyond the redelivery date;

50.1.4 all of the Vessel's ballast tank coatings to be maintained in "Fair" (as such term (or its equivalent) may be defined and/or interpreted in the relevant survey report) condition as appropriate for the Vessel's age at the time of redelivery, fair wear and tear excepted;

50.1.5 the Vessel shall have passed any flag or class surveys or inspections due within six months after the date of redelivery and have its continuous survey system up to date;

50.1.6 the Vessel must be re-delivered with accommodation and common spaces for crew and officers substantially in the same condition as at the Actual Delivery Date, free of damage over and above fair wear and tear, clean and free of infestation and odours; with cargo spaces generally fit to carry the cargoes originally designed and intended for the Vessel; with main propulsion equipment, auxiliary equipment, cargo handling equipment, navigational equipment, etc., in such operating condition as provided for in this Charter;

50.1.7 the Vessel shall be free and clear of all liens (other than any Encumbrance falling within paragraphs (a) and (b) of the definition of "Permitted Encumbrance") and additionally, also free of charter or other employment (unless the Owners wish to retain the continuance of any prevailing charter or as otherwise agreed by the Owners in their absolute discretion);

50.1.8 the condition of the cargo holds to be in accordance with the maintenance regime undertaken by the Charterers during the Charter Period since delivery;

50.1.9 at the costs and expenses of the Charterers, a final joint report from the surveyors appointed by the Owners and the Charterers respectively shall be carried out as to the condition of the Vessel and a list of agreed deficiencies if any shall be drawn up;

50.1.10 the anti-fouling coating system applied at the last scheduled dry-docking shall be in accordance with prevailing regulations at the time of application;

50.1.11 the funnel markings and name (unless being retained by the Owner following redelivery) shall be painted out by the Charterers;

50.1.12 recently taken lube oil samples for all major machinery shall be made available within one week of redelivery and results forwarded to Owners' technical management for review;

50.1.13 the Vessel shall have such amount of bunkers on board the Vessel as would be sufficient to enable the Vessel to sail to the nearest bunker port and such bunkers shall be suitable for burning in the Vessel's engines and auxiliaries and in compliance with all bunkering fuel content regulations then applicable in such place of redelivery, including without limitation, the global sulphur limit imposed by the International Maritime Organisation;

50.1.14 be able to meet the required Carbon Intensity Indicator (CII) rating so as not to interfere, hinder or affect the normal operation of the Vessel by the Owners for the year after redelivery; and

50.1.15 be redelivered with all data and records relating to the Vessel's Carbon Intensity Indicator rating and its operation so as to support the fulfilment or maintenance of the Vessel's Carbon Intensity Indicator rating in accordance with good commercial maintenance practice.

50.2 At redelivery, the Charterers shall ensure that the Vessel shall meet the following performance levels (which where relevant shall be determined by reference to the Vessel's log books) all equipment controlling the habitability of the accommodation and service areas to be in proper working order, fair wear and tear excepted.

50.3 The Owners and Charterers shall each appoint (at the Charterers' cost and expense) surveyors for the purpose of determining and agreeing in writing the condition of the Vessel at redelivery.

50.4 If the Vessel is not in the condition or does not meet the performance criteria required by this Clause 50, a list of deficiencies together with the costs of repairing/remedying such deficiencies shall be agreed by the respective surveyors.

50.5 The Charterers shall be obliged to repair any class items restricting the operation or trading of the Vessel prior to redelivery.

50.6 The Charterers shall be obliged to repair/remedy all such other deficiencies as are necessary to put the Vessel into the return condition required by this Clause 50.

51 Diver's inspection at redelivery

51.1 This Clause 51 will only apply if Clause 49 (*Redelivery*) applies and will not apply if (a) after the occurrence of a Termination Event, the Charterers have paid the Early Termination Sum and any other amounts due under this Charter, or (b) the Charterers have paid the Purchase Obligation Price and the Vessel has been redelivered to the Charterers pursuant to Clause 61 (*Early Termination, purchase obligation and transfer of title*).

51.2 Unless the Vessel is returned in dry-dock, a diver's inspection is required to be performed at the time of redelivery.

51.3 The Charterers shall, at the written request of the Owners, arrange at the Charterers' time and expense for an underwater inspection by a diver approved by the Classification Society immediately prior to the redelivery.

51.4 A video film of the inspection shall be made. The extent of the inspection and the conditions under which it is performed shall be to the satisfaction of the Classification Society.

51.5 If damage to the underwater parts is found, the Charterers shall arrange, at their time and costs, for the Vessel to be dry-docked (if required by the Classification Society) and repairs carried out to the satisfaction of the Classification Society.

51.6 If the conditions at the port of redelivery are unsuitable for such diver's inspection, the Charterers shall take the Vessel (in Owners' time but at Charterers' expense) to a suitable alternative place nearest to the redelivery port unless an alternative solution is agreed.

51.7 Without limiting the generality of Clause 64.1.3 (*Fees and expenses*), all costs relating to any diver's inspection shall be borne by the Charterers.

52 Owners' mortgage and Charterers' quiet enjoyment

52.1 **Owners' funding arrangements**

The Charterers:

52.1.1 acknowledge that the Owners are entitled and do intend to enter or have entered into certain funding arrangements with the Finance Parties in order to finance part of the MOA Purchase Price, which funding arrangements may be secured, inter alia, by ship mortgages over the Vessel and (along with other related matters) the relevant Finance Documents **provided that** the Owners shall use best efforts to procure the relevant Finance Parties to execute and deliver to the Charterers and, if applicable, the relevant Sub-Charterers and/or the relevant Time Charterer, a Finance Party Quiet Enjoyment Letter on or before the date on which such ship mortgage is granted in favour of the relevant Finance Parties;

52.1.2 irrevocably consent to any assignment by way of security in favour of the Finance Parties of the Owners' rights in and to the Security Documents to which the Charterers and/or any other Obligor (which is a member of the Group) are a party; and

52.1.3 without limiting the generality of Clause 54.16 (*Further assurance*) and without prejudice to Clause 64.1.1 (*Fees and expenses*), undertake:

(a) to execute, provide any further information or document;

(b) to procure the relevant Sub-Charterers and/or Time Charterer (as applicable) to countersign the relevant Finance Party Quiet Enjoyment Letter on or before the date of the Owners' mortgage;

(c) to procure execution of any document or provision of any information by any Approved Manager or any other Obligors,

in each case, as in the reasonable opinion of the Owners and/or the Finance Parties are necessary to effect the assignment referred to in this Clause 52.1.

52.2 **Owners' right to assign**

52.2.1 Subject to this Clause 52.2, the Owners may assign, transfer or novate their rights under this Charter and other Transaction Documents to any person, provided that any assignment, transfer or novation shall not increase the obligations of the Charterers under this Charter.

52.2.2 The Owners must consult with the Charterers for at least fifteen (15) days before the Owners may make an assignment or transfer in accordance with Clause 52.2.1 unless the assignment or transfer is (x) to an Affiliate of the Owners, or (y) (in the case of an assignment by way of security only) to a Finance Party, or (z) made at a time when a Termination Event is continuing.

52.2.3 If:

(a) the Owners assign, transfer or novate their rights under this Charter pursuant to Clause 52.2.1 above; and

(b) as a result of circumstances existing at the date the assignment, transfer or novation occurs, the Charterers would be obliged to make a payment to such person or the Owners under Clause 65 (*Stamp duties and taxes*) or Clause 47.10 (*Increased Costs*),

then that person of the Owners or the Owners is only entitled to receive payment under those Clauses to the same extent as the Owners would have been if the assignment, transfer or novation had not occurred.

The Charterers or other Obligors shall execute such documents and do all such things as the Owners may require to facilitate and/or effect such assignment, transfer or novation by the Owners. The Charterers and the other Obligors shall permit any disclosure by the Owners of the Transaction Documents and the terms and conditions thereunder to any potential financiers, transferees or assignees and their respective advisers or agents as the Owners may deem necessary to facilitate any such transfer, assignment or novation.

52.3 **Quiet enjoyment** Provided that no Termination Event has occurred and is continuing, the Owners shall not interfere with the Charterers' or any Sub-Charterers' or any Time Charterer's quiet use and possession of the Vessel throughout the Charter Period in accordance with this Charter.

52.4 **Assignments and transfers by Obligors** An Obligor may not assign or transfer any of its rights or obligations under any Transaction Document, except with the prior written consent of the Owners.

53 Charterers' representations and warranties

53.1 The Charterers represent and warrant to the Owners on (A) the date of this Charter and (by reference to the facts and circumstances then pertaining), in respect of the

Repeating Representations, on (B) the Actual Delivery Date and (C) each Hire Payment Date as follows:

53.1.1 **Status and due authorisation:** each Obligor is a limited liability company duly incorporated, validly existing and in good standing (as applicable) under the laws of its jurisdiction of incorporation with power to enter into the Transaction Documents and to exercise its rights and perform its obligations under the Transaction Documents and all corporate and other action required to authorise its execution of the Transaction Documents and its performance of its obligations thereunder has been duly taken;

53.1.2 **Share capital and ownership:**

(a) The Charterers have an authorised share capital of US$10,000 divided into 10,000 registered shares of US$1 each, two of which shares have been issued and fully paid up.

(b) The legal title to the beneficial interest in the shares in the Charterers is held by the Chargor free of any Encumbrance (other than Permitted Encumbrance) or any other claim.

(c) None of the shares in the Charterers is subject to any option to purchase, pre-emption rights or similar rights.

53.1.3 **No deductions or withholding:** under the laws of the Obligors' respective jurisdictions of incorporation, none of the Obligors will be required to make any deduction or withholding from any payment it may make under any of the Transaction Documents;

53.1.4 **Claims pari passu:** under the laws of the Obligors' respective jurisdictions of incorporation, the payment obligations of each Obligor under each Transaction Document to which it is a party, rank at least pari passu with the claims of all other unsecured and unsubordinated creditors of such obligor save for any obligations which are preferred solely by any bankruptcy, insolvency or other similar laws of general application;

53.1.5 **No immunity:** in any proceedings taken in any of the Obligors' respective jurisdictions of incorporation in relation to any of the Transaction Documents, none of the Obligors will be entitled to claim for itself or any of its assets immunity from suit, execution, attachment or other legal process;

53.1.6 **Governing law and judgments:** subject to the Legal Reservations, in any proceedings taken in any of the Obligors' jurisdiction of incorporation in relation to any of the Transaction Documents 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;

53.1.7 **Validity and admissibility in evidence:** all acts, conditions and things required to be done, fulfilled and performed in order (A) to enable each of the Obligors lawfully to enter into, exercise its rights under and perform and comply with the obligations expressed to be assumed by it in the Transaction Documents, (B) to ensure that the obligations expressed to be assumed by each of the Obligors in the Transaction Documents are legal, valid and binding, and (C) to make the Transaction Documents admissible in evidence in the jurisdictions of incorporation or formation of each of the Obligors, have been done, fulfilled and performed;

53.1.8 **No filing or stamp taxes:** Under the laws of the Obligors' respective jurisdictions of incorporation, formation, or tax residence, it is not necessary that any of the Transaction Documents be filed, recorded or enrolled with any court or other authority (other than the relevant maritime registry, to the extent applicable) or that any stamp, registration or similar tax be paid on or in relation to any of the Transaction Documents or transactions contemplated by said Transaction Documents except (a) registration of the prescribed particulars of each registrable charge contained in the Transaction Documents at the Hong Kong Companies Registry, (b) registration of the prescribed particulars of each registrable charge contained in the Transaction Documents in the (i) register of charges of the Chargor pursuant to section 162 of the BVI Business Companies Act (as amended) of the British Virgin Islands (the "**BVI BCA**") and (ii) Register of Registered Charges of the Chargor held by the Registrar of Corporate Affairs in the British Virgin Islands pursuant to section 163 of the BVI BCA, and (c) payment of the fees in connection with the such registration at the Hong Kong Companies Registry, the Registrar of Corporate Affairs in the British Virgin Islands and the registered agent of the Chargor in the British Virgin Islands (as the case may be), which registration and fees will be made and paid promptly after the date of the relevant Transaction Documents;

53.1.9 **Binding obligations:** subject to the Legal Reservations, the obligations expressed to be assumed by each of the Obligors in the Transaction Documents are legal and valid obligations, binding on each of them in accordance with the terms of the Transaction Documents and no limit on any of their powers will be exceeded as a result of the borrowings, granting of security or giving of guarantees contemplated by the Transaction Documents or the performance by any of them of any of their obligations thereunder;

53.1.10 **No misleading information:** any factual information provided by any Obligor to the Owners in connection with the Transaction Documents was true and accurate in all material respects as at the date it was provided and is not misleading in any respect;

53.1.11 **No winding-up:** none of the Obligors has taken any corporate, limited liability company or limited partnership action nor have any other steps been taken or legal proceedings been started or threatened against any Obligor for its winding-up, dissolution, administration or reorganisation or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer of it or of any or all of its assets or revenues;

53.1.12 **Solvency:**

(a) none of the Obligors is unable, or admits or has admitted its inability to pay its debts or has suspended making payments in respect of any of its debts;

(b) none of the Obligors by reason of actual or anticipated financial difficulties, has commenced, or intends to commence, negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness;

(c) the value of the assets of each Obligor (other than the Chargor) is not less than the liabilities of such entity (taking into account contingent and prospective liabilities); and

(d) no moratorium has been, or may, in the reasonably foreseeable future be, declared in respect of any indebtedness of any Obligor.

53.1.13 **No material defaults:**

(a) without prejudice to paragraph (b) below, none of the Obligors is in breach of or in default under any agreement to which it is a party or which is binding on it or any of its assets which has or is reasonably likely to have a Material Adverse Effect; and

(b) no Potential Termination Event or Termination Event is continuing or might reasonably be expected to result from each Obligor's entry into and performance of each Transaction Document to which such Obligor is a party;

53.1.14 **No material proceedings:** no action litigation, arbitration or administrative proceeding of or before any court, arbitral body or agency which is not covered by adequate insurance or which, if adversely determined, is reasonably likely to have a Material Adverse Effect, has been started or, to the Charterers' knowledge, is reasonably likely to be started;

53.1.15 **Accounts:**

(a) all financial statements relating to the Charter Guarantor required to be delivered under Clauses 54.1 (*Financial statements*) and 54.3 (*Interim financial statements*) were each prepared in accordance with GAAP, give (in conjunction with the notes thereto) a true and fair view of (in the case of annual financial statements) or fairly represent (in the case of semi-annual and quarterly financial statements) the financial condition of the Charter Guarantor at the date as of which they were prepared and the results of their operations during the financial period then ended; and

(b) there has been no material adverse change in its business or financial condition (or the business or consolidated financial conditions of the Group) since the date on which the financial statement of the Charter Guarantor for the financial year ending 31 December 2024 are stated to have been prepared;

53.1.16 **No obligation to create Encumbrance:** the execution of the Transaction Documents by the Obligors and their exercise of their rights and performance of their obligations thereunder will not result in the existence of nor oblige any Obligor to create any Encumbrance over all or any of their present or future revenues or assets, other than pursuant to the Security Documents;

53.1.17 **No breach:** the execution of the Transaction Documents by each of the Obligors and their exercise of their rights and performance of their obligations under any of the Transaction Documents do not constitute and will not result in any breach of any agreement or treaty to which any of them is a party;

53.1.18 **Security:** each of the Obligors 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 each Security Document and those Security Documents to which it is a party create and give rise to valid and effective security having the ranking expressed in those Security Documents;

53.1.19 **Necessary Authorisations:** the Necessary Authorisations required by each Obligor are in full force and effect, and each Obligor is in compliance with the material provisions of each such Necessary Authorisation relating to it and none of the Necessary Authorisations relating to it are the subject of any pending or threatened proceedings or revocation;

53.1.20 **No money laundering:** each Obligor complied with all Anti-Money Laundering Laws and each Obligor has instituted and maintained systems, controls, policies and procedures designed to:

(a) detect and prevent incidences of money laundering; and

(b) promote and achieve compliance with Anti-Money Laundering Laws;

53.1.21 **Disclosure of material facts:** the Charterers are not aware of any material facts or circumstances which have not been disclosed to the Owners and which might, if disclosed, have reasonably been expected to adversely affect the decision of a person considering whether or not to enter into the Transaction Documents;

53.1.22 **No breach of laws:**

(a) none of the Obligors has breached any law or regulation which breach has or is reasonably likely to have a Material Adverse Effect; and

(b) no labour disputes are current or (to the best of the Charterers' knowledge and belief) threatened against any Obligor which have or are reasonably likely to have a Material Adverse Effect;

53.1.23 **Environmental Law:**

(a) each Obligor is in compliance with Clause 54.12 (*Environmental compliance*) and (to the best of the Charterers' knowledge and belief) no circumstances have occurred which would prevent such compliance in a manner or to an extent which has or is reasonably likely to have a Material Adverse Effect; and

(b) no Environmental Claim has been commenced or (to the best of the Charterers' knowledge and belief) is threatened against any Obligor where that claim has or is reasonably likely, if determined against that Obligor, to have a Material Adverse Effect;

53.1.24 **Taxation:**

(a) no Obligor is overdue in the filing of any Tax returns and no Obligor is overdue in the payment of any amount in respect of Tax, save in the case of Taxes which are (i) being contested on bona fide grounds, (ii) each Obligor maintains adequate reserves for the payment of such Taxes and the costs required to contest them, and (iii) payment can be lawfully withheld; and

(b) no claims or investigations are being made or conducted against any Obligor with respect to Taxes or are reasonably likely to arise;

(c) no Obligor is resident for Tax purposes in any jurisdiction outside of its jurisdiction of incorporation nor has a taxable branch, agency or permanent establishment in any other jurisdiction.

53.1.25 **Sanctions:**

(a) No Obligor, and none of its Subsidiaries and none of their respective Agents:

(i) is a Prohibited Person or its otherwise owned or controlled by or acting directly or indirectly on behalf of or for the benefit of, a Prohibited Person;

(ii) owns or controls or is an Affiliate of a Prohibited Person; or

(iii) has received notice of or is aware of any claim, action, suit, proceedings or investigation against it with respect to Sanctions;

(b) Each Obligor, its Subsidiaries and their respective Agents, are in compliance with Sanctions in all material respects and are not knowingly engaged in any activity that would reasonably be expected to result in such Obligor being designated as a Prohibited Person.

(c) The Vessel is not a Sanctioned Vessel.

53.1.26 **No Material Adverse Effect:** no event or circumstance which has occurred and which has or is reasonably likely to have a Material Adverse Effect;

53.1.27 **Copies of Project Documents:** the copies of the Project Documents provided by the Charterers to the Owners in accordance with Clause 43 (*Conditions precedent and subsequent*) are true and accurate copies of the originals and represent the full agreement between the parties to those Project Documents in relation to the subject matter of those Project Documents and there are no commissions, rebates (other than any rebate and Commitment Fee which the Charterers (as sellers) are obliged to pay to the Owners (as buyers) under the MOA and this Charter), premiums or other payments due or to become due in connection with the subject matter of those Project Documents other than in the ordinary course of business or as disclosed to, and approved in writing by, the Owners;

53.1.28 **Anti-Bribery Laws:**

(a) there is not and has not been any enquiry or disciplinary proceeding by a competent authority (including any internal investigation, enquiry or proceeding) concerning any Obligor or its Business and none is pending or threatened. To the best of the Charterers' knowledge, information and belief, no fact or circumstance exists which might give rise to an investigation, enquiry or proceeding of that type. No Obligor has made any voluntary or involuntary disclosure to any Government Authority with respect to any alleged act or omission arising under or relating to any Anti-Bribery Laws;

(b) neither Obligor nor, to the best of such Obligor's knowledge, information and belief, any of its Agents has, in relation to that Obligor's Business, paid, offered, promised, given or authorised the payment of money or anything of value directly or indirectly to any person either intending to induce a person to improperly perform a function or activity or to reward a person for any such performance, or while knowing or believing that the acceptance by that person would constitute the improper performance of a function or activity;

(c) neither any Obligor nor, to the best of such Obligor's knowledge, information and belief, any of its Agents has, in relation to that Obligor's Business, directly or indirectly requested, agreed to receive or accepted money or anything of value:

(i) as a reward for the improper performance of a function or activity by any person;

(ii) in circumstances which amount to an improper performance of a function or activity; or

(iii) intending that as a consequence of any such request, agreement to receive or acceptance a function or activity will be performed improperly;

(d) neither any Obligor nor, to the best of such Obligor's knowledge, information and belief, any of its Agents has, in relation to that Obligor's Business, improperly performed a function or activity in anticipation of, or in consequence of, that Obligor or any of its Agents requesting, agreeing to receive or accepting money or anything of value;

(e) neither any Obligor nor, to the best of such Obligor's knowledge, information and belief, any of its Agents has, in relation to that Obligor's Business, at any time taken any action, directly or indirectly, in violation of Anti-Bribery Laws and that Obligor conducts and has at all times conducted the Business in compliance with Anti-Bribery Laws;

(f) each Obligor has instituted and maintained policies and procedures designed to ensure, and which that Obligor reasonably believes will continue to ensure, continued compliance by that Obligor and each of its Agents with Anti-Bribery Laws and to prevent any breach of Anti-Bribery Laws by that Obligor or any of its Agents occurring, in each case, in relation to that Obligor's Business;

53.1.29 **US Tax Obligor:** none of the Obligors is a US Tax Obligor, nor has it established a place of business or is otherwise conducting business in the United States of America;

53.1.30 **Non-conflict with other obligations:** the entry into and performance by each Obligor, and the transactions contemplated by the Transaction Documents do not and will not conflict with (A) any law or regulation applicable to it; or (B) its constitutional documents;

53.1.31 **No Financial Indebtedness**: The Charterers have not incurred any Financial Indebtedness;

53.1.32 **Ownership**:

(a) On the Actual Delivery Date, the Charterers are the sole legal and beneficial owner of the Earnings and Insurances.

(b) With effect on and from the date of its creation or intended creation, each Obligor will be the sole legal and beneficial owner of any asset that is the subject of any Encumbrance created or intended to be created by such Obligor;

53.1.33 **No Broker:** On the date of this Charter and the Actual Delivery Date, the Charterers represent that:

(a) no broker, finder, agent or similar intermediary has been employed by or acted on behalf of the Charterers in connection with the this Charter (or other Transaction Documents) or the transactions provided for herein;

(b) there are no brokerage commissions, similar fees or commissions payable or paid with respect to this Charter (or other Transaction Documents) or the transactions provided for herein based on any agreement, arrangement or understanding with the Charterers or any other action taken by the Charterers; and

(c) none of the Obligors or any of its agents has, in relation to that Obligor's business, paid, offered, promised, given or authorised any payment of money or anything of value directly or indirectly to any person in connection with the Owners that is in breach of any Anti-Bribery Laws; and

53.1.34 **Overseas companies:** No Obligor has delivered particulars, whether in its named stated in the Transaction Documents or any other name, of any UK Establishment to the Registrar of Companies as required under the Overseas Regulations or, if it has so registered, it has provided to the Owners sufficient details to enable an accurate search against it to be undertaken by the Owners at the Companies Registry.

53.2 **Representations limited:** the representation and warranties of the Charterers in this Clause 53 are subject to:

53.2.1 the principle that equitable remedies are remedies which may be granted or refused at the discretion of the court;

53.2.2 the limitation of enforcement by laws relating to bankruptcy, insolvency, liquidation, reorganisation, court schemes, moratoria, administration and other laws generally affecting or limiting the rights of creditors;

53.2.3 the time barring of claims under any applicable limitation acts;

53.2.4 the possibility that a court may strike out provisions for a contract as being invalid for reasons of oppression, undue influence or similar; and

53.2.5 any other reservations or qualifications of law expressed in any legal opinions obtained by the Owners in connection with the Transaction Documents.

54 Charterers' undertakings

The undertaking and covenants in this Clause 54 remain in force for the duration of the Agreement Term.

54.1 **Financial statements:** The Charterers shall supply to the Owners as soon as the same become available, but in any event within one hundred and eighty (180) days after the end of each of the Charter Guarantor's Financial Years, the Charter Guarantor's audited financial statements for that Financial Year;

54.2 **Requirements as to financial statements:** Each set of financial statements delivered to the Owners under Clause 54.1 (*Financial statements*) in relation to the Charter Guarantor shall be prepared in accordance with GAAP, give (in conjunction with the notes thereto) a true and fair view of (in the case of annual financial statements) or fairly represent (in the case of semi-annual financial statements) the financial condition of the Group (as the case may be) at the date as of which they were prepared and the results of their operations during the financial period then ended.

54.3 **Interim financial statements** The Charterers shall supply to the Owners as soon as the same become available, but in any event within one hundred and twenty (120) days after the end of each of the Charterer Guarantor's Financial Quarters the unaudited financial statements of the Charter Guarantor for that Financial Quarter.

54.4 **Information: miscellaneous** The Charterers shall:

54.4.1 notify the Owners in writing promptly upon becoming aware of any event or circumstance which may entitle any party (other than the Owners) to any Project Document to terminate, repudiate or cancel the Project Document, or any Project Document being terminated, repudiated, cancelled or otherwise ceasing to remain in full force and effect;

54.4.2 notify the Owners in writing immediately if the charterhire under a Sub-Charter or Time Charter decreases by five per cent. (5%) or more or if the relevant Sub-Charterers or Time Charterer suspends payment of hire for any reason;

54.4.3 notify the Owners in writing immediately if a Sub-Charter, Sub-Charter Guarantee, Time Charter or Time Charter Guarantee is terminated, cancelled, repudiated, or expires, or otherwise ceases to remain in full force and effect;

54.4.4 notify the Owners in writing immediately becoming aware of them, details of any litigation, arbitration or administrative proceedings which are current, or (to their knowledge), threatened or pending against any Obligor which, if adversely determined, is reasonably likely to have a Material Adverse Effect;

54.4.5 promptly notify the Owners in writing of such further information regarding the financial condition, business and operations of any Obligor as the Owners may reasonably request;

54.4.6 promptly disclose all material information in relation to each Sub-Charter and each Time Charter, including (but not limited to):

(a) the main commercial terms of each Sub-Charter and each Time Charter;

(b) any material information in relation to each Sub-Charterers' or Time Charterer's fulfilment of their obligations pursuant to the relevant Sub-Charter or Time Charter (in each case as applicable);

(c) the occurrence of any Charterers' default in relation to the relevant Sub-Charter and any notice sent by the relevant Sub-Charterers to the Charterers in connection with such Charterers' default;

(d) the occurrence of any Time Charter Assignor's default in relation to the relevant Time Charter and any notice sent by the relevant Time Charterer to the Time Charter Assignor in connection with such Time Charter Assignor's default;

(e) the delivery of the Vessel under each Sub-Charter and each Time Charter; and

(f) any other information which the Owners may request, acting reasonably;

54.4.7 notify the Owners in writing immediately if any Project Party repudiates (or evidences an intention to repudiate) any Project Document to which such Project Party is a party; and

54.4.8 notify the Owners in writing immediately if any Project Party ceases or threatens to cease, to carry on all or any material part of such Project Party's business;

54.4.9 notify the Owners in writing immediately after any reduction or repayment of capital in respect of the Charterers occurs;

54.4.10 promptly, such information and documents as the Owners may reasonably require about the Security Assets and compliance of the Obligors with the terms of any Security Documents;

54.4.11 notify the Owners in writing immediately of the following events:

(a) a material condition of class is applied by the Classification Society;

(b) the Vessel is arrested, confiscated, seized, requisitioned, impounded, forfeited or detained by any government or other competent authorities or any other persons;

(c) a class or flag authority refuses to issue or withdraws trading certification;

(d) the Vessel is planned for dry-docking in accordance with this Charter and whether routine or emergency;

(e) the Vessel is taken under tow;

(f) any (i) death, or (ii) serious injury on board which would require the Vessel to be diverted from its then trading route;

(g) any damage to the Vessel the repair costs of which (whether before or after adjudication) are likely to exceed the Major Casualty Amount; and

(h) any occurrence which is likely to result in the Vessel becoming a Total Loss.

54.5 **Maintenance of legal validity** The Charterers shall comply with the terms of and do all that is necessary to maintain in full force and effect all Necessary Authorisations required in or by the laws and regulations of their jurisdiction of formation or incorporation and all other applicable jurisdictions, to enable them lawfully to enter into and perform their obligations under the Transaction Documents and to ensure the legality, validity, enforceability or admissibility in evidence of the Transaction Documents in their jurisdiction of incorporation or formation and all other applicable jurisdictions.

54.6 **Notification of Termination Event** The Charterers shall promptly, upon becoming aware of the same, inform the Owners in writing of the occurrence of any Potential Termination Event or any Termination Event (and the steps, if any, being taken to remedy this) and, upon receipt of a written request to that effect from the Owners, confirm to the Owners that, save as previously notified to the Owners or as notified in such confirmation, no Termination Event is continuing or if a Termination Event is continuing specifying the steps, if any, being taken to remedy it.

54.7 **Claims *pari passu*** The Charterers shall ensure that at all times their payment obligations under the Transaction Documents rank at least *pari passu* with the claims of all their other unsecured and unsubordinated creditors except for obligations mandatorily preferred by any bankruptcy, insolvency, liquidation, winding-up or other similar laws of general application.

54.8 **Necessary Authorisations** Without prejudice to any specific provision of the Transaction Documents relating to a Necessary Authorisation, the Charterers shall (i) obtain, comply with and do all that is necessary to maintain in full force and effect all

Necessary Authorisations; and (ii) promptly upon request, supply certified copies to the Owners of all Necessary Authorisations.

54.9 **Compliance with applicable laws** The Charterers shall comply with all applicable laws, conventions and regulations, including without limitation SOLAS and the Environmental Laws, to which they or the Vessel may be subject (except as regards Sanctions to which Clause 54.10 (*Sanctions*) applies, Anti-Money Laundering Laws to which Clause 54.11 (*Anti-money laundering*) and Tax to which Clause 54.14 (*Taxation*) apply) if a failure to do the same is reasonably likely to have a Material Adverse Effect.

54.10 **Sanctions** The Charterers undertake that they shall comply or procure compliance with the following undertakings commencing from the date hereof and up to the last day of the Agreement Term:

54.10.1 no Obligor will, directly or indirectly, use any part of the MOA Purchase Price or lend, contribute or otherwise make available such proceeds to any person, to (A) fund any activities or business of or with any person, in any country or territory that at the time of such funding, is, a Prohibited Person or Sanctioned Country, or (B) in any other manner or for a purpose that would result in a violation of Sanctions by any Obligor, the Owners and any of their Affiliates;

54.10.2 no Obligor shall fund all or any part of any payment under or in respect of this Charter out of proceeds directly or indirectly derived from any activity in a Sanctioned Country or any transaction with a Prohibited Person, or out of proceeds directly or indirectly derived from any other transactions which would be prohibited by Sanctions or in any other manner which would cause the Owners or any Finance Party to be in breach of or made subject to Sanctions, or at risk of being in breach of or made subject to Sanctions and no such proceeds shall be paid into any account.

54.10.3 each of the Obligors has implemented and shall maintain in effect a Sanctions compliance policy which, in accordance with the recommendations of the Sanctions Advisory, is designed to ensure compliance by each Obligor, its Subsidiaries and their respective Agents with Sanctions. Without limitation to the foregoing, such Sanctions compliance policy shall procure that each Obligor, its Subsidiaries and their respective Agents shall, where applicable:

(a) conduct their activities in a manner consistent with Sanctions;

(b) have sufficient resources in place to ensure execution of and compliance with their own Sanctions policies by their personnel, e.g. direct hires, contractors, and staff;

(c) ensure Subsidiaries and Affiliates comply with the relevant policies, as applicable;

(d) have relevant controls in place to monitor automatic identification system (AIS) transponders;

(e) have controls in place to screen and assess onboarding or offloading cargo in areas they determine to present a high risk;

(f) have controls to assess authenticity of bills of lading, as necessary; and

(g) have controls in place consistent with the Sanctions Advisory.

54.10.4 the Vessel:

(a) shall not be used by or for the benefit of a Prohibited Person or in trading to or from a Sanctioned Country;

(b) shall not otherwise be used in any manner contrary to Sanctions, or in a manner that creates a risk that an Obligor will become a Prohibited Person or in any manner which would cause the Owners or any Finance Party to be in breach of or made subject to Sanctions, or at risk of being in breach of or made subject to Sanctions;

(c) shall not be used in trading in any manner that creates a risk that the Vessel will become a Sanctioned Vessel;

(d) shall not be traded in any manner which would trigger the operation of any sanctions limitation or exclusion clause (or similar) in the Insurances; and

54.10.5 without prejudice to the above provisions of Clause 54.10.4, that each time charterparty in respect of the Vessel shall contain, for the benefit of the Charterers, language which gives effect to the provisions of Clause 54.9 (*Compliance with applicable laws*) as regards Sanctions and the other provisions of this Clause 54.10 and which charterparty permits refusal of employment or voyage orders if such employment or compliance with such orders either results, or risks resulting in non-compliance with such provisions or breaches, or risks breaching Sanctions.

54.11 **Anti-money laundering** The Charterers undertake that:

54.11.1 they shall, and shall procure that other Obligors (including procuring or as the case may be, using reasonable endeavours to procure the Agents of the relevant entity, to do the same) shall:

(a) comply with all Anti-Money Laundering Laws;

(b) maintain system, controls, policies and procedures designed to promote and achieve ongoing compliance with Anti-Money Laundering Laws; and

(c) not use, or permit or authorise any person to directly or indirectly use, any part of the MOA Purchase Price for any purpose that would breach any applicable Anti-Money Laundering Laws;

54.11.2 they shall not lend, invest, contribute or otherwise make available any part of the MOA Purchase Price to or for any other person in a manner which would result in a violation of Anti-Money Laundering Laws;

54.11.3 they shall, and shall procure that each Obligor shall promptly notify the Owners of any non-compliance, by any Obligor or its Agents, with all any laws and regulations relating to Anti-Money Laundering Laws as well as provide all information (once available) in relation to its business and operations which may be relevant for the purposes of ascertaining whether any of the aforesaid parties are in compliance with such laws, regulations and rules.

54.12 **Environmental compliance** The Charterers shall, and shall procure that each of the Obligors will:

54.12.1 comply with any applicable Environmental Law;

54.12.2 obtain, maintain and ensure compliance with all requisite Environmental Approvals; and

54.12.3 implement procedures to monitor compliance with and to prevent liability under any Environmental Law.

54.13 **Environmental Claims** The Charterers shall promptly upon becoming aware of the same, inform the Owners in writing of:

54.13.1 any Environmental Claim against any Obligor which is current, pending or threatened; and

54.13.2 any facts or circumstances which are reasonably likely to result in any Environmental Claim being commenced or threatened against any Obligor.

54.14 **Taxation**

54.14.1 The Charterers shall (and shall procure that each other Obligor shall) pay and discharge all Taxes imposed upon it or its assets within the time period allowed without incurring penalties unless and only to the extent that:

(a) such payment is being contested in good faith;

(b) adequate reserves are being maintained for those Taxes and the costs required to contest them which have been disclosed in its latest financial statements delivered to the Owners under Clause 54.1 (*Financial statements*); and

(c) such payment can be lawfully withheld.

54.14.2 If the Charterers or any other Obligor fails to fulfil any obligations in connection with any Tax, the Charterers shall promptly inform the Owners. The Charterers shall indemnify and hold the Owners harmless against all losses as a consequence of any non-compliance by the Charterers or any other Obligor of any applicable tax laws and regulations.

54.14.3 If the Charterers or any other Obligor is not required to pay any Tax as a result of any tax relief, rebate or exemption, the Charterers shall promptly (and in any event within 15 Business Days) after becoming aware of such tax relief, rebate or exemption, provide the Owners in writing with full details (which shall include without limitation, the type of tax that is being exempted, the relevant law or regulation, the relevant tax relief, rebate or exemption scheme or policy, the amount of tax being exempted and the method of calculation) of such tax relief, rebate or exemption together with all documentary evidence issued by the relevant Tax authority relating thereto. For the avoidance of doubt the Charterers shall remain wholly responsible for utilizing such tax relief, rebate, exemption scheme or policy and the Owners shall not bear any liability, or have any claim against the Charterers prevented or diminished, due to the contents of the evidence provided.

54.14.4 The Charterers shall not (and shall procure that each other Obligor shall not) change its residence status for Tax purposes nor establish any branch, agency, permanent establishment or permanent representative in any other tax jurisdiction.

54.15 **Loans or other financial commitments** The Charterers shall not make any loan or enter into any guarantee and indemnity, voluntarily assume any actual or contingent liability, or otherwise provide any other form of financial support in respect of any obligation of any other person except pursuant to the Transaction Documents.

54.16 **Further assurance** The Charterers shall at their own expense, promptly take all such action as the Owners may reasonably require for the purpose of perfecting or protecting any of the Owners' rights with respect to the security created or evidenced (or intended to be created or evidenced) by the Security Documents.

54.17 **Inspection of records** The Charterers will permit the inspection of their financial records and accounts on reasonable notice from time to time before 5:00 pm in the place of business by the Owners or their nominee.

54.18 **Insurance** The Charterers shall procure that all of the assets, operation and liability of the Charterers are insured against such risks, liabilities and for amounts as normally adopted by the industry for similar assets and liabilities and, in the case of the Vessel, in accordance with the terms of this Charter.

54.19 **Change of Control and other merger and demerger**

54.19.1 The Charterers shall ensure that, unless with the Owners' prior written consent, no Change of Control shall occur.

54.19.2 Without limiting Clause 54.19.1, the Charterers shall not (and shall procure that the Charter Guarantor will not) enter into any asset reorganisation, amalgamation, merger, demerger or corporate restructuring which might have a Material Adverse Effect without the prior written consent of the Owners.

54.20 **Transfer of assets**

54.20.1 Except as permitted under Clause 54.20.2, the Charterers shall not, and shall procure that no other Obligor will, sell, dispose of or transfer any of its material assets.

54.20.2 Clause 54.20.1 does not apply to any sale, lease, transfer or other disposal which is a Permitted Disposal.

54.21 **Change of business** The Charterers shall not (and shall procure that no other Obligor will) without the prior written consent of the Owners, make any substantial change to the general nature of their shipping business from that carried on at the date of this Charter.

54.22 **Acquisitions** The Charterers shall not make any acquisitions or investments without the prior written consent of the Owners (such consent not to be unreasonably withheld or delayed) save for the acquisition of the Vessel under the Building Contract.

54.23 **"Know your customer" checks** If:

54.23.1 the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation made after the date of this Charter;

54.23.2 any change in the status of any Obligor after the date of this Charter; or

54.23.3 a proposed assignment or transfer by Owners of any of their rights and obligations under this Charter,

obliges the Owners to comply with "know your customer" or similar identification procedures in circumstances where the necessary information is not already available to it, the Charterers shall promptly upon the request of the Owners supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Owners in order for the Owners to carry out and be satisfied they have complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in the Transaction Documents.

54.24 **No borrowings** The Charterers shall not, without the Owners' written consent, incur any liability or obligation except for:

54.24.1 liabilities and obligations under the Transaction Documents or otherwise permitted under such Transaction Documents to which they are parties;

54.24.2 liabilities or obligations reasonably incurred in the ordinary course of operating, chartering, repairing and maintaining the Vessel; or

54.24.3 any Financial Indebtedness owing to other members of the Group which is unsecured and subordinated to the Owners pursuant to a Subordination Deed on terms acceptable to the Owners.

54.25 **No dividends and share capital** The Charterers shall not:

54.25.1 pay any dividends or make other payments or distributions to its shareholders or repurchase any shares whilst a Potential Termination Event or Termination Event is continuing; or

54.25.2 issue any further shares except to the Chargor and provided such new shares are made subject to the terms of the Share Charge immediately upon the issue of such new shares in a manner satisfactory to the Owners and the terms of the Share Charge are complied with.

54.26 **Negative pledge** The Charterers shall:

54.26.1 not create, or permit to subsist, any Encumbrance (other than pursuant to the Security Documents) over all or any part of the Vessel, their other assets or undertakings (other than Permitted Encumbrances) nor dispose of the Vessel or any of those assets or all or any part of those undertakings; and

54.26.2 procure that none of their shareholders will create, or permit to subsist, any Encumbrance (other than pursuant to any Security Documents) over the shares of the Charterers.

54.27 **Management of the Vessel** The Charterers shall ensure that the Vessel is at all times technically and commercially managed by the Approved Managers.

54.28 **Classification** The Charterers shall ensure that the Vessel maintains the highest classification required for the purpose of the relevant trade of the Vessel which shall be with the Vessel's Classification Society, in each case, free from any overdue recommendations, conditions and adverse notations affecting that the Vessel's class.

54.29 **Certificate of financial responsibility** The Charterers shall, if required, obtain and maintain a certificate of financial responsibility in relation to the Vessel which is to call at the United States of America.

54.30 **Registration** The Charterers shall not change or permit a change to the flag of the Vessel throughout the duration of this Charter without the prior written approval by the Owners, such approval not to be unreasonably withheld or delayed. Any change to the flag of the Vessel shall be at the cost of the Charterers (which shall include any reasonable and costs of the Finance Parties (if applicable)).

54.31 **ISM and ISPS Compliance** The Charterers shall ensure that each ISM Company and ISPS Company complies in all material respects with the ISM Code and the ISPS Code, respectively, or any replacements thereof and in particular (without prejudice to the generality of the foregoing) shall ensure that such company holds (i) a valid and current Document of Compliance 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 the Charterers shall promptly, upon request, supply the Owners with copies of the same.

54.32 **Chartering-in** The Charterers shall not, during the duration of this Charter, without the prior written consent of the Owners, take any vessel on charter or other contract of employment (or agree to do so).

54.33 **Inspection of Vessel**

54.33.1 The Charterers shall permit the Owners and all persons appointed by the Owners to board the Vessel from time to time during the Agreement Term (provided that such inspection shall not interfere with the operation of that Vessel) to inspect the Vessel's state and condition and shall provide such necessary assistance to the Owners in respect of such inspection and, if the Vessel shall not be in a state and condition which complies with the requirements of this Charter, to effect such repairs as shall in the opinion of the Owners be desirable to ensure such compliance, without prejudice to the Owners' other rights under or pursuant to the Transaction Documents.

54.33.2 The Charterers shall be liable for the cost of one such inspection per calendar year, unless:

(a) a Termination Event has occurred and is continuing, in which case the Charterers shall be liable for the cost of all inspections required by the Owners; or

(b) the inspection occurs within one month following a dry-docking of the Vessel or repairs to the Vessel costing more than the Major Casualty Amount, in which case the Charterers shall be liable for the cost of such inspection.

54.33.3 Without prejudice to Clause 54.33.1, the Charterers shall, at the Charterers' cost and once every 12 months during the Charter Period, deliver to the Owners an inspection report as to the condition of the Vessel containing such information as may be reasonably required by the Owners.

54.34 **Valuation Report** The Charterers will deliver or procure the delivery to the Owners of a Valuation Report:

54.34.1 once every twelve (12) months during the Charter Period (each such Valuation Report to be at the Charterers' cost); and

54.34.2 at such other times as the Owners may require in their absolute discretion (each such additional Valuation Report to be at Owners' cost unless a Termination Event has occurred and is continuing following which each such additional Valuation Report shall be at the cost of the Charterers).

54.35 **Transactions with Affiliates** The Charterers shall procure that all transactions conducted or to be conducted between the Charterers and any of the Charterers' Affiliates will be on an arm's length commercial basis.

54.36 **Project Documents** In relation to the Project Documents, the Charterers undertake that:

54.36.1 there shall be no termination by the Charterers of any term of any Project Document, no material alteration to any term of the Building Contract and no alteration to any term of the other Project Documents, and no waiver of any term of any Project Document;

54.36.2 they shall not exercise any of their rights in a manner which is contrary to or inconsistent with the Security Documents or waive any of their rights under or in connection with any Project Document, in each case without the prior written consent of the Owners; and

54.36.3 without prejudice to the foregoing, the Charterers shall, where applicable, use reasonable endeavours and forthwith execute and deliver any and all such other agreements, instruments and documents (including any novation agreement) as may be required by law or deemed necessary or desirable by the Owners to ensure that the Project Documents which are in effect on the date of this Charter (in particular any Sub-Charters and any Time Charters) shall remain in effect, so that all obligations previously owed by the applicable Project Party to the Charterers under such Project Documents shall continue to be owed to the Charterers throughout the Agreement Term.

For the purpose of Clause 54.36.1, an alteration to any term of the Building Contract shall be deemed "material" if, when taken together with all previous alterations, it would result in an overall increase or reduction of more than ten per cent (10%) in the price of the Vessel under the Building Contract or it would result in the "Delivery Date" (as such term is described under the Building Contract) being changed.

54.37 **Evidence of delivery under Sub-Charters (or Time Charter) and replacement charters** The Charterers shall:

54.37.1 within thirty (30) days after the Vessel is delivered to any Sub-Charterers or Time Charterer in accordance with the relevant Sub-Charter or Time Charter (in each case as applicable), provide a written confirmation to the Owners that such delivery has occurred; and

54.37.2 within thirty (30) days after the Vessel is delivered to the relevant replacement charterer in accordance with a replacement charter referred to in Clause 58.1.27 (*Termination, repudiation or cancellation of Sub-Charter or Time Charter after the Actual Delivery Date*) has occurred, provide a written confirmation to the Owners that such delivery has occurred.

54.38 **Tax indemnity**

54.38.1 The Charterers shall (within five Business Days of demand by the Owners) pay to the Owners an amount equal to the loss, liability or cost which the Owners determine will be or has been (directly or indirectly) suffered for or on account of Tax by the Owners in respect of any Transaction Document, together with any interest, penalties, costs and expenses payable or incurred.

54.38.2 Clause 54.38.1 shall not apply with respect to any Tax assessed on the Owners under the law of the jurisdiction in which the Owners are incorporated if that Tax is imposed on or calculated by reference to the net income received or receivable (but not any sum deemed to be received or receivable) by the Owners.

54.39 **Anti-Bribery Laws** The Charterers shall, and shall use reasonable endeavours to procure that their Agent shall, promptly report to the Owners any request or demand for any payment, gift, promise, other advantage or anything of value received by the Agent of the Owners in connection with the Charterers' business. The Owners shall, upon reasonable prior written notice to the Charterers and acting reasonably, have the right to audit the Charterers' records and reports in relation to the Charterers' business to the extent they relate to the transactions contemplated by this Charter, at any time during and within two (2) years after the Termination or the expiry of this Charter. Such records and information shall include at a minimum all invoices for payment submitted by the Charterers along with complete supporting documentation. The Owners shall have the right to reproduce and retain copies of any of the aforesaid records or information solely for the purposes of verifying the Charterers' compliance with this Charter.

54.40 **Trading limits** In addition (and without prejudice to) Clause 11 (*Trading Restrictions*), if the Vessel is traded or employed outside the trading limits stated in Box 14 and, as a result for any reason whatsoever, incur any Tax, the Charterers shall promptly pay all such Taxes and shall indemnify the Owners immediately on demand against any and all liabilities with respect to or resulting from any failure or delay in the part of the Charterers to pay such Taxes or any penalty.

54.41 **Compliance Certificate** Concurrently with the delivery of each set of the annual financial statements in respect of the Charter Guarantor in accordance with Clause 54.1 (*Financial statements*), the Charterers shall deliver to the Owners a Compliance Certificate signed by two (2) directors of the Charter Guarantor, certifying that, as at the date of such financial statements:

54.41.1 the Charter Guarantor is in compliance with the covenants and undertakings in Clause 56 (*Financial covenants*) (or if it is not in compliance, indicating the extent of the breach) and setting out the calculation of the covenants and undertakings in Clause 56 (*Financial covenants*); and

54.41.2 that no Termination Event has occurred and is continuing which has not been waived or remedied at the date of such Compliance Certificate or, if that is not the case, specifying the same and the steps, if any, being taken to remedy the same.

54.42 **US Tax Obligor** The Charterers will ensure that no Obligor shall become a US Tax Obligor.

54.43 **Overseas companies** The Charterers shall not, and shall procure that no other Obligor will, promptly inform the Owners if it delivers to the Registrar particulars required under the Overseas Regulations of any UK Establishment and it shall comply with any directions given to it by the Owners regarding the recording of any Encumbrance on the register which it is required to maintain under The Overseas Companies (Execution of Documents and Registration of Charges) Regulations 2009.

54.44 **No change to centre of main interests** The Charterers shall not, and shall procure that no other Obligor will, change the location of its centre of main interest (as that term is used in Article 3(1) of the Regulation) and it will not create no "establishment" (as that term is used in Article 2(10) of the Regulation) in any other jurisdiction.

54.45 **Carbon Intensity Indicator**

54.45.1 in relation to the Carbon Intensity Indicator rating of the Vessel, for any calendar year during the Agreement Term:

(a) they shall procure that the Vessel shall have a proper Carbon Intensity Indicator rating and shall maintain her Carbon Intensity Indicator rating in line with good commercial maintenance and operation practice so as not to interfere, hinder or affect the normal operations of the Vessel for the next year;

(b) they shall, upon the Owners' request, provide all data and records relating to the Vessel's Carbon Intensity Indicator rating and her operations to the Owners promptly; and

(c) if the Vessel has a Carbon Intensity Indicator rating of "D" or below, they shall submit a written explanation in such form as reasonably acceptable to the Owners setting out the corrective measures or actions to improve her Carbon Intensity Indicator rating to "C" or above and implement such written explanation in accordance with applicable regulations.

54.46 **EU ETS**

54.46.1 The Charterers:

(a) shall or shall procure that any other organisation or person whom the Charterers have contractually agreed to take over all duties and responsibilities imposed by the ISM Code (including the Approved Manager, any Sub-Charterer and any Time Charterer of the Vessel) will:

(i) ensure full compliance in respect of the Vessel under any applicable Emission Scheme; and

(ii) promptly upon the Owners' request, provide evidence of such compliance and any other information and documents as required by the Owners and/or the relevant authority in relation to any applicable Emission Scheme;

(b) shall fulfil all obligations which may be imposed on the Owners as registered owner of the Vessel by the MARPOL Carbon Intensity Regulations;

54.46.2 without prejudice to the foregoing Clause 54.46.1, in relation to EU ETS and FuelEU:

(a) if the Vessel sails into any European Union ports, they shall register the Vessel as part of a "Shipping Company" as required under EU ETS and shall comply in all respects with EU ETS and FuelEU; they shall ensure a maritime operator holding account for the Vessel only will be set up, by them or any other organisation or person whom the Charterers have contractually agreed to take over all duties and responsibilities imposed by the ISM Code (including the Approved Manager, any Sub-Charterer and any Time Charterer of the Vessel), and the maritime operator holding account for the Vessel is not pooled with any other vessel without the Owners' prior written consent;

(b) if required by the Owners, provide a letter in a format to be acceptable to the Owners confirming that they have assumed responsibility for the operation of the Vessel and have indemnified the Owners of all liabilities under EU ETS and FuelEU (the "**EU ETS and FuelEU Maritime Letter**");

(c) shall submit the EU ETS and FuelEU Maritime Letter to the relevant administering authority upon registration of the Vessel pursuant to EU ETS and shall promptly provide the Owners (which shall be no later than fourteen (14) days of the Owners' demand) with evidence of such submission and registration; and

(d) if required by the Owners, the Charterers shall enter and shall procure the organisation or person whom the Charterers have contractually agreed to take over all duties and responsibilities imposed by the ISM Code (including the Approved Manager or any sub charterer of the Vessel) enters into an agreement, on such terms and conditions the Owners may reasonably require, setting out the specific obligations of the Charterers and such organisation or person in respect of the exchange, review and analysis of all relevant data and information relating to the EU ETS and FuelEU, surrendering of the Emission Allowances and such other actions as may be required to ensure compliance with this Clause 54.46.

54.47 **EU ETS and FuelEU Indemnity**

Notwithstanding any delegation or sub-delegation by the Charterers or direct mandate by the Owners to any organisation or person to take over all or any part of the duties and responsibilities imposed by the ISM Code (including but not limited to the Approved Manager or any sub charterer of the Vessel):

54.47.1 the Charterers shall always remain responsible towards the Owners under Clause 54.46 and other relevant terms and conditions of this Charter; and

54.47.2 without prejudice to the Owners' rights and benefits under Clause 66, the Charterers shall indemnify, protect, defend and hold harmless (notwithstanding any act or omission of any organisation or person whom the Charterers have contractually agreed to take over all duties and responsibilities imposed by the ISM Code) the Owners from, against and in respect of, any and all liabilities, obligations, losses, damages, penalties, fines, fees, claims, actions, proceedings, judgement, order or other sanctions, lien, suits, costs, expenses and disbursements, including reasonable and documented legal fees and expenses, of whatever kind and nature, imposed on, suffered or incurred by or asserted against the Owners, in any way relating to, resulting from or arising out of or in connection with, in each case, directly or indirectly, any MARPOL Carbon Intensity Regulations, any Emission Scheme(s) applicable to the Vessel or the Owners, including but not limited to the EU ETS and FuelEU.

54.48 **Time Charter Assignment**

If no Time Charter has been entered into by the Actual Delivery Date and as a result, the Time Charter Assignment is not executed and delivered to the Owners on or prior to the Actual Delivery Date and, any Time Charter is subsequently entered into at any time during the Agreement Term, the Charterers shall:

54.48.1 procure that the Time Charter Assignor will promptly execute and deliver the Time Charter Assignment in favour of the Owners in respect of such Time Charter and any relevant Time Charter Guarantee; and

54.48.2 in connection with such Time Charter Assignment, deliver or procure the delivery to the Owners of (i) all documents and other evidence of the kind referred to in Clause 43 (*Conditions precedent and subsequent*) which would have been required to be delivered if such Time Charter Assignment had been executed and delivered as a condition precedent on or prior to the Actual Delivery Date; and (ii) such legal opinions as the Owners shall in their absolute discretion require, in each case in form and substance satisfactory to the Owners.

54.49 **War risks**

54.49.1 The Charterers shall not cause or permit the Vessel to enter or trade to any zone which is declared a war zone by any government or by the Vessel's war risks insurers or which is otherwise excluded from the scope of coverage of the obligatory insurances unless:

(a) the prior written consent of the Owners have been given; and

(b) the Charterers have (at their expense) effected any special, additional or modified insurance cover which the Owners may require.

54.49.2 The Charterers shall not cause or permit the Vessel to load contraband cargo, or to pass through any blockade, whether such blockade be imposed on all vessels, or is imposed selectively in any way whatsoever against vessels of certain flags or ownership, or against certain cargoes or crews or otherwise howsoever, or to proceed to an area where she shall be subject, or is likely to be subject to a belligerent's right of search and/or confiscation.

55 Earnings Account

55.1 The Charterers hereby undertake to the Owners that:

55.1.1 if, at any time during the Agreement Term, the Account Bank is to be changed from such bank or financial institution which the Owners and the Charterers have previously agreed to be the Account Bank for the purpose of this Charter (in each instance a "**Previous Account Bank**") as a result of the Owners' internal approval requirements, then the Charterers shall (without limiting the generality of Clause 54.16 (*Further assurance*)) at the Owners' expense (unless such request is a result of a change of law in which case the Charterers shall be responsible for such expense), promptly take all such action as the Owners may reasonably require for the purpose of effecting a substitution of such Previous Account Bank to such Owners-approved bank or financial institution (in each instance the "**Newly-Approved Account Bank**"), including but not limited to the following:

(a) the (1) execution of all necessary account opening mandates, "know your client", compliance checks or similar documents, and (2) payment of account administration, operation, maintenance or associated fees, in each case as such Newly-Approved Account Bank may require;

(b) the transfer of all amounts standing credit to the Earnings Account held with such Previous Account Bank to the Earnings Account opened or to be opened with the Newly-Approved Account Bank; and

(c) the:

(i) execution of a new security instrument (together with all other documents required by it according to its terms, including, without limitation, all notices of assignment and/or charge and acknowledgements of all such notices of assignment); and

(ii) procurement of: (x) a legal opinion issued by a competent law firm qualified to practise in the jurisdiction in which the new Earnings Account referred to in paragraph (b) above is to be opened, (y) a legal opinion issued by a competent law firm qualified to practise in the jurisdiction of formation of the Charterers, and (z) such security instrument, other documents and legal opinions shall, in each case as applicable, in form and substance satisfactory to the Owners (acting reasonably); and

55.1.2 to deposit all of the Earnings, Requisition Compensation and proceeds of Insurances received by the Charterers into the Earnings Account, free and clear of any costs, fees, expenses, disbursements, withholdings or deductions.

55.2 Provided that (i) no Potential Termination Event or Termination Event has occurred or is continuing and (ii) for ten (10) consecutive days immediately prior to each Hire Payment Date, the balance standing to the credit of the Earnings Account is maintained at an amount no less than Hire payable by the Charterers on such Hire Payment Date, the Charterers may withdraw any balance that is standing to the credit of the Earnings Account.

56 Financial covenants

56.1 **Financial definitions** For the purpose of this Clause 56, the following definitions shall apply:

"**Tangible Asset Net Worth**" means, at any relevant time, the aggregate of the amounts paid up or credited as paid up on the issued ordinary share capital of the Charter Guarantor and the amount standing to the credit of the reserves of the Charter Guarantor or any of its Subsidiaries, including any amount credited to the share premium account, **but deducting**:

(a) any debit balance on the profit and loss account of the Charter Guarantor;

(b) (to the extent included) any amount shown in respect of goodwill or other intangible assets of the Charter Guarantor or any of its Subsidiaries;

(c) (to the extent included) any provision for deferred taxation; and

(d) any amount in respect of any dividend or distribution declared, recommended or made by the Charter Guarantor or any of its Subsidiaries and to the extent payable to a person who is not the Charter Guarantor or any of its Subsidiaries and to the extent such distribution is not provided for in the most recent financial statements, and so that no amount shall be included or excluded more than once.

"**Total Assets**" means the aggregate value of the assets of the Charter Guarantor.

"**Total Liabilities**" means the aggregate amount of all the obligations of the Charter Guarantor in respect of borrowings.

56.2 **Financial covenants** The Charterers shall procure that the Charter Guarantor will ensure that at all times during the Agreement Term:

(a) the Tangible Asset Net Worth shall not be less than US$100,000,000; and

(b) the Total Liabilities shall not exceed eighty per cent (80%) of the Total Assets.

56.3 **Financial testing**

56.3.1 The financial covenants in this Clause 56 shall be tested by reference to each of the financial statements delivered pursuant to, as applicable, Clause 54.1 (*Financial statements*) and/or each Compliance Certificate delivered pursuant to Clause 54.41 (*Compliance Certificate*).

56.3.2 Any amount in a currency other than US Dollars is to be taken into account at its equivalent in US Dollar calculated on the basis of the relevant rates of exchange used by the Charter Guarantor in, or in connection with, its financial statements for that period.

56.3.3 When calculating the financial covenants in this Clause 56, the effect of all transactions between members of the Group shall be eliminated to the extent not already netted out on consolidation.

56.3.4 No item may be credited or deducted more than once in any calculation under this Clause 56.

57 Value maintenance clause

57.1 **Definitions** In this Clause 57:

"**Test Date**" means any day within the Agreement Term, which the Owners may notify to the Charterers.

"**Value Maintenance Ratio**" means the ratio (expressed as a percentage) of:

(a) the Market Value of the Vessel, plus any additional security provided pursuant to Clause 57.3.2(a)

to

(b) the then current Cost Balance.

"**Value Maintenance Threshold**" means the ratio (expressed as a percentage) of one hundred and twenty per cent. (120%).

57.2 **Valuations**

57.2.1 For the purposes of testing the Value Maintenance Ratio on a Test Date, the Market Value shall be determined by the Owners based on the valuation from the most recent Valuation Report provided to the Owners in accordance with the requirements under this Clause 57, which shall be prepared by an Approved Valuer nominated by the Owners, provided that:

(a) subject to paragraph (b), the Charterers shall arrange, deliver to the Owners and bear the cost of the issuance of such Valuation Report once every twelve (12) months during the Agreement Term and any additional Valuation Report shall be at the Owners' cost; and

(b) if a Termination Event is continuing, the Charterers shall arrange, deliver to the Owners and bear the cost of the issuance of all Valuation Reports as may be required by the Owners,

provided further that if the Charterers fail to deliver any Valuation Report in accordance with the requirements under this Clause 57, the Owners may arrange each such Valuation Report at the Charterers' cost.

57.2.2 Each Valuation Report to be provided for the purpose of Clause 57.2.1 shall:

(a) be issued by an Approved Valuer (I) no more than fifteen (15) days before the relevant Test Date and (II) no fewer than five (5) days before the relevant Test Date;

(b) be delivered to the Owners no later than five (5) days prior to the relevant Test Date;

(c) be prepared with or without physical inspection of the Vessel, as the Owner may require;

(d) be prepared on the basis of a sale for prompt delivery for cash on normal arm's length commercial terms as between a willing seller and a willing buyer, free of any charter; and

(e) always exclude or deduct an amount equal to the usual and reasonable expenses which would be incurred in connection with a sale described in sub-paragraphs (c) and (d) above.

57.2.3 If an Approved Valuer determines that the Market Value shall fall within a range, the valuation as determined by such Approved Valuer should be the arithmetic mean of the highest and lowest values of such range.

57.2.4 Each valuation shall be provided by an Approved Valuer in US Dollars.

57.3 **Value Maintenance Ratio**

57.3.1 The Owners may test the Value Maintenance Ratio on any Test Date in accordance with the methodology described in Clause 57.2 (*Valuations*).

57.3.2 If, after conducting testing of the Value Maintenance Ratio on the relevant Test Date, the Owners determine that the Value Maintenance Ratio is less than the Value Maintenance Threshold (the said difference between that Market Value and the Cost Balance shall be referred to as the "**shortfall**" for the purposes of this Clause), then the Charterers shall, within 14 days of the Owners' receipt of the relevant Valuation Reports, undertake any of the following at the Charterers' option (but always subject to the Owners' prior approval):

(a) provide, or ensure that a third party provides, additional security, which, in the opinion of the Owners has a net realisable value of an amount at least equal to the shortfall and is acceptable to the Owners, and which is documented in such terms as the Owners may require; or

(b) prepay to the Owners in the amount of the shortfall, to be applied by the Owners to reduce, to the extent of such amount, the Cost Balance by prepaying the Balloon Amount and, upon the Balloon Amount being fully prepaid, the Basic Fixed Hire in inverse chronological order of maturity (it being understood and the Owners and the Charterers hereby agree and acknowledge that any amount prepaid in accordance with this sub-paragraph (b) shall, once so applied by the Owners, not be refundable in any circumstance whatsoever),

in each case in order to restore the Value Maintenance Ratio to the Value Maintenance Threshold.

57.3.3 In connection with any additional security provided in accordance with Clause 57.3.2, the Owners shall be entitled to receive certified copies of such documents of the kind referred to in Clause 43 (*Conditions precedent and subsequent*) and such favourable opinions as the Owners shall in its absolute discretion required.

57.3.4 If at any time after any additional security has been provided in accordance with Clause 57.3.2(a), the Owners determine that the Value Maintenance Ratio is higher than the Value Maintenance Threshold for a consecutive period of more than 60 days, the Owners shall, upon the Charterers' request, release to the Charterers such part of the additional security provided to the Owners pursuant to Clause 57.3.2(a) above as shall decrease the Value Maintenance Ratio to the Value Maintenance Threshold, subject to the Owners being satisfied that (1) no Termination Event and no Potential Termination Event has occurred or will occur before or after such release and (2) immediately following such release, the Value Maintenance Ratio will not be lower than the Value Maintenance Threshold.

58 Termination Events

58.1 **Each of the following events shall constitute a Termination Event.** The Owners and the Charterers agree that it is a fundamental term and condition of this Charter that the occurrence of a Termination Event which is a breach of contract by the Charterers is either a repudiatory breach for the purpose of this Charter or its otherwise a breach of condition by the Charterers under this Charter and, if not a breach of contract by the Charterers, then it is an agreed terminating event.

58.1.1 **Failure to pay** An Obligor fails to pay any amount due from it under any Transaction Document to which it is a party at the time, in the currency and otherwise in the manner specified therein, unless the failure to pay is caused by a Disruption Event, and such payment is made within three (3) Business Days of its due day.

58.1.2 **Misrepresentation** Any representation or statement made or deemed to be made by an Obligor in any Transaction Document or any other document delivered by or on behalf of an Obligor under or in connection with any Transaction Document is or proves to have been incorrect or misleading in any material respect when made or deemed to be made.

58.1.3 **Specific covenants** An Obligor fails to perform or comply with Clauses 54.11 (*Anti-money laundering*), 54.18 (*Insurance*), 54.26 (*Negative pledge*), 54.24 (*No borrowings*), 54.30 (*Registration*), 54.39 (*Anti-bribery laws*) and 56 (*Financial covenants*).

58.1.4 **Other obligations** An Obligor fails to perform or comply with any of the obligations expressed to be assumed by it in any Transaction Document (other than those referred to in Clause 58.1.3 (*Specific covenants*)). No Termination Event under this Clause will occur if the failure to comply is capable of remedy (to the extent that the Owners consider, in their absolution discretion, that such failure is capable of remedy) and is remedied to the satisfaction of the Owners within fourteen (14) days after the earlier of (A) the Owners having given notice thereof to the relevant Obligor, and (B) any Obligor becoming aware of such failure to perform or comply.

58.1.5 **Cross default**

(a) Any Financial Indebtedness of any Obligor is not paid when due nor within any originally applicable grace period.

(b) Any Financial Indebtedness of any Obligor is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default or review event (however described).

(c) Any commitment for any Financial Indebtedness of any Obligor is cancelled or suspended by a creditor of any Obligor as a result of an event of default or review event (however described).

(d) Any creditor of any Obligor becomes entitled to declare any Financial Indebtedness of any Obligor due and payable prior to its specified maturity as a result of an event of default or review event (however described).

No Termination Event will occur under this Clause 58.1.5 if the aggregate amount of Financial Indebtedness or commitment for Financial Indebtedness in respect of the Charter Guarantor falling within paragraphs (a) to (d) above is less than US$10,000,000 (or its equivalent in any other currency or currencies). Such threshold does not apply to any Financial Indebtedness provided by a Bank Member.

58.1.6 **Insolvency and rescheduling**

(a) An Obligor or any member of its Group:

(i) is unable to pay its debts as they fall due;

(ii) is deemed to, or is declared to, be unable to pay its debt under applicable law;

(iii) suspends or threatens to suspend making payments on any of its debts; or

(iv) by reason of actual or anticipated financial difficulties, commences negotiations with any one or more of its creditors (excluding the Owners in their capacity as such) with a view to the general readjustment or rescheduling of its indebtedness or makes a general assignment for the benefit of its creditors or a composition with its creditors.

(b) The value of the assets of any member of the Group (other than the Chargor) is less than its liabilities (taking into account contingent and prospective liabilities).

(c) A moratorium is declared in respect of any indebtedness of any member of the Group.

58.1.7 **Insolvency proceedings**

(a) Any corporation action, legal proceedings or other procedure or step is taken in relation to:

(i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of any Obligor;

(ii) a composition, compromise, assignment or arrangement with any creditor of any Obligor;

(iii) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of any assets; or

(iv) enforcement of any Encumbrance over any assets of any Obligor,

or any analogous procedure or step is taken in any jurisdiction.

(b) Sub-paragraph (a) above shall not apply to any winding-up petition which is frivolous or vexatious and is discharged, stayed or dismissed within fourteen (14) days of commencement.

58.1.8 **Creditors' process**

Any expropriation, attachment, sequestration, distress or execution (or any analogous process in any jurisdiction) affects any asset or assets of an Obligor.

58.1.9 **Execution or distress**

(a) An Obligor fails to comply with or pay any sum due from it (within thirty (30) days of such amount falling due) under any final judgment or any final order made or given by any court or other official body of a competent jurisdiction against which there is no right of appeal or if a right of appeal exists, where the time limit for making such appeal has expired.

(b) Any execution or distress is levied against, or an encumbrancer takes possession of, the whole or any part of, the property, undertaking or assets of an Obligor.

58.1.10 **Similar event** Any event occurs which, under the laws of any jurisdiction, has an analogous effect to any of those events mentioned in Clauses 58.1.6 (*Insolvency and rescheduling*), 58.1.7 (*Insolvency proceedings*), 58.1.8 (*Creditors' process*) or 58.1.9 (*Execution or distress*).

58.1.11 **Repudiation** An Obligor repudiates any Transaction Document to which it is a party or does or causes to be done any act or thing evidencing an intention to repudiate any such Transaction Document.

58.1.12 **Validity and admissibility** At any time any act, condition or thing required to be done, fulfilled or performed in order:

(a) to enable any Obligor lawfully to enter into, exercise its rights under and perform the respective obligations expressed to be assumed by it in the Transaction Documents;

(b) to ensure that the obligations expressed to be assumed by each of the Obligors in the Transaction Documents are legal, valid and binding; or

(c) to make the Transaction Documents admissible in evidence in any applicable jurisdiction,

is not done, fulfilled or performed within thirty (30) days after notification from the Owners to the relevant Obligor requiring the same to be done, fulfilled or performed.

58.1.13 **Illegality** At any time:

(a) it is or becomes unlawful for any Obligor to perform or comply with any or all of its obligations under the Transaction Documents to which it is a party;

(b) any of the obligations of the Charterers under the Transaction Documents to which they are parties are (subject to the Legal Reservations) not or cease to be legal, valid and binding; or

(c) any Encumbrance created or purported to be created by the Security Documents ceases to be legal, valid, binding, enforceable or effective or is alleged by a party to such Security Document (other than the Owners) to be ineffective,

and, in each case, such illegality is not remedied or mitigated to the satisfaction of the Owners within thirty (30) days after they have given notice thereof to the relevant Obligor.

58.1.14 **Material adverse change** At any time there shall occur any event or change which has a Material Adverse Effect.

58.1.15 **Conditions subsequent** The condition referred to in Clause 43.2 (*Conditions precedent and subsequent*) is not satisfied within the time period specified in that Clause or such other time period specified by the Owners in their discretion.

58.1.16 **Revocation or modification of consents etc.** Any Necessary Authorisation which is now or which at any time during the Agreement Term becomes necessary to enable any of the Obligors to comply with any of their obligations in or pursuant to any of the Transaction Documents is revoked, withdrawn or withheld, or modified in a manner which the Owners reasonably considers is, or may be, prejudicial to the interests of Owners in a material manner, or if such Necessary Authorisation ceases to remain in full force and effect.

58.1.17 **Cessation of business** Any of the Obligors ceases, or threatens to cease, to carry on all or a substantial part of its business provided that it shall not be a Termination Event under this Clause 58.1.17 if such cessation of business is a direct result of a Total Loss of the Vessel or if the relevant Obligor is the Approved Manager and such Approved Manager is replaced in accordance with Clause 63.3 (*Appointment of and changes to the Approved Manager*) within 21 days of the earlier of (i) the Owners giving notice to an Obligor and (ii) an Obligor becoming aware of the such event.

58.1.18 **Curtailment of business** The business of any of the Obligors is wholly or materially curtailed by any intervention by or under authority of any government, or if all or a substantial part of the undertaking, property or assets of any of the Obligors is seized, nationalised, expropriated or compulsorily acquired by or under authority of any government or any Obligor disposes or threatens to dispose of a substantial part of its business or assets.

58.1.19 **Reduction of capital** Any Obligor reduces its committed or subscribed capital.

58.1.20 **Environmental matters**

(a) Any Environmental Claim is made against the Charterers or in connection with the Vessel, where such Environmental Claim is reasonably likely to have a Material Adverse Effect.

(b) Any actual Environmental Incident occurs in connection with the Vessel, where such Environmental Incident has a Material Adverse Effect.

58.1.21 **Loss of property** All or a substantial part of the business or assets of any Obligor is destroyed, abandoned, seized, appropriated or forfeited for any reason provided that a Total Loss of the Vessel shall not be a Termination Event under this Clause.

58.1.22 **Sanctions** Any Obligor does not comply with any of its undertakings referred to in Clause 54.10 (*Sanctions*) or any representations in Clause 53.1.25 (*Sanctions*) is or proves to have been incorrect or misleading in any material respects when made or deemed to be made.

58.1.23 **Arrest** The Vessel is arrested or seized for any reason whatsoever (other than caused solely and directly by any action or omission from the Owners) unless the Vessel is released and returned to the possession of the Charterers within 30 days of such arrest or seizure.

58.1.24 **Change of Control** A Change of Control occurs without the prior written consent of the Owners.

58.1.25 **MOA termination events** There occurs any event or circumstance referred to in clause 15.1.1(b) (*MOA Termination Events*) of the MOA.

58.1.26 **Termination, repudiation or cancellation of Sub-Charter or Time Charter on or before the Actual Delivery Date** Any Sub-Charter or Time Charter is terminated, repudiated, cancelled, rescinded or otherwise ceases to remain in full force and effect on or before the Actual Delivery Date, irrespective of whether the relevant termination, repudiation, cancellation, recission or cessation of effectiveness is due to any default, act or omission on the part of the Charterers.

58.1.27 **Termination, repudiation or cancellation of Sub-Charter or Time Charter after the Actual Delivery Date** Any Sub-Charter or Time Charter is terminated, repudiated, cancelled, rescinded or otherwise ceases to remain in full force and effect after the Actual Delivery Date, **provided that** no Termination Event will occur under this Clause 58.1.27 if, within forty-five (45) days (or such longer period as may be agreed between the Owners and the Charterers) of such termination, repudiation, cancellation, recission or cessation of effectiveness (as applicable), such Sub-Charter or Time Charter (in each case as applicable) is replaced by another charter in respect of the Vessel (on terms reasonably acceptable to the Owners) entered into between (x) the Charterers (as disponent owner) and a sub-charterer or (y) the Time Charter Assignor (as disponent owner) and a time charterer (in each case as applicable) acceptable to the Owners and the rights of the Charterers or the Time Charter Assignor (in each case as applicable) in the replacement charter are assigned to the Owners (to the Owners' satisfaction).

58.1.28 **Termination or cancellation of other Project Documents**

(a) Any Project Document (other than a Sub-Charter or a Time Charter, to which Clauses 58.1.26 (*Termination, repudiation or cancellation of Sub-Charter or Time Charter before the Actual Delivery Date*) and 58.1.27 (*Termination, repudiation or cancellation of Sub-Charter or Time Charter after the Actual Delivery Date*) shall apply) is terminated, cancelled or otherwise ceases to remain in full force and effect.

(b) Without limiting the generality of paragraph (a) above, any such event or circumstance has occurred such that the Charterers (in their capacities as original buyers under the Building Contract) have become entitled to exercise their rights to cancel, terminate or rescind the Building Contract (irrespective of whether the Charterers have exercised such right).

58.1.29 **Similar event in relation to Builder** Any event which, under the laws of any jurisdiction, has a similar or analogous effect to any of those events mentioned in Clauses 58.1.6 (*Insolvency and rescheduling*), 58.1.7 (*Insolvency proceedings*), 58.1.8 (*Creditors' process*) or 58.1.9 (*Execution or* *distress*) above occurs (*mutatis mutandis*) in relation to the Builder provided that it shall not be a Termination Event under this Clause 58.1.29 if, during the period an event which, under the laws of any jurisdiction, has a similar or analogous effect to any of those events mentioned in Clauses 58.1.6 (*Insolvency and rescheduling*), 58.1.7 (*Insolvency proceedings*), 58.1.8 (*Creditors' process*) or 58.1.9 (*Execution or distress*) above has occurred (mutatis mutandis) in relation to the Builder, the Refund Guarantee remains (in the opinion of an independent and reputable leading maritime law firm) legal, valid, binding, enforceable and effective and the Builder continues to perform its obligations under Building Contract to the Owners' satisfaction (acting reasonably).

58.1.30 **Judgments** Any judgment or order of a court, arbitral tribunal or other tribunal or any order or sanction of any governmental or other regulatory body is made against an Obligor or its assets which has a Material Adverse Effect.

58.1.31 **Merger** The Charterers or the Charter Guarantor enters into any major asset reorganisation, amalgamation, demerger, merger, consolidation or corporate reconstruction which has a Material Adverse Effect without the prior written consent of the Owners.

58.1.32 **Encumbrance imperilled** Any Encumbrance created or intended to be created by a Security Document is in any way imperilled or in jeopardy.

58.1.33 **Litigation** Any litigation, arbitration or administrative proceedings or investigations of, or before, any court, arbitral body or agency are started or threatened, or any judgment or order of a court, arbitral body or agency is made, in relation to any of the Transaction Documents or the transactions contemplated in any of the Transaction Documents or against any member of the Group or its assets which has or is reasonably likely to have a Material Adverse Effect.

58.1.34 **Termination Event** A Termination Event (as defined in the Related Charter) occurs under the Related Charter.

58.1.35 **Effect of a Termination Event** On and at any time after the occurrence of a Termination Event which is continuing the Owners may terminate the chartering of the Vessel under this Charter and/or exercise all or any of the remedies the Owner is entitled to exercise under any Transaction Document or any applicable law or regulation.

58.2 **Owners' options after occurrence of a Termination Event** On or at any time after the occurrence of a Termination Event which is continuing, the Owners may at their option:

58.2.1 by delivering to the Charterers a Termination Notice, terminate the chartering of the Vessel under this Charter with immediate effect or on the date specified in such Termination Notice and withdraw the Vessel from the service of the Charterers without noting any protest and without interference by any court or any other formality whatsoever, whereupon the Vessel shall no longer be in the possession of the Charterers with the consent of the Owners, and the Charterers shall redeliver the Vessel to the Owners in accordance with Clauses 49 (*Redelivery*) and 50 (*Redelivery conditions*);

58.2.2 apply any amount then standing to the credit to the Earnings Account against any Unpaid Sum or such other amounts which the Owners or other Obligors may owe under the Transaction Documents; and/or

58.2.3 (without prejudice to Clause 58.2.2) enforce any Encumbrance created pursuant to the relevant Transaction Documents.

58.3 **Payment of Early Termination Sum** On the Termination Payment Date in respect of any Termination in accordance with Clause 58.2 (*Owners' options after occurrence of a Termination Event*), the Charterers shall pay to the Owners an amount equal to the Early Termination Sum.

58.4 **Owners' application of Early Termination Sum** Following any termination to which this Clause 58 applies, all sums payable in accordance with Clause 58.3 (*Payment of Early Termination Sum*) or received pursuant to Clause 58.2 (*Owners' options after occurrence of a Termination Event*) or any other provision of this Clause 58 shall be paid to such account or accounts as the Owners may direct and shall be applied towards settlement of the Early Termination Sum (or part thereof) and any other sums due and payable under the Transaction Documents. To the extent that there is any surplus after such application, such surplus shall be paid to the Charterers by way of rebate.

58.5 **Transfer of title** If the chartering of the Vessel or, as the case may be, the obligation of the Owners to deliver and charter the Vessel to the Charterers is terminated in accordance with the terms of this Charter, the obligation of the Charterers to pay Hire shall cease once the Charterers have made the payment pursuant to Clause 58.3 (*Payment of Early Termination Sum*) to the satisfaction of the Owners, whereupon the Owners shall promptly transfer title to the Vessel to the Charterers (or its nominee) in accordance with Clauses 61.4 to 61.7 (*Transfer of title*).

58.6 **Owners' rights reserved** Without prejudice to the forgoing or to any other rights of the Owners under the Charter, at any time after the occurrence of a Termination Event which is continuing, the Owners may, acting in their sole discretion without prejudice to the Charterers' obligations under Clause 50 (*Redelivery conditions*), retake possession of the Vessel and, the Charterers agree that the Owners, for such purpose, may put into force and exercise all their rights and entitlements at law and may enter upon any premises belonging to or in the occupation or under the control of the Charterers where the Vessel may be located as well as giving instructions to the Charterers' servants or agents for this purpose, provided that the Owners shall not be entitled to exercise their rights under this Clause if the Charterers have made the payment pursuant to Clause 58.3 (*Payment of Early Termination Sum*) to the satisfaction of the Owners and the Owners have transferred title to the Vessel to the Charterers (or its nominee) in accordance with Clauses 61.4 to 61.7 (*Transfer of title*).

58.7 **Owners' right to sell the Vessel** Following any termination to which this Clause 58 applies, if the Charterers have not paid to the Owners the Early Termination Sum in full by the applicable Termination Payment Date, the Owners shall be entitled (but not obliged) to sell the Vessel and apply the relevant Net Sale Proceeds against the Early Termination Sum and claim from the Charterers for any shortfall.

58.8 **Charterers' obligation to pay the Early Termination Sum unaffected** The Charterers' obligation to pay the Early Termination Sum (and any of their other obligations under the Transaction Documents) shall remain in full force and effect irrespective of whether Owners complete the sale of the Vessel referred to in Clause 58.7 (*Owners' right to sell the Vessel*). Without prejudice to the foregoing, if the Net Sale Proceeds reduce the applicable Early Termination Sum to zero, the Charterers shall not be obliged to pay the Early Termination Sum.

58.9 **Charterers have no right to terminate** Save as otherwise expressly provided in this Charter, the Charterers shall not have the right to terminate this Charter any time prior to the expiration of the Agreement Term for any reason whatsoever, including (without limitation) in exercise of any right in law or equity that they would, but for this provision, have to terminate, whether because of a breach of a condition, a repudiatory breach of an intermediate term, a renunciation or impossibility or on any other ground.

58.10 **Cumulative rights** The rights conferred upon the Owners by the provisions of this Clause 58 are cumulative and in addition to any rights which they may otherwise have in law or in equity or by virtue of the provisions of this Charter.

59 Sub-chartering and assignment

59.1 The Charterers shall not without the prior written consent of the Owners:

59.1.1 let the Vessel on demise charter for any period;

59.1.2 de-activate or lay up the Vessel;

59.1.3 assign their rights under this Charter.

59.2 The Charterers acknowledge that the Owners' consent to any sub-bareboat chartering may be subject (amongst other things) to the Owners being satisfied as to the intended flag during such sub-bareboat chartering.

59.3 Without prejudice to anything contained in this Clause 59:

59.3.1 save as provided and permitted under the Transaction Documents, the Charterers shall not enter into any sub-charter for the Vessel; and

59.3.2 if the charter period under a Sub-Charter or Time Charter shall expire and the parties to such Sub-Charter or Time Charter agree to extend such charter period, the Charterers shall, upon the Owners' request, ensure that the amount of charterhire applicable to such extended charter period shall be no less than the amount of charterhire applicable to the charter period immediately prior to the original date of expiry.

59.4 The Owners may assign, transfer and/or novate all or any of their rights and obligations under any of the Transaction Documents (or ownership in the Owners) without the prior consent of the Charterers or any other Obligor, and the Charterers or other Obligors shall execute such documents and do all such things as the Owners may require to facilitate and/or effect such assignment, transfer or novation by the Owner. The Charterers and the other Obligors shall permit any disclosure by the Owners of the Transaction Documents and the terms and conditions thereunder to any potential financiers, transferees or assignees and their respective advisers or agents as the Owners may deem necessary to facilitate any such transfer, assignment or novation.

60 Name of Vessel

60.1 The Charterers may:

60.1.1 choose the initial name of the Vessel, but may only change the initial name of the Vessel with the prior consent of the Owners; and

60.1.2 paint the Vessel in the colours, display the funnel insignia and fly the house flag as required by the Charterers from time to time,

provided that at redelivery of the Vessel in accordance with Clause 49 (*Redelivery*), the Charterers shall, at the request of the Owners and at the Charterers' cost, restore the Vessel to her original name, colours, funnel insignia and house flag.

61 Early Termination, purchase option, purchase obligation and transfer of title

61.1 **Early Termination – Charterers' purchase option**

61.1.1 The Charterers may, at any time on or after Earliest Purchase Option Date, notify the Owners by serving an irrevocable Termination Notice of the Charterers' intention to terminate this Charter and purchase the Vessel from the Owners on a Purchase Option Date for the applicable Early Termination Sum, provided that:

(a) no Total Loss has occurred under Clause 62 (*Total Loss*);

(b) no Termination Event is continuing or would occur as a result of such early termination;

(c) there must be at least a three (3) month period between the date on which the Termination Notice is served and the proposed Purchase Option Date.

61.1.2 In exchange for payment of the Early Termination Sum on the Purchase Option Date, the Owners shall arrange for title of the Vessel to be transferred to the Charterers in accordance with Clauses 61.4 to 61.7 (*Transfer of title*).

61.2 **Early Termination – Project Parties, Project Documents or Illegality of Owners**

61.2.1 If:

(a) without prejudice to Clauses 58.1.11 (*Repudiation*), 58.1.26 (*Termination, repudiation or cancellation of Sub-Charter or Time Charter on or before the Actual Delivery Date*) and 58.1.27 (*Termination, repudiation or cancellation of Sub-Charter or Time Charter after the Actual Delivery Date*), any Project Party repudiates (or evidences an intention to repudiate) any Project Document to which such Project Party is a party; or

(b) any Project Party ceases or threatens to cease, to carry on all or, in the opinion of the Owners, any material part of such Project Party's business which has a Material Adverse Effect; or

(c) it becomes unlawful or it is prohibited for the Owners to charter the Vessel pursuant to this Charter and, to the extent that the law permits the Owners to notify the Charterers of the relevant event, the Charterers and the Owners fail to agree an alternative having negotiated in good faith for a period of thirty (30) days (or such longer period as may be agreed by the Owners) after the Owners have given notice to the Charterers of the relevant event,

then, in each case, the Owners may, at their option and by delivering to the Charterers a Termination Notice, terminate this Charter with immediate effect or on the date specified in such Termination Notice, and withdraw the Vessel from the service of the Charterers without noting any protest and without interference by any court or any other formality whatsoever, whereupon the Vessel shall no longer be in the possession of the Charterers with the consent of the Owners, and the Charterers shall redeliver the Vessel to the Owners in accordance with Clauses 49 (*Redelivery*) and 50 (*Redelivery conditions*).

61.2.2 On or at any time after a Termination in accordance with Clause 61.2.1, the Owners may (but without prejudice to the Charterers' obligations under Clause 50 (*Redelivery conditions*)) retake possession of the Vessel and, the Charterers agree that the Owners, for such purpose, may put into force and exercise all their rights and entitlements at law and may enter upon any premises belonging to or in the occupation or under the control of the Charterers where the Vessel may be located as well as giving instructions to the Charterers' servants or agents for this purpose.

61.2.3 On the Termination Payment Date in respect of any termination of the chartering of the Vessel under this Charter in accordance with Clause 61.2.1, the Charterers shall pay to the Owners an amount equal to the Early Termination Sum.

61.2.4 Following any termination to which Clause 61.2.1 applies, all sums payable in accordance with Clause 61.2.3 shall be paid to such account or accounts as the Owners may direct and shall be applied in the Owners' sole discretion.

61.2.5 If the chartering of the Vessel or, as the case may be, the obligation of the Owners to deliver and charter the Vessel to the Charterers is terminated in accordance with Clause 61.2.1, the obligation of the Charterers to pay Hire shall cease once the Charterers have made the payment pursuant to Clause 61.2.3 to the satisfaction of the Owners, whereupon the Owners shall, in exchange of such payment, arrange for title of the Vessel to be transferred to the Charterers in accordance with Clauses 61.4 to 61.7 (*Transfer of title*).

61.3 **Purchase obligation**

Subject to the other provisions of this Charter, the Charterers shall be obliged to purchase the Vessel or cause their nominee to purchase the Vessel upon the expiration of the Charter Period by payment of the Purchase Obligation Price.

61.4 **Transfer of title**

In exchange for the full payment of:

61.4.1 the Purchase Obligation Price (in the case of the circumstances described in Clause 61.3 (*Purchase obligation*)) or the Early Termination Sum (in the case of the circumstances described in Clauses 61.1 (*Early Termination – Charterers' purchase option*) or 61.2 (*Early Termination – Project Parties, Project Documents or Illegality of Owners*)); and

61.4.2 all sums due and payable to the Owners under the Transaction Documents and subject to compliance with the other conditions set out in this Clause,

the Owners shall:

61.4.3 transfer title to and ownership of the Vessel to the Charterers (or their nominee) by delivering to the Charterers (in each case at the Charterers' costs):

(a) a duly executed and notarised, legalised and/or apostilled (as applicable) bill of sale; and

(b) the Title Re-transfer PDA; and

61.4.4 to procure the deletion of any mortgage or prior Encumbrance created by the Owners in relation to the Vessel at the Charterers' cost,

provided always that prior to such transfer or deletion (as the case may be), the Owners shall have received the letter of indemnity as referred to in Clause 61.7 from the Charterers, and the Charterers shall have performed all their obligations in connection herewith and with the Vessel, including without limitation the full payment of all Unpaid Sums, taxes, charges, duties, costs and disbursements (including legal fees) in relation to the Vessel.

61.5 The transfer in accordance with Clause 61.4 (*Transfer of title*) shall be made in all respects at the Charterers' expense on an "as is, where is" basis and the Owners shall give the Charterers (or their nominee) no representations, warranties (other than a warranty that the Vessel shall be free from all Encumbrances created by the Owners), agreements or guarantees whatsoever concerning or in connection with the Vessel, the Insurances, the Vessel's condition, state or class or anything related to the Vessel, expressed or implied, statutory or otherwise.

61.6 The Owners shall at the Charterers' cost ensure that a bill of sale referred to in Clause 61.4 (*Transfer of title*) will be prescribed and executed in a form recordable in the Flag State.

61.7 The Charterers shall, immediately prior to the receipt of the bill of sale, furnish the Owners with a letter of indemnity (in a form satisfactory to the Owners) whereby the Charterers and the Charter Guarantor shall state that, among other things, the Owners has and will have no interest, concern or connection with the Vessel after the date of such letter and that the Charterers and/or the Charter Guarantor shall indemnify the Owners and keep the Owners indemnified against any claims made by any person arising in connection with the Vessel.

62 Total Loss

62.1 If circumstances exist giving rise to a Total Loss, the Charterers shall promptly notify the Owners of the facts of such Total Loss. Without prejudice to the obligations of the Charterers to pay to the Owners all monies then due or thereafter to become due under this Charter, if the Vessel shall become a Total Loss during the Charter Period, the Charter Period shall end on the Settlement Date.

62.2 If the Vessel becomes a Total Loss during the Charter Period, the Charterers shall, on the Settlement Date, pay to the Owners an amount equal to the Early Termination Sum as at the Settlement Date.

62.3 The obligations of the Charterers under Clause 62.2 shall apply regardless of whether or not any moneys are payable under any Insurances in respect of the Vessel, regardless of the amount payable thereunder, regardless of the cause of the Total Loss and regardless of whether or not any of the said compensation shall become payable.

62.4 All Total Loss Proceeds shall be paid to such account or accounts as the Owners may direct and shall be applied towards satisfaction of the Early Termination Sum and any other sums due and payable under the Transaction Documents. To the extent that there is any surplus after such application, such surplus shall be paid to the Charterers by way of rebate.

62.5 The Charterers shall, at the Owners' request, provide satisfactory evidence, in the reasonable opinion of the Owners, as to the date on which the constructive total loss of the Vessel occurred pursuant to the definition of Total Loss.

62.6 The Charterers shall continue to pay Hire on the days and in the amounts required under this Charter notwithstanding that the Vessel shall become a Total Loss provided always that no further instalments of Hire shall become due and payable after the Charterers have made the payment required by Clause 62.2.

63 Appointment of and changes to the manager

63.1 Subject to the other provisions of this Charter, the Owners confirm their consent to the appointment by the Charterers of:

63.1.1 the person referred to in paragraph (a) of the definition of "Approved Commercial Manager" as the commercial manager of the Vessel; and

63.1.2 the person referred to in paragraph (a) of the definition of "Approved Technical Manager" as the technical manager of the Vessel,

it being understood that each such appointment shall take effect on or before the Actual Delivery Date.

63.2 The Charterers covenant not to permit any sub-contracting by any Approved Manager or amend the material terms of any Management Agreement without the prior written consent of the Owners.

63.3 There shall not be any change to the Approved Manager without the Owners' prior written consent unless:

63.3.1 the Charterers notify the Owners in writing at least fourteen (14) days prior to the proposed change;

63.3.2 the replacement manager falls under the definition of "Approved Commercial Manager" or "Approved Technical Manager";

63.3.3 the Owners have received all of the following documents and other evidence in form and substance satisfactory to the Owners prior to the change:

(a) a copy of the Management Agreement made or to be made between the Charterers and the replacement manager on such terms that are substantially the same as, or more favourable to the Charterers than, the original Management Agreement delivered by the Charterers to the Owners pursuant to clause 43 (*Conditions precedent and conditions subsequent*) or otherwise in form and substance satisfactory to the Owners;

(b) an original of the Manager's Undertaking duly executed by the replacement manager, together with all documents required by it including, without limitation, the notice of assignment;

(c) in respect of the replacement manager and/or the Manager's Undertaking, the documents referred to in:

(i) paragraphs 1 (*Obligors*) and 4.3 (*"Know your customer" documents*) of Part I of schedule 1 to the MOA (*Conditions precedent and subsequent*);

(ii) paragraph 2.3.2 (*Document of Compliance*), 6 (*Other Authorisations*) and 10.10 (*Legal opinions*) of Part III of schedule 1 to the MOA (*Conditions precedent and subsequent*);

63.3.4 within ten (10) Business Days of the date of the Manager's Undertaking, the Owners have received the letter of undertaking as described in paragraph 3 of Part V of schedule 1 to the MOA (*Conditions precedent and subsequent*)

63.4 Without prejudice to the foregoing, the Owners shall be entitled, but without obligation, to replace the Approved Managers with such other ship management company at the Charterers' costs upon the occurrence of a Termination Event which is continuing.

64 Fees and expenses

64.1 The Charterers shall bear all reasonable and documented costs, fees (including legal fees) and disbursements incurred by the Owners and the Charterers in connection with:

64.1.1 the negotiation, preparation and execution of this Charter, the other Transaction Documents and the Finance Documents, including, without limitation, to any amendment, supplement or modification thereof or thereto requested by the Charterers;

64.1.2 the delivery of the Vessel under the MOA and this Charter;

64.1.3 preparation or procurement of any survey, inspections, Valuation Report, tax or insurance advice;

64.1.4 preservation or enforcement of any of the rights and remedies of the Owners under or in relation to the Transaction Documents;

64.1.5 all legal fees and other expenses arising out of or in connection with the early termination or purchase obligation pursuant to Clause 61 (*Early Termination, purchase obligation and transfer of title*); and

64.1.6 such other activities relevant to the transaction contemplated herein.

64.2 The Owners shall not be liable for any costs of supervision of construction of the Vessel under the Building Contract nor any agency, stocking up cost, buyer's supplied items or equivalent each of which shall be the responsibility, or for the account, of the Seller or the Charterers.

64.3 ***[****Intentionally left in blank****]***

65 Stamp duties and taxes

65.1 The Charterers shall pay promptly all stamp, documentary or other like duties and taxes to which the Charter, the MOA and the other Transaction Documents may be subject or give rise and shall indemnify the Owners on demand against any and all liabilities with respect to or resulting from any delay on the part of the Charterers to pay such duties or taxes.

65.2 All amounts set out or expressed in a Transaction Document to be payable to the Owners which constitute the consideration for any supply for Indirect Tax purposes shall be deemed to be exclusive of any Indirect Tax. If any Indirect Tax is chargeable on any supply made by the Owners to any Obligor in connection with a Transaction Document, that Obligor shall pay to the Owners an amount equal to the amount of the Indirect Tax (in addition to and at the same time as paying any other consideration for such supply).

65.3 Where a Transaction Document requires any Obligor to reimburse or indemnify the Owners for any costs or expenses, that Obligor shall also at the same time reimburse or indemnify (as the case may be) the Owners against all Indirect Tax incurred by the Owners in respect of the costs or expenses save to the extent the Owners reasonably determine that they are entitled to credit or repayment in respect of the Indirect Tax from the relevant tax authority.

66 Further indemnities

66.1 Whether or not any of the transactions contemplated hereby are consummated, the Charterers shall, in addition to the provisions under Clause 22 (*Indemnity*) of this Charter, indemnify, protect, defend and hold harmless the Owners, their Agents and (in respect of Clauses 66.1.1, 66.1.3, 66.1.4(b) and 66.1.6) the Finance Parties (collectively, the "Indemnitees") throughout the Agreement Term from, against and in respect of, any and all liabilities, obligations, losses, damages, penalties, fines, fees, claims, actions, proceedings, judgement, order or other sanction, lien, salvage, general average, suits, costs, expenses and disbursements, including legal fees and expenses, of whatsoever kind and nature, imposed on, suffered or incurred by or asserted against any Indemnitee, in any way relating to, resulting from or arising out of or in connection with, in each case, directly or indirectly, any one or more of the following:

66.1.1 the Vessel or any part thereof, including with respect to:

(a) the ownership of, manufacture, design, possession, use or non-use, operation, maintenance, testing, repair, overhaul, condition, alteration, modification, addition, improvement, storage, seaworthiness, replacement, repair of the Vessel or any part (including, in each case, latent or other defects, whether or not discoverable and any claim for patent, trademark, or copyright infringement and all liabilities, obligations, losses, damages and claims in any way relating to or arising out of spillage of cargo or fuel, out of injury to persons, properties or the environment or strict liability in tort);

(b) any claim or penalty arising out of violations of applicable law by the Charterers, any Sub-Charterers, the Time Charter Assignor or any Time Charterer;

(c) death or property damage of shippers or others;

(d) any liens in respect of the Vessel or any part thereof (save for those in favour of the Finance Parties or otherwise created by the Owners); or

(e) any registration and/or tonnage fees (whether periodic or not) in respect of the Vessel payable to any registry of ships and any service fees payable to any service provider in relation to maintaining such registration at any registry of ships;

66.1.2 any breach of or failure to perform or observe, or any other non-compliance with, any law or regulation applicable to the Vessel, any covenant or agreement or other obligation to be performed by the Charterers under any Transaction Document to which they are a party or the falsity of any representation or warranty of the Charterers in any Transaction Document to which they are a party or the occurrence of any Termination Event;

66.1.3 in connection with:

(a) preventing or attempting to prevent the arrest, confiscation, seizure, taking and execution, requisition, impounding, forfeiture or detention of the Vessel; or

(b) in securing or attempting to secure the release of the Vessel,

in each case in connection with the exercise of the rights of a holder of a lien created by the Charterers;

66.1.4 incurred or suffered by the Owners:

(a) in procuring the delivery of the Vessel to the Charterers under Clause 42 (*Pre-delivery and delivery*);

(b) in recovering possession of the Vessel following termination of this Charter under Clause 58 (*Termination Events*) or earlier termination of this Charter under Clause 61 (*Early Termination, purchase obligation and transfer of title*);

(c) in arranging for a transfer of the title of the Vessel in accordance with Clauses 61.4 to 61.7 (*Transfer of title*); or

(d) in connection with the registration of the Vessel at any registry of ships;

66.1.5 arising from the Master or officers of the Vessel or the Charterers' agents signing bills of lading or other documents; and

66.1.6 in connection with:

(a) the arrest, seizure, taking into custody or other detention by any court or other tribunal or by any governmental entity or any piracy-related loss; or

(b) subjection to distress by reason of any process, claim, exercise of any rights conferred by a lien or by any other action whatsoever,

of the Vessel which are expended, suffered or incurred as a result of or in connection with any claim or against, or liability of, the Charterers or any other member of the Group, together with any costs and expenses or other outgoings which may be paid or incurred by the Owners in releasing the Vessel from any such arrest, seizure, custody, detention or distress.

66.2 The Charterers shall pay to the Owners promptly on the Owners' written demand the amount of all costs and expenses (including legal fees) incurred by the Owners in connection with the enforcement of, or the preservation of any rights under, any Transaction Document including (without limitation) (i) any losses, costs and expenses which the Owners may from time to time sustain, incur or become liable for by reason of the Owners being deemed by any court or authority to be an operator, or in any way concerned in the operation, of the Vessel and (ii) collecting and recovering the proceeds of any claim under any of the Insurances.

66.3 If any sum payable by the Charterers to the Owners under this Charter or any other Transaction Document or under any order or judgment relating to a Transaction Document has to be or requested by the Owners (acting reasonably) to be, converted from the currency in which the Transaction Document provided for the sum to be paid (the "**Contractual Currency**") into another currency (the "**Payment Currency**") for the purpose of:

66.3.1 making or lodging any claim or proof against the Charterers, whether in its liquidation, any arrangement involving it or otherwise; or

66.3.2 obtaining an order or judgment from any court or other tribunal; or

66.3.3 enforcing any such order or judgment; or

66.3.4 avoiding, reducing or mitigating any actual or potential risks or the effect of violation of Sanctions or other applicable laws and regulations,

the Charterer shall indemnify the Owners against the loss arising when the amount of the payment actually received by the Owners is converted at the available rate of exchange from the Payment Currency into the Contractual Currency.

66.4 Without prejudice to any right to damages or other claim which either party may, at any time, have against the other hereunder, it is hereby agreed and declared that the indemnities contained in Clause 22 (*Indemnity*) and this Clause 66, and each other indemnity contained in this Charter in favour of the Owners and the other Indemnitees, shall survive any termination of this Charter or other ending of the Agreement Term and any breach of, or repudiation or alleged repudiation by, the Charterers or the Owners of this Charter or any of the other Transaction Documents.

67 Set-off

The Owners may set off any matured obligation due from the Charterers under the Transaction Documents (to the extent beneficially owned by the Owners) against any obligation (whether matured or not) owed by the Owners to the Charterers, regardless of the place of payment or currency of either obligation. If the obligations are in different currencies, the Owners may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

68 Further assurances and undertakings

Each party shall make all applications and execute all other documents and do all other acts and things as may be necessary to implement and to carry out their obligations under, and the intent of, this Charter.

69 Cumulative rights

The rights, powers and remedies provided in this Charter are cumulative, may be exercised as often as appears expedient and not exclusive of any rights, powers or remedies at law or in equity unless specifically otherwise stated.

70 Day count convention

Any interest, Pre-Delivery Interest, Variable Hire, commission or fee accruing under a Transaction Document will accrue from day to day and is calculated on the basis of the actual number of days elapsed and a year of 360 days.

71 No waiver

No delay, failure or forbearance by a party to exercise (in whole or in part) any right, power or remedy under, or in connection with, this Charter will operate as a waiver. No waiver of any breach of any provision of this Charter will be effective unless that waiver is in writing and accepted by the party against whom that waiver is claimed.

No waiver of any breach will be, or be deemed to be, a waiver of any other or subsequent breach.

72 Entire agreement

72.1 This Charter contains all the understandings and agreements of whatsoever kind and nature existing between the parties in respect of this Charter, the rights, interests, undertakings agreements and obligations of the parties to this Charter and shall supersede all previous and contemporaneous negotiations and agreements but shall be read in conjunction with the MOA.

72.2 This Charter may not be amended, altered or modified except by a written instrument executed by each of the parties to this Charter.

73 Invalidity

If any term or provision of this Charter or the application thereof to any person or circumstances shall to any extent be invalid or unenforceable the remainder of this Charter or application of such term or provision to persons or circumstances (other than those as to which it is already invalid or unenforceable) shall (to the extent that such invalidity or unenforceability does not materially affect the operation of this Charter) not be affected thereby and each term and provision of this Charter shall be valid and be enforceable to the fullest extent permitted by law.

74 English language

All notices, communications and financial statements and reports under or in connection with this Charter and the other Transaction Documents shall be in English language or, if in any other language, shall be accompanied by a translation into English. In the event of any conflict between the English text and the text in any other language, the English text shall prevail.

75 No partnership

Nothing in this Charter creates, constitutes or evidences any partnership, joint venture, agency, trust or employer/employee relationship between the parties, and neither party may make, or allow to be made any representation that any such relationship exists between the parties. Neither party shall have the authority to act for, or incur any obligation on behalf of, the other party, except as expressly provided in this Charter.

76 Notices

76.1 Any notices to be given to the Owners under this Charter shall be sent in writing by registered letter or email and addressed to:

Hai Kuo Shipping 1971T Limited

Address: c/o

ICBC Financial Leasing Co., Ltd.

16-19/F, Building #5, Yuetan Centre

Yard 1, Yuetan South Street

Xicheng District, Beijing 100045

The People's Republic of China

Email: saijianan@leasing.icbc.com.cn

Attention: Simon Sai

or to such other address, facsimile number or email address as the Owners may notify to the Charterers in accordance with this Clause 76.

76.2 Any notices to be given to the Charterers under this Charter shall be sent in writing by registered letter, facsimile or email and addressed to:

Jinyao Marine Inc.

Address: 26/F Yardley Commercial Building, 1-6 Connaught Road West, Hong Kong

Email: Philip@jinhuiship.com / teresa@jinhuiship.com

Attention: Teresa Chau

or to such other address or email address as the Charterers may notify to the Owners in accordance with this Clause 76.

76.3 Any such notice shall be deemed to have reached the party to whom it was addressed, when dispatched and acknowledged received (in case of a facsimile or an email) or when delivered (in case of a registered letter). A notice or other such communication received on a non-working day or after 5:00 pm in the place of receipt shall be deemed to be served on the following day in such place.

77 Conflicts

Unless stated otherwise, in the event of there being any conflict between the provisions of Clauses 1 (*Definitions*) (Part II) to 31 (*Notices*) (Part II) and the provisions of Clauses 39 (*Definitions*) to 84 (*Law and jurisdiction*), the provisions of Clauses 39 (*Definitions*) to 84 (*Law and jurisdiction*) shall prevail.

78 Survival of obligations

The termination of this Charter for any cause whatsoever shall not affect the right of the Owners to recover from the Charterers any money due to the Owners on or before the termination in consequence thereof and all other rights of the Owners (including but not limited to any rights, benefits or indemnities which are expressly provided to continue after the termination of this Charter) are reserved hereunder. Without prejudice to the foregoing, the Owners shall, to the extent the title has not already been transferred pursuant to Clauses 61.4 to 61.7 (*Transfer of title*), upon receipt of the Early Termination Sum which has been paid in full in accordance with Clause 61 (*Early Termination, purchase obligation and transfer of title*), arrange for title of the Vessel to be transferred to the Charterers in accordance with Clauses 61.4 to 61.7 (*Transfer of title*).

79 Counterparts

This Charter may be executed in any number of counterparts and any single counterpart or set of counterparts signed, in either case, by the Parties shall be deemed to constitute a full and original agreement for all purposes.

80 Confidentiality

80.1 The Parties shall maintain the information provided in connection with the Transaction Documents strictly confidential and agree to disclose to no person other than:

80.1.1 its board of directors, employees (only on a need to know basis), and shareholders, professional advisors (including the legal and accounting advisors and auditors) and rating agencies;

80.1.2 as may be required to be disclosed under applicable law or regulations or for the purpose of legal proceedings;

80.1.3 in the case of the Owners, (1) to any Permitted Party, any Finance Party or other actual or potential financier providing funding for the acquisition or refinancing of the Vessel (provided the same have entered into similar confidentiality arrangements), (2) to professional advisers, auditors, insurers or insurance brokers and service providers of the Permitted Parties who are under a duty of confidentiality to the Permitted Parties and (3) as required by any law or any government, quasi-government, administrative, regulatory or supervisory body or authority, court or tribunal with jurisdiction over any of the Permitted Parties;

80.1.4 in the case of the Charterers, to any Sub-Charterers (but subject always to Clause 80.2) in respect of obtaining any consent required under the terms of any relevant Sub-Charter; and

80.1.5 the Builder, any Approved Managers, the classification society and flag authorities, in each case as may be necessary in connection with the transactions contemplated hereunder.

80.2 Any other disclosure by each Party shall be subject to the prior written consent of the other Party, provided that the Charterers may disclose any information provided in connection with the Transaction Documents to their sub-contractors and any Sub-Charterers, in each case subject to the procurement of a confidentiality undertaking (in form and substance satisfactory to the Owners) from such sub-contractor or Sub-Charterers.

81 Third Parties Act

81.1 Any person which is an Indemnitee from time to time and is not a party to this Charter shall be entitled to enforce such terms of this Charter as provided for in this Charter in relation to the obligations of the Charterers to such Indemnitee, subject to the provisions of Clause 84 (*Law and jurisdiction*) and the Third Parties Act. The Third Parties Act applies to this Charter as set out in this Clause 81.

81.2 Save as provided in Clause 81.1, a person who is not a party to this Charter has no right under the Third Parties Act to enforce or to enjoy the benefit of any term of this Charter.

82 Waiver of immunity

82.1 To the extent that the Charterers may in any jurisdiction claim for themselves or their assets or revenues immunity from any proceedings, suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process and to the extent that such immunity (whether or not claimed) may be attributed in any such jurisdiction to the Charterers or their assets or revenues, the Charterers agree not to claim and irrevocably waive such immunity to the full extent permitted by the laws of such jurisdiction.

82.2 The Charterers consent generally in respect of any proceedings to the giving of any relief and the issue of any process in connection with such proceedings including (without limitation) the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment which is made or given in such proceedings. The Charterers agree that in any proceedings in England this waiver shall have the fullest scope permitted by the English State Immunity Act 1978 and that this waiver is intended to be irrevocable for the purposes of such Act.

83 FATCA

83.1 For the purpose of this Clause 83, the following terms shall have the following meanings:

"**Code**" means the United States Internal Revenue Code of 1986, as amended.

"**FATCA**" means:

(a) sections 1471 through 1474 of the Code and any associated regulations;

(b) any treaty, law or regulation of any other jurisdiction, or relating to an intergovernmental agreement between the US and any other jurisdiction, which (in either case) facilitates the implementation of paragraph (a) above; or

(c) any agreement pursuant to the implementation of paragraphs (a) or (b) above with the US Internal Revenue Service, the US government or any governmental or taxation authority in any other jurisdiction.

"**FATCA Deduction**" means a deduction or withholding from a payment under this Charter or the other Transaction Documents required by or under FATCA.

"**FATCA Exempt Party**" means a Party that is entitled to receive payments free from any FATCA Deduction.

83.2 Subject to Clause 83.4, each Party shall, within ten (10) Business Days of a reasonable request by another Party:

83.2.1 confirm to that other Party whether it is:

(a) a FATCA Exempt Party; or

(b) not a FATCA Exempt Party; and

83.2.2 supply to that other Party such forms, documentation and other information relating to its status under FATCA as that other Party reasonably requests for the purposes of that other Party's compliance with FATCA.

83.3 If a Party confirms to another Party pursuant to Clause 83.2.1(a) that it is a FATCA Exempt Party and it subsequently becomes aware that it is not or has ceased to be a FATCA Exempt Party, that Party shall notify that other Party reasonably promptly.

83.4 Clause 83.2 shall not oblige the Owners to do anything which would or might in its reasonable opinion constitute a breach of:

83.4.1 any law or regulation;

83.4.2 any fiduciary duty; or

83.4.3 any duty of confidentiality.

83.5 If a Party fails to confirm whether or not it is a FATCA Exempt Party or to supply forms, documentation or other information requested in accordance with Clauses 83.2.1 or 83.2.2 (including, for the avoidance of doubt, where Clause 83.4 applies), then such Party shall be treated for the purposes of this Charter and the other Transaction Documents (and payments under them) as if it is not a FATCA Exempt Party until such time as the Party in question provides the requested confirmation, forms, documentation or other information.

83.6 Each Party, Obligor or Finance Party (if applicable) may make any FATCA Deduction it is required by FATCA to make, and any payment required in connection with that FATCA Deduction, and no Party, Obligor or Finance Party (if applicable) shall be required to increase any payment in respect of which it makes such a FATCA Deduction or otherwise compensate the recipient of the payment for that FATCA Deduction.

83.7 Each Party, Obligor or Finance Party (if applicable) shall promptly, upon becoming aware that it must make a FATCA Deduction (or that there is any change in the rate or the basis of such FATCA Deduction) notify the Party, Obligor or Finance Party (if applicable) to whom it is making the payment.

84 Law and jurisdiction

84.1 This Charter 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.

84.2 Any dispute, controversy, difference or claim arising out of or relating to this Charter, including the existence, validity, interpretation, performance, breach or termination thereof or any dispute regarding non-contractual obligations arising out of or relating to it shall be referred to and finally resolved by arbitration administered by the Hong Kong International Arbitration Centre (HKIAC) under the HKIAC Administered Arbitration Rules in force when the Notice of Arbitration is submitted.

84.2.1 The law of this arbitration clause shall be Hong Kong law.

84.2.2 The seat of arbitration shall be Hong Kong.

84.2.3 The number of arbitrators shall be three. The arbitration proceedings shall be conducted in English.

Schedule 1 Form of Protocol of Delivery and Acceptance

Protocol of Delivery and Acceptance

It is hereby certified that pursuant to a bareboat charter dated [•] and made between Hai Kuo Shipping 1971T Limited (the "**Owner**") as owner and Jinyao Marine Inc. (the "**Bareboat Charterer**") as bareboat charterer (as maybe amended and supplemented from time to time, the "**Bareboat Charter**") in respect of one [•] named m.v. "[•]" and to be registered under the laws and flag of [•] with IMO number [•] (the "**Vessel**"), the Vessel is delivered for charter by the Owner to the Bareboat Charterer, and accepted by the Bareboat Charterer from the Owner at [•] hours (Beijing time) on the date hereof in accordance with the terms and conditions of the Bareboat Charter.

In witness whereof, the Owner and the Bareboat Charterer have caused this **Protocol of Delivery and Acceptance** to be executed by their duly authorised representative on this [•] day of [•] 20[•] in [•].

THE OWNER	**THE BAREBOAT CHARTERER**
Hai Kuo Shipping 1971T Limited	**Jinyao Marine Inc.**
by:	by:
Name:	Name:
Title:	Title:
Date:	Date:

Schedule 2 Form of Title Re-Transfer Protocol of Delivery and Acceptance

Protocol of Delivery and Acceptance

m.v. "[•]"

Hai Kuo Shipping 1971T Limited of Room 1915, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong (the "**Owners**") deliver to **Jinyao Marine Inc.** of Floor 19, Banco General Tower, Aquilino de la Guardia Street, Marbella, Panama City, Republic of Panama (the "**Bareboat Charterers**") the Vessel described below and the Bareboat Charterers accept delivery of, title and risk to the Vessel pursuant to the terms and conditions of the bareboat charterer dated [•] (as may be amended and supplemented from time to time) and made between (1) the Owners and (2) the Bareboat Charterers.

Name of Vessel:	[•]
Flag:	[•]
Place of Registration:	[•]
IMO Number:	[•]
Gross Registered Tonnage:	[•]
Net Registered Tonnage:	[•]
Dated:	[•]

At: hours (Beijing time)

Place of delivery:

THE OWNERS	**THE BAREBOAT CHARTERERS**
Hai Kuo Shipping 1971T Limited	**Jinyao Marine Inc.**
by:	by:
Name:	Name:
Title:	Title:
Date:	Date:

Schedule 3 Form of Compliance Certificate

To: **Hai Kuo Shipping 1971T Limited** (the "**Owner**")

From: **Jinhui Shipping and Transportation Limited** (the "**Guarantor**")

Date: ______________

Dear Sirs

Bareboat Charter dated [•] made between the Owner and Jinyao Marine Inc. (as amended and supplemented from time to time the "Charter") and Guarantee dated [•] by the Guarantor in favour of the Owner (as amended and supplemented from time to time the "Guarantee")

1 We refer to the Charter and the Guarantee. This is a Compliance Certificate. Terms defined in the Guarantee have the same meaning when used in this Compliance Certificate unless given a different meaning in this Compliance Certificate.

2 We confirm that as at the date hereof, we are in compliance with the financial covenants set out in Clause 9.2 of the Guarantee. Please find attached the computations demonstrating the continued compliance with Clause 9.2 of the Guarantee.

3 We confirm that, the attached consolidated financial statements, [for the financial year ending [•] give a true and fair view of the Guarantor's financial condition and operations as at the date of this Compliance Certificate][for the financial quarter ending [•] fairly represent the Guarantor's financial condition and operations as at the date of this Compliance Certificate].

4 We confirm that, as at the date of this Compliance Certificate, no Termination Event has occurred.

5 We further confirm that as at the date of this Compliance Certificate:

	Please check and provide details where applicable
No event set out in clause 58 (*Termination Events*) of the Charter has occurred, which, following the expiry of any applicable remedy period, would result in the occurrence of a Termination Event.	
The steps taken (if any) to remedy the event that has occurred and which, following the expiry of any applicable remedy period, would result in the occurrence of a Termination Event are as follows:	

…………………………………..

for and on behalf of

Jinhui Shipping and Transportation Limited

Name:

Title:

Schedule 4 The Vessels, The Parties and The Charters

Vessels	Owners	Charterers	Bareboat Charters
Bulk carrier with Builder's hull number JNS674 ("**Vessel A**")	Hai Kuo Shipping 1971T Limited ("**Owner A**")	Jinyao Marine Inc. ("**Charterer A**")	Bareboat charter entered or to be entered into between Owner A and Charterer A in respect of Vessel A, as amended and/or supplemented from time to time ("**Charter A**")
Bulk carrier with Builder's hull number JNS675 ("**Vessel B**")	Hai Kuo Shipping 1973T Limited ("**Owner B**")	Huafeng Shipping Inc. ("**Charterer** B")	Bareboat charter entered or to be entered into between Owner B and Charterer B in respect of Vessel B, as amended and/or supplemented from time to time ("**Charter B**")

Schedule 5 Special Fixed Hire Schedule

Hire Payment Date	**Amount of Special Fixed Hire (US$)**
1st	63,941.14
2nd	64,061.73
3rd	62,761.41
4th	61,461.08
5th	58,198.99
6th	58,860.43
7th	57,560.11
8th	56,259.78
9th	53,167.30
10th	53,659.13
11th	52,358.81
12th	51,058.48
13th	48,135.61
14th	48,457.83
15th	47,157.51
16th	45,857.18
17th	43,588.23
18th	43,256.53
19th	41,956.21
20th	40,655.88

The Charterers hereby expressly acknowledge that the amounts set out in the Special Fixed Hire Schedule above are calculated on the basis of the following assumptions:

(a) the Actual Delivery Date of the Vessel is 15 February 2028;

(b) the MOA Purchase Price is US$18,268,898.47; and

(c) the Charterers pay each Basic Fixed Hire on time in accordance with the terms of this Charter.

Accordingly, if any of the above assumptions proves to be incorrect then, as soon as reasonably practicable, the Owners shall prepare a substitute Special Fixed Hire Schedule on the same basis as the existing Special Fixed Hire Schedule, amended only to reflect the change of the above assumptions.

The Owners shall be entitled to deliver to the Charterers, at any relevant time, an amended Special Fixed Hire Schedule and any amended Special Fixed Hire Schedule delivered to the Charterers shall be deemed to be incorporated into this Charter and shall thereafter constitute the then current Special Fixed Hire Schedule for all purposes subject to any further adjustments in accordance with these provisions.

SIGNATURE PAGE

ADDITIONAL CLAUSES
TO BAREBOAT CHARTER FOR THE BULK CARRIER
WITH BUILDER'S HULL NUMBER JNS674

THE OWNERS	**THE CHARTERERS**
Signed for and on behalf of	Signed for and on behalf of
Hai Kuo Shipping 1971T Limited	**Jinyao Marine Inc.**
By:	By:
Jianan Sui	
Name: Jianan Sui	Name:
Title: Attorney-in-fact	Title:
Date: 28 July 2026	Date:

SIGNATURE PAGE

ADDITIONAL CLAUSES
TO BAREBOAT CHARTER FOR THE BULK CARRIER
WITH BUILDER'S HULL NUMBER JNS674

THE OWNERS

Signed for and on behalf of

Hai Kuo Shipping 1971T Limited

By:

Name:

Title:

Date:

THE CHARTERERS

Signed for and on behalf of

Jinyao Marine Inc.

By:

Name: Shum Yee Hong

Title: Director

Date: 28 July 2026

Charter Guarantee
relating to one (1) bulk carrier with builder's hull no. JNS674

Dated 28 July **20** 26

(1) **Jinhui Shipping and Transportation Limited**
(as Guarantor)

(2) **Hai Kuo Shipping 1971T Limited**
(as Owner)

Contents

Charter Guarantee

Dated: 28 July **20**26

By:

(1) **Jinhui Shipping and Transportation Limited**, an exempted company incorporated under the laws of Bermuda with registration number 19469 whose registered address is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda (the "**Guarantor**")

In favour of:

(2) **Hai Kuo Shipping 1971T Limited**, a company incorporated under the laws of Hong Kong with business registration number 71354353 whose registered address is Room 1915, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong (the "**Owner**").

Whereas:

(A) The Owner (as buyer) has agreed to purchase and Jinyao Marine Inc. (the "**Bareboat Charterer**", in its capacity as seller) has agreed to sell the vessel with builder's hull no. JNS674 (the "**Vessel**") on the terms and subject to the conditions set out in a memorandum of agreement dated 28 July 2026 (as amended, supplemented, novated or replaced from time to time the "**MOA**") made between the Owner as buyer and the Bareboat Charterer as seller.

(B) The Owner has agreed to let and Bareboat Charterer has agreed to charter the Vessel on the terms and subject to the conditions set out in a bareboat charter on barecon 2017 form with rider clauses dated 28 July 2026 (as amended, supplemented, novated or replaced from time to time the "**Bareboat Charter**") made between the Owner as owner and the Bareboat Charterer as bareboat charterer.

(C) The Guarantor is, as at the date of this Guarantee, indirectly the beneficial owner of two (2) common registered shares (with a par value of one US dollar (US$1) each) in the Bareboat Charterer (the "**Shares**").

(D) Pursuant to the Bareboat Charter and as a condition precedent to the Owner's agreement to enter into the Bareboat Charter, the Guarantor has agreed to execute and deliver this Guarantee in favour of the Owner.

(E) This Guarantee is the Charter Guarantee referred to in the Bareboat Charter.

It is agreed as follows:

1 Definitions and Interpretation

1.1 In this Guarantee:

"**Bareboat Charterer's Liabilities**" means all of the present and future liabilities (whether actual or contingent and whether owned in any other capacity whatsoever) and obligations of the Bareboat Charterer to the Owner under the Transaction Documents, including (without limitation) all sums payable or which may become payable by the Bareboat Charterer to the Owner under or pursuant to the Transaction Documents, and including (without limitation) all damages and other payments (whether awarded by any court or arbitral tribunal or by agreement or otherwise) payable by the Bareboat Charterer to the Owner for breach, termination or variation of the Bareboat Charter or any other Transaction Document.

"**Compliance Certificate**" means a certificate substantially in the form set out in Schedule 1 (*Form of Compliance Certificate*).

"**Delegate**" means any delegate, agent or attorney or co-trustee appointed by the Owner as holder of any of the Security Documents.

"**Guarantor Liabilities**" means all of the liabilities and obligations of the Guarantor to the Owner under or pursuant to this Guarantee, from time to time, whether in respect of principal, interest, costs or otherwise and whether present, future, actual or contingent.

"**Party**" means a party to this Guarantee and "**Parties**" means more than one of them.

"**Receiver**" means a receiver or receiver and manager or administrative receiver of the whole or any part of the Security Assets.

"**Subordinated Obligations**" means all of the liabilities and obligations of the Bareboat Charterer to the Guarantor of any kind, whether actual or contingent, present or future, and whether incurred alone or jointly or jointly and severally with any other and in whatever currency howsoever.

"**Transaction Encumbrances**" means the Encumbrances created or evidenced or expressed to be created or evidenced under the Security Documents.

1.2 Unless otherwise specified in this Guarantee, or unless the context otherwise requires, all words and expressions defined or explained in the Bareboat Charter shall have the same meanings when used in this Guarantee.

1.3 Clause 40 (*Interpretations*) of the Bareboat Charter shall apply to this Guarantee as if it were incorporated into it with any necessary modifications.

1.4 Headings are for the purpose of reference only, have no legal or other significance and shall ignored in the interpretation of this Guarantee.

1.5 This Guarantee shall be read together with the Bareboat Charter, but in case of any conflict between the Bareboat Charter and this Guarantee, unless expressly provided to the contrary in this Guarantee, the provisions of the Bareboat Charter shall prevail.

2 Guarantee and Indemnity

The Guarantor irrevocably and unconditionally:

2.1 guarantees to the Owner (as primary obligor and not merely as surety) the due and punctual payment and discharge of all moneys whatsoever which may from time to time fall due to be paid by the Bareboat Charterer under or pursuant to any Transaction Document to which it is a party;

2.2 guarantees to the Owner (as primary obligor and not merely as surety) the due and punctual performance and observance by the Bareboat Charterer of all the Bareboat Charterer's obligations under the Transaction Documents;

2.3 undertakes with the Owner that if and whenever the Bareboat Charterer fails to pay on the due date any sum whatsoever due and payable by it under or pursuant to any Transaction Document to which it is a party the Guarantor shall pay that sum on demand;

2.4 undertakes with the Owner that if and whenever the Bareboat Charterer defaults in the due and punctual performance of any of its obligations under the Transaction Documents to which it is a party, the Guarantor shall on demand by the Owner cause the performance of those obligations;

2.5 agrees with the Owner, as a separate and independent obligation, as primary obligor and not as surety only, to indemnify the Owner on demand and keep the Owner indemnified against all costs, charges, expenses, claims, liabilities, losses, duties and fees suffered or incurred by the Owner, directly or indirectly, as a result of any breach or non-performance of, or non-compliance by the Bareboat Charterer with, any of its obligations under or pursuant to any Transaction Document or as a result of any of those obligations being or becoming void, voidable, unenforceable, invalid or illegal, whether by reason of any legal limitation, disability or incapacity on or of the Bareboat Charterer or any other fact or circumstance whatsoever whether or not known to the Owner or the Guarantor;

2.6 agrees with the Owner that for the avoidance of any doubt the Owner is entitled to make multiple demands under this Guarantee; and

2.7 agrees with the Owner that, if at any time any law requires (or is interpreted to require) the Guarantor to make any deduction or withholding from any payment, or to change the rate or manner in which any required deduction or withholding is made, the Guarantor will promptly notify the Owner and, simultaneously with making that payment, the Guarantor will pay whatever additional amount (after taking into account any additional taxes on, or deductions or withholdings from, or restrictions or conditions on, that additional amount) is necessary to ensure that, after making the deduction or withholding, the Owner receives a net sum equal to the sum which the Owner would have received had no deduction or withholding been made.

3 Continuing Security

3.1 This Guarantee is a continuing guarantee for the performance of all the Bareboat Charterer's Liabilities and will extend to the ultimate balance of the Bareboat Charterer's Liabilities from time to time, regardless of any partial performance of those obligations, any intermediate payment or discharge in whole or in part or any other act, matter or thing which might otherwise constitute a legal or equitable discharge of any of the Guarantor's obligations under this Guarantee.

3.2 If any discharge, release or arrangement (whether in respect of the obligations of any Obligor or any security for those obligations or otherwise) is made by the Owner in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of the Guarantor under this Guarantee will continue or be reinstated as if the discharge, release or arrangement had not occurred.

3.3 The obligations of the Guarantor under this Guarantee and in respect of any Transaction Encumbrances will not be affected or discharged by an act, omission, matter or thing which, but for this Clause 3.3, would reduce, release or prejudice any of its obligations under this Guarantee (without limitation and whether or not known to it or the Owner) including:

3.3.1 any time, waiver or consent granted to, or composition with, any Obligor or other person;

3.3.2 the release of any other Obligor or any other person under the terms of any composition or arrangement with any creditor of any Obligor or any other member of the Group;

3.3.3 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;

3.3.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person;

3.3.5 any amendment, novation, supplement, extension restatement (however fundamental and whether or not more onerous) or replacement of a Transaction Document or any other document or security including, without limitation, any extension to the Charter Period or any change to the Hire;

3.3.6 any unenforceability, illegality or invalidity of any obligation of any person under any Transaction Document or any other document or security; or

3.3.7 any insolvency or similar proceedings.

3.4 Without prejudice to the generality of Clauses 1.3 and 3.3, the Guarantor expressly confirms that it intends that this Guarantee and any Encumbrance created by it under any Transaction Document shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Transaction Documents (including any extension to the Charter Period or any change to the Hire (or any part of it)) and any fees, costs and/or expenses associated with any of the foregoing.

3.5 The Guarantor waives any right it may have of first requiring the Owner (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming or commencing proceedings under this Guarantee. This waiver applies irrespective of any law or any provision of a Transaction Document to the contrary.

3.6 Until all amounts which may be or become payable by the Obligors under or in connection with the Transaction Documents have been irrevocably paid in full, the Owner (or any trustee or agent on its behalf) may:

3.6.1 refrain from applying or enforcing any other moneys, security or rights held or received by the Owner (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Guarantor shall not be entitled to the benefit of the same; and

3.6.2 hold in an interest-bearing suspense account any moneys received from the Guarantor or on account of any of the Guarantor Liabilities.

3.7 All rights which the Guarantor at any time has (whether in respect of this Guarantee, a mortgage or any other transaction) against the Bareboat Charterer, any other Obligor or their respective assets shall be fully subordinated to the rights of the Owner under the Transaction Documents and until all amounts which may be or become payable by the Obligors under or in connection with the Transaction Documents have been irrevocably paid in full and unless the Owner otherwise directs, the Guarantor will not exercise any rights which it may have (whether in respect of any Transaction Document to which it is a party or any other transaction) by reason of performance by it of its obligations under the Transaction Documents or by reason of any amount being payable, or liability arising, under this Guarantee:

3.7.1 to be indemnified by an Obligor;

3.7.2 to claim any contribution from any other guarantor of any Obligor's obligations under the Transaction Documents;

3.7.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Owner under the Transaction Documents or of any other guarantee or security taken pursuant to, or in connection with, the Transaction Documents by the Owner;

3.7.4 to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which the Guarantor has given a guarantee, undertaking or indemnity under Clause 2 (*Guarantee and indemnity*);

3.7.5 to exercise any right of set-off against any Obligor; and/or

3.7.6 to claim or prove as a creditor of any Obligor in competition with the Owner.

If the Guarantor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Owner by the Obligors under or in connection with the Transaction Documents to be repaid in full on trust for the Owner and shall promptly pay or transfer the same to the Owner or as the Owner may direct for application in accordance with the Transaction Documents.

3.8 This Guarantee and any other Encumbrance given by the Guarantor is in addition to and is not in any way prejudiced by, and shall not prejudice, any other guarantee or Encumbrance or any other right of recourse now or subsequently held by the Owner or any right of set-off or netting or to combine accounts in connection with the Transaction Documents.

4 Additional Payment Obligations

4.1 In addition to, any without limiting, any indemnity in favour of the Owner under any Transaction Document, the Guarantor shall promptly indemnify the Owner as holder of any of the Security Documents and every Receiver and Delegate on demand against any cost, loss or liability incurred by any of them:

4.1.1 in relation to or as a result of:

(a) any failure by the Bareboat Charterer to comply with its obligations under clause 64 (*Fees and expenses*) of the Bareboat Charter or clause 29 (*Taxes, costs and expenses*) of the MOA;

(b) acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised;

(c) the taking, holding, protection or enforcement of this Guarantee and any other Security Documents;

(d) the exercise of any of the rights, powers, discretions, authorities and remedies vested in the Owner and each Receiver and Delegate by the Transaction Documents or by law;

(e) any default by any Obligor in the performance of any of the obligations expressed to be assumed by it in the Transaction Documents;

(f) any action by the Guarantor which vitiates, reduces the value of, or is otherwise prejudicial to, any Transaction Encumbrance; and

(g) instructing lawyers, accountants, tax advisers, surveyors or other professional advisers or experts as permitted under this Guarantee or any other Transaction Document;

4.1.2 acting as holder of any of the Security Documents, appointing or acting as a Receiver or Delegate under the Transaction Documents or which otherwise relates to any of the Security Assets or the performance of the terms of this Guarantee or the other Transaction Documents (otherwise than as a result of the Owner's gross negligence or wilful misconduct).

4.2 If any sum due from the Guarantor under this Guarantee (a "**Sum**"), or any order, judgment or award given or made in relation to a Sum, has to be converted from the currency (the "**First Currency**") in which that Sum is payable into another currency (the "**Second Currency**") for the purpose of:

4.2.1 making or filing a claim or proof against the Guarantor, or

4.2.2 obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings,

the Guarantor shall as an independent obligation, within three (3) Business Days of demand, indemnify the Owner against any cost, loss or liability arising out of or as a result of the conversion including any discrepancy between (a) the rate of exchange used to convert that Sum from the First Currency into the Second Currency and (b) the rate or rates of exchange available to the Owner at the time of its receipt of that Sum.

The Guarantor waives any right it may have in any jurisdiction to pay any amount under this Guarantee in a currency or currency unit other than that in which it is expressed to be payable.

4.3 If the Bareboat Charterer or the Guarantor requests an amendment, waiver or consent in relation to any Transaction Document, the Guarantor shall, within three (3) Business Days of demand, reimburse the Owner for the amount of all costs and expenses (including legal fees) reasonably incurred by the Owner (and by any Receiver or Delegate appointed by the Owner) in responding to, evaluating, negotiating or complying with that request or requirement.

4.4 The Guarantor shall, within three (3) Business Days of demand, pay to the Owner the amount of all costs and expenses (including legal fees) incurred by the Owner in connection with the enforcement of, or the preservation of any rights under, any Security Document and any proceedings instituted by or against the Owner as a consequence of taking or holding the Transaction Documents or enforcing those rights.

4.5 If the Guarantor fails to pay any amount payable by it under this Guarantee on its due date, interest shall accrue on a daily basis on the overdue amount from the due date up to the date of actual payment (both before and after judgment) at the Default Rate. Any interest accruing under this Clause 4.5 shall be immediately payable by the Guarantor on demand by the Owner. Default interest (if unpaid) arising on an overdue amount will be compounded with the overdue amount at the end of each period applicable to that overdue amount but will remain immediately due and payable.

4.6 This Clause 4 (*Additional Payment Obligations*) is without prejudice to the Guarantor Liabilities in respect of the Bareboat Charterer's obligations under:

4.6.1 clauses 22 (*Indemnity*), 64 (*Fees and expenses*) and 66 (*Further indemnities*) of the Bareboat Charter;

4.6.2 clauses 29 (*Taxes, costs and expenses*) and 30 (*Indemnities*) of the MOA; and

4.6.3 similar provisions in any other Transaction Documents.

5 Application of Moneys

5.1 All sums which the Owner receives under or in connection with this Guarantee shall, unless otherwise agreed by the Owner or otherwise provided in the Bareboat Charter, be applied by the Owner in or towards satisfaction of, or retention on account for, the Guarantor Liabilities in such manner as the Owner may in its discretion determine. Any balance after such application shall be returned to the Guarantor by way of telegraphic transfer to a bank account designated by the Guarantor within ten (10) Business Days after the Guarantor Liabilities have been unconditionally and irrevocably paid and discharged in full.

5.2 The Owner may place any money received by it under or in connection with this Guarantee to the credit of a suspense account on such terms and subject to such conditions as the Owner may in its discretion determine for so long as the Owner thinks fit without any obligation in the meantime to apply that money in or towards discharge of the Bareboat Charterer's Liabilities, and, despite such payment, the Owner may claim against any of the other Obligors or prove in the bankruptcy, liquidation or insolvency of any of the other Obligors for the whole of the Bareboat Charterer's Liabilities at the date of the Owner's demand for payment pursuant to this Guarantee, together with all interest, commission, charges and expenses accruing subsequently.

6 Representations and Warranties

6.1 The Guarantor makes the representations and warranties set out in this Clause 6 (*Representations and Warranties*) to the Owner.

6.1.1 All representations and warranties given by the Bareboat Charterer in the Bareboat Charter in respect of the Guarantor and/or this Guarantee are correct and none of them is misleading.

6.1.2 The Guarantor indirectly holds one hundred per cent (100%) of the legal and beneficial interests in the Shares.

6.1.3 The Guarantor is under the control of the NG Family. (For the purpose of this Clause 6.1.3, "**NG Family**" means 吴少辉 (Siu Fai NG) with (HK ID number D178683(1)), 吴锦华(Kam Wah NG) (HK ID number D254632(A)) and any of their respective spouses and descendants.)

6.1.4 The Guarantor is not aware of any material facts or circumstances which have not been disclosed to the Owner and which might, if disclosed, have adversely affected the decision of a person considering whether or not to agree to charter or continue to charter the Vessel to the Bareboat Charterer pursuant to the Bareboat Charterer.

6.1.5 The Guarantor has received a copy of the Bareboat Charter and other Transaction Documents and approves of, and agrees to, the terms and conditions of the Transaction Documents.

6.2 Each of the representations set out in Clause 6.1 is deemed to be repeated by the Guarantor by reference to the facts and circumstances then existing on the date of the date of this Guarantee, on the Actual Delivery Date and on each Hire Payment Date for so long as the Bareboat Charterer's Liabilities or any part thereof is in force.

7 General Undertakings

The undertakings in this Clause 7 (*General undertakings*) remain in force from the date of this Guarantee until the expiry of the Agreement Term.

7.1 The Guarantor has not taken, and will not take without the prior written consent of the Owner (and then only on such terms and subject to such conditions as the Owner may impose), any security from any of the other Obligors in connection with this Guarantee, and any security taken by the Guarantor notwithstanding this Clause 7.1 shall be held by the Guarantor in trust for the Owner absolutely as a continuing security for the Guarantor Liabilities.

7.2 The Guarantor shall not without the Owner's prior written consent (which shall not be unreasonably withheld or delayed) permit any change in the legal or beneficial ownership of the Bareboat Charterer which would result in a breach of the representation and warranty contained in Clause 6.1.2.

7.3 The Guarantor will observe and perform any and all covenants and undertakings in the Bareboat Charter whose observance and performance by the Guarantor the Bareboat Charterer undertakes to procure.

7.4 The Guarantor agrees that from time to time on the written request of the Owner it will promptly execute and deliver to the Owner all further documents which the Owner may reasonably require for the purpose of obtaining the full benefit of this Guarantee.

7.5 The Guarantor shall procure that the Bareboat Charterer shall not incur any indebtedness owing to any member of the Group, save as expressly permitted under clause 54.24 (*No borrowings*) of the Bareboat Charter.

7.6 The Guarantor shall not without the prior written consent of the Owner:

7.6.1 create or permit to exist any Encumbrance over (i) any of the Shares (including any stocks, shares, warrants, rights or property accruing or acquired by the Guarantor or any other member of the Group at any time by way of redemption, purchase, bonus, option or preference or otherwise to or in respect of or derived from all or any of the Shares or any derivatives thereof) (the "**Relevant Property**") or (ii) any dividends, interest or other moneys payable on all or any of the Relevant Property; or

7.6.2 enter or permit any other member of the Group to enter into any transaction (whether voluntary or not) to sell, transfer or otherwise dispose of any of the Relevant Property or any dividends, interest or other moneys payable on all or any of the Relevant Property.

8 Preservation of Owner's Rights

8.1 Until all the Bareboat Charterer's Liabilities have been finally paid and performed in full, the Guarantor hereby irrevocably waives any rights to which it may be entitled as surety, including (without limitation) any rights to share in or succeed to or benefit from (by subrogation, or otherwise) any rights that the Owner may have in respect of the liabilities and obligations of the Bareboat Charterer under the Transaction Documents and any rights to prove in a liquidation or insolvency of the Bareboat Charterer in competition with the Owner and any other rights whatsoever which may be inconsistent with the Guarantor's obligations under this Guarantee or prejudice the payment and performance by the Bareboat Charterer of its liabilities and obligations under the Transaction Documents.

8.2 The Guarantor irrevocably agrees that the Owner shall not be obliged to obtain judgment against the Bareboat Charterer in respect of any breach (or alleged breach) of the Bareboat Charterer's obligations to it under the Transaction Documents in any court or tribunal or take any other action whatsoever against the Bareboat Charterer or any other person before taking steps to make a demand or claim under this Guarantee and the Guarantor irrevocably waives all formalities or rights whatsoever to which it would otherwise be entitled or which it would otherwise be required to satisfy or fulfil before so proceeding or making demand against the Guarantor.

8.3 Any release, settlement, discharge or arrangement relating to the liabilities of the Guarantor under this Guarantee shall be conditional on no payment, assurance or security received by the Owner in respect of the Bareboat Charterer's Liabilities being avoided or reduced under any law (whether English or foreign) in force from time to time relating to bankruptcy, insolvency or any (in the reasonable opinion of the Owner) analogous circumstance and after any such avoidance or reduction the Owner shall be entitled to exercise all of its rights, powers, discretions and remedies under or pursuant to this Guarantee and/or any other rights, powers, discretions or remedies which they would otherwise have been entitled to exercise, as if no release, settlement, discharge or arrangement had taken place.

8.4 The Guarantor Liabilities shall be continuing for all purposes and every sum of money which may now or in the future be or become due or owing to the Owner by the Bareboat Charterer (or which would have become due or owing had it not been for the bankruptcy, liquidation or insolvency of the Bareboat Charterer) shall be deemed to continue due and owing to the Owner until such sum is actually repaid to the Owner, notwithstanding the bankruptcy, liquidation or insolvency of the Bareboat Charterer.

9 Financial Covenants and Information

9.1 The Guarantor shall provide to the Owner as soon as the same become available, but in any event within:

9.1.1 one hundred and eighty (180) days after the end of each of the financial years of the Guarantor, the audited consolidated financial statements of the Guarantor for that financial year; and

9.1.2 one hundred and twenty (120) days after the end of each financial quarter, the unaudited consolidated financial statements of the Guarantor for that quarter;

and all such financial statements shall be prepared in the English language using the relevant GAAP.

9.2 The Guarantor shall maintain the following financial covenants (on a consolidated basis) throughout the Agreement Term:

9.2.1 the Tangible Asset Net Worth shall not be less than US$100,000,000; and

9.2.2 the Total Liabilities shall not exceed eighty per cent (80%) of the Total Assets.

For the purpose of this Clause 9.2, the following terms have the meanings ascribed to them below:

"**Tangible Asset Net Worth**" means, at any relevant time, the aggregate of the amounts paid up or credited as paid up on the issued ordinary share capital of the Guarantor and the amount standing to the credit of the reserves of the Guarantor or any of its Subsidiaries, including any amount credited to the share premium account, **but deducting**:

(a) any debit balance on the profit and loss account of the Guarantor;

(b) (to the extent included) any amount shown in respect of goodwill or other intangible assets of the Guarantor or any of its Subsidiaries;

(c) (to the extent included) any provision for deferred taxation; and

(d) any amount in respect of any dividend or distribution declared, recommended or made by the Guarantor or any of its Subsidiaries and to the extent payable to a person who is not the Guarantor or any of its Subsidiaries and to the extent such distribution is not provided for in the most recent financial statements,

and so that no amount shall be included or excluded more than once.

"**Total Assets**" means the aggregate value of the assets of the Guarantor.

"**Total Liabilities**" means the aggregate amount of all the obligations of the Guarantor in respect of borrowings.

9.3 Financial testing

9.3.1 The financial covenants in Clause 9.2 shall be tested by reference to each of the financial statements delivered pursuant to, as applicable, Clause 9.1 and/or each Compliance Certificate delivered pursuant to Clause 9.4.

9.3.2 Any amount in a currency other than US Dollars is to be taken into account at its US Dollar equivalent calculated on the basis of the relevant rates of exchanged used by the Guarantor in, or in connection with, its financial statements for that period.

9.3.3 When calculating the financial covenants in Clause 9.2, the effect of all transactions between members of the Group shall be eliminated to the extent not already netted out on consolidation.

9.3.4 No item may be credited or deducted more than once in any calculation under this Clause 9 (*Financial covenants and information*).

9.4 Concurrently with the delivery of each set of the annual financial statements in accordance with Clause 9.1, the Guarantor shall supply to the Owner a Compliance Certificate signed by two (2) directors of the Guarantor.

9.5 The Guarantor will attach to each Compliance Certificate a copy of the latest Valuation Report obtained in accordance with clause 57.2.1 of the Bareboat Charter.

10 Subordinated Obligations

10.1 The Guarantor agrees that it will not, nor will it permit any member of the Group to, without the prior written consent of the Owner:

10.1.1 demand or accept discharge (whether directly or from any third party) or accelerate payment of any of the Subordinated Obligations;

10.1.2 demand, accept or claim any guarantee, indemnity or encumbrance from any person in respect of any of the Subordinated Obligations;

10.1.3 create or permit to exist any encumbrance over, or otherwise dispose of, any of the Subordinated Obligations; or

10.1.4 claim or exercise any right of set off or counterclaim against the Subordinated Obligations in respect of any liability now or in the future due or owing by the

Guarantor or any member of the Group, as the case may be, to the Bareboat Charterer.

10.2 The Guarantor agrees that if, notwithstanding Clause 10.1, the Guarantor or any member of the Group receives any payment or distribution in respect of or on account of the Subordinated Obligations (including, without limitation, any proceeds of any guarantee, indemnity or encumbrance held by the Guarantor or any member of the Group in respect of any of the Subordinated Obligations) at any time following the occurrence and during the continuation of a Termination Event, the Guarantor will, and/or will cause the relevant member of the Group to, hold that amount or distribution on trust for the Owner for application towards reduction of the Bareboat Charterer's Liabilities. If any of the Bareboat Charterer's Liabilities is discharged by set off (notwithstanding Clause 10.1.4) the Guarantor will, and/or will cause the relevant member of the Group to, immediately pay an amount equal to the amount discharged to the Owner for application towards reduction of the Bareboat Charterer's Liabilities.

10.3 The obligations of the Guarantor and the rights of the Owner under this Clause shall not be affected by any fluctuations in the amount of the Bareboat Charterer's Liabilities.

10.4 The Guarantor further agrees and undertakes with the Owner that all claims of whatsoever nature which the Guarantor has or may have at any time against the Bareboat Charterer or any of its property or assets (including, but without limitation, the Vessel or any share or interest in the Vessel or in her Earnings, Insurances or Requisition Compensation) shall rank after and be in all respects subordinate to any and all claims, whether actual or contingent, which the Owner has or may have at any time against the Bareboat Charterer or any of its property or assets and that the Guarantor will not without the Owner's prior written consent:

10.4.1 take any steps to enforce its rights to recover any moneys owing to the Guarantor by the Bareboat Charterer and more particularly (but without limitation) take or issue any judicial or other legal proceedings against the Bareboat Charterer or any of its property or assets (including, but without limitation, the Vessel or any share or interest in the Vessel or in her Earnings, Insurances or Requisition Compensation); or

10.4.2 prove in the liquidation or other dissolution of the Bareboat Charterer or in any proceedings in connection with the Vessel, her Earnings, Insurances or Requisition Compensation in competition with the Owner.

11 Notices

The provisions of clause 76 (*Notices*) of the Bareboat Charter shall (mutatis mutandis) apply to communications between the Owner and the Guarantor as if they were set out in full in this Guarantee and as if references to the Owner were references to the Owner and references to the Bareboat Charterer were references to the Guarantor.

12 Payments

12.1 On each date on which the Guarantor is required to make a payment under this Guarantee or any other Transaction Document to which the Guarantor is a party, the Guarantor shall make the same available to the Owner (unless a contrary indication appears in a Transaction Document) for value on the due date at the time and in such funds specified by the Owner as being customary at the time for settlement of transactions in the relevant currency in place of the payment.

12.2 Payment shall be made to such account with such bank as the Owner specifies.

12.3 All payments to be made by the Guarantor shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

12.4 Any payment which is due to be made on a day that is not a Business Day shall be made on the preceding Business Day.

12.5 Subject to Clauses 12.6 and 12.7 any amount payable under this Guarantee is payable in dollars.

12.6 Each payment in respect of costs, expenses or Taxes shall be made in the currency in which the costs, expenses or Taxes are incurred.

12.7 Any amount expressed to be payable in a currency other than dollars shall be paid in that other currency.

12.8 The Guarantor's obligation under this Guarantee shall be absolute irrespective of any contingency whatsoever including but not limited to any set-off, condition, counterclaim, recoupment, defence or other whatsoever right the Bareboat Charterer or the Guarantor may have against the Owner.

12.9 The provisions of clause 65 (*Stamp duties and taxes*) of the Bareboat Charter shall apply to this Guarantee as if they were expressly incorporated in this Guarantee with any necessary modifications.

13 Set-Off

The Owner may set off any matured obligation due from the Guarantor under this Guarantee (to the extent beneficially owned by the Owner) against any matured obligation owed by the Owner to the Guarantor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Owner may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

14 Calculations and Certificates

14.1 In any litigation or arbitration proceedings arising out of or in connection with a Transaction Document, the entries made in the accounts maintained by the Owner are *prima facie* evidence of the matters to which they relate.

14.2 Any certification or determination by the Owner of a rate or amount under any Transaction Document is, in the absence of manifest error or any question of law, conclusive evidence of the matters to which it relates.

15 Partial Invalidity

If, at any time, any provision of this Guarantee 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 of this Guarantee nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

16 Remedies and Waivers

No failure to exercise, nor any delay in exercising, on the part of the Owner, any right or remedy under a Transaction Document shall operate as a waiver of any such right or remedy or constitute an election to affirm any Transaction Document. No election to affirm any Transaction Document on the part of the Owner shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Guarantee and any other Security Document are cumulative and not exclusive of any rights or remedies provided by law.

17 Miscellaneous

17.1 If at any time one or more of the provisions of this Guarantee becomes invalid, illegal or unenforceable in any respect, that provision shall be severed from the remainder and the validity, legality and enforceability of the remaining provisions of this Guarantee shall not be affected or impaired in any way.

17.2 This Guarantee shall be binding on the Guarantor and its successors and permitted assignees and transferees, and shall inure to the benefit of the Owner and its successors in title, permitted transferees and permitted assignees. The Guarantor may not assign nor transfer any of its rights (if any) or obligations under or pursuant to this Guarantee without the prior written consent of the Owner.

17.3 The Guarantor may not assign any of its rights or transfer any of its rights or obligations under this Guarantee. The Owner shall be permitted to without the prior written consent of the Guarantor, assign its rights under or novate this Guarantee to the same extent as it may assign or novate its rights under the Bareboat Charter.

17.4 This Guarantee may be executed in any number of counterparts each of which shall be original but which shall together constitute one and the same instrument.

17.5 This Guarantee constitutes the entire agreement between the Owner and the Guarantor in relation to the subject matter hereof and no amendment or variation of the terms of this Guarantee shall be valid unless in writing signed by the Guarantor and the Owner.

17.6 Other than the Finance Parties, a person who is not a party to this Guarantee has no right under the Third Parties Act to enforce or to enjoy the benefit of any term of this Guarantee.

17.7 The representations and warranties on the part of the Guarantor contained in this Guarantee shall survive the execution of this Guarantee.

17.8 Clause 80 (*Confidentiality*) of the Bareboat Charter shall apply to this Guarantee as if it was incorporated into the Guarantee with any necessary modifications.

17.9 As against the Guarantor:

17.9.1 any arbitration award or judgment or order of a court in Hong Kong in connection with the Bareboat Charter and/or the Transaction Documents; and

17.9.2 any statement or admission of each Obligor in connection with the Bareboat Charterer and/or the Transaction Documents,

shall be binding and conclusive as to all matters of fact and law to which it relates.

18 Governing Law

This Guarantee and any non-contractual obligations arising out of or in connection with it are governed by and interpreted in accordance with English law.

19 Arbitration

19.1 Any dispute, controversy, difference or claim arising out of or relating to this Guarantee, including the existence, validity, interpretation, performance, breach or termination thereof or any dispute regarding non-contractual obligations arising out of or relating to it shall be referred to and finally resolved by arbitration administered by the Hong Kong International Arbitration Centre (HKIAC) under the HKIAC Administered Arbitration Rules in force when the Notice of Arbitration is submitted.

19.1.1 The law of this arbitration clause shall be Hong Kong law.

19.1.2 The seat of arbitration shall be Hong Kong.

19.1.3 The number of arbitrators shall be three. The arbitration proceedings shall be conducted in English.

Schedule 1 Form of Compliance Certificate

To: **Hai Kuo Shipping 1971T Limited** (the "**Owner**")

From: **Jinhui Shipping and Transportation Limited** (the "**Guarantor**")

Date: ______________

Dear Sirs

Bareboat Charter dated [•] made between the Owner and Jinyao Marine Inc. (as amended and supplemented from time to time the "Charter") and Guarantee dated [•] by the Guarantor in favour of the Owner (as amended and supplemented from time to time the "Guarantee")

1 We refer to the Charter and the Guarantee. This is a Compliance Certificate. Terms defined in the Guarantee have the same meaning when used in this Compliance Certificate unless given a different meaning in this Compliance Certificate.

2 We confirm that as at the date hereof, we are in compliance with the financial covenants set out in Clause 9.2 of the Guarantee. Please find attached the computations demonstrating the continued compliance with Clause 9.2 of the Guarantee.

3 We confirm that, the attached consolidated financial statements, [for the financial year ending [•] give a true and fair view of the Guarantor's financial condition and operations as at the date of this Compliance Certificate][for the financial quarter ending [•] fairly represent the Guarantor's financial condition and operations as at the date of this Compliance Certificate].

4 We confirm that, as at the date of this Compliance Certificate, no Termination Event has occurred.

5 We further confirm that as at the date of this Compliance Certificate:

	Please check and provide details where applicable
No event set out in clause 58 (*Termination Events*) of the Charter has occurred, which, following the expiry of any applicable remedy period, would result in the occurrence of a Termination Event.	
The steps taken (if any) to remedy the event that has occurred and which, following the expiry of any applicable remedy period, would result in the occurrence of a Termination Event are as follows:	

……………………………….

for and on behalf of

Jinhui Shipping and Transportation Limited

Name:

Title:

Schedule to Compliance Certificate

Computations in respect of Clause 9.2 of the Guarantee

[To be inserted]

In witness of which this Guarantee has been duly executed and delivered as a deed the day and year first before written.

SIGNED and **DELIVERED** as a **DEED** by **Jinhui Shipping and Transportation Limited** acting by: Ng Siu Fai its duly authorised Director in the presence of:	))))))))

Witness signature ....

Name: Ho Suk Lin

Address: 26/F, Yardley Commercial Building,
1-6 Connaught Road West,
Hong Kong

SIGNED and **DELIVERED** as a **DEED** by **Hai Kuo Shipping 1971T Limited** acting by: its duly authorised in the presence of:	)))))))))))

Witness signature ....

Name:

Address:

In witness of which this Guarantee has been duly executed and delivered as a deed the day and year first before written.

SIGNED and **DELIVERED**)
as a **DEED**)
by **Jinhui Shipping and Transportation Limited**)
acting by:)
)
its duly authorised)
)
in the presence of:

Witness signature ....

Name:

Address:

SIGNED and **DELIVERED**)
as a **DEED**)
by **Hai Kuo Shipping 1971T Limited**)
acting by: Tranvan Siu) Tranvan Siu
its duly authorised Attorney-in-fact)
in the presence of:)

Witness signature ....

Name: Yeung Sze Cheuk

Address:

43/F, One Taikoo Place,
979 King's Road,
Quarry Bay, Hong Kong

Execution version

Memorandum of Agreement in respect of one (1) bulk carrier with builder's hull number JNS675

Dated

(1)	**Hai Kuo Shipping 1973T Limited** **as Buyers**
(2)	**Huafeng Shipping Inc.** **as Sellers**

Contents

Page

This Agreement is made on 28 July 2026

Between:

(1) **Huafeng Shipping Inc.**, a company incorporated under the laws of Panama with registration number 591643 whose registered address is Floor 19, Banco General Tower, Aquilino de la Guardia Street, Marbella, Panama City, Republic of Panama and a registered non-Hong Kong company under Part 16 of the Companies Ordinance (Cap.622 of the Laws of Hong Kong) with Business Registration Number 38806907 whose principal place of business in Hong Kong is at 26th Floor, Yardley Commercial Building, 1-6 Connaught Road West, Hong Kong (the "**Sellers**"); and

(2) **Hai Kuo Shipping 1973T Limited**, a company incorporated under the laws of Hong Kong with business registration number 71357880 whose registered address is Room 1915, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong (the "**Buyers**").

Background:

(A) Pursuant to a shipbuilding contract dated 30 September 2025 and made between the Sellers and the Builder (as may be amended, supplemented, novated or replaced from time to time, the "**Building Contract**"), the Builder has agreed to design, engineer, build, launch, equip, complete, deliver and sell, and the Sellers have agreed to purchase, one (1) new 64,500 DWT bulk carrier as further described in the Building Contract and bearing the Builder's hull number JNS675, along with all her appurtenances, associated equipment, materials, stores, spare parts and documentation (the "**Vessel**"), upon the terms and conditions therein.

(B) The Sellers have agreed to sell the Vessel to the Buyers upon the terms and conditions set forth in this Agreement.

(C) The Buyers have agreed to pay the Purchase Price (as defined below) in instalments upon the terms and conditions set forth in this Agreement.

(D) The Buyers (as owners) have agreed to let the Vessel to the Sellers (as bareboat charterers) and the Sellers have agreed to charter the Vessel from the Buyers immediately upon the acceptance of the Vessel by the Buyers from the Sellers under this Agreement, pursuant to the terms and conditions set forth in a bareboat charter agreement (as amended and or supplemented from time to time) (the "**Charter**") entered into or to be entered into between the Buyers (as owners) and the Sellers (as bareboat charterers) on or about the date of this Agreement.

It is agreed as follows:

1 Definitions and interpretations

1.1 Definitions

Words and expressions having defined meanings in the Charter shall, except where otherwise defined herein, have the same meanings when used in this Agreement, and in this Agreement:

"**Actual Delivery Date**" means the date on which the Vessel is actually delivered by the Sellers to the Buyers under this Agreement.

"**Applicable Rate**" means, in relation to any Pre-Delivery Interest Period:

(a) the applicable Term SOFR on the Quotation Day and for a period equal to the length to the relevant Pre-Delivery Interest Period; or

(b) as otherwise determined pursuant to Clause 10.3 (*Unavailability of Term SOFR*),

and if, in either case, that rate is less than zero, the Applicable Rate shall be deemed as zero.

"**Builder**" means Jiangmen Nanyang Ship Engineering Co., Ltd., a corporation organized and existing under the laws of the People's Republic of China, having its registered office at Gujing 529145, Xinhui, Jiangmen City, Guangdong Province, the People's Republic of China.

"**Builder's Bank**" means China CITIC Bank, Guangzhou Branch or such other first-class bank acceptable to the Buyers and the Sellers.

"**Builder's Account**" the bank account in the name of the Builder (account number 8110914013601315853) opened with the Builder's Bank.

"**Builder's PDA**" means the protocol of delivery and acceptance in respect of the Vessel to be executed by the Builder and the Sellers (evidencing the unconditional physical delivery of the Vessel by the Builder to the Sellers pursuant to the Building Contract).

"**Cancellation Date**" means the date specified as such in the Cancellation Notice.

"**Cancellation Notice**" has the meaning given to such term in Clause 9 (*Cancellation and refund*).

"**Charterers**" means the Sellers in their capacity as bareboat charterers under the Charter.

"**Contractual Purchase Price**" means the price in respect of the Vessel as stipulated in paragraph 1 of article II (*Contract Price & Terms of Payment*) of the Building Contract which, as at the date of this Agreement, is thirty-three million and fifty thousand US Dollars (US$33,050,000), as the same may be subject to adjustment in accordance with the terms of the Building Contract.

"**Default Rate**" means two per cent. (2%) per annum above the Interest Rate.

"**Deferred Payment**" means, in respect of an Instalment and to the extent applicable, the payment of such Instalment by the Buyers to the Earnings Account for the purpose of reimbursing the Sellers after the Sellers have (whether utilising their own funds or from whatever source of funds they may select) settled the corresponding instalment of the Contractual Purchase Price under the Building Contract directly with the Builder.

"**Delivery Instalment**" means an amount which:

(a) is payable by the Buyers under this Agreement;

(b) relates to (and shall be no more than) the "4th Installment" of the Contractual Purchase Price which the Sellers (as buyer) are obliged to pay to the Builder pursuant to paragraph 3(d) of article II (*Contract Price & Terms of Payment*) of the Building Contract; and

(c) (when aggregated with the First Instalment) is not more than eighteen million US Dollars (US$18,000,000).

"**Delivery Location**" means:

(a) the Builder's shipyard; or

(b) such other location as the Sellers and the Buyers may mutually agree prior to the Actual Delivery Date following consultation with the Builder and which is in a jurisdiction without any interference to the operation of the Vessel.

"**Direct Payment**" means, in respect of an Instalment and to the extent applicable, the payment of such Instalment by the Buyers at the request of the Sellers towards direct settlement with the Builder of the corresponding instalment of the Contractual Purchase Price under the Building Contract.

"**First Instalment**" means an amount which:

(a) is payable by the Buyers under this Agreement;

(b) relates to (and shall be no more than) the "1st Installment" of the Contractual Purchase Price which the Sellers (as buyer) are obliged to pay to the Builder pursuant to paragraph 3(a) of article II (*Contract Price & Terms of Payment*) of the Building Contract; and

(c) is no more than three million three hundred and five thousand US Dollars (US$3,305,000).

"**Flag State**" means Hong Kong or such other flag state as may be nominated by the Sellers and acceptable to the Buyers from time to time.

"**Historic Term SOFR**" means, in relation to any Pre-Delivery Interest Period, the most recent applicable Term SOFR for a period equal in length to the relevant Pre-Delivery Interest Period and which is as of a day which is no more than three (3) US Government Securities Business Days before the Quotation Day.

"**Indemnitees**" has the meaning given to such term in Clause 30 (*Indemnities*).

"**Instalment**" means each of the First Instalment and the Delivery Instalment, and "**Instalments**" means both of them.

"**Interest Rate**" means the percentage rate per annum which is the aggregate of the Margin and the Applicable Rate for the relevant period.

"**Interpolated Historic Term SOFR**" means in relation to any Pre-Delivery Interest Period, the rate (rounded to the same number of decimal places as Term SOFR) which results from interpolating on a linear basis between:

(a) either:

(i) the most recent applicable Term SOFR (as of a day which is not more than three (3) US Government Securities Business Days before the Quotation Day) for the longest period (for which Term SOFR is available) which is less than the relevant Pre-Delivery Interest Period; or

(ii) if no such Term SOFR is available for a period which is less than the relevant Pre-Delivery Interest Period, the most recent SOFR for a day which is no more than five (5) US Government Securities Business Days (and no less than two (2) US Government Securities Business Days) before the Quotation Day; and

(b) the most recent applicable Term SOFR (as of a day which is not more than three (3) US Government Securities Business Days before the Quotation Day) for the shortest period (for which Term SOFR is available) which exceeds the relevant Pre-Delivery Interest Period.

"**Interpolated Term SOFR**" means, in relation to any Pre-Delivery Interest Period, the rate (rounded to the same number of decimal places as Term SOFR) which results from interpolating on a linear basis between:

(a) either:

(i) the applicable Term SOFR (as of the Quotation Day) for the longest period (for which Term SOFR is available) which is less than the relevant Pre-Delivery Interest Period; or

(ii) if no such Term SOFR is available for a period which is less than the relevant Pre-Delivery Interest Period, SOFR for the day which is two (2) US Government Securities Business Days before the Quotation Day; and

(b) the applicable Term SOFR (as of the Quotation Day for the shortest period (for which Term SOFR is available)) which exceeds the relevant Pre-Delivery Interest Period.

"**Long Stop Date**" means the earlier of (i) the Actual Delivery Date and (ii) 27 October 2028.

"**Margin**" means one point four per cent (1.4%) per annum.

"**Market Value**" means the value of the Vessel ascertained in accordance with Clause 33 (*Determination of Market Value*).

"**MOA Purchase Price**" means the aggregate of (1) the Purchase Price and (2) the Pre-Delivery Interest accrued up to the Actual Delivery Date.

"**MOA Termination Event**" means each of the events specified in Clause 15.1 of Clause 15 (*MOA Termination Events*).

"**Parties**" means the Sellers and the Buyers.

"**Payment Date**" means, in respect of each Instalment, the date specified as such in the relevant Payment Notice or, if different, on which such Instalment is actually paid by the Buyers.

"**Payment Notice**" means a notice in substantially the form set out in Schedule 2 (*Form of Payment Notice*) hereto (or such other form as the Buyers may require).

"**Port State**" means the jurisdiction:

(a) in which the Delivery Location is located; and/or

(b) in which delivery of the Vessel will take place; and/or

(c) which would otherwise have the power under all applicable laws to detain the Vessel before she is delivered by the Builder to the Sellers or by the Sellers to the Buyers (as applicable).

"**Potential MOA Termination Event**" means an MOA Termination Event or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination under the Transaction Documents or any combination of any of the foregoing) be an MOA Termination Event.

"**Pre-Delivery Assignment**" means a deed of assignment of the Building Contract, the Refund Guarantee and Related Rights executed or to be executed by the Sellers in favour of the Buyers.

"**Pre-Delivery Interest**" means each amount of interest accrued on the Instalments payable by the Sellers in accordance with Clause 10 (*Pre-Delivery Interest*).

"**Pre-Delivery Interest Period**" means each period determined in accordance with Clause 12 (*Pre-Delivery Interest Periods*) and, in relation to an Unpaid Sum, each period determined in accordance with Clause 11 (*Default interest*).

"**Pre-Delivery Period**" means the period commencing from the date of this Agreement up to the Actual Delivery Date and acceptance of the Vessel by the Buyers.

"**Pre-Position Date**" means, in relation to each of the Delivery Instalment and the relevant Payment Notice, the date specified in such Payment Notice as the date on which the Buyers shall pre-position the relevant amount into the Builder's Bank.

"**Purchase Price**" means the amount which is the aggregate of the following amounts which the Buyers shall pay or deemed to have paid in accordance with this Agreement:

(a) the First Instalment; and

(b) the Delivery Instalment.

"**Quotation Day**" means, in relation to a Pre-Delivery Interest Period, five (5) US Government Securities Business Days before the first day of that Pre-Delivery Interest Period.

"**Refund Guarantee**" means the letter of guarantee numbered 749101LG25000033, dated 12 December 2025 and issued by the Refund Guarantor in favour of the Sellers in relation to the Building Contract.

"**Refund Guarantor**" means China CITIC Bank, Guangzhou Branch.

"**Related Rights**" means, in relation to the Warranty, all rights and interests of every kind which the Sellers now or at any later time have to, in or in connection with the Warranty or in relation to any matter arising out of or in connection with the Warranty, including, without limitation:

(a) all rights and interests relating to any amount of any kind payable under the terms of the Warranty;

(b) all rights to require the remedy of any defect relating to the Vessel pursuant to the Warranty;

(c) all rights to commence, conduct, defend, compromise or abandon any legal or arbitration proceedings relating to the Warranty or to any matter arising out of or in connection with the Warranty; and

(d) all rights to any monies, damages, interest, costs or other sums payable under any judgment or order of any court, or any arbitration award, or payable agreed to be paid by or on behalf of the Builder in each case relating to the Warranty or to any matter arising out of or in connection with the Warranty.

"**Scheduled Delivery Date**" means the date on which the Builder is ready to deliver and the Sellers are ready to accept delivery of the Vessel in accordance with the terms of the Building Contract, and in any event no later than the Long Stop Date, which the Sellers shall notify to the Buyers in the Payment Notice in respect of the Delivery Instalment.

"**Sellers' PDA**" means the protocol of delivery and acceptance in respect of the Vessel to be executed by the Sellers and the Buyers (evidencing the unconditional physical delivery of the Vessel by the Sellers to the Buyers pursuant to this Agreement).

"**Warranty**" means all warranties given by the Builder in respect of the Vessel under article IX (*Warranty of Quality*) of the Building Contract, including any renewal of such warranty after making good of any warranty claim.

1.2 **Interpretations**

1.2.1 In this Agreement, unless the context otherwise requires, any reference to:

(a) this Agreement includes the Schedules hereto and references to Clauses and Schedules are, unless otherwise specified, references to Clauses of and Schedules to this Agreement and, in the case of a Schedule, to such Schedule as incorporated in this Agreement and as substituted from time to time;

(b) any statutory or other legislative provision shall be construed as including any statutory or legislative modification or re-enactment thereof, or any substitution therefor;

(c) the term "**Vessel**" includes any part of the Vessel;

(d) "**assets**" includes present and future properties, revenues and rights of every description;

(e) the "**Buyers**", the "**Sellers**", any "**Project Party**" or any other person include any of their respective successors, permitted assignees and permitted transferees;

(f) a "**Project Document**" or any other agreement, instrument or document include such agreement, instrument or document as the same may from time to time be amended, modified, supplemented, novated or substituted;

(g) "**control**" over a particular company means the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to:

(i) cast, or control the cast of, more than fifty per cent. (50%), of the maximum number of votes that might be cast at a general meeting of such company;

(ii) appoint or remove all, or the majority of the directors or other equivalent officers of such company; or

(iii) give directions with respect to the operating and financial policies of such company with which the directors or other equivalent officers of such company are obliged to comply;

(h) the "**equivalent**" in one currency (the "**first currency**") as at any date of an amount in another currency (the "**second currency**") shall be construed as a reference to the amount of the first currency which could be purchased with such amount of the second currency at the spot rate of exchange quoted by the Buyers at or about 11:00 a.m. two (2) business days (being a day other than a Saturday or Sunday on which banks and foreign exchange markets are generally open for business in Beijing) prior to such date for the purchase of the first currency with the second currency for delivery and value on such date;

(i) "**hereof**", "**herein**" and "**hereunder**" and other words of similar import means this Agreement as a whole (including the Schedules) and not any particular part hereof;

(j) "**law**" includes common or customary law and any constitution, decree, judgment, legislation, order, ordinance, regulation, rule, statute, treaty or other legislative measure in any jurisdiction or any present or future directive, regulation, request or requirement, or official or judicial interpretation of any of the foregoing, in each case having the force of law and, if not having the force of law, in respect of which compliance is generally customary;

(k) "**month**" means, save as otherwise provided, a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month, except that if there is no numerically corresponding day in the calendar month in which that period is to end, that period shall end on the last day in that calendar month;

(l) the word "**person**" or "**persons**" or to words importing persons include, without limitation, any state, divisions of a state, government, individuals, partnerships, corporations, ventures, government agencies, committees, departments, authorities and other bodies, corporate or unincorporated, whether having distinct legal personality or not;

(m) the "**winding-up**", "**dissolution**", "**administration**", "**liquidation**", "**insolvency**", "**reorganisation**", "**readjustment of debt**", "**suspension of payments**", "**moratorium**" or "**bankruptcy**" (and their derivatives and cognate expressions) of any person shall each be construed so as to include the others and any equivalent or analogous proceedings or event under the laws of any jurisdiction in which such person is incorporated or any jurisdiction in which such person carries on business;

(n) the Buyers' "**cost of funds**" in relation to maintaining the funding of the purchase of the Vessel or an Unpaid Sum (as the case may be) is a reference to the average cost (determined either on an actual or a notional basis) which the Owner would incur if it were to fund, from whatever source(s) it may reasonably select, an amount equal to the amount of the funding of the purchase of the Vessel or that Unpaid Sum for a period equal in length to the relevant Pre-Delivery Interest Period;

(o) a Potential MOA Termination Event or an MOA Termination Event is "continuing" if it has not been remedied or waived; and

(p) words denoting the plural number include the singular and vice versa.

1.2.2 Headings are for the purpose of reference only, have no legal or other significance, and shall be ignored in the interpretation of this Agreement.

1.2.3 A time of day (unless otherwise specified) is a reference to Beijing time.

2 Sale and purchase

2.1 Agreement for sale and purchase

The Sellers hereby agree to sell and transfer all rights, title and interest in the Vessel, the Warranty and its Related Rights absolutely, with full title guarantee, to the Buyers and the Buyers hereby agree to purchase the Vessel on the terms and conditions of this Agreement.

2.2 Delivery

2.2.1 Not later than 11.00 a.m. three (3) Business Days (or such shorter period as the Buyers and the Sellers may agree) prior to the date on which the Sellers may deliver to the Buyers the Payment Notice in respect of the Delivery Instalment, the Sellers shall give the Buyers an irrevocable notice in writing of delivery which shall specify the Scheduled Delivery Date. At the time of delivery of the Vessel by the Sellers to the Buyers, the Vessel shall be located at the Delivery Location.

2.2.2 On delivery of the Vessel by the Sellers to the Buyers pursuant to this Agreement the Buyers shall accept the Vessel on an "as is where is" basis in exactly the same form, state and condition as the Vessel is delivered by the Builder to the Sellers pursuant to the Building Contract.

2.2.3 Upon delivery of the Vessel, the Sellers and the Buyers shall execute the Sellers' PDA, whereupon the Sellers shall be deemed to have given, and the Buyers to have received and accepted, possession of the Vessel.

3 Purchase Price

3.1 Purchase price of the Vessel

3.1.1 The purchase price of the Vessel payable by the Buyers to the Sellers under this Agreement shall be an amount equal to the Purchase Price.

3.1.2 The purchase price referred to in Clause 3.1.1 shall cover the purchase of the Vessel and, to the extent owned by the Sellers, everything then belonging to her on board, except any remaining bunkers and unused lubricating and hydraulic oils and greases in storage tanks and unopened drums and any unused stores and provisions which shall remain the property of the Sellers and for which no payment by the Buyers shall be required.

4 Currency of payment

4.1 Subject to the remaining provisions of this Clause 4, USD is the currency of account and payment for any sum due from:

4.1.1 the Buyers to the Sellers under this Agreement; and

4.1.2 an Obligor to the Buyers under any Transaction Document.

4.2 Each payment in respect of costs, expenses or Taxes shall be made in the currency in which the costs, expenses or Taxes are incurred.

4.3 Any amount expressed to be payable in a currency other than USD shall be paid in that currency.

4.4 If a change in any currency occurs, this Agreement will, to the extent the Buyers specify to be necessary, be amended to comply with any generally accepted conventions and market practice in the relevant market and otherwise to reflect the change in currency.

5 Payment Notice

5.1 Delivery of a Payment Notice

5.1.1 The Sellers may request the Buyers to make a payment in respect of an Instalment by delivery to the Buyers of a duly completed Payment Notice no later than five (5) Business Days before the proposed payment date and no later than the Long Stop Date (or such other period as may be agreed by the Sellers and the Buyers).

5.1.2 The Sellers may request the Buyers to make a payment in respect of the Delivery Instalment by delivery to the Buyers of a duly completed Payment Notice:

(a) for the purpose of effecting a Direct Payment, at least seven Business Days prior to the proposed payment date or the proposed Pre-Position Date; or

(b) for the purpose of effecting a Deferred Payment, no later than seven Business Days before the proposed payment date.

5.2 Completion of a Payment Notice

Each Payment Notice is irrevocable and will not be regarded as having been duly completed or valid unless:

5.2.1 it is delivered by the Sellers and received by the Buyers before the Long Stop Date;

5.2.2 it clearly:

(a) identifies (A) the Instalment to which such Payment Notice relates, (B) the proposed date of payment or the proposed Pre-Position Date (as the case may be) and (C) in case of the Delivery Instalment, the Scheduled Delivery Date; and

(b) sets out the precise amount of the Instalment to which such Payment Notice relates;

5.2.3 it is signed by an authorised signatory of the Sellers;

5.2.4 the currency of the proposed Instalment to be paid is US Dollars;

5.2.5 the proposed date of payment, the proposed Pre-Position Date and the Scheduled Delivery Date (as applicable) is a Business Day and is no later than the Long Stop Date; and

5.2.6 for a Direct Payment in relation to the First Instalment, the Builder's Account is designated to receive such Direct Payment and for a Deferred Payment in relation to any Instalment, the Earnings Account is designated to receive such Deferred Payment.

6 Direct Payments and Deferred Payments

6.1 Sellers' election to pay Builder directly

Notwithstanding any other provision of this Agreement, the Sellers may elect to settle any instalment of the Contractual Purchase Price that has not been paid as at the date of this Agreement (whether utilising their own funds or from whatever source of funds they may select) directly with the Builder by making the relevant payment to the Builder in accordance with the Building Contract.

6.2 Deemed satisfaction of Buyers' Instalment payment obligations

The obligation of the Buyers to pay the relevant Instalment under this Agreement shall be deemed to have been satisfied to the extent of (and in each case as applicable):

6.2.1 the Buyers' settling of the corresponding amount by way of a Deferred Payment; or

6.2.2 the Buyers' (acting on the instructions of the Sellers) direct deposit of the corresponding amount to the Builder's Bank by way of a Direct Payment.

7 Pre-position of Delivery Instalment

7.1 Pre-position

Subject always to the conditions in this Clause 7 and the other terms of this Agreement, the Sellers may request the Buyers to pre-position the Delivery Instalment to the Builder's Bank in accordance with the relevant Payment Notice.

7.2 Conditions to pre-position

The Buyers will only be obliged to pre-position the Delivery Instalment in accordance with Clause 7.1 (*Pre-position*) if, on or before the Pre-Position Date, the Buyers have received:

7.2.1 in relation to the Delivery Instalment, the additional documents and other evidence listed in Part III (*Pre-position conditions precedent*) of Schedule 1 (*Conditions precedent and subsequent*) (or evidence satisfactory to the Buyers that they shall, on the Pre-Position Date, receive such documents or evidence);

7.2.2 evidence (in such form and subject to such terms and conditions as the Buyers may specify) from the Builder's Bank in writing (electronically or otherwise) on or before the Pre-Position Date that the Delivery Instalment will:

(a) be held by the Builder's Bank in suspense to the order of the Buyers; and

(b) only be released to the Builder upon presentation to the Builder's Bank of a copy (transmitted by fax, email or otherwise) of the duly executed, dated and timed Builder's PDA, which is:

(i) signed by a duly authorised officer, signatory, attorney-in-fact or other representative of the Builder and the Sellers (as original buyers under the Building Contract), whose details shall be communicated to the Builder's Bank in writing (electronically by SWIFT message or otherwise) on or before the Pre-Position Date; and

(ii) countersigned by a duly authorised officer, signatory, attorney-in-fact or other representative of (1) the Buyers and, (2) if requested by a Finance Party and acceptable to the Builder, such Finance Party, whose details shall (in each case as applicable) be communicated to the Builder's Bank in writing (electronically or otherwise) on or before the Pre-Position Date.

7.3 Deemed payment of Delivery Instalment

7.3.1 A transfer of funds by the Buyers to the Builder's Bank in accordance with Clauses 7.1 (*Pre-position*) and 7.2 (*Conditions to pre-position*) above shall constitute payment of the Delivery Instalment for the purposes of this Agreement and shall, as from the date of such transfer, constitute a valid and binding obligation upon the Sellers in respect of the refund of the Delivery Instalment and any other amount payable in relation thereto, each in accordance with and in the manner contemplated by this Agreement.

7.3.2 Any repayment by the Builder's Bank to the Buyers or their bank of any part of the Delivery Instalment shall constitute (in each case as applicable), to the extent of such repayment, a refund of such part of the Delivery Instalment by the Sellers.

8 Conditions precedent and subsequent

8.1 Initial conditions precedent

8.1.1 The Sellers may not deliver the first Payment Notice unless the Buyers have received all the documents and other evidence listed in Part I (*Initial conditions precedent*) of Schedule 1 (*Conditions precedent and subsequent*) hereto in form and substance satisfactory to the Buyers.

8.1.2 The Buyers shall only be obliged to make a payment in respect of any Payment Notice if:

(a) no Potential MOA Termination Event or MOA Termination Event has occurred and is continuing or would result from such payment; and

(b) the Repeating Representations are true in all material respects on the date of the relevant Payment Notice and the actual date of payment; and

(c) no event of default (however described) has occurred under the Building Contract, the Refund Guarantee, any Sub-Charter or any other Project Documents entitling the non-defaulting party to terminate the Building Contract, the Refund Guarantee, any Sub-Charter or any other Project Documents.

8.2 **Instalment conditions precedent**

The Buyers will only be obliged to make a payment in respect of the First Instalment if on or before the Sellers' delivery of the relevant Payment Notice, the Buyers have received all the documents and other evidence listed in Part II (*Instalment conditions precedent*) of Schedule 1 (*Conditions precedent and subsequent*) hereto in form and substance satisfactory to the Buyers (or evidence satisfactory to the Buyers that they shall, on the date of such payment, receive such documents or evidence).

8.3 **Further conditions precedent to a Deferred Payment**

The Buyers will only be obliged to make a payment in respect of an Instalment for the purpose of effecting a Deferred Payment if the Buyers have received evidence of full payment to the Builder's Account of the corresponding instalment of the Contractual Purchase Price under the Building Contract, in form and substance satisfactory to the Buyers.

8.4 **Delivery Instalment conditions precedent**

8.4.1 The Buyers will only be obliged to:

(a) make a payment in respect of the Delivery Instalment and accept the Vessel under this Agreement on the Actual Delivery Date; or

(b) (if the Sellers elect for the Delivery Instalment to be pre-positioned under Clause 7 (*Pre-position of Delivery Instalment)*) countersign the Builder's PDA, agree to the release of the pre-positioned Delivery Instalment and accept the Vessel under this Agreement on the Actual Delivery Date;

if, in each applicable case:

(i) on the Actual Delivery Date, the Buyers have received:

(A) all the documents and other evidence listed in Part III (*Pre-position conditions precedent*) of Schedule 1 (*Conditions precedent and subsequent*) hereto in form and substance satisfactory to the Buyers (to the extent that such documents and other evidence have not already been provided to the Buyers prior to the Actual Delivery Date); and

(B) all the documents and other evidence listed in Part IV (*Delivery Date conditions precedent*) of Schedule 1 (*Conditions precedent and subsequent*) hereto in form and substance satisfactory to the Buyers; and

(ii) no Potential MOA Termination Event or MOA Termination Event has occurred and is continuing or would result from the payment or (as applicable) release of the Delivery Instalment; and

(iii) the Repeating Representations are true in all material respects on the Actual Delivery Date.

8.4.2 For the avoidance of doubt, the Sellers must, on the Actual Delivery Date, deliver to the Buyers all the documents and other evidence listed in Part III (*Pre-position conditions precedent*) and Part IV (*Delivery Date conditions precedent*) of Schedule 1 (*Conditions precedent and subsequent*) hereto in form and substance satisfactory to the Buyers.

8.5 **Conditions subsequent**

The Sellers undertake to deliver or cause to be delivered to the Buyers the documents and evidence listed in Part V (*Conditions subsequent*) of Schedule 1 (*Conditions precedent and subsequent*) hereto within the relevant time periods stipulated therein.

8.6 **No waiver**

8.6.1 The conditions set out in this Clause 8 are for the sole benefit of the Buyers and may be waived or deferred by the Buyers in whole or in part and with or without conditions. The foregoing is without prejudice to the Buyers' rights to require fulfilment of any such conditions by the Sellers in whole or in part at any time after the date of payment or release of the Purchase Price.

8.6.2 If the Buyers in their sole discretion agree to advance all or any part of the Purchase Price to the Sellers before all of the documents and evidence required by this Clause 8 have been delivered to the Buyers, the Sellers undertake to deliver all outstanding documents and evidence to the Buyers no later than the date specified by the Buyers.

8.6.3 The advance of all or any part of the Purchase Price under this Clause 8.6 shall not be taken as a waiver of the Buyers' right to require production of all the documents and evidence required by this Clause 8.

8.7 **Form and content**

All documents and evidence delivered to the Buyers under this Clause 8 shall be in form and substance acceptable to the Buyers.

9 Cancellation and refund

If an MOA Termination Event is continuing, the Buyers may by notice in writing to the Sellers (such notice being the "**Cancellation Notice**") cancel this Agreement, whereupon the Buyers' purchase of the Vessel under this Agreement shall be cancelled on the applicable Cancellation Date, and the Buyers shall forthwith be relieved from any further obligation to pay any part of the Purchase Price (or any other amount) under this Agreement from the Cancellation Date, and the Sellers shall upon demand:

9.1 refund to the Buyers the full amount of all the Instalments which the Buyers have already paid up to and including the Cancellation Date; and

9.2 pay the Buyers all accrued but unpaid Pre-Delivery Interests and any other fee and legal costs, and other reasonably incurred and documented out-pocket expenses and liabilities of the Buyers suffered or incurred by the Buyers in connection with the transactions contemplated by this Agreement and the other Transaction Documents,

9.3 pay the Buyers any other sum due and payable but unpaid by any Obligor under any Transaction Document,

in each case together with Break Costs.

10 Pre-Delivery Interest

10.1 Calculation of Pre-Delivery Interest

The rate of Pre-Delivery Interest to accrue and be payable over each Instalment for each Pre-Delivery Interest Period is the Interest Rate. The total amount of Pre-Delivery Interest over each Instalment that has been paid by the Buyers for each Pre-Delivery Interest Period is calculated in accordance with the following formula:

A x B x C

Where

A	=	the amount of the relevant Instalment;
B	=	Interest Rate;
C	=	a fraction whose denominator is three hundred and sixty (360) and numerator is the number of days which have elapsed from the first day of such Pre-Delivery Interest Period (including that day) to the last day of such Pre-Delivery Interest Period (not including that day).

10.2 Pre-Delivery Interest included as part of the MOA Purchase Price

Subject to Clause 9.2, all accrued Pre-Delivery Interest shall constitute part of the MOA Purchase Price and shall be paid by way of payment of Hire in accordance with the terms of the Charter.

10.3 Unavailability of Term SOFR

10.3.1 **Interpolated Term SOFR** If no Term SOFR is available for a Pre-Delivery Interest Period the applicable Applicable Rate shall be Interpolated Term SOFR for a period equal in length to that Pre-Delivery Interest Period.

10.3.2 **Historic Term SOFR** If no Term SOFR is available for a Pre-Delivery Interest Period and it is not possible to calculate the Interpolated Term SOFR, the applicable Applicable Rate shall be the Historic Term SOFR for a period equal in length to that Pre-Delivery Interest Period.

10.3.3 **Interpolated Historic Term SOFR** If Clause 10.3.2 above applies but no Historic Term SOFR is available for the relevant Pre-Delivery Interest Period, the applicable Applicable Rate shall be the Interpolated Historic Term SOFR for a period equal in length to that Pre-Delivery Interest Period.

10.3.4 **Cost of funds** If Clause 10.3.3 above applies but it is not possible to calculate the Interpolated Historic Term SOFR, Clause 10.5 (*Cost of funds*) shall apply for the relevant Pre-Delivery Interest Period.

10.4 **Market disruption** If before close of business in Beijing on the Quotation Day for the relevant Pre-Delivery Interest Period, the Buyers notify the Sellers that their cost of funds relating to its funding of the purchase of the Vessel would be in excess of the Applicable Rate then Clause 10.5 (*Cost of funds*) shall apply in relation to the calculation of the relevant Pre-Delivery Interest.

10.5 **Cost of funds**

10.5.1 If this Clause 10.5 applies, then Interest Rate for the relevant Pre-Delivery Interest Period shall be the percentage rate per annum which is the sum of:

(a) the Margin; and

(b) the rate notified to the Sellers by the Buyers as soon as practicable and in any event within three Business Days of the first day of that Pre-Delivery Interest Period (or, if earlier, on the date falling three Business Days before the date on which interest is due to be paid in respect of that Pre-Delivery Interest Period) to be that which expresses as a percentage rate per annum the cost to the Buyers of maintaining the funding of the purchase of the Vessel or that Unpaid Sum (as the case may be) from whatever source it may reasonably select or, if such rate is less than zero, such rate shall be deemed to be zero.

10.5.2 If this Clause 10.5 applies and the Buyers or the Sellers so require, the Buyers and the Sellers shall enter into negotiations (for a period of not more than thirty (30) days) with a view to agreeing a substitute basis for determining the rate for the Pre-Delivery Interest or (as the case may be) an alternative basis for funding.

10.8.3 Any alternative basis agreed pursuant to Clause 10.5.2 shall be binding on all Parties.

10.8.4 If an alternative basis is not agreed pursuant to Clause 10.5.2, the Interest Rate shall continue to be determined in accordance with Clause 10.5.1.

11 Default interest

11.1 If the Sellers fail to pay any amount payable by them under this Agreement on its due date, interest shall accrue on the Unpaid Sum from the due date to the date of actual payment (both before and after judgment) at the Default Rate, in US Dollars for successive Pre-Delivery Interest Periods (as if the consecutive Pre-Delivery Interest Periods will continue until the Unpaid Sum is paid notwithstanding the end of the Pre-Delivery Period, and as if the Unpaid Sum had, during the period of non-payment, constituted part of the Instalments). Any interest accruing under this Clause 11 shall be immediately payable by the Sellers on demand by the Buyers.

11.2 Default interest (if unpaid) arising on an Unpaid Sum will be compounded with the Unpaid Sum at the end of each period applicable to that Unpaid Sum but will remain immediately due and payable.

11.3 The Parties agree that, without prejudice to other rights, benefits and remedies of the Buyers under this Agreement, in the event that any other loss, damage, costs or expenses was suffered or incurred by the Buyers wholly or partly as a result of the Sellers' failure to pay any amount payable under this Agreement on its due date, the Sellers shall be responsible for all such loss, damage, costs and expenses in addition to the interests payable under this Clause 11, to the extent not covered by any payable Break Costs.

12 Pre-Delivery Interest Periods

12.1 Duration of Pre-Delivery Interest Periods

12.1.1 Subject to the other provisions of this Agreement, each Pre-Delivery Interest Period for each Instalment shall have a duration of three (3) months.

12.1.2 No Pre-Delivery Interest Period shall extend beyond the Actual Delivery Date.

12.1.3 Each Pre-Delivery Interest Period for each Instalment shall start on the Payment Date in respect of that Instalment or (if that Instalment is already paid) on the last day of the preceding Pre-Delivery Interest Period.

12.2 Subsequent Instalments

If any subsequent Instalment is made otherwise than on the first day of a Pre-Delivery Interest Period in respect of the First Instalment, there shall be a separate initial Pre-Delivery Interest Period for that subsequent Instalment commencing on the Payment Date of that subsequent Instalment and expiring on the final date of the then current Pre-Delivery Interest Period in respect of the First Instalment.

12.3 Non-Business Days

If a Pre-Delivery Interest Period would otherwise end on a day which is not a Business Day, that Pre-Delivery Interest Period will instead end on the next Business Day in that calendar month (if there is one) or the preceding Business Day (if there is not).

13 intentionally left blank

14 Sellers' undertakings

The Sellers hereby undertake to the Buyers that they will comply in full and procure compliance (where applicable) with the following undertakings throughout the Pre-Delivery Period.

14.1 Compliance with Charter

The Sellers shall comply with all their undertakings of the Sellers (as charterer) set out in the Charter.

14.2 Notification of MOA Termination Event

The Sellers shall promptly, upon becoming aware of the same, inform the Buyers in writing of the occurrence of any Potential MOA Termination Event (and the steps, if any, being taken to remedy this) and, upon receipt of a request from the Buyers, confirm to the Buyers that, save as previously notified to the Buyers or as notified in such confirmation, no Potential MOA Termination Event is continuing or if a Potential MOA Termination Event is continuing specifying the steps, if any, being taken to remedy it.

14.3 Refund of pre-positioned amount

If the Buyers have made a transfer of all or any part of the Delivery Instalment to the Builder's Bank but delivery of the Vessel does not occur on a date within fourteen (14) calendar days after the Pre-Position Date, then the Sellers shall forthwith refund to the Buyers the Delivery Instalment and any other amount so transferred by the Buyers in accordance with the relevant payment instructions (or such other equivalent document), **provided that** the Sellers' obligations under this Clause 14.3 shall be deemed to be complied with by any repayment (but only to the extent and amount of such repayment) by the Builder's Bank to the Buyers or their bank of any part of the Delivery Instalment and any other amount so transferred by the Buyers in connection with Clauses 7.1 (*Pre-position*) and 7.2 (*Conditions to pre-position*).

14.4 Purchase Price

14.4.1 The Sellers may request for a Deferred Payment solely for the purpose of reimbursing the Sellers for their payment made to the Builder in respect of an instalment of the Contractual Purchase Price under the Building Contract.

14.4.2 The Sellers may request for a Direct Payment solely for the purpose of settling an instalment of the Contractual Purchase Price under the Building Contract.

15 MOA Termination Events

15.1 Each of the following events shall constitute an MOA Termination Event.

15.1.1 **Conditions precedent and subsequent**

(a) Any of the conditions set out in Clause 8 (*Conditions precedent and subsequent*) is not satisfied by the date specified by the Buyers pursuant to Clause 8.6.2 (*No waiver*).

(b) Any of the conditions referred to in Clause 8.5 (*Conditions subsequent*) is not satisfied by the relevant time or such other time period specified by the Buyers in their discretion.

15.1.2 **Charter termination events** Any event or circumstance referred to in clause 58.1 (*Termination Events*) of the Charter occurs.

15.1.3 **Late delivery of Vessel** The Vessel is not delivered by:

(a) the Builder to the Sellers under the Building Contract by the date set out in (ii) of the definition of "Long Stop Date"; or

(b) the Sellers to the Buyers under this Agreement by the date set out in (ii) of the definition of "Long Stop Date" (including, without limitation, by reason of failure by the Sellers to satisfy any of their obligations under Clause 8 (*Conditions precedent and subsequent*)).

15.1.4 **Illegality** It becomes unlawful or it is prohibited for the Buyers to purchase the Vessel pursuant to this Agreement and, to the extent that the law permits the Buyers to notify the Sellers of the relevant event, the Sellers and the Buyers fail to agree an alternative having negotiated in good faith for a period of thirty (30) days (or such longer period as may be agreed by the Buyers) after the Buyers have given notice to the Sellers of the relevant event.

15.1.5 **Building Contract and Refund Guarantee**

(a) The Building Contract or a Refund Guarantee is terminated, rescinded, cancelled, repudiated, suspended or otherwise ceases to remain in full force and effect, or is transferred, assigned, novated or otherwise disposed of to any person (other than pursuant to the relevant Security Documents).

(b) Any obligation of the Builder under the Building Contract, or of the Refund Guarantor under a Refund Guarantee becomes unlawful or unenforceable.

(c) Any of the events or circumstances specified in clauses 58.1.6 (*Insolvency and rescheduling*), 58.1.7 (*Insolvency proceedings*) 58.1.8 (*Creditors' process*) or 58.1.9 (*Execution or distress*) of the Charter occurs in relation to the Refund Guarantor.

15.2 Upon the occurrence of an MOA Termination Event which is continuing, and without prejudice to the generality of the powers and remedies vested in the Buyers under this Agreement, the Buyers may exercise their rights and powers referred to under Clauses 9 (*Cancellation and refund*) and 16 (*Buyers' powers following cancellation*).

16 Buyers' powers following an MOA Termination Event

16.1 Powers following an MOA Termination Event

Without prejudice to the generality of the powers and remedies vested in the Buyers under this Agreement and the other Transaction Documents, at any time after the occurrence of an MOA Termination Event which is continuing, the Buyers shall become immediately entitled:

16.1.1 to implement the Building Contract or to agree with the Builder to terminate the Building Contract on such terms and conditions as the Buyers and the Builder may mutually agree;

16.1.2 subject to the terms of the Building Contract, to assign all rights, title, interest and benefits in and under the Building Contract or to sell the Vessel in her then state of construction or after her delivery under the Building Contract or otherwise and upon such terms as the Buyers shall in their absolute discretion determine;

16.1.3 to undertake the further supervision of construction of the Vessel;

16.1.4 to collect, recover, compromise and give a good discharge for, all claims then outstanding or arising subsequently under or in respect of all or any part of such claims, and to take over or institute (if necessary using the names of the Sellers) all such proceedings as the Buyers in their sole and absolute discretion think fit;

16.1.5 to discharge, compound, release or compromise claims in respect of the Building Contract which have given or may give rise to any charge or lien or other claim on the Building Contract or which are or may be enforceable by proceedings against the Building Contract;

16.1.6 where any money under the Refund Guarantee becomes refundable, to make a demand, or to request the Sellers to promptly make a demand for payment under the Refund Guarantee and to direct payment of the funds to an account designated by the Buyers and to the extent that any money so refunded exceeds all amounts owed to the Buyers under the Transaction Documents, the Buyers shall refund an amount equal to such excess to an account designated by the Sellers within seven Business Days of receiving such money under the Refund Guarantee;

16.1.7 to recover from the Sellers on demand all properly incurred costs and expenses (including legal fees) incurred or paid by the Buyers in connection with the exercise of the powers (or any of them) referred to in this Clause 16.1;

16.1.8 to not make any payment in relation to any Payment Notice; and

16.1.9 to exercise any or all of the rights and remedies available to the Buyers under any Security Documents.

16.2 **Delegation**

The Buyers may delegate in any manner to any person any rights exercisable by the Buyers under this Agreement. Any such delegation may be made upon such terms and conditions (including power to sub-delegate) as the Buyers think fit.

16.3 **Survival of Sellers' obligations**

The termination of this Agreement for any cause whatsoever shall not affect the right of the Buyers to recover from the Sellers any money due to the Buyers in consequence thereof and all other rights of the Buyers (including but not limited to any rights, benefits or indemnities which are expressly provided to continue after the termination of this Agreement) are reserved hereunder.

17 Changes to parties

17.1 The Sellers may not assign or transfer any or all of their rights or obligations under this Agreement.

17.2 The Buyers may assign or transfer any or all of their rights or obligations under this Agreement to any party to which they are entitled to assign or transfer their rights under clause 52.2 of the Charter, following which the Sellers shall execute such document and do all such things as required by the Buyers to facilitate or effect such assignment or transfer.

18 Cumulative rights

The rights, powers and remedies provided in this Agreement are cumulative and not exclusive of any rights, powers or remedies at law or in equity unless specifically otherwise stated.

19 No waiver

No delay, failure or forbearance by a party to exercise (in whole or in part) any right, power or remedy under, or in connection with, this Agreement will operate as a waiver. No waiver of any breach of any provision of this Agreement will be effective unless that waiver is in writing and signed by the party against whom that waiver is claimed. No waiver of any breach will be, or be deemed to be, a waiver of any other or subsequent breach.

20 Entire agreement and amendments

20.1 The written terms of this Agreement comprise the entire agreement between the Buyers and the Sellers in relation to the sale and purchase of the Vessel and supersede all previous agreements whether oral or written between the parties in this Agreement in relation thereto.

20.2 Each of the parties to this Agreement acknowledges that in entering into this Agreement, it has not relied on and shall have no right or remedy in respect of any statement, representation, assurance or warranty (whether or not made negligently) other than as expressly set out in this Agreement.

20.3 Any terms implied into this Agreement by the Sale of Goods Act 1979 are hereby excluded to the extent that such exclusion can legally be made. Nothing in this Clause shall limit or exclude any liability for fraud.

20.4 This Agreement may not be amended, altered or modified except by a written instrument executed by each of the parties to this Agreement.

21 Invalidity

If any term or provision of this Agreement or the application thereof to any person or circumstances shall to any extent be invalid or unenforceable the remainder of this Agreement or application of such term or provision to persons or circumstances (other than those as to which it is already invalid or unenforceable) shall (to the extent that such invalidity or unenforceability does not materially affect the operation of this Agreement) not be affected thereby and each term and provision of this Agreement shall be valid and be enforceable to the fullest extent permitted by law.

22 English language

All notices, communications and financial statements and reports under or in connection with this Agreement and the other Transaction Documents shall be in English language or, if in any other language, shall be accompanied by a translation into English. In the event of any conflict between the English text and the text in any other language, the English text shall prevail.

23 No partnership

Nothing in this Agreement creates, constitutes or evidences any partnership, joint venture, agency, trust or employer/employee relationship between the parties, and neither party may make, or allow to be made any representation that any such relationship exists between the parties. Neither party shall have the authority to act for, or incur any obligation on behalf of, the other party, except as expressly provided in this Agreement.

24 Notices

24.1 Any notices to be given to the Buyers under this Agreement shall be sent in writing by registered letter, facsimile or email and addressed to:

Hai Kuo Shipping 1973T Limited

Address: c/o ICBC Financial Leasing Co., Ltd.

16-19/F, Building #5, Yuetan Centre

Yard 1, Yuetan South Street

Xicheng District, Beijing 100045

The People's Republic of China

Email: saijianan@leasing.icbc.com.cn

Attention: Simon Sai

or to such other address, facsimile number or email address as the Buyers may notify to the Sellers in accordance with this Clause 24.

24.2 Any notices to be given to the Sellers under this Agreement shall be sent in writing by registered letter, facsimile or email and addressed to:

Huafeng Shipping Inc.

Address: 26/F Yardley Commercial Building, 1-6 Connaught Road West, Hong Kong

Email: shumyh@jinhuiship.com / teresa@jinhuiship.com

Attention: Shum Yee Hong / Teresa Chau

or to such other address or email address as the Sellers may notify to the Buyers in accordance with this Clause 24.

24.3 Any such notice shall be deemed to have reached the party to whom it was addressed, when dispatched and acknowledged received (in case of a facsimile or an email) or when delivered (in case of a registered letter). A notice or other such communication received on a non-working day or after 5:00 pm in the place of receipt shall be deemed to be served on the following day in such place.

25 Counterparts

This Agreement may be executed in any number of counterparts and any single counterpart or set of counterparts signed, in either case, by all the parties hereto shall be deemed to constitute a full and original agreement for all purposes.

26 Third Parties Act

26.1 Any person which is an Indemnitee and is not a party to this Agreement shall be entitled to enforce such terms of this Agreement as provided for in this Agreement in relation to the obligations of the Sellers to such Indemnitee, subject to the provisions of Clause 32 (*Law and jurisdiction*) and the Third Parties Act. The Third Parties Act applies to this Agreement as set out in this Clause 26.

26.2 A person who is not a party to this Agreement has no right under the Third Parties Act to enforce or to enjoy the benefit of any term of this Agreement.

27 Spares, bunkers and other items

27.1 To the extent owned by the Sellers, the Sellers shall deliver the Vessel to the Buyers with everything belonging to her on board **provided that** any remaining bunkers and unused lubricating and hydraulic oils and greases in storage tanks and unopened drums and any unused stores and provisions shall remain the property of the Sellers.

27.2 All spare parts and spare equipment including spare tail-end shaft(s) and/or spare propeller(s)/propeller blade(s), if any, belonging to the Vessel at the time of delivery used or unused, whether on board or not shall become the Buyers' property.

27.3 Concurrent with the delivery of the Vessel under this Agreement, the Buyers shall gain title and ownership to the classification certificate(s) as well as all plans, drawings and manuals, which are on board the Vessel and shall remain on board the Vessel, **provided that** the Buyers agree that the Sellers are only required to provide copies of all plans, drawings and manuals to the Buyers by way of a CD-ROM (or any other portable data storage device) within thirty (30) days from the Actual Delivery Date if requested by the Owners. Other certificates which are on board the Vessel shall also be handed over to the Buyers unless the Sellers (as bareboat charterers under the Charter) are required to retain same, in which case the Buyers have the right to take copies.

27.4 Copies of other technical documentation which may be in the Sellers' possession shall promptly after delivery be forwarded to the Buyers at the Sellers' expense, if the Buyers so request.

28 Encumbrances, access to information and inspection

28.1 The Sellers warrant that the Vessel, at the time of delivery, is free from all charters (other than the Charter and the Sub-Charter), encumbrances, mortgages and maritime liens or any other debts whatsoever, and is not subject to Port State or other administrative detentions. The Sellers hereby undertake to indemnify the Buyers against all consequences of claims made against the Vessel which have been incurred prior to the time of delivery.

28.2 The Sellers hereby acknowledge that with respect of the sale and purchase of the Vessel pursuant to this Agreement, the Buyers are relying on the Sellers in all respects to check all matters concerning the Vessel, including her safety, condition, quality and fitness for purpose.

28.3 The Buyers shall be entitled to request:

28.3.1 such information that they may reasonably require in relation to the construction of the Vessel and the status of such construction or otherwise in connection with the Building Contract; and

28.3.2 copies of documentation held by the Sellers relating to the construction of the Vessel,

and such information and documentation shall be delivered promptly to the Buyers by the Sellers.

28.4 The Buyers (or their representatives) shall be entitled to inspect the Vessel at any time after giving reasonable notice to the Sellers during the course of her construction and the Sellers shall procure that access shall be granted by the Builder for such inspection subject to provision of prior notice and provided that such inspection does not unreasonably interfere with the construction of the Vessel. The costs and expenses of the first such inspection in each calendar year shall be for the Sellers' account, and the costs and expenses of any additional inspections in that calendar year shall be for the Buyers' account (unless a Termination Event is continuing in which case the costs and expenses for each such additional inspection shall be for the Sellers' account).

28.5 Subject to the Sellers giving the Buyers not less than five (5) Business Days' prior written notice setting out the proposed disclosure content for the Buyers' comments, the Sellers may make disclosures required to be made by Jinhui Shipping and Transportation Limited ("**Jinhui Shipping**") and Jinhui Holdings Company Limited ("**Jinhui Holdings**") pursuant to the rules and regulations of the Oslo Stock Exchange and the Hong Kong Stock Exchange respectively, subject to any comments the Buyers may have.

29 Taxes, costs and expenses

Any Taxes, costs and expenses in connection with the purchase and registration of the Vessel in the Flag State shall be for the Sellers' account.

30 Indemnities

30.1 Whether or not any of the transactions contemplated hereby are consummated, the Sellers shall indemnify, protect, defend and hold harmless the Buyers and their respective officers, directors, agents and employees (collectively, the "**Indemnitees**") throughout the Pre-Delivery Period from, against and in respect of, any and all liabilities, obligations, losses, damages, penalties, fines, fees (including but not limited to any vessel registration, tonnage and reasonable legal fees), claims, actions, proceedings, judgement, order or other sanction, lien, salvage, general average, suits, costs, expenses and disbursements, including reasonable legal fees and expenses, of whatsoever kind and nature imposed on, suffered or incurred by or asserted against any Indemnitee, in any way relating to, resulting from or arising out of or in connection with, in each case, directly or indirectly, any one or more of the following:

30.1.1 the delivery (including the Vessel not being delivered on the Scheduled Delivery Date after the Sellers have informed the Buyers of the Scheduled Delivery Date), registration and purchase of the Vessel by the Buyers whether prior to, during or after termination of this Agreement and whether or not the Vessel is in the possession or the control of the Sellers or otherwise in relation to any non-delivery to or acceptance by the Sellers (as bareboat charterers) of the Vessel under the Charter;

30.1.2 any breach of or failure to perform or observe, or any other non-compliance with, any covenant or agreement or other obligation to be performed by the Sellers under any Transaction Document to which they are a party or the falsity of any representation or warranty of the Sellers in any Transaction Document to which they are a party or the occurrence of any Potential MOA Termination Event;

30.1.3 a failure by an Obligor to pay any amount due under a Transaction Document on its due date;

30.1.4 funding, or making arrangements to fund, an amount required to be paid by the Buyers pursuant to a Payment Notice but not made by reason of the operation of any one or more of the provisions of this Agreement (other than by reason of default or negligence of the Buyers).

30.2 Notwithstanding anything to the contrary herein, the indemnities provided by the Sellers in favour of the Buyers shall continue in full force and effect notwithstanding any breach of the terms of this Agreement or termination of this Agreement pursuant to the terms hereof.

30.3 If the Flag State requires, or if there is any change in the flag state from the Flag State at the date of this Agreement and such new Flag State requires the Buyers to have a physical presence or office in the jurisdiction of the Flag State, all fees, costs and expenses arising out of or in connection with the establishment and maintenance of such physical presence or office by the Buyers shall be borne by the Sellers.

31 Calculations and certificates

31.1 In any litigation or arbitration proceedings arising out of or in connection with a Transaction Document, the entries made in the accounts maintained by the Buyers are prima facie evidence of the matters to which they relate.

31.2 Any certification or determination by the Buyers of a rate or amount under any Transaction Document is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

31.3 Any Pre-Delivery Interest, interest, commission or fee accruing under a Transaction Document will accrue from day to day and is calculated on the basis of the actual number of days elapsed and a year of 360 days or, in any case where the practice in the relevant market differs, in accordance with that market practice.

31.4 Confirmation of Pre-Delivery Interest

31.4.1 Without prejudice to Clause 31.2 above, the Buyers (as owners under the Charter) shall notify the Sellers (as bareboat charterers under the Charter) in writing, of the total amount of Pre-Delivery Interest accrued up to the Actual Delivery Date (the "**Total Pre-Delivery Interest**") no later than seven (7) Business Days prior to the first Hire Payment Date (as defined in the Charter).

31.4.2 If no written objection to the Total Pre-Delivery Interest as so notified is received by the Buyers from the Sellers by the date falling one (1) Business Day prior to the first Hire Payment Date, the Total Pre-Delivery Interest as determined and notified by the Buyers shall be deemed to have been accepted by the Sellers and shall be conclusive evidence of the amount of Pre-Delivery Interest accrued up to the Actual Delivery Date.

32 Law and jurisdiction

32.1 This Agreement and any non-contractual obligations arising from or in connection with it are in all respects governed by and shall be interpreted in accordance with English law.

32.2 Any dispute, controversy, difference or claim arising out of or relating to this contract, including the existence, validity, interpretation, performance, breach or termination thereof or any dispute regarding non- contractual obligations arising out of or relating to it shall be referred to and finally resolved by arbitration administered by the Hong Kong International Arbitration Centre (HKIAC) under the HKIAC Administered Arbitration Rules in force when the Notice of Arbitration is submitted.

32.2.1 The law of this arbitration clause shall be Hong Kong law.

32.2.2 The seat of arbitration shall be Hong Kong.

32.2.3 The number of arbitrators shall be three. The arbitration proceedings shall be conducted in English.

33 Determination of Market Value

33.1 The Market Value of the Vessel shall be the valuation of the Vessel under the Valuation Report which shall be prepared by an Approved Valuer nominated by the Buyers.

33.2 The Sellers shall arrange deliver to the Buyers and bear the cost of the issue of the Valuation Report required under this Clause 33.

33.3 If an Approved Valuer determines that the valuation of the Vessel shall fall within a range, the valuation as determined by such Approved Valuer shall be deemed to be the lower value of such range.

33.4 The valuation shall be provided by an Approved Valuer:

33.4.1 in US Dollars;

33.4.2 on a date no earlier than thirty (30) days prior to the Scheduled Delivery Date;

33.4.3 with or without physical inspection of the Vessel (as the Buyers may require);

33.4.4 on the basis of a sale for prompt delivery for cash on normal arm's length commercial terms as between a willing seller and a willing buyer, free of any existing charter or other contract of employment or such other basis as may be agreed by the Buyers; and

33.4.5 on such other terms and conditions as may be required by the Buyers.

Schedule 1

Conditions precedent and subsequent

Part I – Initial conditions precedent

1 Obligors

1.1 **Constitutional documents** Copies of the constitutional documents of each Obligor together with such other evidence as the Buyers may reasonably require that each Obligor is duly incorporated in its country of incorporation and remains in existence with power to enter into, and perform its obligations under, the Transaction Documents to which it is or is to become a party.

1.2 **Certificate of good standing** A copy of a certificate of good standing in respect of each Obligor (if such a certificate can be obtained).

1.3 **BVI certificate of good standing** A certificate of good standing in respect of the Chargor issued by the Registry of Corporate Affairs in the British Virgin Islands.

1.4 **Bermuda certificate of compliance** A certificate of compliance in respect of the Charter Guarantor issued by the Registry of Companies in Bermuda.

1.5 **Written resolutions** A copy of a resolution of the board of directors of each Obligor:

1.5.1 approving the terms of, and the transactions contemplated by, the Transaction Documents to which it is a party and resolving that it execute those Transaction Documents; and

1.5.2 authorising a specified person or persons to execute those Transaction Documents (and all documents and notices to be signed and/or dispatched under those documents) on its behalf.

1.6 **Copy passport and specimen signatures** A copy of the passport and specimen signatures of each person actually executing any of the Transaction Documents pursuant to the resolution referred to in 1.3 above.

1.7 **Shareholder resolutions** If required by any legal advisors to the Buyers, copy of a resolution signed by all the holders of the issued shares in each Obligor, approving the terms of, and the transactions contemplated by, the Transaction Documents to which that Obligor is a party.

1.8 **Powers of attorney** If applicable, the original power of attorney of each Obligor under which any document (including the Transaction Documents) are to be executed or transactions undertaken by it.

1.9 **Other approvals** If applicable, copies of all governmental and other consents, licences, approvals and authorisations as may be necessary to authorise the performance by each of the Obligors of its obligations under the Transaction Documents to which it is or (as the case may be) will be a party, and the execution, validity and enforceability of such Transaction Documents.

1.10 **Officer's certificates** An original certificate of a duly authorised representative of each Obligor:

1.10.1 certifying that each copy document relating to it specified in this Part I of Schedule 1 is correct, complete and in full force and effect;

1.10.2 setting out the names of the directors, officers and shareholders of that Obligor and the proportion of shares held by each shareholder;

1.10.3 confirming that guaranteeing or securing, as appropriate, the respective indebtedness or obligations would not cause any guarantee, security or similar limit binding on that Obligor to be exceeded; and

1.10.4 confirming that (a) it has not delivered particulars of any UK Establishment to the Registrar of Companies as required under the Overseas Regulations or (b) it has a UK Establishment and specifying the name and registered number under which it is registered with the Registrar of Companies.

2 Transaction Documents and related documents

2.1 **Vessel-related documents** Copies, certified as true, accurate and complete by a duly authorised representative of the Sellers, of:

2.1.1 the Building Contract;

2.1.2 the Refund Guarantee;

2.1.3 the other Project Documents (other than the Transaction Documents and any Time Charter);

2.2 **Transaction Documents** A duly executed original of:

2.2.1 this Agreement;

2.2.2 the Charter;

2.2.3 the Account Charge;

2.2.4 the Charter Guarantee;

2.2.5 the Charterers' Assignment;

2.2.6 any Manager's Undertaking;

2.2.7 the Pre-Delivery Assignment;

2.2.8 the Share Charge; and

2.2.9 the other Transaction Documents,

in each case together with all other documents required by any of them according to their terms, including, without limitation, all notices of assignment, charge and/or pledge and acknowledgements of all such notices of assignment, charge and/or pledge (other than (x) the acknowledgement executed by the Account Bank to the notice of charge required under the Account Charge and (y) the notices of assignment of insurances and the letters of undertaking required under the Charterers' Assignment).

2.3 **No disputes** The written confirmation of the Sellers that there is no dispute under any of the Project Documents as between the parties to any such document.

2.4 **Sellers' contribution** Evidence of full payment to the Builder of any part of the Contractual Purchase Price which is due and payable on or before the date of this Agreement.

3 **Legal opinions** A legal opinion of the legal advisers to the Buyers in each relevant jurisdiction (including England, Bermuda, BVI and Panama), or confirmation satisfactory to the Buyers that such an opinion will be given.

4 **Other documents and evidence**

4.1 **Other Authorisation** Such other Authorisation or other document, opinion or assurance which the Buyers reasonably consider to be necessary in connection with their entry into and performance of the transactions contemplated by any of the Transaction Documents or for the validity and enforceability thereof which, at the date of this Agreement, the Buyers are not aware of, and the Buyers shall, to the extent any Authorisation becomes necessary after the date of this Agreement, provide reasonable notice to the Sellers of such required Authorisation.

4.2 **Fees** Evidence satisfactory to the Buyers that the fees, costs and expenses due from the Sellers to the Buyers under Clauses 29 (*Taxes, costs and expenses*) and 30 (*Indemnities*) and fees, costs and expenses due from the Sellers (as charterers) to the Buyers (as owners) under clause 64 (*Fees and expenses*) of the Charter have been paid in accordance with the terms of such Clauses.

4.3 **"Know your customer" documents** Such documentation and other evidence as is reasonably requested by the Buyers or the Finance Parties in order for the Buyers or the Finance Parties to comply with all necessary "know your customer" or similar identification procedures in relation to the transactions contemplated in the Transaction Documents.

4.4 **Other documents etc.** Such other documents or evidence as the Buyers may require in relation to the Vessel, the Project Parties and/or the Project Documents.

4.5 **Listco shareholders' approval** Evidence that the approval of the majority shareholders of Jinhui Holdings in respect of the transactions contemplated under this Agreement has been obtained.

Part II – Instalment conditions precedent

1 **Notice/invoice** The notice and/or invoice issued by the Builder evidencing the obligation of the Sellers to pay the 1st instalment of the Contractual Purchase Price (that corresponds to the relevant Instalment) under the Building Contract on a date no later than the proposed Payment Date as specified in the relevant Payment Notice.

2 **Sellers' equity contribution** Evidence of full payment to the Builder of any part of the Contractual Purchase Price which is due and payable on or before the relevant Payment Date and which is not being financed by the Buyers.

3 **Fees** Evidence satisfactory to the Buyers that the fees, costs and expenses due from the Sellers to the Buyers under Clauses 29 (*Taxes, costs and expenses*) and 30 (*Indemnities*) and fees, costs and expenses due from the Sellers (as charterers) to the Buyers (as owners) under clause 64 (*Fees and expenses*) of the Charter have been paid in accordance with the terms of such Clauses.

4 **Other documents etc.** Such other documents or evidence as the Buyers may require in relation to the Vessel, the Project Parties and/or the Project Documents.

Part III – Pre-position conditions precedent

1 **Bringdown certificate** A certificate signed by a duly authorised representative of the Sellers confirming that none of the documents and evidence delivered to the Buyers pursuant to Clauses 8.1 (*Initial conditions precedent*) and 8.2 (*Instalment conditions subsequent*) has been amended, modified or revoked in any way since its delivery to the Buyers.

2 **Vessel-related documents**

2.1 **Title transfer documents** Agreed forms or drafts of the following:

2.1.1 the builder's certificate and/or bill of sale transferring title in the Vessel from the Builder;

2.1.2 the legal bill(s) of sale recordable in the Buyers' Flag State, transferring title of the Vessel to the Buyers and stating that the Vessel is free from all mortgages, encumbrances and maritime liens or any other debts whatsoever;

2.1.3 the Sellers' PDA;

2.1.4 the Builder's PDA;

2.1.5 if applicable, the declaration of warranty issued by the Builder evidencing that the Vessel is free from any registered Encumbrance,

2.1.6 any additional documents as may be required by the Flag State for the purpose of registering the Vessel.

2.2 **Notice/invoice** The notice and/or invoice issued by the Builder evidencing the obligation of the Sellers to pay the relevant instalment of the Contractual Purchase Price (that corresponds to the relevant Instalment under the Building Contract) on a date no later than the proposed Payment Date as specified in the relevant Payment Notice.

2.3 **Vessel documents** Copies of:

2.3.1 if applicable, each Management Agreement;

2.3.2 the most updated and valid Document of Compliance (as such term is defined pursuant to the ISM Code).

2.4 **FME Registration** If required in connection with the Buyers' ownership of the Vessel, confirmation from the registry of the Flag State that the Buyers have been registered as a foreign maritime entity.

2.5 **Evidence of Buyers' title** Evidence satisfactory to the Buyers that:

2.5.1 any prior registration of the Vessel in the ownership of the Builder and any Encumbrance registered against that ownership will be cancelled on the Actual Delivery Date (or written confirmation from the Builder that there was no such prior registration); and

2.5.2 the Vessel will be registered in the Flag State in the ownership of the Buyers on the Actual Delivery Date.

3 **Sellers' equity contribution** Evidence of full payment to the Builder of any part of the Contractual Purchase Price which is due and payable on or before the Payment Date and which is not being financed by the Buyers (including but not limited to any shortfall between the Delivery Instalment and the "4th Installment" (the final instalment) of the Contractual Purchase Price).

4 **Valuation** A Valuation Report of the Vessel addressed to the Buyers certifying the Market Value for the Vessel, acceptable to the Buyers.

5 **Fees** Evidence satisfactory to the Buyers that the fees, costs and expenses then due from the Sellers to the Buyers under Clauses 29 (*Taxes, costs and expenses*) and 30 (*Indemnities*) and fees, costs and expense due from the Sellers (as charterers) to the Buyers (as owners) under clause 64 (*Fees and expenses*) under the Charter have been paid in accordance with the terms of such Clauses.

6 **Other Authorisation** Such other Authorisation or other document, opinion or assurance which the Buyers reasonably consider to be necessary in connection with their entry into and performance of the transactions contemplated by any of the Transaction Documents or for the validity and enforceability thereof (including, without limitation in relation to or for the purposes of any financing by the Buyers).

7 **Evidence of insurance**

7.1 Evidence that the Vessel will on the Actual Delivery Date be insured in the manner required by the Transaction Documents.

7.2 If required by the Buyers, an insurance report of the Insurances in form and substance acceptable to the Buyers by an insurance adviser appointed by the Buyers.

8 **Other documents and evidence** Such other documents or evidence relating to the Vessel, the Project Parties and/or the Project Documents as the Buyers may reasonably require.

9 **Sub-Charter and Time Charter** Copies, certified as true, accurate and complete by a duly authorised representative of the Sellers of any Sub-Charter, Sub-Charter Guarantee, Time Charter and Time Charter Guarantee which are or will be in effect as at the Actual Delivery Date.

10 **Time Charter Assignment and related documents** If a Time Charter will be in effect as at the Actual Delivery Date:

10.1 **Time Charter Assignment** a duly executed original of the Time Charter Assignment, together with all other documents required by the Time Charter Assignment according to its terms, including, without limitation, the notice of assignment and acknowledgement of such notice of assignment required under the Time Charter Assignment;

10.2 **Constitutional documents** copies of the constitutional documents of the Time Charter Assignor together with such other evidence as the Buyers may reasonably require that the Time Charter Assignor is duly incorporated in its country of incorporation and remains in existence with power to enter into, and perform its obligations under, the Transaction Documents to which it is or is to become a party.

10.3 **Certificate of good standing** a copy of a certificate of good standing in respect of the Time Charter Assignor (if such a certificate can be obtained).

10.4 **Written resolutions** a copy of a resolution of the board of directors of the Time Charter Assignor:

10.4.1 approving the terms of, and the transactions contemplated by, the Transaction Documents to which it is a party and resolving that it execute those Transaction Documents; and

10.4.2 authorising a specified person or persons to execute those Transaction Documents (and all documents and notices to be signed and/or dispatched under those documents) on its behalf.

10.5 **Copy passport and specimen signatures** a copy of the passport and specimen signatures of each person actually executing any of the Transaction Documents pursuant to the resolution referred to in 10.4 above.

10.6 **Shareholder resolutions** If required by any legal advisors to the Buyers, a copy of a resolution signed by all the holders of the issued shares the Time Charter Assignor, approving the terms of, and the transactions contemplated by, the Transaction Documents to which the Time Charter Assignor is a party.

10.7 **Powers of attorney** if applicable, the original power of attorney of the Time Charter Assignor under which any document (including the Transaction Documents) are to be executed or transactions undertaken by it.

10.8 **Other approvals** if applicable, copies of all governmental and other consents, licences, approvals and authorisations as may be necessary to authorise the performance by the Time Charter Assignor of its obligations under the Transaction Documents to which it is or (as the case may be) will be a party, and the execution, validity and enforceability of such Transaction Documents.

10.9 **Officer's certificates** an original certificate of a duly authorised representative of the Time Charter Assignor:

10.9.1 certifying that each copy document relating to it specified in this Part III of Schedule 1 is correct, complete and in full force and effect;

10.9.2 setting out the names of the directors, officers and shareholders of the Time Charter Assignor and the proportion of shares held by each shareholder;

10.9.3 confirming that guaranteeing or securing, as appropriate, the respective indebtedness or obligations would not cause any guarantee, security or similar limit binding on the Time Charter Assignor to be exceeded; and

10.9.4 confirming that (a) it has not delivered particulars of any UK Establishment to the Registrar of Companies as required under the Overseas Regulations or (b) it has a UK Establishment and specifying the name and registered number under which it is registered with the Registrar of Companies; and

10.10 **Legal opinion** a legal opinion of the legal advisers to the Buyers in each relevant jurisdiction (including England and the jurisdiction of incorporation of the Time Charter Assignor) in relation to the Time Charter Assignment, or confirmation satisfactory to the Buyers that such an opinion will be given.

Part IV – Delivery Date conditions precedent

1 Vessel-related documents

1.1 **Title transfer documents** Originals of the following duly executed documents:

1.1.1 the builder's certificate and/or bill of sale transferring title in the Vessel from the Builder;

1.1.2 the legal bill(s) of sale recordable in the Buyers' Flag State, transferring title of the Vessel to the Buyers and stating that the Vessel is free from all mortgages, encumbrances and maritime liens or any other debts whatsoever, duly notarially attested and legalised or apostilled, as required by the Flag State;

1.1.3 the Sellers' PDA;

1.1.4 the Builder's PDA; and

1.1.5 the declaration of warranty issued by the Builder evidencing that the Vessel is free from any registered Encumbrance; and

1.1.6 such other additional documents as may be required by the Flag State for the purpose of registering the Vessel.

1.2 **Technical documents** Copies of the following:

1.2.1 the Vessel's current Safety Management Certificate (as such term is defined pursuant to the ISM Code);

1.2.2 the Vessel's current ISSC;

1.2.3 the Vessel's current IAPPC;

1.2.4 the Vessel's current tonnage certificate;

1.2.5 the Vessel's classification certificate evidencing that it is free of all recommendations and requirements from the Classification Society,

in each case (A) together with all addenda, amendments or supplements, and (B) in respect of any of the Safety Management Certificate, ISSC, IAPPC and classification certificate, such document may be in provisional form (where applicable) or if such provisional form is not available on or prior to the Actual Delivery Date, in final draft form.

1.3 **Evidence of Buyers' title** Evidence satisfactory to the Buyers that any prior registration of the Vessel in the ownership of the Builder and any Encumbrance registered against that ownership have been cancelled (or written confirmation from the Builder that there was no such prior registration) and evidence that on the Actual Delivery Date the Vessel will be at least provisionally registered under the Flag State in the ownership of the Buyers.

2 **Other Authorisation** Such other Authorisation or other document, opinion or assurance which the Buyers reasonably consider to be necessary in connection with their entry into and performance of the transactions contemplated by any of the Transaction Documents or for the validity and enforceability thereof (including, without limitation in relation to or for the purposes of any financing by the Buyers).

3 **Fees** Evidence satisfactory to the Buyers that the fees, costs and expenses then due from the Sellers to the Buyers under Clauses 29 (*Taxes, costs and expenses*) and 30 (*Indemnities*) and fees, costs and expenses due from the Sellers (as charterers) to the Buyers (as owners) under clause 64 (*Fees and expenses*) under the Charter have been paid in accordance with the terms of such Clauses.

4 **Delivery under Sub-Charter or Time Charter** Evidence that the Vessel has been delivered to and accepted by the relevant Sub-Charterers or Time Charterer pursuant to the relevant Sub-Charter or Time Charter (as the case may be) (such evidence to be demonstrated by a protocol of delivery and acceptance duly executed by the Charterers and the relevant Sub-Charterers or Time Charterer or such other documentary evidence satisfactory to the Buyers).

5 **Log books etc.** True copies of all log books, classification certificates, plans, drawings, record books, instruction manuals and other requisite certificates as may be requested by the Buyers.

Part V – Conditions subsequent

The Sellers undertake to deliver or cause to be delivered to the Buyers the following documents and evidence within the relevant time period as specified below:

1 **Technical documents** To the extent that any certificate received by the Buyers and referred to in paragraph 1.2 of Part IV (*Delivery Date conditions precedent*) of this Schedule 1 was:

1.1 in final draft form at the time of the receipt, deliver or cause to be delivered to the Buyers the corresponding provisional certificate within three Business Days of the Actual Delivery Date, with the formal certificate to follow as soon as possible after the Sellers' receipt of the same from the relevant persons, and in any event prior to the expiry of the validity period of such provisional certificate;

1.2 in provisional form at the time of the receipt, deliver or cause to be delivered to the Buyers the corresponding formal certificate as soon as possible after the Sellers' receipt of the same from the relevant persons, and in any event prior to the expiry of the validity period of such provisional certificate.

2 **Evidence of Buyers' title** Within two days from the Actual Delivery Date, the certificate of registry and/or transcript of register (or other equivalent) issued by the registry of the ships of the Flag State confirming that the Vessel is definitively and permanently registered under that flag in the absolute and unencumbered ownership of the Buyers.

3 **Letters of undertaking** Within ten Business Days from the Actual Delivery Date:

3.1 letters of undertaking in respect of the Insurances as required by the Transaction Documents, together with copies of the relevant policies or cover notes or entry certificates in respect of the Insurances duly endorsed with the interest of the Buyers;

3.2 if applicable, the original of the insurance report referred to under paragraph 8.2 of Part III (*Pre-position conditions precedent*) of this Schedule 1.

4 **Registration of charges** Evidence that the prescribed particulars of the relevant Security Documents have been delivered to the relevant registry of companies within the statutory time limit.

Schedule 2

Form of Payment Notice

To: **Hai Kuo Shipping 1973T Limited**
c/o ICBC Financial Leasing Co., Ltd.
16-19/F, Building #5, Yuetan Centre
Yard 1, Yuetan South Street
Xicheng District, Beijing 100045
The People's Republic of China

From: **Huafeng Shipping Inc.**

20[●]

Dear Sirs

Hull No. JNS675 – memorandum of agreement dated (the "MOA")

1 We refer to the MOA. This is a Payment Notice.

2 Terms defined in the MOA shall have the same meaning in this Payment Notice unless given a different meaning in this Payment Notice.

3 Pursuant to clause 5.2 (*Completion of a Payment Notice*) of the MOA we irrevocably request that you advance US$[●], being the [First/Delivery] Instalment in respect of the Vessel, to us on _________ 20[●], which is a Business Day, by paying the advance in accordance with the MOA to the following account:

Beneficiary Bank:	[●]
Swift Code:	[●]
Account number:	[●]
Name on Account:	[●]

4 [The Scheduled Delivery Date is [●] and the Pre-Position Date is [●].]

5 We warrant that each condition specified in Clause 8.1.2 (*Initial and further conditions precedent*) is satisfied on the date of this Payment Notice.

Yours faithfully

For and on behalf of

Huafeng Shipping Inc.

....

Name:

Title:

In witness of which the parties to this Agreement have executed this Agreement the day and year first before written.

SELLERS

Signed for and on behalf of)
Huafeng Shipping Inc.)
by its lawfully appointed attorney)
Shum Yee Hong)
in the presence of:)

Witness signature: ....
Name: Kwok Wai Yu Rosanna
Address: 26/F, Yardley Commercial Building,
1-6 Connaught Road West,
Hong Kong

BUYERS

Signed for and on behalf of)
Hai Kuo Shipping 1973T Limited)
by its lawfully appointed attorney)
____________________)
in the presence of:)

Witness signature: ....
Name:
Address:

In witness of which the parties to this Agreement have executed this Agreement the day and year first before written.

SELLERS

Signed for and on behalf of)
Huafeng Shipping Inc.)
by its lawfully appointed attorney)
_____________________)
in the presence of:)

Witness signature: ....
Name:
Address:

BUYERS

Signed for and on behalf of)
Hai Kuo Shipping 1973T Limited)
by its lawfully appointed attorney)
Jiawen Sai)
in the presence of:)

Jiawen Sai

Witness signature: ....
Name: Yeung Sze Chuk
Address:

43/F, One Taikoo Place,
979 King's Road,
Quarry Bay, Hong Kong

BARECON 2017

BIMCO STANDARD FORM

STANDARD BAREBOAT CHARTER

PART 1

1. Place and date 28 July 2026	
2. Owners (Cl. 1) (i) Name: **Hai Kuo Shipping 1973T Limited** (ii) Place of registered office: **Room 1915, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong** (iii) Law of registry: **Hong Kong**	3. Charterers (Cl. 1) (i) Name: **Huafeng Shipping Inc.** (ii) Place of registered office: **Floor 19, Banco General Tower, Aquilino de la Guardia Street, Marbella, Panama City, Republic of Panama** (iii) Law of registry: **Panama**
4. Vessel (Cl. 1 and 3) (i) Name: **Hull number JNS675** (ii) IMO number: **TBA** (iii) Flag State: **(on Actual Delivery Date) Hong Kong** (iv) Type: **Bulk carrier**	(v) GT/NT: **as per Building Contract** ~~/~~ (vi) Summer DWT: **as per Building Contract** (vii) When/where built: **scheduled for 2028** / **Jiangmen Nanyang Ship Engineering Co., Ltd.** (viii) Classification Society: **Bureau Veritas**
5. Date of last special survey by the Vessel's Classification Society	6. Validity of class certificates (state number of months to apply) (i) Delivery (Cl. 3): (ii) Redelivery (Cl. 10):
7. Latent Defects (state number of months to apply) (Cl. 1, 3)	8. Port or place of delivery (Cl. 3) **As per MOA (as defined in Additional Clause 39 (Definitions))**
9. Delivery notices (Cl. 4) **N/A** ~~days' approximate notices and~~ ~~days' definite notices~~	10. Time for delivery (Cl. 4) **See Additional Clause 42 (Pre-delivery and delivery)**
11. Cancelling date (Cl. 4, 5) **N/A**	12. Port or place of redelivery (Cl. 10) **See Additional Clause 49 (Redelivery)**
13. Redelivery notices (Cl. 10) **N/A** ~~days' approximate notices and~~ ~~days' definite notices~~	14. Trading limits (Cl. 11) **Worldwide, always within International Navigating Limits, see also Additional Clause 54.40 (Trading limits)**

15. Bunker fuels, unused oils and greases (optional, state if (a) (actual net price), or (b) (current net market price) to apply) (Cl. 9)	16. Charter period (Cl. 2) **See Additional Clause 39 (Definitions)**
17. Charter hire ~~(state currency and amount) (Cl. 2, 10 and 15)~~ ~~(i) Charter hire:~~ **See Additional Clause 47 (Hire)** ~~(ii) Charter hire for optional period:~~	18. Optional period and notice (Cl. 2) (i) State extension period in months: (ii) State when declarable:
19. Rate of interest payable (Cl. 15(g)) **See Additional Clause 47.8 (Default interest)**	20. Owners' bank details (state beneficiary and bank account) (Cl. 15) **See Additional Clause 47 (Hire)**
21. New class and other regulatory requirements (Cl. 13(b)) (i) State if 13(b)(i) or (ii) to apply: **13(b)(i) applies. See also Additional Clause 46.2** (ii) Threshold amount (AMT): (iii) Vessel's expected remaining life in years on the date of delivery:	
22. Mortgage(s), if any (state if 16(a) or (b) to apply; if 16(b) applies state date of Financial Instrument and name of Mortgagee(s)/Place of business) (Cl. 1, 16) **Clause 16 (b) applies. Form of Financial Instrument and name of mortgagee to be determined.**	
23. Insured Total Loss value (Cl. 17) **N/A**	24. Insuring party (state if Cl. 17(b) (Charterers to insure) or Cl. 17(c) (Owners to insure) to apply) **See Additional Clause 48 (Insurance)**
25. Performance guarantee (state amount and entity) (Cl. 27) (optional) **See definition of "Charter Guarantee"**	
26. Dispute Resolution (state 33(a), 33(b), 33(c) or 33(d); if 33(c) is agreed, state Singapore or English law; if 33(d) is agreed, state governing law and place of arbitration) (Cl. 33) **(d) See Additional Clause 84 (Law and jurisdiction)**	
27. Newbuilding Vessel (indicate with "yes" or "no" whether PART III applies and if "yes", complete details below) (optional) Part III does not apply **No** (i) Name of Builders: (ii) Hull number: (iii) Date of newbuilding contract: (iv) Liquidated damages for physical defects or deficiencies (state party): (v) Liquidated damages for delay in delivery (state party):	

28. Purchase Option (indicate with "yes" or "no" whether PART IV applies) (optional) **Yes** See Additional Clause 61 (Early Termination, purchase option, purchase obligation and transfer of title)	29. Bareboat Charter Registry (indicate with "yes" or "no" whether PART V applies and if "yes", complete details below) (optional) Part V does not apply (i) Underlying Registry: (ii) Bareboat Charter Registry:
30. Notices to Owners (state full style details for serving notices) (Cl. 34) **See Additional Clause 76 (Notices)**	31. Notices to Charterers (state full style details for serving notices) (Cl. 34) **See Additional Clause 76 (Notices)**

It is mutually agreed that this Charter Party shall be performed subject to the conditions contained in this Charter Party which shall include PART I and PART II. In the event of a conflict of conditions, the provisions of PART I shall prevail over those of PART II to the extent of such conflict but no further. ~~It is further mutually agreed that PART III and/or PART IV and/or PART V shall only apply and only form part of this Charter Party if expressly agreed and stated in Box 27, 28 and 29. If PART III and/or PART IV and/or PART V applies, it is further agreed that in the event of a conflict of conditions, the provisions of PART I and PART II shall prevail over those of PART III and/or PART IV and/or PART V to the extent of such conflict but no further.~~

Additional Clauses 39 to 84 (both inclusive) form an integral part of this Charter Party. In the event of any inconsistency between any terms set out in clauses 1 to 38 of this Charter Party and any terms set out in the Additional Clauses (i.e., clauses 39 to 84) of this Charter Party, the terms of the Additional Clauses shall prevail.

~~Signature (Owners)~~	~~Signature (Charterers)~~

PART II

1. Definitions

In this Charter Party:

~~"Banking Day" means a day on which banks are open in the places stated in Boxes 2, 3, 30 and 31, and, for payments in US dollars, in New York.~~

"Charterers" means the party identified in Box 3.

"Crew" means the Master, officers and ratings and any other personnel employed on board the Vessel.

"Financial Instrument" means any Finance Document (as defined in Additional Clauses 39 (Definitions) and 40 (Interpretation).~~the mortgage, deed of covenant or other such financial security instrument as identified in Box 22.~~

"Flag State" means the flag state in Box 4 or such other flag state to which the Charterers may have re-registered the Vessel with the Owners' consent during the Charter Period.

"Latent Defect" means a defect which could not be discovered on such an examination as a reasonably careful skilled person would make.

"Owners" means the party identified in Box 2.

~~"Total Loss" means an actual, constructive, compromised or agreed total loss of the Vessel under the insurances.~~

~~"Vessel" means the vessel described in Box 4 including its equipment, machinery, boilers, fixtures and fittings.~~

2. Charter Period

The Owners have agreed to let and the Charterers have agreed to hire the Vessel for the ~~period stated in Box 16 ("Charter Period").~~Charter Period.

~~The Charterers shall have the option to extend the Charter Period by the period stated in Box 18(i) at the rate stated in Box 17(ii), which option shall be exercised by written notice to the Owners latest as stated in Box 18(ii).~~

Subject to the terms and conditions herein provided, during the Charter Period the Vessel shall be in the full possession and at the absolute disposal for all purposes of the Charterers and under their complete control in every respect.

3. Delivery - See Additional Clause 42 (Predelivery and delivery)

~~(not applicable when Part III applies, as stated in Box 27).~~

~~(a) The Owners shall deliver the Vessel in a seaworthy condition and in every respect ready for service under this Charter Party and in accordance with the particulars stated in Boxes 4 to 6.~~

~~If the Charterers have inspected the Vessel prior to delivery, the Vessel shall be delivered by the Owners in the same condition as at the time of inspection, fair wear and tear excepted.~~

~~The Vessel shall be delivered by the Owners and taken over by the Charterers at the port or place stated in Box 8 at such readily accessible safe berth or mooring as the Charterers may direct.~~

~~(b) The Vessel shall be properly documented on delivery in accordance with the laws and regulations of the Flag State and the requirements of the Classification Society stated in Box 4. The Vessel upon delivery shall have its survey cycles up to date and class certificates valid and unextended for at least the number of months stated in Box 6(i) free of any conditions or recommendations. If Box 6(i) is not filled in, then six (6) months shall apply.~~

~~(c) The delivery of the Vessel by the Owners and the taking over of the Vessel by the Charterers shall constitute a full performance by the Owners of all the Owners' obligations under this Clause, and thereafter the Charterers shall not be entitled to make or assert any claim against the Owners on account of any conditions, representations or warranties expressed or implied with respect to the Vessel but the Owners shall be liable for the cost of but not the time for repairs or renewals arising out of Latent Defects in the Vessel existing at the time of delivery under this Charter Party,~~

~~provided such Latent Defects manifest themselves within the number of months after delivery stated in Box 7. If Box 7 is not filled in, then twelve (12) months shall apply.~~

4. Time for Delivery **- See Additional Clause 42 (Pre-delivery and delivery)**

~~(not applicable when Part III applies, as stated in Box 27)~~

~~The Vessel shall not be delivered before the date stated in Box 10 without the Charterers' consent and the Owners shall exercise due diligence to deliver the Vessel not later than the date stated in Box 11.~~

~~The Owners shall keep the Charterers informed of the Vessel's itinerary for the voyage leading up to delivery and shall serve the Charterers with the number of days approximate/definite notices of the Vessel's delivery stated in Box 9. Following the tender of any such notices the Owners shall give or allow to be given to the Vessel only such further employment orders as are reasonably expected when given to allow delivery to occur by the date notified.~~

5. Cancelling **- See Additional Clause 41 (MOA)**

~~(not applicable when Part III applies, as stated in Box 27)~~

~~(a) Should the Vessel not be delivered by the cancelling date stated in Box 11, the Charterers shall have the option of cancelling this Charter Party.~~

~~(b) If it appears that the Vessel will be delayed beyond the cancelling date, the Owners may, as soon as they are in a position to state with reasonable certainty the day on which the Vessel should be ready, give notice thereof to the Charterers asking whether they will exercise their option of cancelling, and the option must then be declared within three (3) Banking Days of the receipt by the Charterers of such notice. If the Charterers do not then exercise their option of cancelling, the readiness date stated in the Owners' notice shall be substituted for the cancelling date stated in Box 11 for the purpose of this Clause 5 (Cancelling).~~

~~(c) Cancellation under this Clause 5 (Cancelling) shall be without prejudice to any claim the Charterers may otherwise have against the Owners under this Charter Party.~~

6. Familiarisation

~~(a) The Charterers shall have the right to place a maximum of two (2) representatives on board the Vessel at their sole risk and expense for a reasonable period prior to the delivery of the Vessel.~~

~~The Charterers and the Charterers' representatives shall sign the Owners' usual letter of indemnity prior to embarkation.~~

~~(b) The Owners shall have the right to place a maximum of two (2) representatives on board the Vessel at their sole risk and expense for a reasonable period prior to the redelivery of the Vessel~~.

~~The Owners and the Owners' representatives shall sign the Charterers' usual letter of indemnity prior to embarkation.~~

~~(c) Such representatives shall be on board for the purpose of familiarisation and in the capacity of observers only, and they shall not interfere in any respect with the operation of the Vessel.~~

7. Surveys on Delivery and Redelivery

~~(a) The Owners and Charterers shall each appoint and pay for their respective surveyors for the purpose of determining and agreeing in writing the condition of the Vessel at the time of delivery and redelivery hereunder. The Owners shall bear all the Vessel's expenses related to the on-hire survey including loss of time, if any. The Charterers shall bear all the Vessel's expenses related to the off-hire survey including loss of time, if any.~~

~~(b) Divers inspection on delivery/re-delivery~~

~~The Charterers shall have the option at delivery and the Owners shall have the option at redelivery, at their respective time, cost and expense, to arrange for an underwater inspection by a diver approved by the Classification Society, in~~

~~the presence of a Classification Society surveyor, to determine the condition of the rudder, propeller, bottom and other underwater parts of the Vessel.~~

8. Inventories

A complete inventory of the Vessel's equipment, outfit, spare parts and consumable stores on board the Vessel shall be made by the parties on delivery and redelivery of the Vessel.

9. Bunker fuels, oils and greases **- See Additional Clause 44 (Bunkers and luboils)**

~~The Charterers and the Owners, respectively, shall at the time of delivery and redelivery take over and pay for all bunker fuels and unused lubricating and hydraulic oils and greases in storage tanks and unopened drums at:~~

~~(a)* The actual price paid (excluding barging expenses) as evidenced by invoices or vouchers.~~

~~(b)* The current market price (excluding barging expenses) at the port and date of delivery/redelivery of the Vessel or, if unavailable, at the nearest bunkering port.~~

~~*Subclauses (a) and (b) are alternatives; state alternative agreed in Box 15. If Box 15 is not filled in, then subclause (a) shall apply.~~

10. Redelivery **- See Additional Clauses 49 (Redelivery) and 50 (Redelivery conditions)**

~~At the expiration of the Charter Period the Vessel shall be redelivered by the Charterers and taken over by the Owners at the port or place stated in Box 12 at such readily accessible safe berth or mooring as the Owners may direct.~~

~~The Charterers shall keep the Owners informed of the Vessel's itinerary for the voyage leading up to redelivery and shall serve the Owners with the number of days approximate/definite notices of the Vessel's redelivery stated in Box 13.~~

~~The Charterers warrant that they will not permit the Vessel to commence a voyage (including any preceding ballast voyage) which cannot reasonably be expected to be completed in time to allow redelivery of the Vessel within the Charter Period and in accordance with the notices given. Notwithstanding the above, should the Charterers fail to redeliver the Vessel within the Charter Period, the Charterers shall pay the daily equivalent to the rate of hire stated in Box 17(i) applicable at the time plus ten (10) per cent or the market rate, whichever is the higher, for the number of days by which the Charter Period is exceeded. Such payment of the enhanced hire rate shall be without prejudice to any claims the Owners may have against the Charterers in this respect. All other terms, conditions and provisions of this Charter Party shall continue to apply.~~

~~Subject to the provisions of Clause 13 (Maintenance and Operation), the Vessel shall be redelivered to the Owners in the same condition and class as that in which it was delivered, fair wear and tear not affecting class excepted.~~

~~The Vessel upon redelivery shall have her survey cycles up to date and class certificates valid and unextended for at least the number of months agreed in Box 6(ii) free of any conditions or recommendations. If Box 6(ii) is not filled in, then six (6) months shall apply.~~

~~All plans, drawings and manuals (excluding ISM/ISPS manuals) and maintenance records shall remain on board and accessible to the Owners upon redelivery. Any other technical documentation regarding the Vessel which may be in the Charterers' possession shall promptly after redelivery be forwarded to the Owners at their expense, if they so request. The Charterers may keep the Vessel's log books but the Owners shall have the right to make copies of the same.~~

11. Trading Restrictions

The Vessel shall be employed in lawful trades for the carriage of lawful merchandise within the trading limits stated in Box 14.

The Charterers undertake not to employ the Vessel or allow the Vessel to be employed otherwise than in conformity with the terms of the contracts of insurance (including any warranties expressed or implied therein) without first obtaining the consent of the insurers to such employment and complying with such requirements as to additional premium or otherwise as the insurers may require.

The Charterers will not do or permit to be done anything which might cause any breach or infringement of the laws and regulations of the Flag State, or of the places where the Vessel trades.

Notwithstanding any other provisions contained in this Charter Party it is agreed that nuclear fuels or radioactive products or waste are specifically excluded from the cargo permitted to be loaded or carried under this Charter Party. This exclusion does not apply to radio-isotopes used or intended to be used for any industrial, commercial, agricultural, medical or scientific purposes provided the Owners' prior approval has been obtained to loading thereof. See also Additional Clause 54.40 (Trading limits).

12. Contracts of Carriage

(a) The Charterers are to procure that all documents issued during the ~~Charter Period~~Agreement Term evidencing the terms and conditions agreed in respect of carriage of goods shall contain a paramount clause which shall incorporate the Hague-Visby Rules, the Hague Rules or the Hamburg Rules unless any other legislation relating to carrier's liability for cargo is compulsorily applicable in the trade. The documents shall also contain the New Jason Clause and the Both-to-Blame Collision Clause.

~~(b) The Charterers are to procure that all passenger tickets issued during the Charter Period for the carriage of passengers and their luggage under this Charter Party shall contain a paramount clause which shall incorporate the Athens Convention Relating to the Carriage of Passengers and their Luggage by Sea, 1974, and any protocol thereto, unless any other legislation relating to carrier's liability for passengers and their luggage is compulsorily applicable in the trade.~~

13. Maintenance and Operation

(a) Maintenance

The Charterers shall properly maintain the Vessel in a good state of repair, in efficient operating condition and in accordance with good commercial maintenance practice and, at their own expense, maintain the Vessel's Class with the Classification Society stated in Box 4 and all necessary certificates.

(b) New Class and Other Regulatory Requirements

(i)* In the event of any structural changes or new equipment becoming necessary for the continued operation of the Vessel by reason of new class requirements or by compulsory legislation ("Required Modification"), all such costs shall be for the Charterers' account.

~~(ii)* In the event of any structural changes or new equipment becoming necessary for the continued operation of the Vessel by reason of a Required Modification, the costs shall be apportioned as follows:~~

~~(1) if the costs of the Required Modification are less than the amount stated in Box 21(ii), such costs shall be for the Charterers' account;~~

~~(2) if the costs of the Required Modification are greater than the amount stated in Box 21(ii), the Charterers' portion of costs shall be apportioned using the formula below; all costs other than the Charterers' portion shall be for the Owners' account.~~

~~AMT = agreed amount stated in Box 21(ii)~~

~~CRM = cost of Required Modification~~

~~MEL = modification's expected life in years~~

~~VEL = the Vessel's expected remaining life in years stated in Box 21(iii) less the number of years between the date of delivery and the date of the modification.~~

~~RPY = remaining charter period in years~~

~~(i) If the Required Modification is expected to last for the remaining life of the Vessel, then:~~

~~Charterers' portion of costs = (CRM/VEL) x RPY~~

~~(ii) If the Required Modification is not expected to last for the remaining life of the Vessel, then:~~

~~Charterers' portion of costs = (CRM/MEL) x RPY~~

~~*Subclauses 13(b)(i) and 13(b)(ii) are alternatives, state alternative agreed in Box 21(i). If Box 21(i) is not filled in, then subclause 13(b)(i) shall apply.~~

(c) Financial Security

The Charterers shall maintain financial security or responsibility in respect of third party liabilities as required by any government, including federal, state or municipal or other division or authority thereof, to enable the Vessel, without penalty or charge, lawfully to enter, remain at, or leave any relevant port, place, territorial or contiguous waters of any country, state or municipality in performance of this Charter Party without any delay. This obligation shall apply whether or not such requirements have been lawfully imposed by such government or division or authority thereof. The Charterers shall make and maintain all arrangements by bond or otherwise as may be necessary to satisfy such requirements at the Charterers' sole expense and the Charterers shall indemnify the Owners against all consequences whatsoever (including loss of time) for any failure or inability to do so.

(d) Operation of the Vessel

The Charterers shall at their own expense crew, victual, navigate, operate, supply, fuel, maintain and repair the Vessel during the ~~Charter Period~~Agreement Term and they shall be responsible for all costs and expenses whatsoever relating to their use and operation of the Vessel, including any taxes and fees. The Crew shall be the servants of the Charterers for all purposes whatsoever, even if for any reason appointed by the Owners.

(e) Information to Owners

The Charterers shall keep the Owners advised of the intended employment, planned dry-docking and major repairs of the Vessel, as reasonably required by the Owners. See also Additional Clause 54.4.11

(f) Flag and Name of Vessel - See Additional Clause 60 (Name of Vessel)

~~During the Charter Period, the Charterers shall have the liberty to paint the Vessel in their own colours, install and display their funnel insignia and fly their own house flag. The Charterers shall also have the liberty, with the Owners' prior written consent, which shall not be unreasonably withheld, to change the flag and/or the name of the Vessel during the Charter Period. Painting and re-painting, instalment and re-instalment, registration and re-registration, if required by the Owners, shall be at the Charterers' expense and time.~~

(g) Changes to the Vessel - See Additional Clause 46 (Structural changes and alternations)

~~Subject to subclause 13(b) (New Class and Other Regulatory Requirements), the Charterers shall make no structural or substantial changes to the Vessel without the Owners' prior written approval. If the Owners agree to such changes, the Charterers shall, if the Owners so require, restore the Vessel, prior to redelivery of the Vessel, to its former condition.~~

(h) Use of the Vessel's Outfit and Equipment

The Charterers shall have the use of all outfit, equipment and spare parts on board the Vessel at the time of delivery, provided the same or their substantial equivalent shall be returned to the Owners on redelivery in the same good order and condition as on delivery as per the inventory (see Clause 8 (Inventories)), ordinary wear and tear excepted. The Charterers shall from time to time during the Charter Period replace such equipment that become unfit for use. The Charterers shall procure that all repairs to or replacement of any damaged, worn or lost parts or equipment will be effected in such manner (both as regards workmanship and quality of materials, including spare parts) as not to diminish the value of the Vessel.

The Charterers have the right to fit additional equipment at their expense and risk but title to such additional equipment shall be deemed to have passed to the Owners immediately upon such titling, and the Charterers shall remove such equipment at the end of the Charter Period if requested by the Owners. Any hired equipment on board the Vessel at the time of delivery shall be kept and maintained by the Charterers and the Charterers shall assume the obligations and liabilities of the Owners under any lease contracts in connection therewith and shall reimburse the Owners for all expenses incurred in connection therewith, also for any new hired equipment required in order to comply with any regulations.

(i) Periodical Dry-Docking

The Charterers shall dry-dock the Vessel and clean and paint her underwater parts whenever the same may be necessary, but not less than once every sixty (60) calendar months or such other period as may be required by the Classification Society or Flag State.

14. Inspection during the Charter Period - See also Additional Clause 54.33

~~The Owners shall have the right at any time after giving reasonable notice to the Charterers to inspect the Vessel or instruct a duly authorised surveyor to carry out such inspection on their behalf to ascertain its condition and satisfy themselves that the Vessel is being properly repaired and maintained or for any other commercial reason they consider necessary (provided it does not unduly interfere with the commercial operation of the Vessel).~~

~~The fees for such inspections shall be paid for by the Owners. All time used in respect of inspection shall be for the Charterers' account and form part of the Charter Period.~~

The Charterers shall also permit the Owners to inspect the Vessel's class records, log books, certificates, maintenance and other records whenever requested and shall whenever required by the Owners furnish them with full information regarding any casualties or other accidents or damage to the Vessel.

15. Hire - See Additional Clause 47 (Hire)

~~(a) The Charterers shall pay hire due to the Owners punctually in accordance with the terms of this Charter Party.~~

~~(b) The Charterers shall pay to the Owners for the hire of the Vessel a lump sum in the amount stated in Box 17(i) which shall be payable not later than every thirty (30) running days in advance, the first lump sum being payable on the date and hour of the Vessel's delivery to the Charterers. Hire shall be paid continuously throughout the Charter Period.~~

~~(c) Payment of hire shall be made to the Owners' bank account stated in Box 20.~~

~~(d) All payments of Charter Hire and any other payments due under this Charter shall be made without any set off whatsoever and free and clear of any withholding or deduction for, or on account of, any present or future income, freight, stamp or other taxes, levies, imposts, duties, fees, charges, restrictions or conditions of any nature. If the Charterers are required by any authority in any country to make any withholding or deduction from any such payment, the sum due from the Charterers in respect of such payment will be increased to the extent necessary to ensure that, after the making of such withholding or deduction the Owners receive a net sum equal to the amount which it would have received had no such deduction or withholding been required to be made.~~

~~(e) If the Charterers fail to make punctual payment of hire due, the Owners shall give the Charterers three (3) Banking Days written notice to rectify the failure, and when so rectified within those three (3) Banking Days following the Owners' notice, the payment shall stand as punctual.~~

~~Failure by the Charterers to pay hire due in full within three (3) Banking Days of their receiving a notice from Owners shall entitle the Owners, without prejudice to any other rights or claims the Owners may have against the Charterers, to terminate this Charter Party at any time thereafter, as long as hire remains outstanding.~~

~~(f) If the Owners choose not to exercise any of the rights afforded to them by this Clause in respect of any particular late payment of hire, or a series of late payments of hire, under the Charter Party, this shall not be construed as a waiver of their right to terminate the Charter Party.~~

~~(g) Any delay in payment of hire shall entitle the Owners to interest at the rate per annum as agreed in Box 19. If Box 19 has not been filled in, the one month Interbank offered rate in London (LIBOR or its successor) for the currency stated in Box 17, as quoted on the date when the hire fell due, increased by three (3) per cent, shall apply.~~

~~(h) Payment of interest due under subclause 15(g) shall be made within seven (7) running days of the date of the Owners' invoice specifying the amount payable or, in the absence of an invoice, at the time of the next hire payment date.~~

~~(i) Final payment of hire, if for a period of less than thirty (30) running days, shall be calculated proportionally according to the number of days and hours remaining before redelivery and advance payment to be effected accordingly.~~

16. Mortgage - See Additional Clauses 52 (Owners' mortgage and Charterers' quiet enjoyment) and 54.16 (Further assurance)

~~(only to apply if Box 22 has been appropriately filled in)~~

~~(a)* The Owners warrant that they have not effected any mortgage(s) of the Vessel and that they shall not effect any mortgage(s) without the prior consent of the Charterers, which shall not be unreasonably withheld.~~

(b)* The Vessel chartered under this Charter Party ~~is~~may be financed by a mortgage according to the Financial Instrument. The Charterers undertake to comply, and provide such information and documents to enable the Owners to comply, with all such instructions or directions in regard to the employment, insurances, operation, repairs and maintenance of the Vessel as laid down in the Financial Instrument or as may be directed from time to time during the currency of the Charter Party by the mortgagee(s) in conformity with the Financial Instrument, including the display or posting of such notices as the Mortgagees may require. The Charterers confirm that, for this purpose, they ~~have acquainted~~will, once such Financial Instrument is available, acquaint themselves with all relevant terms, conditions and provisions of the Financial Instrument and agree to acknowledge this in writing in any form that may be required by the mortgagee(s). ~~The Owners warrant that they have not effected any mortgage(s) other than stated in Box 22 and that they shall not agree to any amendment of the mortgage(s) referred to in Box 22 or effect any other mortgage(s) without the prior consent of the Charterers, which shall not be unreasonably withheld.~~

~~*(Optional, Subclauses 16(a) and 16(b) are alternatives; indicate alternative agreed in Box 22).~~

17. Insurance - See Additional Clause 48 (Insurance)

~~(a) General~~

~~(i) The value of the Vessel for hull and machinery (including increased value) and war risks insurance is the sum stated in Box 23, or such other sum as the parties may from time to time agree in writing. The party insuring the Vessel shall do so on such terms and conditions and with such insurers as the other party shall approve in writing, which approval shall not be unreasonably withheld, and shall name the other party as co-assured.~~

~~(ii) Notwithstanding that the parties are co-assured, these insurance provisions shall neither exclude nor discharge liability between the Owners and the Charterers under this Charter Party, but are intended to secure payment of the loss insurance proceeds as a first resort to make good the Owners' loss. If such payment is made to the Owners it shall be treated as satisfaction (but not exclusion or discharge) of the Charterers' liability towards the Owners. For the avoidance of doubt, such payment is no bar to a claim by the Owners and/or their insurers against the Charterers to seek indemnity by way of subrogation.~~

~~(iii) Nothing herein shall prejudice any rights of recovery of the Owners or the Charterers (or their insurers) against third parties.~~

~~(b)* Charterers to Insure~~

~~(i) During the Charter Period the Vessel shall be kept insured by the Charterers at their expense against hull and machinery, war, and protection and indemnity risks (and any risks against which it is compulsory to insure for the operation of the Vessel, including maintaining financial security in accordance with subclause 13(c) (Financial Security)).~~

~~(ii) Such insurances shall be arranged by the Charterers to protect the interests of the Owners and the Charterers and the mortgagee(s) (if any), and the Charterers shall be at liberty to protect under such insurances the interests of any managers they may appoint.~~

~~(iii) The Charterers shall upon the request of the Owners, provide information and promptly execute such documents as may be required to enable the Owners to comply with the insurance provisions of the Financial Instrument.~~

~~(c)* Owners to Insure~~

~~(i) During the Charter Period the Vessel shall be kept insured by the Owners at their expense against hull and machinery and war risks. The Charterers shall progress claims for recovery against any third parties for the benefit of the Owners' and the Charterers' respective interests.~~

~~(ii) During the Charter Period the Vessel shall be kept insured by the Charterers at their expense against Protection and Indemnity risks (and any risks against which it is compulsory to insure for the operation of the Vessel, including maintaining financial security in accordance with subclause 13(c) (Financial Security)).~~

~~(iii) In the event that any act or negligence of the Charterers prejudices any of the insurances herein provided, the Charterers shall pay to the Owners all losses and indemnify the Owners against all claims and demands which would otherwise have been covered by such insurances.~~

~~*Subclauses 17(b) and 17(c) are alternatives, state alternative agreed in Box 24. If Box 24 is not filled in, then subclause 17(b) (Charterers to Insure) shall apply.~~

18. Repairs **- See Additional Clause 48 (Insurance)**

~~(a) Subject to the provisions of any Financial Instrument, and the approval of the Owners, the Charterers shall effect all insured repairs, and undertake settlement of all miscellaneous expenses in connection with such repairs as well as all insured charges, expenses and liabilities.~~

~~To the extent of coverage under the insurances provided for under the provisions of subclause 17(c) (Owners to Insure), the Charterers shall be reimbursed under the Owners' insurances for such expenditures upon presentation of accounts.~~

~~(b) The Charterers shall remain responsible for and effect repairs and settlement of costs and expenses incurred thereby in respect of all repairs not covered by the insurances and/or not exceeding any deductibles provided for in the insurances.~~

~~(c) All time used for repairs under the provisions of subclauses 18(a) and 18(b) and for repairs of Latent Defects according to Clause 3 (Delivery) above, including any deviation, shall be for the Charterers' account and shall form part of the Charter Period.~~

19. Total loss **- See Additional Clause 62 (Total Loss)**

~~(a) The Charterers shall be liable to the Owners by way of damages if the Vessel becomes a Total Loss. Subject to the provisions of any Financial Instrument, if the Vessel becomes a Total Loss, all insurance payments for such loss shall be paid to the Owners who shall distribute the monies between the Owners and the Charterers according to their respective interests, which shall satisfy (but not exclude or discharge) the Charterers' liability to the Owners thereof. The Charterers undertake to notify the Owners and the mortgagee(s), if any, of any occurrences in consequence of which the Vessel is likely to become a Total Loss.~~

~~(b) Notwithstanding any other clause herein, it is recognised that the Charterers have a continuing obligation to protect and preserve the Vessel as an asset of the Owners. The Charterers shall have a continuing duty after the termination of the Charter Party to preserve and present claims on behalf of Owners and Charterers and/or any subrogated insurers against any third party held responsible for the Total Loss during the Charter Period and account for any recovery achieved.~~

~~(c) The Owners or the Charterers, as the case may be, shall upon the request of the other party, promptly execute such documents as may be required to enable the other party to abandon the Vessel to the insurers and claim a constructive total loss.~~

20. Lien

The Owners shall have a lien upon all cargoes, hires and freights (including deadfreight and demurrage) belonging or due to the Charterers or any sub-charterers, for any amounts due under this Charter Party. ~~and the Charterers shall have a lien on the Vessel for all monies paid in advance and not earned.~~

21. Non-Lien

The Charterers will not suffer, nor permit to be continued, any lien or encumbrance incurred by them or their agents, which might have priority over the title and interest of the Owners in the Vessel. The Charterers further agree to fasten to the Vessel in a conspicuous place and to keep so fastened during the Charter Period a notice reading as follows: "This Vessel is the property of (name of Owners). It is under charter to (name of Charterers) and by the terms of the Charter Party neither the Charterers nor the Master have any right, power or authority to create, incur or permit to be imposed on the Vessel any lien whatsoever.

22. Indemnity - See also Additional Clause 66 (Further indemnities)

(a) The Charterers shall indemnify the Owners against any loss, damage or expense (including, without limitation, legal expenses) arising out of or in relation to a breach of this Charter Party and/or the operation of the Vessel by the Charterers, and against any lien of whatsoever nature arising out of an event occurring during the ~~Charter Period~~Agreement Term. This shall include indemnity for any loss, damage or expense arising out of or in relation to any international convention which may impose liability upon the Owners.

(b) Without prejudice to the generality of the foregoing, the Charterers agree to indemnify the Owners against all consequences or liabilities arising from the Master, officers or agents signing bills of lading or other documents.

(c) If the Vessel is arrested or otherwise detained for any reason whatsoever other than those covered in subclause (d), the Charterers shall at their own expense ~~take all reasonable steps to~~ secure that within a reasonable time the Vessel is released, including the provision of bail.

(d) If the Vessel is arrested or otherwise detained by reason of a claim or claims against the Owners, the Owners shall at their own expense take all reasonable steps to secure that within a reasonable time the Vessel is released, including the provision of bail.

In such circumstances the Owners shall indemnify the Charterers against any loss, damage or expense incurred by the Charterers (including hire paid under this Charter Party) as a direct consequence of such arrest or detention.

23. Salvage

All salvage and towage performed by the Vessel shall subject to the Security Documents, be for the Charterers' benefit and the cost of repairing damage occasioned thereby shall be borne by the Charterers.

24. Wreck Removal

If the Vessel becomes a wreck, or any part of the Vessel is lost or abandoned, and is an obstruction to navigation or poses a hazard and has to be raised, removed, destroyed, marked or lit by order of any lawful authority having jurisdiction over the area or as a result of any applicable law, the Charterers shall be liable for any and all expenses in connection with the raising, removal, destruction, lighting or marking of the Vessel and shall indemnify the Owners against any sums whatsoever, which the Owners become liable to pay as a consequence.

25. General Average

The Owners shall not contribute to General Average.

26. Assignment, Novation, Sub-Charter and Sale - See Additional Clause 59 (Sub-chartering and assignment)

~~(a) The Charterers shall not assign or novate this Charter Party nor sub-charter the Vessel on a bareboat basis except with the prior consent in writing of the Owners, which shall not be unreasonably withheld, and subject to such terms and conditions as the Owners shall approve.~~

~~(b) The Owners shall not sell the Vessel during the currency of this Charter Party except with the prior written consent of the Charterers, which shall not be unreasonably withheld, and subject to the buyer accepting a novation of this Charter Party.~~

~~(c) The Owners shall be entitled to assign their rights under this Charter Party.~~

27. Performance Guarantee

(Optional, to apply only if Box 25 filled in)

The Charterers undertake to furnish, before delivery of the Vessel, a guarantee or bond in the amount of and from the entity stated in Box 25 in a form acceptable to the Owners as guarantee for full performance of their obligations under this Charter Party.

28. Anti-Corruption - See Additional Clause 54.39 (Anti-Bribery Laws)

~~(a) The parties agree that in connection with the performance of this Charter Party they shall each:~~

~~(i) comply at all times with all applicable anti-corruption legislation and have procedures in place that are, to the best of its knowledge and belief, designed to prevent the commission of any offence under such legislation by any member of its organisation and/or by any person providing services for it or on its behalf; and~~

~~(ii) make and keep books, records, and accounts which in reasonable detail accurately and fairly reflect the transactions in connection with this Charter Party.~~

~~(b) If either party fails to comply with any applicable anti-corruption legislation, it shall defend and indemnify the other party against any fine, penalty, liability, loss or damage and for any related costs (including, without limitation, court costs and legal fees) arising from such breach.~~

~~(c) Without prejudice to any of its other rights under this Charter Party, either party may terminate this Charter Party without incurring any liability to the other party if:~~

~~(i) at any time the other party or any member of its organisation has committed a breach of any applicable anti-corruption legislation in connection with this Charter Party; and~~

~~(ii) such breach causes the non-breaching party to be in breach of any applicable anti-corruption legislation.~~

~~Any such right to terminate must be exercised without undue delay.~~

~~(d) Each party represents and warrants that in connection with the negotiation of this Charter Party neither it nor any member of its organisation has committed any breach of applicable anti-corruption legislation. Breach of this subclause (d) shall entitle the other party to terminate the Charter Party without incurring any liability to the other.~~

29. Sanctions and Designated Entities - See Additional Clause 54.10 (Sanctions)

~~(a) The provisions of this clause shall apply in relation to any sanction, prohibition or restriction imposed on any specified persons, entities or bodies including the designation of specified vessels or fleets under United Nations Resolutions or trade or economic sanctions, laws or regulations of the European Union or the United States of America.~~

~~(b) The Owners and the Charterers respectively warrant for themselves (and in the case of any sub-charter, the Charterers further warrant in respect of any sub-charterers, shippers, receivers, or cargo interests) that at the date of this fixture and throughout the duration of this Charter Party they are not subject to any of the sanctions, prohibitions, restrictions or designation referred to in subclause (a) which prohibit or render unlawful any performance under this Charter Party. The Owners further warrant that the Vessel is not a designated vessel.~~

~~(c) If at any time during the performance of this Charter Party either party becomes aware that the other party is in breach of warranty in this Clause, the party not in breach shall comply with the laws and regulations of any Government to~~

~~which that party or the Vessel is subject, and follow any orders or directions which may be given by any body acting with powers to compel compliance, including where applicable the Owners' Flag State. In the absence of any such orders, directions, laws or regulations, the party not in breach may, in its option, terminate the Charter Party forthwith in accordance with Clause 31 (Termination).~~

~~(d) If, in compliance with the provisions of this Clause, anything is done or is not done, such shall not be deemed a deviation but shall be considered due fulfilment of this Charter Party.~~

~~(e) Notwithstanding anything in this Clause to the contrary, the Owners or the Charterers shall not be required to do anything which constitutes a violation of the laws and regulations of any State to which either of them is subject.~~

~~(f) The Owners or the Charterers shall be liable to indemnify the other party against any and all claims, losses, damage, costs and fines whatsoever suffered by the other party resulting from any breach of warranty in this Clause.~~

30. Requisition/Acquisition

(a) In the event of the requisition for hire of the Vessel by any governmental or other competent authority at any time during the ~~Charter Period~~Agreement Term, this Charter Party shall not be deemed to be frustrated or otherwise terminated. The Charterers shall continue to pay hire according to the Charter Party until the time when the Charter Party would have expired or terminated pursuant to any of the provisions hereof. However, if any requisition hire or compensation is received by the Owners for the remainder of the ~~Charter Period~~Agreement Term or the period of the requisition, whichever is shorter, it shall be payable by the Owners to the Charterers unless any amount is due and payable by the Charterers under this Charter Party.

~~(b) In the event of the Owners being deprived of their ownership in the Vessel by any compulsory acquisition of the Vessel or requisition for title by any governmental or other competent authority (hereinafter referred to as "Compulsory Acquisition"), then, irrespective of the date during the Charter Period when Compulsory Acquisition may occur, this Charter Party shall be deemed terminated as of the date of such Compulsory Acquisition. In such event hire to be considered as earned and to be paid up to the date and time of such Compulsory Acquisition. The Owners shall be entitled to any compensation received for such Compulsory Acquisition.~~

31. Termination - See Additional Clauses 58 (Termination Events), 61 (Early Termination, purchase option, purchase obligation and transfer of title) and 62 (Total Loss)

~~(a) Charterers' Default~~

~~The Owners shall be entitled to terminate this Charter Party by written notice to the Charterers under the following circumstances and to claim damages including, but not limited to, for the loss of the remainder of the Charter Party:~~

~~(i) Non-payment of hire (see Clause 15 (Hire)).~~

~~(ii) Charterers' failure to comply with the requirements of:~~

~~(1) Clause 11 (Trading Restrictions); or~~

~~(2) Subclause 17(b) (Charterers to Insure).~~

~~(iii) The Charterers do not rectify any failure to comply with the requirements of subclause 13(a) (Maintenance) as soon as practically possible after the Owners have notified them to do so and in any event so that the Vessel's insurance cover is not prejudiced.~~

~~(b) Owners' Default~~

~~The Charterers shall be entitled to terminate this Charter Party with immediate effect by written notice to the Owners and to claim damages including, but not limited to, for the loss of the remainder of the Charter Party:~~

~~(i) If the Owners shall by any act or omission be in breach of their obligations under this Charter Party to the extent that the Charterers are deprived of the use of the Vessel and such breach continues for a period of fourteen (14) running days after written notice thereof has been given by the Charterers to the Owners; or~~

~~(ii) if the Owners fail to arrange or maintain the insurances in accordance with subclause 17(c) (Owners to Insure).~~

~~(c)~~ ~~Loss of Vessel~~

~~This Charter Party shall be deemed to be terminated, without prejudice to any accrued rights or obligations, if the Vessel becomes lost either when it has become an actual total loss or agreement has been reached with the Vessel's underwriters in respect of its constructive total loss or if such agreement with the Vessel's underwriters is not reached it is adjudged by a competent tribunal that a constructive loss of the Vessel has occurred, or has been declared missing. The date upon which the Vessel is to be treated as declared missing shall be ten (10) days after the Vessel was last reported or when the Vessel is recorded as missing by the Vessel's underwriters, whichever occurs first.~~

~~(d)~~ ~~Bankruptcy~~

~~Either party shall be entitled to terminate this Charter Party with immediate effect by written notice to the other party if that other party has a petition presented for its winding up or administration or any other action is taken with a view to its winding up (otherwise than for the purpose of solvent reconstruction or amalgamation), or becomes bankrupt or commits an act of bankruptcy, or makes any arrangement or composition for the benefit of creditors, or has a receiver or manager or administrative receiver or administrator or liquidator appointed in respect of any of its assets, or suspends payments, or anything analogous to any of the foregoing under the law of any jurisdiction happens to it, or ceases or threatens to cease to carry on business.~~

~~(e)~~ ~~The termination of this Charter Party shall be without prejudice to all rights accrued due between the parties prior to the date of termination and to any claim that either party might have.~~

32. Repossession

In the event of the early termination of this Charter Party in accordance with the applicable provisions of this Charter Party, the Owners shall have the right to repossess the Vessel from the Charterers at its current or next port of call, or at a port or place convenient to them without hindrance or interference by the Charterers, courts or local authorities. Pending physical repossession of the Vessel, the Charterers shall hold the Vessel as gratuitous bailee only to the Owners and the Charterers shall procure that the master and crew follow the orders and directions of the Owners. ~~The Owners shall arrange for an authorised representative to board the Vessel as soon as reasonably practicable following the termination of this Charter Party.~~ The Vessel shall be deemed to be repossessed by the Owners from the Charterers upon the boarding of the Vessel by the Owners' representative. All arrangements and expenses relating to the settling of wages, disembarkation and repatriation of the Crew shall be the sole responsibility of the Charterers.

33. BIMCO Dispute Resolution Clause 2017 - See Additional Clause 84 (Law and jurisdiction)

~~(a)*~~ ~~This Charter Party shall be governed by and construed in accordance with English law and any dispute arising out of or in connection with this Charter Party shall be referred to arbitration in London in accordance with the Arbitration Act 1996 or any statutory modification or re-enactment thereof save to the extent necessary to give effect to the provisions of this Clause.~~

~~The arbitration shall be conducted in accordance with the London Maritime Arbitrators Association (LMAA) Terms current at the time when the arbitration proceedings are commenced.~~

~~The reference shall be to three arbitrators. A party wishing to refer a dispute to arbitration shall appoint its arbitrator and send notice of such appointment in writing to the other party requiring the other party to appoint its own arbitrator within fourteen (14) calendar days of that notice and stating that it will appoint its arbitrator as sole arbitrator unless the other party appoints its own arbitrator and gives notice that it has done so within the fourteen (14) days specified. If the other party does not appoint its own arbitrator and give notice that it has done so within the fourteen (14) days specified, the party referring a dispute to arbitration may, without the requirement of any further prior notice to the other party, appoint its arbitrator as sole arbitrator and shall advise the other party accordingly. The award of the sole arbitrator shall be binding on both parties as if he had been appointed by agreement.~~

~~Nothing herein shall prevent the parties agreeing in writing to vary these provisions to provide for the appointment of a sole arbitrator.~~

~~In cases where neither the claim nor any counterclaim exceeds the sum of USD 100,000 (or such other sum as the parties may agree) the arbitration shall be conducted in accordance with the LMAA Small Claims Procedure current at the time when the arbitration proceedings are commenced.~~

~~In cases where the claim or any counterclaim exceeds the sum agreed for the LMAA Small Claims Procedure and neither the claim nor any counterclaim exceeds the sum of USD 400,000 (or such other sum as the parties may agree) the arbitration shall be conducted in accordance with the LMAA Intermediate Claims Procedure current at the time when the arbitration proceedings are commenced.~~

~~(b)*~~ ~~This Charter Party shall be governed by U.S. maritime law or, if this Charter Party is not a maritime contract under U.S. law, by the laws of the State of New York. Any dispute arising out of or in connection with this Charter Party shall be referred to three (3) persons at New York, one to be appointed by each of the parties hereto, and the third by the two so chosen. The decision of the arbitrators or any two of them shall be final, and for the purposes of enforcing any award, judgment may be entered on an award by any court of competent jurisdiction. The proceedings shall be conducted in accordance with the SMA Rules current as of the date of this Charter Party.~~

~~In cases where neither the claim nor any counterclaim exceeds the sum of USD 100,000 (or such other sum as the parties may agree) the arbitration shall be conducted in accordance with the SMA Rules for Shortened Arbitration Procedure current as of the date of this Charter Party.~~

~~(c)*~~ ~~This Charter Party shall be governed by and construed in accordance with Singapore**/English** law.~~

~~Any dispute arising out of or in connection with this Charter Party, including any question regarding its existence, validity or termination shall be referred to and finally resolved by arbitration in Singapore in accordance with the Singapore International Arbitration Act (Chapter 143A) and any statutory modification or re-enactment thereof save to the extent necessary to give effect to the provisions of this Clause.~~

~~The arbitration shall be conducted in accordance with the Arbitration Rules of the Singapore Chamber of Maritime Arbitration (SCMA) current at the time when the arbitration proceedings are commenced.~~

~~The reference to arbitration of disputes under this Clause shall be to three arbitrators. A party wishing to refer a dispute to arbitration shall appoint its arbitrator and send notice of such appointment in writing to the other party requiring the other party to appoint its own arbitrator and give notice that it has done so within fourteen (14) calendar days of that notice and stating that it will appoint its own arbitrator as sole arbitrator unless the other party appoints its own arbitrator and gives notice that it has done so within the fourteen (14) days specified. If the other party does not give notice that it has done so within the fourteen (14) days specified, the party referring a dispute to arbitration may, without the requirement of any further prior notice to the other party, appoint its arbitrator as sole arbitrator and shall advise the other party accordingly. The award of a sole arbitrator shall be binding on both parties as if he had been appointed by agreement.~~

~~Nothing herein shall prevent the parties agreeing in writing to vary these provisions to provide for the appointment of a sole arbitrator.~~

~~In cases where neither the claim nor any counterclaim exceeds the sum of USD 150,000 (or such other sum as the parties may agree) the arbitration shall be conducted before a single arbitrator in accordance with the SCMA Small Claims Procedure current at the time when the arbitration proceedings are commenced.~~

~~**Delete whichever does not apply. If neither or both are deleted, then English law shall apply by default.~~

~~(d)*~~ ~~This Charter Party shall be governed by and construed in accordance with the laws of the place mutually agreed by the Parties and any dispute arising out of or in connection with this Charter Party shall be referred to arbitration at a mutually agreed place, subject to the procedures applicable there.~~

~~(e) The parties may agree at any time to refer to mediation any difference and/or dispute arising out of or in connection with this Charter Party. In the case of any dispute in respect of which arbitration has been commenced under subclause (a), (c) or (d), the following shall apply:~~

~~(i) Either party may at any time and from time to time elect to refer the dispute or part of the dispute to mediation by service on the other party of a written notice (the "Mediation Notice") calling on the other party to agree to mediation.~~

~~(ii) The other party shall thereupon within fourteen (14) calendar days of receipt of the Mediation Notice confirm that they agree to mediation, in which case the parties shall thereafter agree a mediator within a further fourteen (14) calendar days, failing which on the application of either party a mediator will be appointed promptly by the Arbitration Tribunal ("the Tribunal") or such person as the Tribunal may designate for that purpose. The mediation shall be conducted in such place and in accordance with such procedure and on such terms as the parties may agree or, in the event of disagreement, as may be set by the mediator.~~

~~(iii) If the other party does not agree to mediate, that fact may be brought to the attention of the Tribunal and may be taken into account by the Tribunal when allocating the costs of the arbitration as between the parties.~~

~~(iv) The mediation shall not affect the right of either party to seek such relief or take such steps as it considers necessary to protect its interest.~~

~~(v) Either party may advise the Tribunal that they have agreed to mediation. The arbitration procedure shall continue during the conduct of the mediation but the Tribunal may take the mediation timetable into account when setting the timetable for steps in the arbitration.~~

~~(vi) Unless otherwise agreed or specified in the mediation terms, each party shall bear its own costs incurred in the mediation and the parties shall share equally the mediator's costs and expenses.~~

~~(vii) The mediation process shall be without prejudice and confidential and no information or documents disclosed during it shall be revealed to the Tribunal except to the extent that they are disclosable under the law and procedure governing the arbitration.~~

~~(Note: The parties should be aware that the mediation process may not necessarily interrupt time limits.)~~

~~*Subclauses (a), (b), (c) and (d) are alternatives; indicate alternative agreed in Box 26.~~

~~If Box 26 in Part I is not appropriately filled in, subclause (a) of this Clause shall apply. Subclause (e) shall apply in all cases except for alternative (b).~~

34. Notices <u>- See Additional Clause 76 (Notices)</u>

~~All notices, requests and other communications required or permitted by any clause of this Charter Party shall be given in writing and shall be sufficiently given or transmitted if delivered by hand, email, express courier service or registered mail and addressed if to the Owners as stated in Box 30 or such other address or email address as the Owners may hereafter designate in writing, and if to the Charterers as stated in Box 31 or such other address or email address as the Charterers may hereafter designate in writing. Any such communication shall be deemed to have been given on the date of actual receipt by the party to which it is addressed.~~

35. Partial Validity <u>- See Additional Clause 73 (Invalidity)</u>

~~If by reason of any enactment or judgment any provision of this Charter Party shall be deemed or held to be illegal, void or unenforceable in whole or in part, all other provisions of this Charter Party shall be unaffected thereby and shall remain in full force and effect.~~

36. Entire Agreement <u>- See Additional Clause 72 (Entire agreement)</u>

~~This Charter Party is the entire agreement of the parties, which supersedes all previous written or oral understandings and which may not be modified except by a written amendment signed by both parties.~~

37. Headings

~~The headings of this Charter Party are for identification only and shall not be deemed to be part hereof or be taken into consideration in the interpretation or construction of this Charter Party.~~

38. Singular/Plural

~~The singular includes the plural and vice versa as the context admits or requires.~~

PART III

PROVISIONS TO APPLY FOR NEWBUILDING VESSELS ONLY

(OPTIONAL, only applicable if Box 27 has been completed)

1. Specifications and Building Contract

~~(a) The Vessel shall be constructed in accordance with the building contract between the Builders and the Owners including the specifications and plans incorporated therein ("Building Contract"). The Owners shall provide the Charterers with a copy of the Building Contract to the extent relevant to this Charter Party.~~

~~(b) No variations shall be made to the Building Contract without the Charterers' prior written consent. The Charterers shall be entitled to request change orders in accordance with the Building Contract. Any additional costs or consequences due to Charterers' change orders shall be borne by the Charterers.~~

~~(c) The Owners and the Charterers will liaise and cooperate in all matters regarding the construction of the Vessel and the Building Contract. The Charterers shall have the right to send their representative to the Builders' yard to inspect the Vessel during its construction.~~

~~(d) The Owners shall assign their guarantee rights under the Building Contract to the Charterers, if permitted. If not permitted, the Owners shall exercise their guarantee rights against the Builders for the benefit of the Charterers. The Charterers shall be obliged to accept such sums as the Owners are reasonably able to recover under the guarantee provisions of the Building Contract.~~

2. Delivery and Cancellation

~~(a) (i) Subject to the provisions of Clause 3 (Liquidated Damages) hereunder, the Charterers shall be obliged to accept the Vessel from the Owners, constructed and delivered in accordance with the Building Contract and including buyers' supplies, on the date of delivery by the Builders. The Charterers undertake that having accepted the Vessel they will not thereafter raise any claims against the Owners in respect of the Vessel's performance or specification or defects, if any.~~

~~(ii) The date of delivery for the purpose of this Charter shall be the date (the "Delivery Date") when the Vessel is in fact delivered by the Builders to the Owners in accordance with the Building Contract, whether that is before or after the scheduled delivery date under the Building Contract. The Owners shall be under no responsibility for any delay whatsoever in delivery of the Vessel to the Charterers under this Charter Party, except to the extent caused solely by the Owners' acts or omissions resulting in a default by the Owners under the Building Contract. The Owners shall be responsible to the Charterers for any direct losses incurred by the Charterers, if the Vessel is not delivered to the Owners due solely to the Owners' acts or omissions resulting in a default by the Owners under the Building Contract.~~

~~(iii) The Owners and the Charterers shall on the Delivery Date sign a Protocol of Delivery and Acceptance evidencing delivery of the Vessel hereunder.~~

~~(b) (i) The Owners' obligation to charter the Vessel to the Charterers hereunder is conditional upon delivery of the Vessel to the Owners by the Builders in accordance with the Building Contract.~~

~~(ii) If for any reason other than a default by the Owners under the Building Contract, the Builders become entitled under that Contract not to deliver the Vessel and exercise that right, the Owners shall be entitled to cancel this Charter Party by written notice to the Charterers.~~

~~(iii) If for any reason the Owners become entitled to cancel the Building Contract and exercise that right, the Owners shall be entitled to cancel this Charter Party by written notice to the Charterers. If, however, the Owners do not exercise their right to cancel the Building Contract, the Charterers shall be entitled to cancel this Charter Party by written notice to the Owners.~~

3. Liquidated Damages

~~(a) Any liquidated damages for physical defects or deficiencies and any costs incurred in pursuing a claim therefor shall be credited to the party stated in Box 27(iv) or if not filled in shall be shared equally between the parties.~~

~~(b) Any liquidated damages for delay in delivery under the Building Contract and any costs incurred in pursuing a claim therefor shall be credited to the party stated in Box 27(v) or if not filled in shall be shared equally between the parties.~~

PART IV

PURCHASE OPTION

(OPTIONAL, only applicable if Box 28 has been completed)

See Additional Clause 61 (Early Termination, purchase option, purchase obligation and transfer of title)

~~1. The Charterers shall have an option to purchase the Vessel (the "Purchase Option") exercisable on each of the dates stated below as follows:~~

~~Date (state number of months after delivery of the Vessel)~~	~~Purchase Price (the "Purchase Option Price")~~
	~~(amount and currency)~~

~~2. To exercise their Purchase Option, the Charterers shall notify the Owners in writing not later than six (6) months prior to the relevant date stated in the table above. Such notification shall not be withdrawn or cancelled.~~

~~3. If the Charterers exercise their Purchase Option, the ownership of the Vessel shall be transferred to them on the relevant date. If such date is not a Banking Day, the ownership of the Vessel shall be transferred on the next Banking Day, on a strictly "as is/where is" basis, at the Charterers' sole cost and expense.~~

~~4. The Owners shall obtain and provide the Charterers with such documents and take such actions as the Charterers may reasonably request to facilitate the sale and the registration of the Vessel under the flag designated by the Charterers.~~

~~5. The Owners warrant that the Vessel at the time of transfer of ownership shall be free of any of Owners' encumbrance or mortgage and that they have not committed any act or omission which would impair title to the Vessel.~~

~~6. The Owners make no representation or warranty as to the seaworthiness, value, condition, design, merchantability or operation of the Vessel, or as to the quality of the material, equipment or workmanship in the Vessel, or as to the fitness of the Vessel for any particular trade.~~

~~7. In exchange for the transfer of ownership of the Vessel, the Charterers shall pay the Purchase Option Price to the bank account nominated by the Owners together with any unpaid charter hire and other amounts due and payable under this Charter Party.~~

~~8. Upon payment and transfer of ownership in accordance with Clause 7 above, this Charter Party and all rights and obligations of the parties shall terminate without prejudice to all rights accrued due between the parties prior to the date of termination and any claim that either party might have.~~

PART V

PROVISIONS TO APPLY FOR VESSELS REGISTERED IN A BAREBOAT CHARTER REGISTRY

(OPTIONAL, only to apply if expressly agreed and stated in Box 29)

~~1. Definitions~~

~~"Bareboat Charter Registry" shall mean the registry stated in Box 29(ii) whose flag the Vessel will fly and in which the Charterers are registered as the bareboat charterers during the period of this Charter Party.~~

~~"Underlying Registry" shall mean the registry stated in Box 29(i) in which the Owners of the Vessel are registered as Owners and to which jurisdiction and control of the Vessel will revert upon termination of the Bareboat Charter registration.~~

~~2. The Owners have agreed to and the Charterers shall arrange for the Vessel to be registered under the Bareboat Charter Registry. The Charterers shall be responsible for all costs thereof.~~

~~3. Upon termination of this Charter Party for any reason whatsoever the Charterers shall immediately arrange for the deletion of the Vessel from the Bareboat Registry.~~

~~4. In the event of the Vessel being deleted from the Bareboat Charter Registry due to any default by the Owners, the Charterers shall have the right to terminate this Charter forthwith and without prejudice to any other claim they may have against the Owners under this Charter Party.~~

Explanatory notes are available from BIMCO at www.bimco.org. First published in 1974 as BARECON A and B. Amalgamated and revised in 1989. Revised 2001 and 2017.

Contents

Additional Clauses to Bareboat Charter for
the bulk carrier with Builder's Hull Number JNS675

39 Definitions

In this Charter:

"**Account Bank**" means The Hongkong and Shanghai Banking Corporation Limited or such other bank or financial institution as selected or designated by the Charterers and approved by the Owners.

"**Account Charge**" means the account charge over the Earnings Account and all amounts from time to time standing to the credit of the Earnings Account from the Charterers in favour of the Owners.

"**Actual Delivery Date**" means the date of delivery of the Vessel by the Owners to the Charterers under this Charter.

"**Affiliate**" means, in relation to any person, a Subsidiary of that person, a Holding Company of that person or any other Subsidiary of that Holding Company.

"**Agent**" means, with respect to an entity, any director, officer, employee or other representative of such entity; any person for whose acts such entity may be vicariously liable; and any other person that acts for or on behalf of, or provides services for or on behalf of, such entity, in each case, whilst acting in his capacity as such.

"**Agreement Term**" means the period commencing on the date of this Charter and terminating on the later of:

(a) the expiration of the Charter Period; and

(b) the date on which all monies of any nature owed by the Obligors to the Owners under the Transaction Documents or otherwise in connection with the Vessel have been paid in full to the Owners and no obligations of the Obligors of any nature to the Owners or otherwise in connection with the Transaction Documents or with the Vessel remain unperformed or undischarged.

"**Anti-Bribery Laws**" means the United States Foreign Corrupt Practices Act of 1977, the United Kingdom Bribery Act 2010 (as amended from time to time), all other applicable anti-corruption laws and all other national, regional, provincial, state, municipal or local laws and regulations that prohibit the bribery of, or the providing of unlawful gratuities, or any other benefits to, any person.

"**Anti-Money Laundering Laws**" means all applicable financial record-keeping and reporting requirements, anti-money laundering statutes (including all applicable rules and regulations thereunder) and all applicable related or similar laws, rules, regulations or guidelines, of all jurisdictions including and without limitation, the United States of America, the European Union, the United Kingdom and the People's Republic of China and which in each case are:

(a) issued, administered or enforced by any governmental agency having jurisdiction over the Owners or any Obligor;

(b) of any jurisdiction in which the Owners or any Obligor conducts business; or

(c) to which the Owners or any Obligor is subjected or subject to.

"**Applicable Rate**" means, in relation to any Hire Period:

(a) the applicable Term SOFR on the Quotation Day and for a period equal to three (3) months; or

(b) as otherwise determined pursuant to Clause 47.12 (*Unavailability of Term SOFR*),

and if, in either case, that rate is less than zero, the Applicable Rate shall be deemed as zero.

"**Approved Commercial Manager**" means, in relation to the Vessel:

(a) Goldbeam International Limited; or

(b) any other management company appointed by the Charterers for the commercial management of the Vessel and approved in writing by the Owners (such approval not to be unreasonably withheld or delayed).

"**Approved Manager**" means, in relation to the Vessel, either the Approved Commercial Manager or, as the context may require, the Approved Technical Manager.

"**Approved Technical Manager**" means, in relation to the Vessel:

(a) Goldbeam International Limited;

(b) any other management company appointed by the Charterers for the technical management of the Vessel and approved in writing by the Owners (such approval not to be unreasonably withheld or delayed).

"**Approved Valuer**" means each of BRS Shipbrokers, Clarksons Platou, Fearnley, Simpson Spence Young (or any Affiliate of such person through which valuations are commonly issued) and any other reputable and independent ship brokers acceptable to and approved by the Owners.

"**Authorisation**" means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration.

"**Balloon Amount**" means the lower of (a) US$11,000,000 and (b) 35% of the Contractual Purchase Price (as defined in the MOA).

"**Bank Member**" means Industrial and Commercial Bank of China or any of their Affiliates (including branches) and representatives in any jurisdiction.

"**Basic Fixed Hire**" has the meaning given to such term in Clause 47.1.1.

"**Break Costs**" means all costs, losses, premiums or penalties incurred by the Owners as a result of:

(a) the receipt by the Owners of any Hire amount under or in relation to the Transaction Documents on a date other than the relevant Hire Payment Date;

(b) the receipt by the Owners of the Early Termination Sum on a day other than the relevant Termination Payment Date;

(c) in respect of any other amount payable to the Owners under or in relation to the Transaction Documents, the receipt by the Owners of such amount on a day other than the due date for payment of the sum in question;

(d) the relevant payment being made by the Charterers under clause 9 (*Cancellation and refund*) of the MOA;

(e) the relevant prepayment being made by the Charterers under Clause 57.3.2,

in each case including (but not limited to) any break costs incurred by the Owners under the Finance Documents.

"**Break Gains**" means all additional amounts received by the Owners as a result of:

(a) the receipt by the Owners of any Hire amount under or in relation to the Transaction Documents on a date other than the relevant Hire Payment Date;

(b) the receipt by the Owners of the Early Termination Sum on a day other than the relevant Termination Payment Date;

(c) in respect of any other amount payable to the Owners under or in relation to the Transaction Documents, the receipt by the Owners of such amount on a day other than the due date for payment of the sum in question;

(d) the relevant payment being made by the Charterers under clause 9 (*Cancellation and refund*) of the MOA;

(e) the relevant prepayment being made by the Charterers under Clause 57.3.2,

in each case including (but not limited to) any break gains incurred by the Owners under the Finance Documents.

"**Builder**" has the meaning given to such term in the MOA.

"**Building Contract**" has the meaning given to such term in the MOA..

"**Business**" means, with respect to an entity, its business conducted in its ordinary course of business.

"**Business Day**" means a day (other than a Saturday or Sunday) on which banks are open for general business in Hong Kong and Beijing; and

(a) New York; and

(b) (in relation to the fixing of an interest rate) which is a US Government Securities Business Day.

"**Change of Control**" means

(a) the Charterers cease to be 100% controlled (whether directly or indirectly) by the Charter Guarantor; or

(b) the Charter Guarantor ceases to be under the control of the NG Family,

and "**NG Family**" means 吴少辉 (Siu Fai NG) (HK ID number D178683(1)), 吴锦华(Kam Wah NG) (HK ID number D254632(A)) and any of their respective spouse and descendants.

"**Chargor**" means Jin Hui Shipping Inc., a BVI business company incorporated under the laws of the British Virgin Islands with BVI company number 46107 whose registered office is at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola VG1110, British Virgin Islands.

"**Charter Guarantee**" means the guarantee made or to be made by the Charter Guarantor in favour of the Owners in respect of the Charterers' obligations under the Transaction Documents.

"**Charter Guarantor**" means Jinhui Shipping and Transportation Limited, an exempted company incorporated under the laws of Bermuda with registration number 19469 whose registered office is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.

"**Charter Period**" means, subject to Clauses 58 (*Termination Events*), 61 (*Early Termination, purchase obligation and transfer of title*) and 62 (*Total Loss*), the period of 60 months commencing from the Actual Delivery Date.

"**Charterers' Assignment**" means any deed of assignment executed or to be executed (as the case may be) by the Charterers in favour of the Owners in relation to the Charterers' rights and interest in and to (a) the Earnings, (b) the Insurances, (c) the Requisition Compensation, (d) any Sub-Charter which may have a duration of twenty-four (24) months or more (taking into account any option to renew or extend) and (e) any Sub-Charter Guarantee in favour of the Charterers for the performance of the obligations of any Sub-Charterers under any Sub-Charter referred to under paragraph (d) above.

"**Classification Society**" means the vessel classification society referred to in Box 4 (*Classification Society*) of this Charter, or such other reputable classification society which:

(a) is a member of the International Association of Classification Societies; or

(b) the Owners may otherwise approve from time to time.

"**Compliance Certificate**" means a certificate substantially in the form set out in Schedule 3 (*Form of Compliance Certificate*).

"**Cost Balance**" means, at any relevant time during the Agreement Term, an amount equal to the MOA Purchase Price as may be reduced by payment or prepayment of (a) any Basic Fixed Hire pursuant to Clause 47.1.1 (*Hire*) and (b) the Balloon Amount.

"**Default Rate**" means three point four per cent. (3.4%) per annum above the Interest Rate.

"**Default Termination**" means a termination of the Charter Period pursuant to the provisions of Clause 58 (*Termination Events*).

"**Disruption Event**" means either or both of:

(a) a material disruption to those payment or communications systems or to those financial markets which are, in each case, required to operate in order for payments to be made in order for the transactions contemplated by the Transaction Documents to be carried out which disruption is not caused by, and is beyond the control of, any of the Parties; or

(b) the occurrence of any other event which results in a disruption (of a technical or systems-related nature) to the treasury or payments operations of a Party preventing that, or any other Party:

(i) from performing its payment obligations under the Transaction Documents; or

(ii) from communicating with other Parties in accordance with the terms of the Transaction Documents,

and which (in either such case) is not caused by, and is beyond the control of, the Party whose operations are disrupted.

"**Earliest Purchase Option Date**" means the day following the Actual Delivery Date.

"**Early Termination**" means a Termination in accordance with 61.1 (*Early Termination – Charterers' purchase option*) or 61.2 (*Early Termination – Project Parties, Project Documents and Illegality of Owners*).

"**Early Termination Fee**" means in respect of an Early Termination in accordance with Clause 61.1 (*Early Termination – Charterers' purchase option*), an amount equal to:

(a) one per cent. (1%) of the then current Cost Balance if the Termination Payment Date falls on or before the second anniversary of the Actual Delivery Date;

(b) zero point five per cent. (0.5%) of the then current Cost Balance if the Termination Payment Date falls after the second anniversary of the Actual

Delivery Date but on or before the fourth anniversary of the Actual Delivery Date; or

(c) zero if the Termination Payment Date falls after the fourth anniversary of the Actual Delivery Date.

"**Early Termination Sum**" means an amount representing the Owners' losses following acceptance by the Owners of a breach of condition by the Charterers or an agreed sum payable to the Owners in specified circumstances which do not involve a breach of contract by the Charterers, which the Parties acknowledge is proportionate as to amount, having regard to the legitimate interest of the Owners, in protecting against the risk of the Charterers failing to perform its obligations under this Charter and the chartering of the Vessel being early terminated following the occurrence of the specific circumstances and it shall consist of the following (without double counting):

(a) all Variable Hire accrued, but unpaid, under this Charter up to (and including) the relevant Termination Payment Date together with interest accrued thereon pursuant to Clause 47.8 (*Default interest*) from the due date for payment thereof to the date of actual payment;

(b) an amount equal to the then current Cost Balance;

(c)

(i) if the Termination Payment Date falls on a Hire Payment Date, the Special Fixed Hire applicable to that Hire Payment Date; or

(ii) in any other case, the Special Fixed Hire applicable to the Hire Payment Date which immediately falls after the relevant Termination Payment Date;

(d) the applicable Early Termination Fee;

(e) any other Unpaid Sums due and payable together with interest accrued thereon pursuant to Clause 47.8 (*Default interest*) from the due date for payment thereof up to the date of actual payment;

(f) all liabilities, costs and expenses so incurred in recovering possession of, and in repositioning, berthing, insuring and maintaining the Vessel for carrying out any works or modifications required to cause the Vessel to conform with the provisions of Clauses 49 (*Redelivery*) and 50 (*Redelivery conditions*) necessarily incurred by reason of the failure of the Charterers to perform any such action;

(g) any other sums as the Owners may be entitled to under the terms of this Charter, including (but not limited to) any payments referred to in Clause 22 (*Indemnity*) and Clause 66 (*Further indemnities*); and

(h) the Break Costs (if any),

(in respect of Early Termination in accordance with 61.1 (*Early Termination – Charterers' purchase option*)) less Break Gains (if any), if the Purchase Option Date does not fall on a Hire Payment Date.

"**Earnings**" means:

(a) all hires, freights, passage money and other sums payable to or for the account of the Charterers and/or the Sub-Charterers in respect of the Vessel including (without limitation) all earnings received or to be received from each Sub-Charter, 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;

(b) if and whenever the Vessel is employed on terms whereby any moneys falling within paragraph (a) are pooled or shared with any other person, that proportion of the net receipts of the relevant pooling or sharing arrangement which is attributable to the Vessel.

"**Earnings Account**" means the bank account in the name of the Charterers opened or to be opened with the Account Bank, and includes any sub-account thereof and such account which is designated by the Owners in accordance with Clause 55 (*Earnings Account*) as the earnings account for the purposes of this Charter.

"**Emission Allowances**" means an allowance, credit, quota, permit, penalty or equivalent, representing vessel emissions of a specified quantity of greenhouse gas emissions regulated by the Emission Scheme.

"**Emission Scheme**" means a greenhouse gas regulatory scheme which for the purposes of this Charter shall include EU ETS, FuelEU and any other similar systems imposed by applicable lawful authorities that regulate the issuance, allocation, trading, pooling, banking or surrendering of Emission Allowances.

"**Encumbrance**" means a mortgage, charge, assignment, pledge, lien, or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

"**Environmental Approvals**" means any present or future permit, licence, approval, ruling, variance, exemption or other Authorisation required under the applicable Environmental Law.

"**Environmental Claim**" means any claim, proceeding or investigation by any person in respect of any Environmental Law, and for this purpose, "claim" includes but is not limited to:

(a) a claim for damages, compensation, contribution, injury, fines, losses and penalties or any other payment of any kind, including in relation to clean-up and removal, whether or not similar to the foregoing;

(b) an order or direction to take, or not to take, certain action or to desist from or suspend certain action; and

(c) any form of enforcement or regulatory action, including the arrest or attachment of any asset.

"**Environmental Incident**" means:

(a) any release, emission, spill or discharge from the Vessel or into or upon the air, sea, land or soils (including the seabed) or surface water of Environmentally Sensitive Material within or from the Vessel; or

(b) any incident in which Environmentally Sensitive Material is released, emitted, spilled or discharged into or upon the air, sea, land or soils (including the seabed) or surface water from a vessel other than the Vessel and which involves a collision between the Vessel and such other vessel or some other incident of navigation or operation, in either case, in connection with which the Vessel is actually or potentially liable to be arrested, attached, detained or injuncted and/or the Vessel and/or any Obligor and/or any operator or manager of the Vessel is at fault or allegedly at fault or otherwise liable to any legal or administrative action; or

(c) any other incident in which Environmentally Sensitive Material is released, emitted, spilled or discharged into or upon the air, sea, land or soils (including the seabed) or surface water otherwise than from the Vessel and in connection with which the Vessel is actually or potentially liable to be arrested and/or where any Obligor and/or any operator or manager of the Vessel is at fault or allegedly at fault or otherwise liable to any legal or administrative action, other than in accordance with an Environmental Approval.

"**Environmental Law**" means any applicable law and regulation in any applicable jurisdiction in which any Obligor conducts business which relates to the pollution or protection of the environment or harm to or the protection of human health or the health of animals or plants.

"**Environmentally Sensitive Material**" means (a) oil and oil products and (b) any other waste, pollutant, contaminant or other substance (including any liquid, solid, gas, ion, living organism or noise) that may be harmful to human health or other life or the environment or a nuisance to any person or that may make the enjoyment, ownership or other territorial control of any affected land, property or waters more costly for such person to a material degree.

"**EU ETS**" means the European Union Emissions Trading System specifically applicable to shipping pursuant to the European Directive 2023/959 amending European Directive 2003/87/EC and Commission Implementing Regulation (EU) 2023/2599 of 22 November 2023 laying down rules for the application of Directive 2003/87/EC of the European Parliament and of the Council as regards the administration of shipping companies by administering authorities in respect of a shipping company.

"**EU ETS and FuelEU Maritime Letter**" shall have the meaning as defined under Clause 54.46.2(b).

"**FATCA Deduction**" has the meaning given to such term in Clause 83 (*FATCA*).

"**FATCA Exempt Party**" has the meaning given to such term in Clause 83 (*FATCA*).

"**Finance Document**" means any facility agreement, security document, fee letter and any other document designated as such by any Finance Party and the Owners and which have been or (as the case may be) may be entered into between the Finance Parties and the Owners for the purpose of, among other things, financing all or any part of the MOA Purchase Price.

"**Finance Party**" means:

(a) any Affiliate of the Owners; or

(b) bank, financial institution, trust, fund, leasing company or other entity which is regularly engaged in or established for the purpose of making, purchasing or investing in loans, securities or other financial assets,

which is or will be party to a Finance Document (other than the Owners and other entities which may have agreed or be intended as debtors and/or obligors thereunder) and "**Finance Parties**" means two (2) or more of them.

"**Finance Party Quiet Enjoyment Letter**" means, in relation to the Vessel, a letter which the Finance Parties (or, if any, their authorised agent on their behalf) issue in favour of the Charterers, such letter to be in a form acceptable to the Charterers, the Owners and the Finance Parties.

"**Financial Indebtedness**" means any indebtedness for or in respect of:

(a) moneys borrowed;

(b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;

(c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or similar instrument;

(d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with GAAP, be treated as a balance sheet liability;

(e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);

(f) any amount raised under any other transaction (including any forward sale or hire purchase agreement) of a type not referred to in any other paragraph of this definition having the commercial effect of a borrowing;

(g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that derivative transaction, that amount) shall be taken into account);

(h) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and

(i) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (h) above.

"**Financial Quarter**" means, in respect of the Charter Guarantor, its interim quarterly accounting periods ending on 30 June, 30 September and 31 December in any calendar year that falls within the Agreement Term.

"**Financial Year**" means, in respect of the Charter Guarantor, its annual accounting period ending on 31 December in each calendar year during the Agreement Term.

"**FuelEU**" means the FuelEU Maritime Regulation (Regulation (EU) 2023/1805) of 13 September 2023 on the use of renewable and low-carbon fuels in maritime transport, amending Directive 2009/16/EC.

"**GAAP**" means generally accepted accounting principles in (in the case of the Charter Guarantor) Bermuda.

"**Government Authority**" means any governmental or other regulatory body.

"**Group**" means the Charter Guarantor and its Subsidiaries from time to time.

"**Hire**" means each or any combination or aggregate of (as the context may require):

(a) the Basic Fixed Hire;

(b) the Special Fixed Hire;

(c) the Variable Hire; and

(d) the Balloon Amount.

"**Hire Payment Date**" means the last day of each Hire Period.

"**Hire Period**" means each and every consecutive period of three (3) months' duration during the Charter Period, provided that:

(a) the first Hire Period shall commence on the Actual Delivery Date;

(b) each subsequent Hire Period shall commence on the last day of the preceding Hire Period;

(c) any Hire Period which would otherwise overrun a Hire Payment Date shall instead end on that Hire Payment Date;

(d) any Hire Period which would otherwise extend beyond the last day of the Charter Period shall instead end on (and include) the last day of the Charter Period.

"**Historic Term SOFR**" means, in relation to any Hire Period, the most recent applicable Term SOFR for a period equal in length to the relevant Hire Period and which is as of a day which is no more than three (3) US Government Securities Business Days before the Quotation Day.

"**Holding Company**" means, in relation to a person, any other person in respect of which it is a Subsidiary.

"**Indemnitee**" has the meaning given to such term in Clause 66 (*Further indemnities*).

"**Indirect Tax**" means any goods and services tax, consumption tax, sales tax, value added tax or any tax of a similar nature.

"**Innocent Owners' Interest Insurances**" means all policies and contracts of innocent owners' interest insurance and innocent owners' additional perils (oil pollution) from time to time taken out by the Owners in relation to the Vessel.

"**Instalment**" has the meaning given to such term in the MOA.

"**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 her Earnings and (where the context permits) all benefits under such contracts and policies, including all claims of any nature and returns of premium.

"**Interest Rate**" means the percentage rate per annum which is the Applicable Rate for the relevant period.

"**Interpolated Historic Term SOFR**" means in relation to any Hire Period, the rate (rounded to the same number of decimal places as Term SOFR) which results from interpolating on a linear basis between:

(a) either:

(i) the most recent applicable Term SOFR (as of a day which is not more than three (3) US Government Securities Business Days before the

Quotation Day) for the longest period (for which Term SOFR is available) which is less than the relevant Hire Period; or

(ii) if no such Term SOFR is available for a period which is less than the relevant Hire Period, the most recent SOFR for a day which is no more than five (5) US Government Securities Business Days (and no less than two (2) US Government Securities Business Days) before the Quotation Day; and

(b) the most recent applicable Term SOFR (as of a day which is not more than three (3) US Government Securities Business Days before the Quotation Day) for the shortest period (for which Term SOFR is available) which exceeds the relevant Hire Period.

"**Interpolated Term SOFR**" means, in relation to any Hire Period, the rate (rounded to the same number of decimal places as Term SOFR) which results from interpolating on a linear basis between:

(a) either:

(i) the applicable Term SOFR (as of the Quotation Day) for the longest period (for which Term SOFR is available) which is less than the relevant Hire Period; or

(ii) if no such Term SOFR is available for a period which is less than the relevant Hire Period, SOFR for the day which is two (2) US Government Securities Business Days before the Quotation Day; and

(b) the applicable Term SOFR (as of the Quotation Day for the shortest period (for which Term SOFR is available)) which exceeds the relevant Hire Period.

"**ISM Code**" means the International Safety Management Code for the Safe Operation of Ships and for Pollution Prevention (including the guidelines on its implementation), adopted by the International Maritime Organisation, as the same may be amended, supplemented or superseded from time to time (and the terms "safety management system", and "Document of Compliance" have the same meanings as are given to them in the ISM Code).

"**ISM Company**" means, at any given time, the company responsible for the Vessel's compliance with the ISM Code under paragraph 1.1.2 of the ISM Code.

"**ISPS Code**" means the International Ship and Port Facility Security Code adopted by the International Maritime Organisation (as the same may be amended, supplemented or superseded from time to time).

"**ISPS Company**" means, at any given time, the company responsible for the Vessel's compliance with the ISPS Code.

"**ISSC**" means a valid and current international ship security certificate for the Vessel issued under the ISPS Code.

"**Legal Reservations**" means:

(a) the principle that equitable remedies may be granted or refused at the discretion of a court and the limitation of enforcement by laws relating to insolvency, reorganisation and other laws generally affecting the rights of creditors;

(b) the time barring of claims under the Limitation Acts, the possibility that an undertaking to assume liability for, or indemnify a person against, non-payment of United Kingdom stamp duty may be void and defences of set-off or counterclaim;

(c) similar principles, rights and defences under the laws of any Relevant Jurisdiction; and

(d) any reservations as to matters of law (but excluding at all times any reservations or qualifications as to matters of fact) referred to in the legal opinions delivered to the Owners under Clause 43 (*Conditions precedent and subsequent*) of this Charter.

"**Limitation Acts**" means the Limitation Act 1980 and the Foreign Limitation Periods Act 1984.

"**Long Stop Date**" has the meaning given to such term in (ii) of the definition "Long Stop Date" in the MOA.

"**Major Casualty Amount**" means five hundred thousand US Dollars (US$500,000) or its equivalent in any other currency or currencies.

"**Management Agreement**" means, in relation to the Vessel:

(a) the technical and commercial ship management agreement dated __________________ and executed between (i) Goldbeam International Limited (as technical and commercial manager) and (ii) the Charterers (as owners); or

(b) such other technical and commercial ship management agreement to be executed between such other Approved Managers (as technical and commercial managers) and the Charterers (as disponent owners).

"**Managers' Undertaking**" means the letter of undertaking from the Approved Technical Manager and the letter of undertaking from the Approved Commercial Manager subordinating the rights of the Approved Technical Manager and the Approved Commercial Manager respectively against the Vessel and the Charterers to the rights of the Owners in agreed form.

"**Market Value**" means the market value of the Vessel as ascertained in accordance with Clause 57.2 (*Valuations*).

"**MARPOL**" means the International Convention for the Prevention of Pollution from Ships adopted by the International Maritime Organisation (as the same may be amended, supplemented or superseded from time to time).

"**MARPOL Carbon Intensity Regulations**" means the regulations contained in Chapters 1, 2 and 4 of Revised MARPOL Annex VI which relate to "Regulations on the Carbon Intensity of International Shipping" and Resolution MEPC.328(76) implementing the CII and any associated guidelines and/or subsequent amendments, including the Ship Energy Efficiency Management Plan (SEEMP).

"**Material Adverse Effect**" means in the reasonable opinion of the Owners a material adverse effect on:

(a) the business, operations, property, condition (financial or otherwise) or prospects of any Obligor; or

(b) the ability of any Obligor to perform its obligations under any Transaction Document; or

(c) the validity or enforceability of, or the effectiveness or ranking of any Encumbrance granted or purporting to be granted pursuant to any of, the Transaction Documents or the rights or remedies of the Owners under any of the Transaction Documents.

"**MOA**" means the memorandum of agreement dated on or about the date of this Charter made between the Owners (as buyers) and the Sellers (as sellers) pursuant to which the Owners have agreed to purchase and the Sellers have agreed to sell the Vessel subject to the terms and conditions therein.

"**MOA Purchase Price**" means the "MOA Purchase Price" as defined in the MOA.

"**Mortgagees' Interest Insurances**" means all policies and contracts of mortgagees' interest insurance, mortgagees' additional perils (oil pollution) insurance and any other insurance from time to time taken out by any Finance Party or as in accordance with any request of any Finance Party in relation to the Vessel.

"**Necessary Authorisations**" means all Authorisations of any person including any government or other regulatory authority required by applicable law to enable it to:

(a) lawfully enter into and perform its obligations under the Transaction Documents to which it is party;

(b) ensure the legality, validity, enforceability or admissibility in evidence in England and, if different, its jurisdiction of incorporation, of such Transaction Documents to which it is party;

(c) carry on its business from time to time； and

(d) perfect any Encumbrance created by the Security Documents.

"**Net Sale Proceeds**" means the proceeds of a sale of the Vessel received or receivable, net of any fees, commissions, costs, disbursements or other expenses incurred by the Owners or the Charterers (as applicable) as a result of the Owners or the Charterers arranging the proposed sale.

"**Obligors**" means, together:

(a) the Charterers;

(b) the Charter Guarantor;

(c) any Approved Manager which is a member of the Group;

(d) the Chargor;

(e) the Time Charter Assignor; and

(f) any person that may be party to a Transaction Document from time to time (other than (i) the Owners and (ii) the Account Bank),

and "**Obligor**" means any one of them.

"**Party**" means a party to this Charter.

"**PDA**" means the protocol of delivery and acceptance in relation to the Vessel to be executed between the Owners and the Charterers, substantially in the form of Schedule 1 (*Form of Protocol of Delivery and Acceptance*) hereto.

"**Permitted Disposal**" means any sale, lease, licence, transfer or other disposal:

(a) of assets in exchange for other assets comparable or superior as to type, value and quality (other than an exchange of a non-cash asset for cash);

(b) of obsolete or redundant equipment for cash; and

(c) arising as a result of any Permitted Encumbrance.

"**Permitted Encumbrance**" means:

(a) any Encumbrance created or to be created in accordance with the Security Documents;

(b) any Encumbrance created or to be created by the Owners in favour of the Finance Parties in accordance with the relevant Finance Documents (but subject to any Finance Party Quiet Enjoyment Letter);

(c) any Encumbrance which has the prior written approval of the Owners; and

(d) any other lien arising by operation of law or otherwise in the ordinary course of the operation, repair or maintenance of the Vessel:

(a) not as a result of any default or omission by the Charterers;

(b) not being enforced through arrest; and

(c) subject, in the case of liens for repair or maintenance, to Clause 45.4,

and provided such lien does not secure amounts more than 45 days overdue.

"**Permitted Parties**" means any of the Owners' Affiliates and all Bank Members.

"**Potential Termination Event**" means a Termination Event or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination under the Transaction Documents or any combination of any of the foregoing) be a Termination Event.

"**Pre-Delivery Assignment**" has the meaning as defined in the MOA.

"**Pre-Delivery Interest**" has the meaning as defined in the MOA.

"**Prohibited Person**" means any person who is the subject of Sanctions (whether designated by name or by reason of being included in a class of persons to whom the applicable Sanctions apply in accordance with their terms).

"**Project Documents**" means, together, the Transaction Documents, the Building Contract, the Refund Guarantee, any Sub-Charter, any Sub-Charter Guarantee, any Time Charter and any Time Charter Guarantee.

"**Project Party**" means each of the Builder, the Refund Guarantor, any Sub-Charterers, any Sub-Charter Guarantor, any Time Charterer and any Time Charter Guarantor and "**Project Parties**" means any two (2) or more of them.

"**Purchase Obligation Price**" means the amount due and payable by the Charterers to the Owners pursuant to Clause 61.3 (*Purchase obligation*), being the aggregate of:

(a) the Balloon Amount;

(b) all Unpaid Sums due and payable together with interest accrued thereon pursuant to Clause 47.8 (*Default interest*) from the due date for payment thereof up to the date of actual payment;

(c) any other sums as the Owners may be entitled to under the terms of this Charter, including (but not limited to) any payments referred to in Clause 22 (*Indemnity*) and Clause 66 (*Further indemnities*); and

(d) Break Costs (if any).

"**Purchase Option Date**" means a Hire Payment Date which falls on or after the Earliest Purchase Option Date or such other date as the Owners may in their sole discretion agree.

"**Quotation Day**" means, in relation to a Hire Period, five (5) US Government Securities Business Days before the first day of that Hire Period.

"**Refund Guarantee**" has the meaning as defined in the MOA.

"**Refund Guarantor**" has the meaning as defined in the MOA.

"**Related Charter**" means, other than this Charter, the other bareboat charter listed in the fourth column (Bareboat Charters) of Schedule 4 (*The Vessels, The Parties and The Charters*).

"**Relevant Jurisdictions**" means, in relation to an Obligor:-

(a) its jurisdiction of incorporation;

(b) any jurisdiction where any asset subject to or intended to be subject to any Encumbrance to be created by it pursuant to the relevant Security Document is situated;

(c) any jurisdiction where it is licensed to conduct its business; and

(d) the jurisdiction whose laws govern the perfection of any of the Security Documents entered into by it.

"**Repeating Representations**" means the representations and warranties referred to in Clause 53 (*Charterers' representations and warranties*) except for 53.1.8 (*No filing or stamp taxes*) and 53.1.24 (Taxation).

"**Required Modification**" has the meaning as defined in Clause 13(b).

"**Requisition**" means:

(a) any expropriation, confiscation, requisition (excluding a requisition for hire or use which does not involve a requisition for title) or acquisition of the Vessel, whether for full consideration, a consideration less than its proper value, a nominal consideration or without any consideration, which is effected (whether *de jure* or *de facto*) by any government or official authority or by any person or persons claiming to be or to represent a government or official authority; and

(b) any capture or seizure of the Vessel (including any hijacking or theft) by any person whatsoever.

"**Requisition Compensation**" means all compensation or other money which may from time to time be payable to the Charterers as a result of any Requisition or any arrest or detention of the Vessel in the exercise or purported exercise of any lien or claim.

"**Sanctioned Country**" means a country or territory whose government is the target of Sanctions or that is subject to comprehensive country-wide or territory-wide

Sanctions (including, without limitation, as regards US Sanctions, Cuba, Syria, Iran, North Korea, Crimea and Venezuela).

"**Sanctioned Vessel**" means a vessel which is the subject of Sanctions.

"**Sanctions**" means any sanctions (including US "secondary sanctions"), embargoes, freezing provisions, prohibitions or other restrictions relating to trading, doing business, investment, exporting, financing or making assets available (or other activities similar to or connected with any of the foregoing):

(a) imposed by law or regulation of the United Kingdom, the Council of the European Union, the People's Republic of China, the United Nations or its Security Council, the United States of America, the Flag State of the Vessel, the jurisdiction of incorporation of the Owners and the Charterers or any government official institution or agency of any of the foregoing, whether or not any Obligor is legally bound to comply with the foregoing; or

(b) otherwise imposed by law or regulation by which any Obligor is bound or as regards a regulation, compliance with which is reasonable in the ordinary course of the Charterers' business.

"**Sanctions Advisory**" means the Sanctions Advisory for the Maritime Industry, Energy and Metals Sectors, and Related Communities issued May 14, 2020 by the US Department of the Treasury, Department of State and Coast Guard, as may be amended or supplemented, and any similar future advisory.

"**Security Assets**" means all of the assets of the Obligors which from time to time are, or are expressed to be, the subject of the Encumbrances created or evidenced or expressed to be created or evidenced under the Security Documents.

"**Security Documents**" means the following:

(a) the Account Charge;

(b) the Charter Guarantee;

(c) the Charterers' Assignment;

(d) any Manager's Undertaking;

(e) the Pre-Delivery Assignment;

(f) the Share Charge;

(g) the Time Charter Assignment; and

(h) any other document that may at any time be executed by any person creating, evidencing or perfecting any Encumbrance to secure all or part of the Obligors' obligations under or in connection with the Transaction Documents,

and "**Security Document**" means any one of them.

"**Sellers**" means the Charterers in their capacity as buyers under the Building Contract and the Charterers in their capacity as sellers under the MOA.

"**Settlement Date**" means, following a Total Loss of the Vessel, the earliest of:

(a) the date which falls on sixty (60) days after the date of occurrence of the Total Loss or such later date as the Owners may agree; and

(b) the date on which the Owners receive the Total Loss Proceeds in respect of the Total Loss,

and if such date is not a Business Day, the immediately preceding Business Day.

"**Share Charge**" means the charge/pledge agreement in relation to the entire issued share capital of the Charterers executed or (as the case may be) to be executed by the Chargor in favour of the Owners.

"**SMC**" means a valid safety management certificate issued for the Vessel by or on behalf of the Administration under paragraph 13.7 of the ISM Code.

"**SOFR**" means the secured overnight financing rate (SOFR) administered by the Federal Reserve Bank of New York (or any other person which takes over the administration of that rate) published (before any correction, recalculation or republication by the administrator) by the Federal Reserve Bank of New York (or any other person which takes over the publication of that rate).

"**SOLAS**" means the International Convention for the Safety of Life at Sea 1974.

"**Special Fixed Hire**" has the meaning given to such term in Clause 47.1.2.

"**Special Fixed Hire Schedule**" means the schedule of Special Fixed Hire set out in Schedule 5 (*Special Fixed Hire Schedule*) (including any amendments and replacements from time to time).

"**Sub-Charter**" means any charterparty in respect of the Vessel entered into between the Charterers (as disponent owners) which may have a duration of twenty-four (24) months or more (taking into account any option to renew or extend).

"**Sub-Charter Guarantee**" means any guarantee provided by a Sub-Charter Guarantor in favour of the Charterers in respect of the relevant Sub-Charterers' obligations under the relevant Sub-Charter.

"**Sub-Charter Guarantor**" means any sub-charter guarantor in connection with a Sub-Charter which is or will be a party to a Sub-Charter Guarantee.

"**Sub-Charterers**" means any sub-charterers proposed by the Charterers (as disponent owners) which are or will be parties to a Sub-Charter.

"**Subordination Deed**" means any deed of subordination required by Clause 54.24.3, being in such form as the Owners may agree.

"**Subsidiary**" means a subsidiary undertaking within the meaning of section 1162 of the Companies Act 2006.

"**Tax**" or "**tax**" means any present and future tax (including, without limitation, value added tax, consumption tax or any other tax in respect of added value or any income, tonnage, freight, stamp), levy, impost, duty, fee, or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same); and "**Taxes**", "**taxes**", "**Taxation**" and "taxation" shall be construed accordingly.

"**Tax Deduction**" means a deduction or withholding for or on account of Tax from a payment under a Transaction Document.

"**Term SOFR**" means the term SOFR reference rate administered by CME Group Benchmark Administration Limited (or any other person which takes over the administration of that rate) for the relevant period published (before any correction, recalculation or republication by the administrator) by CME Group Benchmark Administration Limited (or any other person which takes over the publication of that rate).

"**Termination**" means the termination at any time of the chartering of the Vessel under this Charter.

"**Termination Event**" means each of the events specified in Clause 58.1.

"**Termination Notice**" has the meaning given to such term in (as the context may require):

(a) as the context may require, Clause 58.2 (*Owners' options after occurrence of a Termination Event*);

(b) Clause 61.1 (*Early Termination – Charterers' purchase option*);

(c) Clause 61.2 (*Early Termination – Project Parties, Project Documents and Illegality of Owners*).

"**Termination Payment Date**" means, as the context may require:

(a) in respect of a Default Termination, the date specified as such in the Termination Notice served on the Charterers pursuant to Clause 58.2 (*Owners' options after occurrence of a Termination Event*) in respect of such Default Termination; or

(b) in respect of an Early Termination, the date specified as such in the Termination Notice served on the Charterers pursuant to 61.1 (*Early Termination – Charterers' purchase option*) or 61.2 (*Early Termination – Project Parties, Project Documents and Illegality of Owners*) (as applicable) in respect of such Early Termination; or

(c) in respect of a Total Loss Termination, the Settlement Date in respect of the Total Loss which gives rise to such Total Loss Termination.

"**Third Parties Act**" means the Contracts (Rights of Third Parties) Act 1999.

"**Time Charter**" means any charterparty in respect of the Vessel entered or to be entered into between the Time Charter Assignor (as disponent owners) and any Time Charterer (as charterers) which may have a duration of twenty-four (24) months or more (taking into account any option to renew or extend).

"**Time Charter Assignment**" means the deed of assignment executed or to be executed (as the case may be) by the Time Charter Assignor in favour of the Owners in relation to the Time Charter Assignor's rights and interest in and to (among other things):

(a) any Time Charter; and

(b) any Time Charter Guarantee in favour of the Time Charter Assignor for the performance of the obligations of any Time Charterer under any Time Charter referred to under paragraph (a) above.

"**Time Charter Assignor**" means any company proposed by the Charterers which is a member of the Group and is or will be a party (as disponent owners) to a Time Charter.

"**Time Charterer**" means any time charterer which is or will be a party (as charterers) to a Time Charter.

"**Time Charter Guarantee**" means any guarantee provided by a Time Charter Guarantor in favour of the Time Charter Assignor in respect of the relevant Time Charterer's obligations under the relevant Time Charter.

"**Time Charter Guarantor**" means any charter guarantor in connection with a Time Charter which is or will be a party to a Time Charter Guarantee.

"**Title Re-transfer PDA**" means the protocol of delivery and acceptance in relation to the Vessel to be executed between the Owners and the Charterers, substantially in the form of Schedule 2 (*Form of Title Re-transfer Protocol of Delivery and Acceptance*) hereto.

"**Total Loss**" means during the Charter Period:

(a) actual or constructive or compromised or agreed or arranged total loss of the Vessel;

(a) the Requisition unless the Vessel is released and returned to the possession of the Owners or the Charterers within sixty (60) days after the capture, seizure, arrest, detention, hijacking, theft, condemnation as prize, confiscation or forfeiture in question, and for the purpose of this Charter, (i) an actual Total Loss of the Vessel shall be deemed to have occurred at the date and time when the Vessel was lost but if the date of the loss is unknown the actual Total Loss shall be deemed to have occurred on the date on which the Vessel was last reported, (ii) a constructive Total Loss shall be deemed to have occurred at the date and time at which a notice of abandonment of the Vessel is given to the insurers of the Vessel and (iii) a compromised, agreed or arranged Total Loss shall be deemed to have occurred on the date of the relevant compromise, agreement or arrangement.

"**Total Loss Proceeds**" means the proceeds of the Insurances or any other compensation of any description in respect of a Total Loss.

"**Total Loss Termination**" means a termination of the Charter Period pursuant to the provisions of Clause 62.1 (*Total Loss*).

"**Transaction Documents**" means, together, this Charter, the MOA, the Security Documents, any Subordination Deed, and such other documents as maybe designated as such by the Owners and the Charterers from time to time and "**Transaction Document**" means any one of them.

"**Unpaid Sum**" means any sum due and payable but unpaid by any Obligor under the Transaction Documents.

"**US Dollars**", "**United States Dollars**", "**Dollars**", "**USD**", "**US$**" and "**$**" each means available and freely transferable and convertible funds in lawful currency of the United States of America.

"**US Government Securities Business Day**" means any day other than:

(a) a Saturday or a Sunday; and

(b) a day on which the Securities Industry and Financial Markets Association (or any successor organisation) recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in US Government securities.

"**US Tax Obligor**" means:

(a) an Obligor which is resident for tax purposes in the United States of America; or

(b) an Obligor some or all of whose payments under the Transaction Documents to which it is a party are from sources within the United States for US federal income tax purposes.

"**Valuation Report**" means, in relation to the Vessel, a valuation report of the Vessel issued by an Approved Valuer and in compliance with the requirements under Clause 57 (*Value maintenance clause*).

"**Variable Hire**" has the meaning given to such term in Clause 47.1.3.

"**Vessel**" means the bulk carrier with the Builder's hull number JNS675 as more particularly described in Box 4 (*Vessel*) of this Charter including its equipment, machinery, boilers, fixtures and fittings.

40 Interpretations

40.1 In this Charter, unless the context otherwise requires, any reference to:

40.1.1 this Charter includes the Schedules hereto and references to Clauses and Schedules are, unless otherwise specified, references to Clauses of and Schedules to this Charter and, in the case of a Schedule, to such Schedule as incorporated in this Charter as substituted from time to time;

40.1.2 any statutory or other legislative provision shall be construed as including any statutory or legislative modification or re-enactment thereof, or any substitution therefor;

40.1.3 the term "**Vessel**" includes any part of the Vessel;

40.1.4 the "**Owners**", the "**Charterers**", any "**Obligor**", "**Project Party**", "**Sub-Charterers**", "**Sub-Charter Guarantor**", the "**Time Charter Assignor**", any "**Time Charterer**", any "**Time Charter Guarantor**" or any other person include any of their respective successors, permitted assignees and permitted transferees;

40.1.5 any agreement, instrument or document include such agreement, instrument or document as the same may from time to time be amended, modified, supplemented, novated or substituted;

40.1.6 "**control**" over a particular company means:

(a) the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to cast, or control the cast of, more than fifty per cent. (50%), of the maximum number of votes that might be cast at a general meeting of such company; and/or

(b) the holding beneficially of more than fifty per cent. (50%) of the issued share capital of that company (excluding any part of that issued share capital that carries no right to participate beyond a specified amount in a distribution of either profits or capital).

40.1.7 the "**equivalent**" of one currency (the "**first currency**") as at any date of an amount in another currency (the "**second currency**") shall be construed as a reference to the amount of the first currency which could be purchased with such amount of the second currency at the spot rate of exchange selected by the Owners at or about 11:00 a.m. on such date for the purchase of the first currency with the second currency for delivery and value on such date;

40.1.8 "**excess risks**" means, in respect of the Vessel, the proportion (if any) of claims for general average, salvage and salvage charges not recoverable under the hull and machinery policies in respect of the Vessel in consequence of its insured value being less than the value at which the Vessel is assessed for the purpose of such claims;

40.1.9 "**hereof**", "**herein**" and "**hereunder**" and other words of similar import means this Charter as a whole (including the Schedules) and not any particular part hereof;

40.1.10 "**law**" includes common or customary law and any constitution, decree, judgment, legislation, order, ordinance, regulation, rule, statute, treaty or other legislative measure in any jurisdiction or any present or future directive, regulation, request or requirement, or official or judicial interpretation of any of the foregoing, in each case having the force of law and, if not having the force of law, in respect of which compliance is generally customary or a normal course of business;

40.1.11 "**month**" means, save as otherwise provided, a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month, except that if there is no numerically corresponding day in the calendar month in which that period is to end, that period shall end on the last day in that calendar month;

40.1.12 Owners' "**cost of funds**" in relation to maintaining the funding of the purchase of the Vessel or an Unpaid Sum (as the case may be) is a reference to the average cost (determined either on an actual or a notional basis) which the Owners would incur if they were to fund, from whatever source(s) they may reasonably select, an amount equal to the amount of the funding of the purchase of the Vessel or that Unpaid Sum for period in length to the relevant Hire Period.

40.1.13 the word "**person**" or "**persons**" or to words importing persons include, without limitation, any state, divisions of a state, government, individuals, partnerships, corporations, ventures, government agencies, committees, departments, authorities and other bodies, corporate or unincorporated, whether having distinct legal personality or not;

40.1.14 the "**winding-up**", "**dissolution**", "**administration**", "**liquidation**", "insolvency", "reorganisation", "readjustment of debt", "suspension of payments", "moratorium" or "bankruptcy" (and their derivatives and cognate expressions) of any person shall each be construed so as to include the others and any equivalent or analogous proceedings or event under the laws of any jurisdiction in which such person is incorporated or any jurisdiction in which such person carries on business;

40.1.15 "**protection and indemnity risks**" means the usual risks covered by a protection and indemnity association which is a member of the International

Group of P&I Club, including pollution risks and the proportion (if any) of any sums payable to any other person or persons in case of collision which are not recoverable under the hull and machinery policies by reason of the incorporation in them of clause 6 of the International Hull Clauses (1/11/02 or 1/11/03), clause 8 of the Institute Time Clauses (Hull)(1/10/83) or clause 8 of the Institute Time Clauses (Hulls)(1/11/1995) or the Institute Amended Running Down Clause (1/10/71) or any equivalent provision;

40.1.16 a "**regulation**" in the definition of "**Sanctions**" or in any provision in relation to Sanctions includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation;

40.1.17 a Potential Termination Event or a Termination Event is "continuing" if it has not been remedied or waived; and

40.1.18 words denoting the plural number include the singular and vice versa.

40.2 Headings are for the purpose of reference only, have no legal or other significance, and shall be ignored in the interpretation of this Charter.

40.3 A time of day (unless otherwise specified) is a reference to Beijing time.

41 MOA

41.1 The Parties hereby agree that the chartering of the Vessel under this Charter is subject to the effective transfer of ownership of the Vessel to the Owners pursuant to the MOA.

41.2 If:

41.2.1 the Vessel is not delivered by the Long Stop Date (or such later date as the Owners and Sellers may agree);

41.2.2 prior to the Actual Delivery Date the Vessel suffers a Total Loss;

41.2.3 prior to the Actual Delivery Date, it becomes unlawful or it is prohibited for the Owners to comply with any of its obligations under the Transaction Documents; or

41.2.4 prior to the Actual Delivery Date, the MOA is cancelled, terminated, rescinded or otherwise ceases to remain in full force and effect for any reason,

the Owners' obligation to charter the Vessel on the terms of this Charter shall immediately terminate without the need for either the Owners or the Charterers to take any action whatsoever, provided that:

(a) the Charterers shall:

(i) remain liable under each of Clause 64 (*Fees and expenses*), Clause 22 (*Indemnity*) and Clause 66 (*Further indemnities*);

(ii) to the extent that it has not then been paid, pay all fees payable by the Charterers under the MOA (including without limitation all Pre-Delivery Interest due and payable or accrued but unpaid under the MOA, in each case within thirty (30) days of the earlier of:

(A) the Long Stop Date,

(B) the date on which the Total Loss occurs,

(C) the date of it becoming unlawful or it is prohibited for the Owners to comply with its obligations under any of its obligations under the Transaction Documents; and

(D) the date of cancellation, termination, rescission or ceasing to be in full force and effect of the MOA for any reason; and

(b) the Owners shall retain all fees payable by the Charterers under the MOA or the Charter if already paid.

41.3 The Parties agree and acknowledge that all payment made in accordance this Clause 41 shall not be construed as a penalty but is agreed to be proportionate as to amount, having regard to the legitimate interest of the Owners, in protecting against the risk of early termination of this Charter and the MOA or the Charterers failing to perform their obligations under this Charter and the MOA.

42 Pre-delivery and delivery

42.1 Subject to Clauses 42.4 and 43 (*Conditions precedent and subsequent*), the Owners shall be deemed to have delivered and the Charterers shall be deemed to have taken delivery of the Vessel under this Charter immediately after:

42.1.1 the Builder delivers the Vessel to the Sellers under the Building Contract; and

42.1.2 the Sellers deliver the Vessel to the Owners under the terms of the MOA.

The Owners and the Charterers nevertheless agree to enter into and execute the PDA on the Actual Delivery Date. The Charterers hereby agree that the acceptance by the Sellers of the Vessel under the Building Contract and by the Owners of the Vessel under the MOA shall constitute deemed delivery of the Vessel to the Charterers under this Charter.

42.2 The Charterers shall in no circumstances be entitled to reject the Vessel under this Charter if the Vessel has been accepted by and delivered to the Sellers under the Building Contract.

42.3 The Charterers shall be deemed to have accepted the Vessel on an "as is where is" basis on delivery under this Charter in exactly the same form and state as the Vessel is delivered by the Sellers to the Owners pursuant to the MOA with any faults, deficiencies and errors of description.

42.4 The obligation of the Owners to charter the Vessel to the Charterers pursuant to this Charter is subject to the following conditions:

42.4.1 no Termination Event or Potential Termination Event is continuing on the Actual Delivery Date;

42.4.2 the Repeating Representations are true and correct on the Actual Delivery Date;

42.4.3 the Actual Delivery Date falls on or before the Long Stop Date (or such later date as may be agreed between the Owners (as buyers under the MOA) and the Sellers);

42.4.4 the Builder has delivered the Vessel to the Sellers under the Building Contract and the Sellers have delivered the Vessel to the Owners under and subject to the terms of the MOA.

42.5 The Charterers shall, at their own expense, upon the delivery of the Vessel by the Sellers to the Owners procure title to the Vessel to be registered in the name of the Owners.

42.6 The Charterers acknowledge and agree that the Owners (not being the manufacturer or original supplier of the Vessel) makes no representations or warranties in respect of the Vessel or any part thereof, and hereby waive all their rights in respect of any warranty or condition implied (whether statutory or otherwise) on the part of the Owners and all claims against the Owners howsoever the same might arise at any time in respect of the physical condition of the Vessel, or arising out of the construction, operation or performance of the Vessel and the chartering thereof under this Charter (including, without limitation, in respect of the seaworthiness or otherwise of the Vessel).

42.7 Without prejudice to the generality of Clause 42.6, the Owners shall be under no liability whatsoever, howsoever arising, in respect of the injury, death, loss, damage or delay of or to or in connection with the Vessel or any person or property whatsoever, whether on board the Vessel or elsewhere, and irrespective of whether such injury, death, loss, damage or delay shall arise from the unseaworthiness of the Vessel. For the purpose of this Clause 42.7, "delay" shall include delay to the Vessel (whether in respect of delivery under this Charter or thereafter and any other delay whatsoever).

42.8 The Owners hereby appoint the Charterers, who hereby accept such appointment, to deal directly, at the Charterers' cost, with the Builder in relation to the guarantee described in article IX (*Warranty of Quality*) of the Building Contract in accordance with the applicable provisions of article IX (*Warranty of Quality*) of the Building Contract, unless and until the Owners cancel such appointment in writing.

42.9 The Charterers shall keep the Owners informed about any works required or carried out in connection with Clause 42.8, and send copies of all material correspondence in this regard.

43 Conditions precedent and subsequent

The obligations of the Owners to charter the Vessel to the Charterers under this Charter are subject to and conditional upon the Owners' receipt of the documents and evidence referred to in and in accordance with:

43.1 clause 8 (*Conditions precedent and subsequent*) (other than clause 8.5 (*Conditions subsequent*)) of the MOA on or before the Actual Delivery Date; and

43.2 clause 8.5 (*Conditions subsequent*) of the MOA within the time limit specified in that clause,

in each case in form and substance satisfactory to the Owners, unless the Owners (as buyers under the MOA) have waived in writing their right to require production of any such documents and evidence.

44 Bunkers and luboils

44.1 At delivery, the Charterers (in their capacity as charterers under this Charter) shall take over such bunkers, lubricating oil, hydraulic oil, greases, water and unbroached stores and provisions in the Vessel which remained the property of the Charterers (in their capacity as sellers under the MOA) without cost; and the Charterers shall, at their own time, costs and risks, purchase all other bunkers, lubricating oil, hydraulic oil, greases, water and unbroached stores and provisions in the Vessel at no costs of the Owners.

44.2 To the extent that Clause 49 (*Redelivery*) applies, at redelivery the Owners are entitled to take over all bunkers, unused lubricating oil, hydraulic oil, greases, water and unbroached provisions and other consumable stores in the said Vessel at the Charterers' cost.

45 Further maintenance and operation

45.1 The good commercial maintenance practice under Clause 13 (*Maintenance and Operation*) (Part II) of this Charter shall be deemed to include:

45.1.1 the maintenance and operation of the Vessel by the Charterers in accordance with:

(a) the relevant regulations and requirements of the Classification Society;

(b) the relevant regulations and requirements of the Flag State;

(c) any applicable IMO regulations (including but not limited to the ISM Code, the ISPS Code and MARPOL);

(d) all other regulations, requirements and recommendations of any international, national state or local government with jurisdiction applicable to this Charter and/or the Vessel; and

(e) the operations and maintenance manuals of the Charterers or of the relevant Sub-Charterers;

45.1.2 the maintenance and operation of the Vessel by the Charterers taking into account:

(a) engine manufacturers' recommended maintenance and service schedules;

(b) vendor's operations and maintenance manuals; and

(c) the Charterers' and/or the Approved Manager's experience in operating vessels of similar calibre as the Vessel; and

45.1.3 recommended maintenance and service schedules of all installed equipment and pipework.

45.2 In addition to the above, the Charterers covenant with the Owners to arrange online access to class records for the Owners as available to the Charterers, at no cost of the Owners.

45.3 The title to any equipment (or part thereof):

45.3.1 placed on board as a result of operational requirements of the Charterers shall automatically be deemed to belong to the Owners (unless hired from a third party) immediately upon such placement, and such equipment may only be removed with the Owners' prior written consent and at the Charterers' own time and expense (and when seeking consent the Charterers shall provide the Owners with evidence satisfactory to the Owners that the removal will be carried out without damage to the Vessel); and

45.3.2 replaced, renewed or substituted shall remain with the Owners until the part or equipment which replaced it or the new or substitute part or equipment becomes property of the Owners.

45.4 The Charterers shall not put the Vessel into the possession of any person for the purpose of work being done upon it in an amount exceeding or likely to exceed the Major Casualty Amount (or its equivalent in any other currency) without the Owners' prior consent in writing.

45.5 Without prejudice to any other provisions under this Charter, the Charterers shall maintain, use and operate the Vessel with reasonable care as if the Charterers were the owner of the same.

46 Structural changes and alterations

46.1 Upon the occurrence of:

46.1.1 any Termination Event which is continuing, if the Owners retake possession of the Vessel pursuant to Clause 58 (*Termination Events*); or

46.1.2 an Early Termination pursuant to Clause 61.2 (*Early Termination – Project Parties, Project Documents and Illegality of Owners*) (if the Owners retake possession of the Vessel pursuant to that Clause),

the Charterers shall at their expense restore the Vessel to its former condition unless the changes made are carried out:

46.1.3 to improve the performance, operation or marketability of the Vessel; or

46.1.4 as a result of a regulatory compliance.

46.2 The Charterers shall not, without obtaining the Owners' consent, make any modification or changes to the Vessel's basic particulars or her machinery, engines, appurtenances or spare parts (including but not limited to remove or replace parts or equipment of the Vessel) which would or might materially alter the structure, type, performance characteristics or technical parameters of the Vessel or reduce its value, save only for the Required Modification.

46.3 In respect of any change or modification consented by the Owners and any Required Modification, the Charterers shall:

46.3.1 provide to the Owners of the details of such changes and/or modification and evidence of improvement to the performance, operation, marketability and/or value of the Vessel, in each case reasonably in advance of such changes and/or modification;

46.3.2 promptly carry out and complete all relevant changes and/or modification at the Charterers' account; and

46.3.3 not have any right to recover from the Owners any part of the cost for such changes or modification.**Hire**

47.1 **Hire during Charter Period** In consideration of the Owners' agreement to charter the Vessel to the Charterers pursuant to the terms hereof, the Charterers shall pay to the Owners,

47.1.1 on each Hire Payment Date throughout the Charter Period by way of basic fixed hire (each a "**Basic Fixed Hire**") an amount equal to one twentieth ($1/20^{th}$) of the difference between the MOA Purchase Price and the Balloon Amount;

47.1.2 on each Hire Payment Date throughout the Charter Period by way of special fixed hire (each a "**Special Fixed Hire**") an amount applicable to that Hire Payment Date as set out in the Special Fixed Hire Schedule;

47.1.3 on each Hire Payment Date throughout the Charter Period by way of variable hire (each a "**Variable Hire**"), an amount of interest calculated by multiplying (A) (in relation to the first Hire Payment Date) the MOA Purchase Price or (in relation to any other Hire Payment Date) the Cost Balance immediately after the immediately preceding Hire Payment Date by (B) the Interest Rate for the relevant Hire Period ending on that Hire Payment Date and (C) a fraction whose denominator is three hundred and sixty (360) and numerator is the number of days which have elapsed (in respect of the 1st Hire Payment Date) from the Actual Delivery Date (including that date) to the 1st Hire Payment Date (not including that date), (in respect of all other Hire Payment Dates except the last Hire Payment Date) from the immediately preceding Hire Payment Date (including that date) to that Hire Payment Date (not including that date) and (in respect of the last Hire Payment Date) from the immediately preceding Hire Payment Date (including that date) to the last Hire Payment Date (including that date); and

47.1.4 unless the Early Termination Sum or Purchase Obligation Price has been paid in full in accordance with the terms of this Charter, the Charterers shall pay to the Owners, on the final Hire Payment Date and in addition to any Basic Fixed Hire, Special Fixed Hire and Variable Hire, an amount equal to the Balloon Amount.

47.2 **Accrual of Variable Hire** Variable Hire shall be an interest accruing on a daily basis throughout the Charter Period on the Cost Balance at an interest rate equal to the Interest Rate. For the purpose of determining any Hire payment under Clause 47.1 (*Hire during Charter Period*) above, each instalment of Variable Hire shall accrue from and including the first (1st) day of the relevant Hire Period in accordance with paragraph 47.1 (*Hire during Charter Period*) above.

47.3 **Payment of Hire**

47.3.1 Each payment of Hire shall be made in arrears; and

47.3.2 each payment of Hire (other than the Balloon Amount) shall be made on each Hire Payment Date (Beijing time) (in respect of which time is of the essence) and in same day available funds and received by the Owners by no later than 5 p.m. (Beijing time) on the relevant Hire Payment Date.

47.4 **Non-Business Day** Any payment under and in relation to any Transaction Documents by the Charterers due on any day which is not a Business Day shall be payable on the immediately preceding Business Day.

47.5 **Payment account information** All payments under this Charter shall be made to such account as the Owners may from time to time notify the Charterers by a written notice certified by a director of the Owners.

47.6 **Charterers' Hire payment obligation absolute** Following delivery of the Vessel to, and acceptance by, the Charterers under this Charter, the Charterers' obligation to pay Hire in accordance with this Clause 47 and any other payments payable to the Owner under the Transaction Documents shall be absolute and unconditional irrespective of any contingency whatsoever including but not limited to:

47.6.1 any set-off, condition, counterclaim, recoupment, defence or other whatsoever right the Charterers may have against the Owners, the Finance Parties or any other third party;

47.6.2 any lack or invalidity of title or any other defect in title to the Vessel, any unavailability of the Vessel, for any reason, including but not limited to capture, seizure, arrest or similar event of whatsoever nature in relation to the Vessel, seaworthiness, condition, design, operation, merchantability or fitness for use or purpose of the Vessel or any apparent or latent defects in the Vessel or its machinery and equipment or the ineligibility of the Vessel for any particular use or trade or for registration of documentation under the laws of any relevant jurisdiction or lack of registration or the absence or withdrawal of any consent required under the applicable law of any relevant jurisdiction for the ownership, chartering, use or operation of the Vessel or any damage to the Vessel;

47.6.3 any failure or delay on the part of either party to this Charter, whether with or without fault on its part, in performing or complying with any of the terms, conditions or other provisions of this Charter;

47.6.4 any insolvency, bankruptcy, reorganisation, arrangement, readjustment of debt, dissolution, administration, liquidation or similar proceedings by or against the Owners or the Charterers or any change in the constitution of the Owners or the Charterers;

47.6.5 any invalidity or unenforceability or lack of due authorisation of or any defect in this Charter;

47.6.6 any other cause which would but for this provision have the effect of terminating or in any way affecting the obligations of the Charterers hereunder,

it being the declared intention of the Parties that the provisions of this Clause 47, and the obligation of the Charterers to pay Hire and make any payments under this Charter, shall (save as expressly provided in this Clause 47) survive any frustration and that, save as expressly provided in this Charter, no moneys paid under this Charter by the Charterers to the Owners shall in any event or circumstance be repayable to the Charterers.

47.7 **All payments free from deductions**

47.7.1 The Charterers shall procure that all payments to the Owners pursuant to this Charter and the other Transaction Documents shall be made in immediately available funds in US Dollars, free and clear of, and without any Tax Deduction.

47.7.2 In the event that any Obligor is required by any applicable law or regulation to make any Tax Deduction on any payment due under this Charter or any other Transaction Document, then:

(a) the Charterers shall notify the Owners promptly after they become aware of such requirement;

(b) the Charterers shall procure that the amount of such taxes is remitted to the appropriate taxation authority within any applicable time limits and in any event prior to the date on which penalties attach thereto; and

(c) the Charterers shall procure that such payment shall be increased by such amount as may be necessary to ensure that the Owners receive a net amount which, after making any Tax Deduction, is equal to the full amount which the Owners would have received had such payment not been subject to such Tax Deduction.

47.7.3 The Charterers shall forward to the Owners evidence reasonably satisfactory to the Owners that any Tax or Tax Deduction which is required to be paid or deducted from or in relation to any payment to the Owners under a Transaction Document has been made and/or remitted to the appropriate taxation authority within thirty (30) days of making such remittance and/or deduction. For the avoidance of doubt the Charterers shall remain wholly responsible for paying or deducting such Tax or Tax Deduction and the Owners shall not bear any liability, or have any claim against the Charterers prevented or diminished, due to the contents of the evidence provided.

47.8 **Default interest** If the Charterers fail to pay any amount payable by it under a Transaction Document on its due date, interest shall accrue on a daily basis on the Unpaid Sum from the due date up to the date of actual payment (both before and after judgment) at the Default Rate, in the currency of the Unpaid Sum for successive Hire Periods (as if the Unpaid Sum had, during the period of non-payment, constituted part of the Cost Balance and as if the consecutive Hire Periods will continue until the Unpaid Sum is paid notwithstanding the end of the Charter Period). Any interest accruing under this Clause 47.8 shall be immediately payable by the Charterers on demand by the Owners. Default interest (if unpaid) arising on an Unpaid Sum will be compounded with the Unpaid Sum at the end of each Hire Period applicable to that Unpaid Sum but will remain immediately due and payable. The Parties agree that, without prejudice to other rights, benefits and remedies of the Owners under the Transaction Documents, in the event that any other loss, damage, costs or expenses was suffered or incurred by the Owners wholly or partly as a result of the Charterers' failure to pay any amount payable under the Transaction Documents on its due date, the Charterers shall be responsible for all such loss, damage, costs and expenses in addition to the interests payable under this Clause 47.8, to the extent not covered by any payable Break Costs.

47.9 **Hire payment obligation to survive termination** In the event that this Charter is terminated for whatever reason, the Charterers' obligation to pay Hire and such other Unpaid Sum which (in each case) has accrued due on or before the date of such termination, and which remains unpaid, at the date of such termination shall continue notwithstanding such termination.

47.10 **Increased Costs**

(a) Subject to Clause 47.10(d), the Charterers shall, within five (5) Business Days of a demand by the Owners, pay for the account of the Owners the amount of any Increased Costs incurred by the Owners or any of their Affiliates as a result of:

(i) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation made after the date of this Charter; or

(ii) compliance with any law or regulation made after the date of this Charter; or

(ii) the implementation or application of or compliance with Basel III or CRD IV or any other law or regulation which implements Basel III or CRD IV.

(b) In this Clause 47:

"**Basel III**" means:

(i) the agreements on capital requirements, a leverage ratio and liquidity standards contained in "Basel III: A global regulatory framework for more resilient banks and banking systems", "Basel III: International framework for liquidity risk measurement, standards and monitoring" and "Guidance for national authorities operating the countercyclical capital buffer" published by the Basel Committee on Banking Supervision in December 2010, each as amended, supplemented or restated;

(ii) the rules for global systemically important banks contained in "Global systemically important banks: assessment methodology and the additional loss absorbency requirement – Rules text" published by the Basel Committee on Banking Supervision in November 2011, as amended, supplemented or restated; and

(iii) any further guidance or standards published by the Basel Committee on Banking Supervision relating to "Basel III".

"**CRD IV**" means:

(i) Regulation (EU) No 575/2013 of the European Parliament of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending regulation (EU) No.648/2012, as amended by Regulation (EU) 2019/876;

(ii) Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC, as amended by Directive (EU) 2019/878; and

(iii) any other law or regulation which implements Basel III.

"**Increased Costs**" means:

(i) a reduction in the rate of return from the transactions contemplated by the Transaction Documents or on the Owners' (or their Affiliates') overall capital;

(ii) an additional or increased cost; or

(iii) a reduction of any amount due and payable under any Transaction Document,

which is incurred or suffered by the Owners or any of their Affiliate to the extent that it is attributable to the Owners having agreed to finance or refinance the acquisition of the Vessel or funding, maintaining or performing their obligations under the Transaction Documents.

(c) The Owners shall notify the Charterers of any claim arising from Clause 47.10(a) (and of the event giving rise to such claim). The Owners shall, as soon as practicable after having made a demand in respect of such claim, provide a certificate confirming the amount of its Increased Costs.

(d) Clause 47.10(a) does not apply to the extent any Increased Costs is:

(i) attributable to a Tax Deduction required by law to be made by the Charterers; or

(ii) compensated for by Clause 54.38 (*Tax indemnity*) (or would have been compensated for under Clause 54.38 (*Tax indemnity*) but was not so compensated solely because any of the exclusions in paragraph (b) of Clause 54.38 (*Tax indemnity*) applied); or

(iii) attributable to the wilful breach by the Owners of any law or regulation.

47.11 **Break Costs** The Charterers shall, within five (5) Business Days of demand by the Owners, pay to the Owners their Break Costs.

47.12 **Unavailability of Term SOFR**

47.13.1 **Interpolated Term SOFR** If no Term SOFR is available for a Hire Period the applicable Applicable Rate shall be Interpolated Term SOFR for a period equal in length to that Hire Period.

47.13.2 **Historic Term SOFR** If no Term SOFR is available for a Hire Period and it is not possible to calculate the Interpolated Term SOFR, the applicable Applicable Rate shall be the Historic Term SOFR for a period equal in length to that Hire Period.

47.13.3 **Interpolated Historic Term SOFR** If Clause 47.13.2 above applies but no Historic Term SOFR is available for the relevant Hire Period, the applicable Applicable Rate shall be the Interpolated Historic Term SOFR for a period equal in length to that Hire Period.

47.13.4 **Cost of funds** If Clause 47.13.3 above applies but it is not possible to calculate the Interpolated Historic Term SOFR, Clause 47.15 (*Cost of funds*) shall apply for the relevant Hire Period.

47.14 **Market disruption** If before close of business in Beijing on the Quotation Day for the relevant Hire Period, the Charterers receive notifications from the Owners that the cost to them of funding the Cost Balance from whatever source they may reasonably select would be in excess of Term SOFR, then Clause 47.15 (*Cost of funds*) shall apply to the Cost Balance for the relevant Hire Period.

47.15 **Cost of funds**

47.15.1 If this Clause 47.15 applies, the Interest Rate for the relevant Hire Period shall be the percentage rate per annum which is the rate notified to the Charterers by the Owners as soon as practicable and in any event within three Business Days of the first day of that Hire Period (or, if earlier, on the date falling three Business Days before the date on which Variable Hire or interest (as the case may be) is due to be paid in respect of that Hire Period to be that which expresses as a percentage rate per annum the cost to the Owners of maintaining the funding of the purchase of the Vessel or that Unpaid Sum (as the case may be) from whatsoever source they may reasonably select and if such rate is less than zero then such rate shall be deemed to be zero.

47.15.2 If this Clause 47.15 applies and the Owners or the Charterers so require, the Owners and the Charterers shall enter into negotiations (for a period of not more than third (30) days) with a view to agreeing a substitute basis for determining the rate of interest or (as the case may be) an alternative basis for funding.

47.15.3 Any alternative basis agreed pursuant to Clause 47.15.2 shall be binding on all Parties.

47.15.4 If an alternative basis is not agreed pursuant to Clause 47.15.2, the Interest Rate shall continue to be determined in accordance with Clause 47.15.1.

47.16 **Remittance information**

47.16.1 The Charterers shall provide the Owners with details of the remittance bank from which payments from the Charterers are to be made under this Charter and shall procure that no change is made to such remittance bank during the Agreement Term, unless the Charterers give the Owners written notice no later than five Business Days before such change.

47.16.2 The Charterers shall provide the Owners with such remittance information for each payment as may be reasonably requested by the Owners.

48 Insurance

48.1 **Charterers' obligation to place insurance** During the Agreement Term, the Charterers shall at their expense keep the Vessel insured against fire and usual marine risks (including hull and machinery and excess risks), oil pollution liability risks, war risks and protection and indemnity risks (and any risks against which it is compulsory to insure for the operation for the Vessel or which the Owners (or if applicable, the Finance Parties) consider, having regard to practice and other circumstances prevailing at the relevant time, it would be reasonable for the Charterers to insure and which are notified to the Charterers):

48.1.1 in US Dollars; and

48.1.2 in such market and on such terms as are customary for owners of similar tonnage,

and the Charterers shall keep such insurance valid throughout the whole Agreement Term.

48.2 **Beneficiaries of Insurances** Such insurances shall be arranged by the Charterers to protect the interests of the Owners (including naming the Owners as assured/insured in the insurance covers), the Charterers and (if requested by the Owners or a Finance Party) the mortgagee of the Vessel or such other relevant Finance Party, and the Charterers shall be at liberty to protect under such insurances the interests of any Approved Manager (subject to the provision of a Manager's Undertaking by each such Approved Manager). The Charterers shall procure that the Owners are named as loss payee with such directions for payment as the Owners may specify. As the case may be the Charterers shall upon the request of the Owners procure that the mortgagee of the Vessel is named as loss payee with such directions for payment as the mortgagee may specify.

48.3 **Scope of insurance** Insurance policies shall cover the Owners, the Charterers, the Approved Managers and (if requested by the Owners or a Finance Party) the Finance Parties according to their respective interests. Subject to the approval of the Owners (acting on the instructions or with the approval of the Finance Parties (in each case if applicable)) and the insurers, the Charterers shall effect all insured repairs and shall undertake settlement and reimbursement from the insurers of all costs in connection with such repairs as well as insured charges, expenses and liabilities to the extent of coverage under the insurances herein provided for, provided that the aforementioned approval from the Owners will not be required for (i) emergency repairs that are required to be carried out to enable the Charterers to continue to utilise the Vessel in accordance with this Charter, or (ii) any repair the aggregate costs of which is less than the Major Casualty Amount.

48.4 **Repairs etc. not covered by Insurances** The Charterers shall also remain responsible for and to effect repairs and settlement of costs and expenses incurred thereby in respect of all other repairs not covered by the insurances and/or not exceeding any possible franchise(s) or deductibles provided for in the insurances.

48.5 **H&M and war risks coverage** The Charterers shall arrange that, at any time during the Agreement Term, the hull and machinery and war risks insurance shall be in an amount not less than the greater of:

48.5.1 an amount which equals one hundred and ten per cent. (110%) of the then current Cost Balance; and

48.5.2 the current Market Value or (as the case may be) the "Market Value" (as defined in the MOA) of the Vessel.

48.6 **Protection and indemnity coverage** The Vessel shall be entered in a protection and indemnity club which is a member of the International Group of P&I Clubs on customary terms and shall be covered against liability for pollution claims for the highest amount from time to time available in the international marine insurance market for vessels of a similar age, size and type to the Vessel and in any event in an amount not less than one thousand million US Dollars (US$1,000,000,000). All insurances shall include customary protection in favour of the Owners and (if any) the Finance Parties as notice of cancellation and exclusion from liability for premiums or calls.

48.7 **Named assureds, no alteration to terms of Insurances and insurance report**

The Charterers:

48.7.1 undertake to place the Insurances in such markets, in such currency, on such terms and conditions, and with such brokers, underwriters and associations as are customary for owners of similar tonnage;

48.7.2 shall not alter the terms of or waive any rights relating to any of the Insurances nor allow any person (other than those referred to in Clause 48.2 (*Beneficiaries of Insurances*)) to be co-assured under any of the Insurances without the prior written consent of the Owners, unless the interest of every other such named insured or co-assured is limited:

(a) in respect of any obligatory insurances for hull and machinery and war risks:

(i) to any provable out-of-pocket expenses that it has incurred and which form part of any recoverable claim on underwriters; and

(ii) to any third party liability claims where cover for such claims is provided by the policy (and then only in respect of discharge of any claims made against it); and

(b) in respect of any obligatory insurances for protection and indemnity risk, to any recoveries it is entitled to make by way of reimbursement following discharge of any third party liability claims made specifically against it;

and every other such named insured has undertaken in writing to the Owners, and if applicable, the Finance Parties (in such form as the Owners and, if applicable, any Finance Party requires) that any deductible shall be apportioned between the Charterers and every other named insured in proportion to the gross claims made or paid by each of them and that they shall do all things necessary and provide all documents, evidence and information to enable the Owners or, if applicable, the Finance Parties to collect or recover any moneys which at any time become payable in respect of the obligatory insurances;

48.7.3 will supply the Owners and, if applicable, the Finance Parties from time to time on request with such information as the Owners and, if applicable, any Finance Party may in their discretion reasonably require with regard to the Insurances and the brokers, underwriters or associations through or with which the Insurances are placed; and

48.7.4 shall reimburse the Owners and/or (if applicable) any Finance Party on demand for all costs and expenses incurred by the Owners and/or such Finance Party in obtaining from time to time a report on the adequacy of the Insurances from an insurance adviser instructed by the Owners and/or such Finance Party.

48.8 **Payment of premiums etc.** The Charterers undertake duly and punctually to pay all premiums, calls and contributions, and all other sums at any time payable in connection with the Insurances, and, at their own expense, to arrange and provide any guarantees from time to time required by any protection and indemnity or war risks association. From time to time upon the Owners' request, the Charterers shall provide the Owners and/or such Finance Party with (i) copies of all invoices issued by the brokers, underwriters or associations in respect of such premiums calls, contributions and other sums, and (ii) evidence satisfactory to the Owners and/or such Finance Party that such premiums, calls, contributions and other sums have been duly and punctually paid; that any such guarantees have been duly given; and that all declarations and notices required by the terms of any of the Insurances to be made or given by or on behalf of the Charterers to brokers, underwriters or associations have been duly and punctually made or given.

48.9 **Compliance with Insurances** The Charterers will comply in all respects with all terms and conditions of the Insurances and will make all such declarations to brokers, underwriters and associations as may be required to enable the Vessel to operate in accordance with the terms and conditions of the Insurances. The Charterers will not do, nor permit to be done, any act, nor make, nor permit to be made, any omission, as a result of which any of the Insurances may become liable to be suspended, cancelled or avoided, or may become unenforceable, or as a result of which any sums payable under or in connection with any of the Insurances may be reduced or become liable to be repaid or rescinded in whole or in part. In particular, but without limitation, the Charterers will not permit the Vessel to be employed other than in conformity with the Insurances without first taking out additional insurance cover in respect of that employment in all respects to the satisfaction of the Owners and, if applicable, the Finance Parties, and the Charterers will promptly notify the Owners and, if applicable, the Finance Parties of any new requirement imposed by any broker, underwriter or association in relation to any of the Insurances.

48.10 **Renewal of Insurances** The Charterers will:

48.10.1 no later than five (5) days before the expiry of any of the Insurances renew them and shall immediately give the Owners and, if applicable, the Finance Parties such details of those renewals as the Owners and, if applicable, the Finance Parties may require; and

48.10.2 no later than seven (7) days before the expiry of any of the Insurances, give notice to the relevant insurers or insurance brokers of their intention to renew.

48.11 **Delivery of documents relating to Insurances** The Charterers shall:

48.11.1 deliver to the Owners (upon the Owners' request) and, if applicable, the Finance Parties (upon their request) copies (and, if required by the Owners, the originals) of all policies, certificates of entry (endorsed with the appropriate loss payable Clauses as may be required by the Owners and the Finance Parties from time to time) and other documents relating to the Insurances (including, without limitation, receipts for premiums, calls or contributions); and

48.11.2 procure that letters of undertaking (in such form as are customary for the market) shall be issued to the Owners and, if applicable, the Finance Parties by the brokers through which the Insurances are placed (or, in the case of protection and indemnity or war risks associations, by their managers).

48.11 **Fleet cover** If the Vessel is at any time during the Agreement Term insured under any form of fleet cover, the Charterers shall procure that those letters of undertaking contain confirmation that the brokers, underwriters or association (as the case may be) will not set off claims relating to the Vessel against premiums, calls or contributions in respect of any other vessel or other insurance, and that the insurance cover of the Vessel will not be cancelled by reason of non-payment of premiums, calls or contributions relating to any other vessel or other insurance. Failing receipt of those confirmations, the Charterers will instruct the brokers, underwriters or association concerned to issue a separate policy or certificate for the Vessel in the sole name of the Charterers or of the Charterers' brokers as agents for the Charterers.

48.12 **Provision of information on casualty, accidence or damage** The Charterers shall promptly provide the Owners with full information regarding any casualty or other accident or damage to the Vessel, including, without limitation, any communication with all parties involved in case of a claim under any of the Insurances.

48.13 **Step-in rights of Owners and Finance Parties** The Charterers agree that, at any time after the occurrence of a Termination Event which is continuing, the Owners and, if applicable, the Finance Parties shall be entitled to:

48.13.1 collect, sue for, recover and give a good discharge for all claims in respect of any of the Insurances;

48.13.2 to pay collecting brokers the customary commission on all sums collected in respect of those claims;

48.13.3 to compromise all such claims or refer them to arbitration or any other form of judicial or non-judicial determination; and

48.13.4 otherwise to deal with such claims in such manner as the Owners and, if applicable, the Finance Parties shall in their discretion think fit.

48.14 **Total loss insurance proceeds** Whether or not a Termination Event shall have occurred, the proceeds of any claim under any of the Insurances in respect of a Total Loss shall be paid and applied in accordance with Clause 62 (*Total Loss*).

48.15 **Payment of insurance proceeds**

48.15.1 The Owners agree that any amounts which may become due under any protection and indemnity entry or insurance shall be paid to the Charterers to reimburse the Charterers for, and in discharge of, the loss, damage or expense in respect of which they shall have become due, unless, at the time the amount in question becomes due, a Termination Event shall have occurred and is continuing, in which event the Owners shall be entitled to receive the amounts in question and to apply them either in reduction of the Early Termination Sum owed by the Charterers pursuant to Clause 58.3 (*Payment* *of Early Termination Sum*) or, at the option of the Owners, to the discharge of the liability in respect of which they were paid.

48.15.2 All claims in relation to the Insurances (other than in respect of a Total Loss) shall be payable in accordance with the applicable loss payable clause as set out in the Charterers' Assignment.

48.16 **Settlement, compromise or abandonment of claims** The Charterers shall not settle, compromise or abandon any claim under or in connection with any of the Insurances (other than a claim of less than the Major Casualty Amount arising other than from a Total Loss) without the prior written consent of the Owners and, if applicable, the Finance Parties.

48.17 **Owners' rights to maintain Insurances**

48.17.1 If the Charterers fail to effect or keep in force the Insurances, the Owners may (but shall not be obliged to) effect and/or keep in force such insurances on the Vessel and such entries in protection and indemnity or war risks associations as the Owners in their discretion consider desirable, and the Owners may (but shall not be obliged to) pay any unpaid premiums, calls or contributions. The Charterers will reimburse the Owners from time to time on demand for all such premiums, calls or contributions paid by the Owners, together with interest calculated in accordance with Clause 47.8 (*Default interest*) from the date of payment by the Owners until the date of reimbursement.

48.17.2 The Charterers shall, or shall procure that the relevant insurers or insurance brokers shall, promptly give notice to the Owners if:

(a) the Charterers fail to effect or keep in force the Insurances, whether by reason of non-payment of premium or otherwise; or

(b) any substantial change is made to the coverage which adversely affects the interest of the Owners or the Finance Parties (if any).

48.18 **Environmental protection issues** The Charterers shall comply strictly with the requirements of any legislation relating to pollution or protection of the environment which may from time to time be applicable to the Vessel in any jurisdiction in which the Vessel shall trade and in particular the Charterers shall comply strictly with the requirements of the United States Oil Pollution Act 1990 (the "Act") if the Vessel is to trade in the United States of America and Exclusive Economic Zone (as defined in the Act). Before any such trade is commenced and during the entire period during which such trade is carried on, the Charterers shall:

48.18.1 pay any additional premiums required to maintain protection and indemnity cover for oil pollution up to the limit available to the Charterers for the Vessel in the market; and

48.18.2 make all such quarterly or other voyage declarations as may from time to time be required by the Vessel's protection and indemnity association in order to maintain such cover; and

48.18.3 submit the Vessel to such additional periodic, classification, structural or other surveys which may be required by the Vessel's protection and indemnity insurers to maintain cover for such trade; and

48.18.4 implement any recommendations contained in the reports issued following the surveys referred to in Clause 48.18.3 above within the relevant time limits contained in such reports, or such longer period as may be acceptable to the Owners in their absolute discretion, and provide evidence satisfactory to the Owners that the protection and indemnity insurers are satisfied that this has been done; and

48.18.5 in addition to the foregoing (if such trade is in the United States of America and Exclusive Economic Zone):

(a) obtain and retain a certificate of financial responsibility under the Act in form and substance satisfactory to the United States Coast Guard and upon request provide the Owners with evidence of the same; and

(b) procure that the protection and indemnity insurances do not contain a US Trading Exclusion Clause or any other analogous provision and provide the Owners with evidence that this is so; and

(c) comply strictly with any operational or structural regulations issued from time to time by any relevant authorities under the Act so that at all times the Vessel falls within the provisions which limit strict liability under the Act for oil pollution.

48.19 **Innocent Owners' Interest Insurance** The Owners shall be at liberty to, in relation to the Vessel, take out or require the Charterers to arrange an Innocent Owners' Interest Insurance on such terms and conditions as the Owners may from time to time decide. The Charterers shall from time to time upon the Owners' demand reimburse the Owners for all costs, premiums and expenses paid or incurred by the Owners in connection with such Innocent Owners' Interest Insurance, but only to the extent corresponding to an Owners' Interest Insurance for an amount not exceeding one hundred and ten per cent. (110%) of the then current Cost Balance.

48.20 **Mortgagees' Interest Insurance** Any Finance Party shall be at liberty to take out a Mortgagees' Interest Insurance in relation to the Vessel on such terms and conditions as that Finance Party may from time to time decide. The Charterers shall from time to time upon the Owners' demand reimburse the Owners for all costs, premiums and expenses paid or incurred by the Owners or that Finance Party in connection with such Mortgagees' Interest Insurance, but only to the extent corresponding to a Mortgagee's Interest Insurance for an amount not exceeding one hundred and ten per cent. (110%)

of the amount then outstanding under any loan made available by the Finance Parties pursuant to any Finance Documents. Without prejudice to the foregoing, if the Charterers have reimbursed the Owners in accordance with this Clause 48.20, the Charterers shall not be obliged to reimburse the Owners in accordance with Clause 48.19 (*Innocent Owners' Interest Insurance*) for such proportion of the relevant Cost Balance which shall be covered by the Mortgagees' Interest Insurance.

49 Redelivery

Upon the occurrence of:

49.1 any Termination Event which is continuing and if the Owners take any action to retake possession of the Vessel pursuant to Clause 58 (*Termination Events*); or

49.2 an Early Termination pursuant to Clause 61.2 (*Early Termination – Project Parties, Project Documents and Illegality of Owners*) and if the Owners take any action to retake possession of the Vessel,

the Charterers shall, at their own cost and expense, redeliver or cause to be redelivered the Vessel to the Owners at such safe, ice free port as the Owners may direct where the Vessel would be afloat at all times in a ready safe berth or anchorage, in accordance with Clauses 49 (*Redelivery*), 50 (*Redelivery conditions*) and 51 (*Diver's inspection at redelivery*).

50 Redelivery conditions

50.1 In addition to what has been agreed in Clause 49 (*Redelivery*), the condition of the Vessel shall at redelivery be as follows:

50.1.1 the Vessel shall be free of any overdue class and statutory recommendations affecting its trading certificates;

50.1.2 the Vessel must be redelivered with all equipment and spares or replacement items listed in the delivery inventory carried out pursuant to Clause 8 (*Inventories*) and any spare parts on board or on order for any equipment installed on the Vessel following delivery (provided that any such items which are on lease or hire purchase shall be replaced with items of an equivalent standard and condition fair wear and tear excepted); all records, logs, plans, operating manuals and drawings, spare parts on board shall be included at the time of redelivery in connection with a transfer of the Vessel or such other items as are then in the possession of the Charterers shall be delivered to the Owners;

50.1.3 the Vessel must be redelivered with all national and international trading certificates and hull/machinery survey positions for both class and statutory surveys free of any overdue recommendation and qualifications valid and un-extended for a period of at least six months beyond the redelivery date;

50.1.4 all of the Vessel's ballast tank coatings to be maintained in "Fair" (as such term (or its equivalent) may be defined and/or interpreted in the relevant survey report) condition as appropriate for the Vessel's age at the time of redelivery, fair wear and tear excepted;

50.1.5 the Vessel shall have passed any flag or class surveys or inspections due within six months after the date of redelivery and have its continuous survey system up to date;

50.1.6 the Vessel must be re-delivered with accommodation and common spaces for crew and officers substantially in the same condition as at the Actual Delivery Date, free of damage over and above fair wear and tear, clean and free of infestation and odours; with cargo spaces generally fit to carry the cargoes originally designed and intended for the Vessel; with main propulsion equipment, auxiliary equipment, cargo handling equipment, navigational equipment, etc., in such operating condition as provided for in this Charter;

50.1.7 the Vessel shall be free and clear of all liens (other than any Encumbrance falling within paragraphs (a) and (b) of the definition of "Permitted Encumbrance") and additionally, also free of charter or other employment (unless the Owners wish to retain the continuance of any prevailing charter or as otherwise agreed by the Owners in their absolute discretion);

50.1.8 the condition of the cargo holds to be in accordance with the maintenance regime undertaken by the Charterers during the Charter Period since delivery;

50.1.9 at the costs and expenses of the Charterers, a final joint report from the surveyors appointed by the Owners and the Charterers respectively shall be carried out as to the condition of the Vessel and a list of agreed deficiencies if any shall be drawn up;

50.1.10 the anti-fouling coating system applied at the last scheduled dry-docking shall be in accordance with prevailing regulations at the time of application;

50.1.11 the funnel markings and name (unless being retained by the Owner following redelivery) shall be painted out by the Charterers;

50.1.12 recently taken lube oil samples for all major machinery shall be made available within one week of redelivery and results forwarded to Owners' technical management for review;

50.1.13 the Vessel shall have such amount of bunkers on board the Vessel as would be sufficient to enable the Vessel to sail to the nearest bunker port and such bunkers shall be suitable for burning in the Vessel's engines and auxiliaries and in compliance with all bunkering fuel content regulations then applicable in such place of redelivery, including without limitation, the global sulphur limit imposed by the International Maritime Organisation;

50.1.14 be able to meet the required Carbon Intensity Indicator (CII) rating so as not to interfere, hinder or affect the normal operation of the Vessel by the Owners for the year after redelivery; and

50.1.15 be redelivered with all data and records relating to the Vessel's Carbon Intensity Indicator rating and its operation so as to support the fulfilment or maintenance of the Vessel's Carbon Intensity Indicator rating in accordance with good commercial maintenance practice.

50.2 At redelivery, the Charterers shall ensure that the Vessel shall meet the following performance levels (which where relevant shall be determined by reference to the Vessel's log books) all equipment controlling the habitability of the accommodation and service areas to be in proper working order, fair wear and tear excepted.

50.3 The Owners and Charterers shall each appoint (at the Charterers' cost and expense) surveyors for the purpose of determining and agreeing in writing the condition of the Vessel at redelivery.

50.4 If the Vessel is not in the condition or does not meet the performance criteria required by this Clause 50, a list of deficiencies together with the costs of repairing/remedying such deficiencies shall be agreed by the respective surveyors.

50.5 The Charterers shall be obliged to repair any class items restricting the operation or trading of the Vessel prior to redelivery.

50.6 The Charterers shall be obliged to repair/remedy all such other deficiencies as are necessary to put the Vessel into the return condition required by this Clause 50.

51 Diver's inspection at redelivery

51.1 This Clause 51 will only apply if Clause 49 (*Redelivery*) applies and will not apply if (a) after the occurrence of a Termination Event, the Charterers have paid the Early Termination Sum and any other amounts due under this Charter, or (b) the Charterers have paid the Purchase Obligation Price and the Vessel has been redelivered to the Charterers pursuant to Clause 61 (*Early Termination, purchase obligation and transfer of title*).

51.2 Unless the Vessel is returned in dry-dock, a diver's inspection is required to be performed at the time of redelivery.

51.3 The Charterers shall, at the written request of the Owners, arrange at the Charterers' time and expense for an underwater inspection by a diver approved by the Classification Society immediately prior to the redelivery.

51.4 A video film of the inspection shall be made. The extent of the inspection and the conditions under which it is performed shall be to the satisfaction of the Classification Society.

51.5 If damage to the underwater parts is found, the Charterers shall arrange, at their time and costs, for the Vessel to be dry-docked (if required by the Classification Society) and repairs carried out to the satisfaction of the Classification Society.

51.6 If the conditions at the port of redelivery are unsuitable for such diver's inspection, the Charterers shall take the Vessel (in Owners' time but at Charterers' expense) to a suitable alternative place nearest to the redelivery port unless an alternative solution is agreed.

51.7 Without limiting the generality of Clause 64.1.3 (*Fees and expenses*), all costs relating to any diver's inspection shall be borne by the Charterers.

52 Owners' mortgage and Charterers' quiet enjoyment

52.1 **Owners' funding arrangements**

The Charterers:

52.1.1 acknowledge that the Owners are entitled and do intend to enter or have entered into certain funding arrangements with the Finance Parties in order to finance part of the MOA Purchase Price, which funding arrangements may be secured, inter alia, by ship mortgages over the Vessel and (along with other related matters) the relevant Finance Documents **provided that** the Owners shall use best efforts to procure the relevant Finance Parties to execute and deliver to the Charterers and, if applicable, the relevant Sub-Charterers and/or the relevant Time Charterer, a Finance Party Quiet Enjoyment Letter on or before the date on which such ship mortgage is granted in favour of the relevant Finance Parties;

52.1.2 irrevocably consent to any assignment by way of security in favour of the Finance Parties of the Owners' rights in and to the Security Documents to which the Charterers and/or any other Obligor (which is a member of the Group) are a party; and

52.1.3 without limiting the generality of Clause 54.16 (*Further assurance*) and without prejudice to Clause 64.1.1 (*Fees and expenses*), undertake:

(a) to execute, provide any further information or document;

(b) to procure the relevant Sub-Charterers and/or Time Charterer (as applicable) to countersign the relevant Finance Party Quiet Enjoyment Letter on or before the date of the Owners' mortgage;

(c) to procure execution of any document or provision of any information by any Approved Manager or any other Obligors,

in each case, as in the reasonable opinion of the Owners and/or the Finance Parties are necessary to effect the assignment referred to in this Clause 52.1.

52.2 **Owners' right to assign**

52.2.1 Subject to this Clause 52.2, the Owners may assign, transfer or novate their rights under this Charter and other Transaction Documents to any person, provided that any assignment, transfer or novation shall not increase the obligations of the Charterers under this Charter.

52.2.2 The Owners must consult with the Charterers for at least fifteen (15) days before the Owners may make an assignment or transfer in accordance with Clause 52.2.1 unless the assignment or transfer is (x) to an Affiliate of the Owners, or (y) (in the case of an assignment by way of security only) to a Finance Party, or (z) made at a time when a Termination Event is continuing.

52.2.3 If:

(a) the Owners assign, transfer or novate their rights under this Charter pursuant to Clause 52.2.1 above; and

(b) as a result of circumstances existing at the date the assignment, transfer or novation occurs, the Charterers would be obliged to make a payment to such person or the Owners under Clause 65 (*Stamp duties and taxes*) or Clause 47.10 (*Increased Costs*),

then that person of the Owners or the Owners is only entitled to receive payment under those Clauses to the same extent as the Owners would have been if the assignment, transfer or novation had not occurred.

The Charterers or other Obligors shall execute such documents and do all such things as the Owners may require to facilitate and/or effect such assignment, transfer or novation by the Owners. The Charterers and the other Obligors shall permit any disclosure by the Owners of the Transaction Documents and the terms and conditions thereunder to any potential financiers, transferees or assignees and their respective advisers or agents as the Owners may deem necessary to facilitate any such transfer, assignment or novation.

52.3 **Quiet enjoyment** Provided that no Termination Event has occurred and is continuing, the Owners shall not interfere with the Charterers' or any Sub-Charterers' or any Time Charterer's quiet use and possession of the Vessel throughout the Charter Period in accordance with this Charter.

52.4 **Assignments and transfers by Obligors** An Obligor may not assign or transfer any of its rights or obligations under any Transaction Document, except with the prior written consent of the Owners.

53 Charterers' representations and warranties

53.1 The Charterers represent and warrant to the Owners on (A) the date of this Charter and (by reference to the facts and circumstances then pertaining), in respect of the

Repeating Representations, on (B) the Actual Delivery Date and (C) each Hire Payment Date as follows:

53.1.1 **Status and due authorisation:** each Obligor is a limited liability company duly incorporated, validly existing and in good standing (as applicable) under the laws of its jurisdiction of incorporation with power to enter into the Transaction Documents and to exercise its rights and perform its obligations under the Transaction Documents and all corporate and other action required to authorise its execution of the Transaction Documents and its performance of its obligations thereunder has been duly taken;

53.1.2 **Share capital and ownership:**

(a) The Charterers have an authorised share capital of US$10,000 divided into 10,000 registered shares of US$1 each, two of which shares have been issued and fully paid up.

(b) The legal title to the beneficial interest in the shares in the Charterers is held by the Chargor free of any Encumbrance (other than Permitted Encumbrance) or any other claim.

(c) None of the shares in the Charterers is subject to any option to purchase, pre-emption rights or similar rights.

53.1.3 **No deductions or withholding:** under the laws of the Obligors' respective jurisdictions of incorporation, none of the Obligors will be required to make any deduction or withholding from any payment it may make under any of the Transaction Documents;

53.1.4 **Claims pari passu:** under the laws of the Obligors' respective jurisdictions of incorporation, the payment obligations of each Obligor under each Transaction Document to which it is a party, rank at least pari passu with the claims of all other unsecured and unsubordinated creditors of such obligor save for any obligations which are preferred solely by any bankruptcy, insolvency or other similar laws of general application;

53.1.5 **No immunity:** in any proceedings taken in any of the Obligors' respective jurisdictions of incorporation in relation to any of the Transaction Documents, none of the Obligors will be entitled to claim for itself or any of its assets immunity from suit, execution, attachment or other legal process;

53.1.6 **Governing law and judgments:** subject to the Legal Reservations, in any proceedings taken in any of the Obligors' jurisdiction of incorporation in relation to any of the Transaction Documents 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;

53.1.7 **Validity and admissibility in evidence:** all acts, conditions and things required to be done, fulfilled and performed in order (A) to enable each of the Obligors lawfully to enter into, exercise its rights under and perform and comply with the obligations expressed to be assumed by it in the Transaction Documents, (B) to ensure that the obligations expressed to be assumed by each of the Obligors in the Transaction Documents are legal, valid and binding, and (C) to make the Transaction Documents admissible in evidence in the jurisdictions of incorporation or formation of each of the Obligors, have been done, fulfilled and performed;

53.1.8 **No filing or stamp taxes:** Under the laws of the Obligors' respective jurisdictions of incorporation, formation, or tax residence, it is not necessary that any of the Transaction Documents be filed, recorded or enrolled with any court or other authority (other than the relevant maritime registry, to the extent applicable) or that any stamp, registration or similar tax be paid on or in relation to any of the Transaction Documents or transactions contemplated by said Transaction Documents except (a) registration of the prescribed particulars of each registrable charge contained in the Transaction Documents at the Hong Kong Companies Registry, (b) registration of the prescribed particulars of each registrable charge contained in the Transaction Documents in the (i) register of charges of the Chargor pursuant to section 162 of the BVI Business Companies Act (as amended) of the British Virgin Islands (the "**BVI BCA**") and (ii) Register of Registered Charges of the Chargor held by the Registrar of Corporate Affairs in the British Virgin Islands pursuant to section 163 of the BVI BCA, and (c) payment of the fees in connection with the such registration at the Hong Kong Companies Registry, the Registrar of Corporate Affairs in the British Virgin Islands and the registered agent of the Chargor in the British Virgin Islands (as the case may be), which registration and fees will be made and paid promptly after the date of the relevant Transaction Documents;

53.1.9 **Binding obligations:** subject to the Legal Reservations, the obligations expressed to be assumed by each of the Obligors in the Transaction Documents are legal and valid obligations, binding on each of them in accordance with the terms of the Transaction Documents and no limit on any of their powers will be exceeded as a result of the borrowings, granting of security or giving of guarantees contemplated by the Transaction Documents or the performance by any of them of any of their obligations thereunder;

53.1.10 **No misleading information:** any factual information provided by any Obligor to the Owners in connection with the Transaction Documents was true and accurate in all material respects as at the date it was provided and is not misleading in any respect;

53.1.11 **No winding-up:** none of the Obligors has taken any corporate, limited liability company or limited partnership action nor have any other steps been taken or legal proceedings been started or threatened against any Obligor for its winding-up, dissolution, administration or reorganisation or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer of it or of any or all of its assets or revenues;

53.1.12 **Solvency:**

(a) none of the Obligors is unable, or admits or has admitted its inability to pay its debts or has suspended making payments in respect of any of its debts;

(b) none of the Obligors by reason of actual or anticipated financial difficulties, has commenced, or intends to commence, negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness;

(c) the value of the assets of each Obligor (other than the Chargor) is not less than the liabilities of such entity (taking into account contingent and prospective liabilities); and

(d) no moratorium has been, or may, in the reasonably foreseeable future be, declared in respect of any indebtedness of any Obligor.

53.1.13 **No material defaults:**

(a) without prejudice to paragraph (b) below, none of the Obligors is in breach of or in default under any agreement to which it is a party or which is binding on it or any of its assets which has or is reasonably likely to have a Material Adverse Effect; and

(b) no Potential Termination Event or Termination Event is continuing or might reasonably be expected to result from each Obligor's entry into and performance of each Transaction Document to which such Obligor is a party;

53.1.14 **No material proceedings:** no action litigation, arbitration or administrative proceeding of or before any court, arbitral body or agency which is not covered by adequate insurance or which, if adversely determined, is reasonably likely to have a Material Adverse Effect, has been started or, to the Charterers' knowledge, is reasonably likely to be started;

53.1.15 **Accounts:**

(a) all financial statements relating to the Charter Guarantor required to be delivered under Clauses 54.1 (*Financial statements*) and 54.3 (*Interim financial statements*) were each prepared in accordance with GAAP, give (in conjunction with the notes thereto) a true and fair view of (in the case of annual financial statements) or fairly represent (in the case of semi-annual and quarterly financial statements) the financial condition of the Charter Guarantor at the date as of which they were prepared and the results of their operations during the financial period then ended; and

(b) there has been no material adverse change in its business or financial condition (or the business or consolidated financial conditions of the Group) since the date on which the financial statement of the Charter Guarantor for the financial year ending 31 December 2025 are stated to have been prepared;

53.1.16 **No obligation to create Encumbrance:** the execution of the Transaction Documents by the Obligors and their exercise of their rights and performance of their obligations thereunder will not result in the existence of nor oblige any Obligor to create any Encumbrance over all or any of their present or future revenues or assets, other than pursuant to the Security Documents;

53.1.17 **No breach:** the execution of the Transaction Documents by each of the Obligors and their exercise of their rights and performance of their obligations under any of the Transaction Documents do not constitute and will not result in any breach of any agreement or treaty to which any of them is a party;

53.1.18 **Security:** each of the Obligors 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 each Security Document and those Security Documents to which it is a party create and give rise to valid and effective security having the ranking expressed in those Security Documents;

53.1.19 **Necessary Authorisations:** the Necessary Authorisations required by each Obligor are in full force and effect, and each Obligor is in compliance with the material provisions of each such Necessary Authorisation relating to it and none of the Necessary Authorisations relating to it are the subject of any pending or threatened proceedings or revocation;

53.1.20 **No money laundering:** each Obligor complied with all Anti-Money Laundering Laws and each Obligor has instituted and maintained systems, controls, policies and procedures designed to:

(a) detect and prevent incidences of money laundering; and

(b) promote and achieve compliance with Anti-Money Laundering Laws;

53.1.21 **Disclosure of material facts:** the Charterers are not aware of any material facts or circumstances which have not been disclosed to the Owners and which might, if disclosed, have reasonably been expected to adversely affect the decision of a person considering whether or not to enter into the Transaction Documents;

53.1.22 **No breach of laws:**

(a) none of the Obligors has breached any law or regulation which breach has or is reasonably likely to have a Material Adverse Effect; and

(b) no labour disputes are current or (to the best of the Charterers' knowledge and belief) threatened against any Obligor which have or are reasonably likely to have a Material Adverse Effect;

53.1.23 **Environmental Law:**

(a) each Obligor is in compliance with Clause 54.12 (*Environmental compliance*) and (to the best of the Charterers' knowledge and belief) no circumstances have occurred which would prevent such compliance in a manner or to an extent which has or is reasonably likely to have a Material Adverse Effect; and

(b) no Environmental Claim has been commenced or (to the best of the Charterers' knowledge and belief) is threatened against any Obligor where that claim has or is reasonably likely, if determined against that Obligor, to have a Material Adverse Effect;

53.1.24 **Taxation:**

(a) no Obligor is overdue in the filing of any Tax returns and no Obligor is overdue in the payment of any amount in respect of Tax, save in the case of Taxes which are (i) being contested on bona fide grounds, (ii) each Obligor maintains adequate reserves for the payment of such Taxes and the costs required to contest them, and (iii) payment can be lawfully withheld; and

(b) no claims or investigations are being made or conducted against any Obligor with respect to Taxes or are reasonably likely to arise;

(c) no Obligor is resident for Tax purposes in any jurisdiction outside of its jurisdiction of incorporation nor has a taxable branch, agency or permanent establishment in any other jurisdiction.

53.1.25 **Sanctions:**

(a) No Obligor, and none of its Subsidiaries and none of their respective Agents:

(i) is a Prohibited Person or its otherwise owned or controlled by or acting directly or indirectly on behalf of or for the benefit of, a Prohibited Person;

(ii) owns or controls or is an Affiliate of a Prohibited Person; or

(iii) has received notice of or is aware of any claim, action, suit, proceedings or investigation against it with respect to Sanctions;

(b) Each Obligor, its Subsidiaries and their respective Agents, are in compliance with Sanctions in all material respects and are not knowingly engaged in any activity that would reasonably be expected to result in such Obligor being designated as a Prohibited Person.

(c) The Vessel is not a Sanctioned Vessel.

53.1.26 **No Material Adverse Effect:** no event or circumstance which has occurred and which has or is reasonably likely to have a Material Adverse Effect;

53.1.27 **Copies of Project Documents:** the copies of the Project Documents provided by the Charterers to the Owners in accordance with Clause 43 (*Conditions precedent and subsequent*) are true and accurate copies of the originals and represent the full agreement between the parties to those Project Documents in relation to the subject matter of those Project Documents and there are no commissions, rebates (other than any rebate and Commitment Fee which the Charterers (as sellers) are obliged to pay to the Owners (as buyers) under the MOA and this Charter), premiums or other payments due or to become due in connection with the subject matter of those Project Documents other than in the ordinary course of business or as disclosed to, and approved in writing by, the Owners;

53.1.28 **Anti-Bribery Laws:**

(a) there is not and has not been any enquiry or disciplinary proceeding by a competent authority (including any internal investigation, enquiry or proceeding) concerning any Obligor or its Business and none is pending or threatened. To the best of the Charterers' knowledge, information and belief, no fact or circumstance exists which might give rise to an investigation, enquiry or proceeding of that type. No Obligor has made any voluntary or involuntary disclosure to any Government Authority with respect to any alleged act or omission arising under or relating to any Anti-Bribery Laws;

(b) neither Obligor nor, to the best of such Obligor's knowledge, information and belief, any of its Agents has, in relation to that Obligor's Business, paid, offered, promised, given or authorised the payment of money or anything of value directly or indirectly to any person either intending to induce a person to improperly perform a function or activity or to reward a person for any such performance, or while knowing or believing that the acceptance by that person would constitute the improper performance of a function or activity;

(c) neither any Obligor nor, to the best of such Obligor's knowledge, information and belief, any of its Agents has, in relation to that Obligor's Business, directly or indirectly requested, agreed to receive or accepted money or anything of value:

(i) as a reward for the improper performance of a function or activity by any person;

(ii) in circumstances which amount to an improper performance of a function or activity; or

(iii) intending that as a consequence of any such request, agreement to receive or acceptance a function or activity will be performed improperly;

(d) neither any Obligor nor, to the best of such Obligor's knowledge, information and belief, any of its Agents has, in relation to that Obligor's Business, improperly performed a function or activity in anticipation of, or in consequence of, that Obligor or any of its Agents requesting, agreeing to receive or accepting money or anything of value;

(e) neither any Obligor nor, to the best of such Obligor's knowledge, information and belief, any of its Agents has, in relation to that Obligor's Business, at any time taken any action, directly or indirectly, in violation of Anti-Bribery Laws and that Obligor conducts and has at all times conducted the Business in compliance with Anti-Bribery Laws;

(f) each Obligor has instituted and maintained policies and procedures designed to ensure, and which that Obligor reasonably believes will continue to ensure, continued compliance by that Obligor and each of its Agents with Anti-Bribery Laws and to prevent any breach of Anti-Bribery Laws by that Obligor or any of its Agents occurring, in each case, in relation to that Obligor's Business;

53.1.29 **US Tax Obligor:** none of the Obligors is a US Tax Obligor, nor has it established a place of business or is otherwise conducting business in the United States of America;

53.1.30 **Non-conflict with other obligations:** the entry into and performance by each Obligor, and the transactions contemplated by the Transaction Documents do not and will not conflict with (A) any law or regulation applicable to it; or (B) its constitutional documents;

53.1.31 **No Financial Indebtedness**: The Charterers have not incurred any Financial Indebtedness;

53.1.32 **Ownership**:

(a) On the Actual Delivery Date, the Charterers are the sole legal and beneficial owner of the Earnings and Insurances.

(b) With effect on and from the date of its creation or intended creation, each Obligor will be the sole legal and beneficial owner of any asset that is the subject of any Encumbrance created or intended to be created by such Obligor;

53.1.33 **No Broker:** On the date of this Charter and the Actual Delivery Date, the Charterers represent that:

(a) no broker, finder, agent or similar intermediary has been employed by or acted on behalf of the Charterers in connection with the this Charter (or other Transaction Documents) or the transactions provided for herein;

(b) there are no brokerage commissions, similar fees or commissions payable or paid with respect to this Charter (or other Transaction Documents) or the transactions provided for herein based on any agreement, arrangement or understanding with the Charterers or any other action taken by the Charterers; and

(c) none of the Obligors or any of its agents has, in relation to that Obligor's business, paid, offered, promised, given or authorised any payment of money or anything of value directly or indirectly to any person in connection with the Owners that is in breach of any Anti-Bribery Laws; and

53.1.34 **Overseas companies:** No Obligor has delivered particulars, whether in its named stated in the Transaction Documents or any other name, of any UK Establishment to the Registrar of Companies as required under the Overseas Regulations or, if it has so registered, it has provided to the Owners sufficient details to enable an accurate search against it to be undertaken by the Owners at the Companies Registry.

53.2 **Representations limited:** the representation and warranties of the Charterers in this Clause 53 are subject to:

53.2.1 the principle that equitable remedies are remedies which may be granted or refused at the discretion of the court;

53.2.2 the limitation of enforcement by laws relating to bankruptcy, insolvency, liquidation, reorganisation, court schemes, moratoria, administration and other laws generally affecting or limiting the rights of creditors;

53.2.3 the time barring of claims under any applicable limitation acts;

53.2.4 the possibility that a court may strike out provisions for a contract as being invalid for reasons of oppression, undue influence or similar; and

53.2.5 any other reservations or qualifications of law expressed in any legal opinions obtained by the Owners in connection with the Transaction Documents.

54 Charterers' undertakings

The undertaking and covenants in this Clause 54 remain in force for the duration of the Agreement Term.

54.1 **Financial statements:** The Charterers shall supply to the Owners as soon as the same become available, but in any event within one hundred and eighty (180) days after the end of each of the Charter Guarantor's Financial Years, the Charter Guarantor's audited financial statements for that Financial Year;

54.2 **Requirements as to financial statements:** Each set of financial statements delivered to the Owners under Clause 54.1 (*Financial statements*) in relation to the Charter Guarantor shall be prepared in accordance with GAAP, give (in conjunction with the notes thereto) a true and fair view of (in the case of annual financial statements) or fairly represent (in the case of semi-annual financial statements) the financial condition of the Group (as the case may be) at the date as of which they were prepared and the results of their operations during the financial period then ended.

54.3 **Interim financial statements** The Charterers shall supply to the Owners as soon as the same become available, but in any event within one hundred and twenty (120) days after the end of each of the Charterer Guarantor's Financial Quarters the unaudited financial statements of the Charter Guarantor for that Financial Quarter.

54.4 **Information: miscellaneous** The Charterers shall:

54.4.1 notify the Owners in writing promptly upon becoming aware of any event or circumstance which may entitle any party (other than the Owners) to any Project Document to terminate, repudiate or cancel the Project Document, or any Project Document being terminated, repudiated, cancelled or otherwise ceasing to remain in full force and effect;

54.4.2 notify the Owners in writing immediately if the charterhire under a Sub-Charter or Time Charter decreases by five per cent. (5%) or more or if the relevant Sub-Charterers or Time Charterer suspends payment of hire for any reason;

54.4.3 notify the Owners in writing immediately if a Sub-Charter, Sub-Charter Guarantee, Time Charter or Time Charter Guarantee is terminated, cancelled, repudiated, or expires, or otherwise ceases to remain in full force and effect;

54.4.4 notify the Owners in writing immediately becoming aware of them, details of any litigation, arbitration or administrative proceedings which are current, or (to their knowledge), threatened or pending against any Obligor which, if adversely determined, is reasonably likely to have a Material Adverse Effect;

54.4.5 promptly notify the Owners in writing of such further information regarding the financial condition, business and operations of any Obligor as the Owners may reasonably request;

54.4.6 promptly disclose all material information in relation to each Sub-Charter and each Time Charter, including (but not limited to):

(a) the main commercial terms of each Sub-Charter and each Time Charter;

(b) any material information in relation to each Sub-Charterers' or Time Charterer's fulfilment of their obligations pursuant to the relevant Sub-Charter or Time Charter (in each case as applicable);

(c) the occurrence of any Charterers' default in relation to the relevant Sub-Charter and any notice sent by the relevant Sub-Charterers to the Charterers in connection with such Charterers' default;

(d) the occurrence of any Time Charter Assignor's default in relation to the relevant Time Charter and any notice sent by the relevant Time Charterer to the Time Charter Assignor in connection with such Time Charter Assignor's default;

(e) the delivery of the Vessel under each Sub-Charter and each Time Charter; and

(f) any other information which the Owners may request, acting reasonably;

54.4.7 notify the Owners in writing immediately if any Project Party repudiates (or evidences an intention to repudiate) any Project Document to which such Project Party is a party; and

54.4.8 notify the Owners in writing immediately if any Project Party ceases or threatens to cease, to carry on all or any material part of such Project Party's business;

54.4.9 notify the Owners in writing immediately after any reduction or repayment of capital in respect of the Charterers occurs;

54.4.10 promptly, such information and documents as the Owners may reasonably require about the Security Assets and compliance of the Obligors with the terms of any Security Documents;

54.4.11 notify the Owners in writing immediately of the following events:

(a) a material condition of class is applied by the Classification Society;

(b) the Vessel is arrested, confiscated, seized, requisitioned, impounded, forfeited or detained by any government or other competent authorities or any other persons;

(c) a class or flag authority refuses to issue or withdraws trading certification;

(d) the Vessel is planned for dry-docking in accordance with this Charter and whether routine or emergency;

(e) the Vessel is taken under tow;

(f) any (i) death, or (ii) serious injury on board which would require the Vessel to be diverted from its then trading route;

(g) any damage to the Vessel the repair costs of which (whether before or after adjudication) are likely to exceed the Major Casualty Amount; and

(h) any occurrence which is likely to result in the Vessel becoming a Total Loss.

54.5 **Maintenance of legal validity** The Charterers shall comply with the terms of and do all that is necessary to maintain in full force and effect all Necessary Authorisations required in or by the laws and regulations of their jurisdiction of formation or incorporation and all other applicable jurisdictions, to enable them lawfully to enter into and perform their obligations under the Transaction Documents and to ensure the legality, validity, enforceability or admissibility in evidence of the Transaction Documents in their jurisdiction of incorporation or formation and all other applicable jurisdictions.

54.6 **Notification of Termination Event** The Charterers shall promptly, upon becoming aware of the same, inform the Owners in writing of the occurrence of any Potential Termination Event or any Termination Event (and the steps, if any, being taken to remedy this) and, upon receipt of a written request to that effect from the Owners, confirm to the Owners that, save as previously notified to the Owners or as notified in such confirmation, no Termination Event is continuing or if a Termination Event is continuing specifying the steps, if any, being taken to remedy it.

54.7 **Claims *pari passu*** The Charterers shall ensure that at all times their payment obligations under the Transaction Documents rank at least *pari passu* with the claims of all their other unsecured and unsubordinated creditors except for obligations mandatorily preferred by any bankruptcy, insolvency, liquidation, winding-up or other similar laws of general application.

54.8 **Necessary Authorisations** Without prejudice to any specific provision of the Transaction Documents relating to a Necessary Authorisation, the Charterers shall (i) obtain, comply with and do all that is necessary to maintain in full force and effect all

Necessary Authorisations; and (ii) promptly upon request, supply certified copies to the Owners of all Necessary Authorisations.

54.9 **Compliance with applicable laws** The Charterers shall comply with all applicable laws, conventions and regulations, including without limitation SOLAS and the Environmental Laws, to which they or the Vessel may be subject (except as regards Sanctions to which Clause 54.10 (*Sanctions*) applies, Anti-Money Laundering Laws to which Clause 54.11 (*Anti-money laundering*) and Tax to which Clause 54.14 (*Taxation*) apply) if a failure to do the same is reasonably likely to have a Material Adverse Effect.

54.10 **Sanctions** The Charterers undertake that they shall comply or procure compliance with the following undertakings commencing from the date hereof and up to the last day of the Agreement Term:

54.10.1 no Obligor will, directly or indirectly, use any part of the MOA Purchase Price or lend, contribute or otherwise make available such proceeds to any person, to (A) fund any activities or business of or with any person, in any country or territory that at the time of such funding, is, a Prohibited Person or Sanctioned Country, or (B) in any other manner or for a purpose that would result in a violation of Sanctions by any Obligor, the Owners and any of their Affiliates;

54.10.2 no Obligor shall fund all or any part of any payment under or in respect of this Charter out of proceeds directly or indirectly derived from any activity in a Sanctioned Country or any transaction with a Prohibited Person, or out of proceeds directly or indirectly derived from any other transactions which would be prohibited by Sanctions or in any other manner which would cause the Owners or any Finance Party to be in breach of or made subject to Sanctions, or at risk of being in breach of or made subject to Sanctions and no such proceeds shall be paid into any account.

54.10.3 each of the Obligors has implemented and shall maintain in effect a Sanctions compliance policy which, in accordance with the recommendations of the Sanctions Advisory, is designed to ensure compliance by each Obligor, its Subsidiaries and their respective Agents with Sanctions. Without limitation to the foregoing, such Sanctions compliance policy shall procure that each Obligor, its Subsidiaries and their respective Agents shall, where applicable:

(a) conduct their activities in a manner consistent with Sanctions;

(b) have sufficient resources in place to ensure execution of and compliance with their own Sanctions policies by their personnel, e.g. direct hires, contractors, and staff;

(c) ensure Subsidiaries and Affiliates comply with the relevant policies, as applicable;

(d) have relevant controls in place to monitor automatic identification system (AIS) transponders;

(e) have controls in place to screen and assess onboarding or offloading cargo in areas they determine to present a high risk;

(f) have controls to assess authenticity of bills of lading, as necessary; and

(g) have controls in place consistent with the Sanctions Advisory.

54.10.4 the Vessel:

(a) shall not be used by or for the benefit of a Prohibited Person or in trading to or from a Sanctioned Country;

(b) shall not otherwise be used in any manner contrary to Sanctions, or in a manner that creates a risk that an Obligor will become a Prohibited Person or in any manner which would cause the Owners or any Finance Party to be in breach of or made subject to Sanctions, or at risk of being in breach of or made subject to Sanctions;

(c) shall not be used in trading in any manner that creates a risk that the Vessel will become a Sanctioned Vessel;

(d) shall not be traded in any manner which would trigger the operation of any sanctions limitation or exclusion clause (or similar) in the Insurances; and

54.10.5 without prejudice to the above provisions of Clause 54.10.4, that each time charterparty in respect of the Vessel shall contain, for the benefit of the Charterers, language which gives effect to the provisions of Clause 54.9 (*Compliance with applicable laws*) as regards Sanctions and the other provisions of this Clause 54.10 and which charterparty permits refusal of employment or voyage orders if such employment or compliance with such orders either results, or risks resulting in non-compliance with such provisions or breaches, or risks breaching Sanctions.

54.11 **Anti-money laundering** The Charterers undertake that:

54.11.1 they shall, and shall procure that other Obligors (including procuring or as the case may be, using reasonable endeavours to procure the Agents of the relevant entity, to do the same) shall:

(a) comply with all Anti-Money Laundering Laws;

(b) maintain system, controls, policies and procedures designed to promote and achieve ongoing compliance with Anti-Money Laundering Laws; and

(c) not use, or permit or authorise any person to directly or indirectly use, any part of the MOA Purchase Price for any purpose that would breach any applicable Anti-Money Laundering Laws;

54.11.2 they shall not lend, invest, contribute or otherwise make available any part of the MOA Purchase Price to or for any other person in a manner which would result in a violation of Anti-Money Laundering Laws;

54.11.3 they shall, and shall procure that each Obligor shall promptly notify the Owners of any non-compliance, by any Obligor or its Agents, with all any laws and regulations relating to Anti-Money Laundering Laws as well as provide all information (once available) in relation to its business and operations which may be relevant for the purposes of ascertaining whether any of the aforesaid parties are in compliance with such laws, regulations and rules.

54.12 **Environmental compliance** The Charterers shall, and shall procure that each of the Obligors will:

54.12.1 comply with any applicable Environmental Law;

54.12.2 obtain, maintain and ensure compliance with all requisite Environmental Approvals; and

54.12.3 implement procedures to monitor compliance with and to prevent liability under any Environmental Law.

54.13 **Environmental Claims** The Charterers shall promptly upon becoming aware of the same, inform the Owners in writing of:

54.13.1 any Environmental Claim against any Obligor which is current, pending or threatened; and

54.13.2 any facts or circumstances which are reasonably likely to result in any Environmental Claim being commenced or threatened against any Obligor.

54.14 **Taxation**

54.14.1 The Charterers shall (and shall procure that each other Obligor shall) pay and discharge all Taxes imposed upon it or its assets within the time period allowed without incurring penalties unless and only to the extent that:

(a) such payment is being contested in good faith;

(b) adequate reserves are being maintained for those Taxes and the costs required to contest them which have been disclosed in its latest financial statements delivered to the Owners under Clause 54.1 (*Financial statements*); and

(c) such payment can be lawfully withheld.

54.14.2 If the Charterers or any other Obligor fails to fulfil any obligations in connection with any Tax, the Charterers shall promptly inform the Owners. The Charterers shall indemnify and hold the Owners harmless against all losses as a consequence of any non-compliance by the Charterers or any other Obligor of any applicable tax laws and regulations.

54.14.3 If the Charterers or any other Obligor is not required to pay any Tax as a result of any tax relief, rebate or exemption, the Charterers shall promptly (and in any event within 15 Business Days) after becoming aware of such tax relief, rebate or exemption, provide the Owners in writing with full details (which shall include without limitation, the type of tax that is being exempted, the relevant law or regulation, the relevant tax relief, rebate or exemption scheme or policy, the amount of tax being exempted and the method of calculation) of such tax relief, rebate or exemption together with all documentary evidence issued by the relevant Tax authority relating thereto. For the avoidance of doubt the Charterers shall remain wholly responsible for utilizing such tax relief, rebate, exemption scheme or policy and the Owners shall not bear any liability, or have any claim against the Charterers prevented or diminished, due to the contents of the evidence provided.

54.14.4 The Charterers shall not (and shall procure that each other Obligor shall not) change its residence status for Tax purposes nor establish any branch, agency, permanent establishment or permanent representative in any other tax jurisdiction.

54.15 **Loans or other financial commitments** The Charterers shall not make any loan or enter into any guarantee and indemnity, voluntarily assume any actual or contingent liability, or otherwise provide any other form of financial support in respect of any obligation of any other person except pursuant to the Transaction Documents.

54.16 **Further assurance** The Charterers shall at their own expense, promptly take all such action as the Owners may reasonably require for the purpose of perfecting or protecting any of the Owners' rights with respect to the security created or evidenced (or intended to be created or evidenced) by the Security Documents.

54.17 **Inspection of records** The Charterers will permit the inspection of their financial records and accounts on reasonable notice from time to time before 5:00 pm in the place of business by the Owners or their nominee.

54.18 **Insurance** The Charterers shall procure that all of the assets, operation and liability of the Charterers are insured against such risks, liabilities and for amounts as normally adopted by the industry for similar assets and liabilities and, in the case of the Vessel, in accordance with the terms of this Charter.

54.19 **Change of Control and other merger and demerger**

54.19.1 The Charterers shall ensure that, unless with the Owners' prior written consent, no Change of Control shall occur.

54.19.2 Without limiting Clause 54.19.1, the Charterers shall not (and shall procure that the Charter Guarantor will not) enter into any asset reorganisation, amalgamation, merger, demerger or corporate restructuring which might have a Material Adverse Effect without the prior written consent of the Owners.

54.20 **Transfer of assets**

54.20.1 Except as permitted under Clause 54.20.2, the Charterers shall not, and shall procure that no other Obligor will, sell, dispose of or transfer any of its material assets.

54.20.2 Clause 54.20.1 does not apply to any sale, lease, transfer or other disposal which is a Permitted Disposal.

54.21 **Change of business** The Charterers shall not (and shall procure that no other Obligor will) without the prior written consent of the Owners, make any substantial change to the general nature of their shipping business from that carried on at the date of this Charter.

54.22 **Acquisitions** The Charterers shall not make any acquisitions or investments without the prior written consent of the Owners (such consent not to be unreasonably withheld or delayed) save for the acquisition of the Vessel under the Building Contract.

54.23 **"Know your customer" checks** If:

54.23.1 the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation made after the date of this Charter;

54.23.2 any change in the status of any Obligor after the date of this Charter; or

54.23.3 a proposed assignment or transfer by Owners of any of their rights and obligations under this Charter,

obliges the Owners to comply with "know your customer" or similar identification procedures in circumstances where the necessary information is not already available to it, the Charterers shall promptly upon the request of the Owners supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Owners in order for the Owners to carry out and be satisfied they have complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in the Transaction Documents.

54.24 **No borrowings** The Charterers shall not, without the Owners' written consent, incur any liability or obligation except for:

54.24.1 liabilities and obligations under the Transaction Documents or otherwise permitted under such Transaction Documents to which they are parties;

54.24.2 liabilities or obligations reasonably incurred in the ordinary course of operating, chartering, repairing and maintaining the Vessel; or

54.24.3 any Financial Indebtedness owing to other members of the Group which is unsecured and subordinated to the Owners pursuant to a Subordination Deed on terms acceptable to the Owners.

54.25 **No dividends and share capital** The Charterers shall not:

54.25.1 pay any dividends or make other payments or distributions to its shareholders or repurchase any shares whilst a Potential Termination Event or Termination Event is continuing; or

54.25.2 issue any further shares except to the Chargor and provided such new shares are made subject to the terms of the Share Charge immediately upon the issue of such new shares in a manner satisfactory to the Owners and the terms of the Share Charge are complied with.

54.26 **Negative pledge** The Charterers shall:

54.26.1 not create, or permit to subsist, any Encumbrance (other than pursuant to the Security Documents) over all or any part of the Vessel, their other assets or undertakings (other than Permitted Encumbrances) nor dispose of the Vessel or any of those assets or all or any part of those undertakings; and

54.26.2 procure that none of their shareholders will create, or permit to subsist, any Encumbrance (other than pursuant to any Security Documents) over the shares of the Charterers.

54.27 **Management of the Vessel** The Charterers shall ensure that the Vessel is at all times technically and commercially managed by the Approved Managers.

54.28 **Classification** The Charterers shall ensure that the Vessel maintains the highest classification required for the purpose of the relevant trade of the Vessel which shall be with the Vessel's Classification Society, in each case, free from any overdue recommendations, conditions and adverse notations affecting that the Vessel's class.

54.29 **Certificate of financial responsibility** The Charterers shall, if required, obtain and maintain a certificate of financial responsibility in relation to the Vessel which is to call at the United States of America.

54.30 **Registration** The Charterers shall not change or permit a change to the flag of the Vessel throughout the duration of this Charter without the prior written approval by the Owners, such approval not to be unreasonably withheld or delayed. Any change to the flag of the Vessel shall be at the cost of the Charterers (which shall include any reasonable and costs of the Finance Parties (if applicable)).

54.31 **ISM and ISPS Compliance** The Charterers shall ensure that each ISM Company and ISPS Company complies in all material respects with the ISM Code and the ISPS Code, respectively, or any replacements thereof and in particular (without prejudice to the generality of the foregoing) shall ensure that such company holds (i) a valid and current Document of Compliance 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 the Charterers shall promptly, upon request, supply the Owners with copies of the same.

54.32 **Chartering-in** The Charterers shall not, during the duration of this Charter, without the prior written consent of the Owners, take any vessel on charter or other contract of employment (or agree to do so).

54.33 **Inspection of Vessel**

54.33.1 The Charterers shall permit the Owners and all persons appointed by the Owners to board the Vessel from time to time during the Agreement Term (provided that such inspection shall not interfere with the operation of that Vessel) to inspect the Vessel's state and condition and shall provide such necessary assistance to the Owners in respect of such inspection and, if the Vessel shall not be in a state and condition which complies with the requirements of this Charter, to effect such repairs as shall in the opinion of the Owners be desirable to ensure such compliance, without prejudice to the Owners' other rights under or pursuant to the Transaction Documents.

54.33.2 The Charterers shall be liable for the cost of one such inspection per calendar year, unless:

(a) a Termination Event has occurred and is continuing, in which case the Charterers shall be liable for the cost of all inspections required by the Owners; or

(b) the inspection occurs within one month following a dry-docking of the Vessel or repairs to the Vessel costing more than the Major Casualty Amount, in which case the Charterers shall be liable for the cost of such inspection.

54.33.3 Without prejudice to Clause 54.33.1, the Charterers shall, at the Charterers' cost and once every 12 months during the Charter Period, deliver to the Owners an inspection report as to the condition of the Vessel containing such information as may be reasonably required by the Owners.

54.34 **Valuation Report** The Charterers will deliver or procure the delivery to the Owners of a Valuation Report:

54.34.1 once every twelve (12) months during the Charter Period (each such Valuation Report to be at the Charterers' cost); and

54.34.2 at such other times as the Owners may require in their absolute discretion (each such additional Valuation Report to be at Owners' cost unless a Termination Event has occurred and is continuing following which each such additional Valuation Report shall be at the cost of the Charterers).

54.35 **Transactions with Affiliates** The Charterers shall procure that all transactions conducted or to be conducted between the Charterers and any of the Charterers' Affiliates will be on an arm's length commercial basis.

54.36 **Project Documents** In relation to the Project Documents, the Charterers undertake that:

54.36.1 there shall be no termination by the Charterers of any term of any Project Document, no material alteration to any term of the Building Contract and no alteration to any term of the other Project Documents, and no waiver of any term of any Project Document;

54.36.2 they shall not exercise any of their rights in a manner which is contrary to or inconsistent with the Security Documents or waive any of their rights under or in connection with any Project Document, in each case without the prior written consent of the Owners; and

54.36.3 without prejudice to the foregoing, the Charterers shall, where applicable, use reasonable endeavours and forthwith execute and deliver any and all such other agreements, instruments and documents (including any novation agreement) as may be required by law or deemed necessary or desirable by the Owners to ensure that the Project Documents which are in effect on the date of this Charter (in particular any Sub-Charters and any Time Charters) shall remain in effect, so that all obligations previously owed by the applicable Project Party to the Charterers under such Project Documents shall continue to be owed to the Charterers throughout the Agreement Term.

For the purpose of Clause 54.36.1, an alteration to any term of the Building Contract shall be deemed "material" if, when taken together with all previous alterations, it would result in an overall increase or reduction of more than ten per cent (10%) in the price of the Vessel under the Building Contract or it would result in the "Delivery Date" (as such term is described under the Building Contract) being changed.

54.37 **Evidence of delivery under Sub-Charters (or Time Charter) and replacement charters** The Charterers shall:

54.37.1 within thirty (30) days after the Vessel is delivered to any Sub-Charterers or Time Charterer in accordance with the relevant Sub-Charter or Time Charter (in each case as applicable), provide a written confirmation to the Owners that such delivery has occurred; and

54.37.2 within thirty (30) days after the Vessel is delivered to the relevant replacement charterer in accordance with a replacement charter referred to in Clause 58.1.27 (*Termination, repudiation or cancellation of Sub-Charter or Time Charter after the Actual Delivery Date*) has occurred, provide a written confirmation to the Owners that such delivery has occurred.

54.38 **Tax indemnity**

54.38.1 The Charterers shall (within five Business Days of demand by the Owners) pay to the Owners an amount equal to the loss, liability or cost which the Owners determine will be or has been (directly or indirectly) suffered for or on account of Tax by the Owners in respect of any Transaction Document, together with any interest, penalties, costs and expenses payable or incurred.

54.38.2 Clause 54.38.1 shall not apply with respect to any Tax assessed on the Owners under the law of the jurisdiction in which the Owners are incorporated if that Tax is imposed on or calculated by reference to the net income received or receivable (but not any sum deemed to be received or receivable) by the Owners.

54.39 **Anti-Bribery Laws** The Charterers shall, and shall use reasonable endeavours to procure that their Agent shall, promptly report to the Owners any request or demand for any payment, gift, promise, other advantage or anything of value received by the Agent of the Owners in connection with the Charterers' business. The Owners shall, upon reasonable prior written notice to the Charterers and acting reasonably, have the right to audit the Charterers' records and reports in relation to the Charterers' business to the extent they relate to the transactions contemplated by this Charter, at any time during and within two (2) years after the Termination or the expiry of this Charter. Such records and information shall include at a minimum all invoices for payment submitted by the Charterers along with complete supporting documentation. The Owners shall have the right to reproduce and retain copies of any of the aforesaid records or information solely for the purposes of verifying the Charterers' compliance with this Charter.

54.40 **Trading limits** In addition (and without prejudice to) Clause 11 (*Trading Restrictions*), if the Vessel is traded or employed outside the trading limits stated in Box 14 and, as a result for any reason whatsoever, incur any Tax, the Charterers shall promptly pay all such Taxes and shall indemnify the Owners immediately on demand against any and all liabilities with respect to or resulting from any failure or delay in the part of the Charterers to pay such Taxes or any penalty.

54.41 **Compliance Certificate** Concurrently with the delivery of each set of the annual financial statements in respect of the Charter Guarantor in accordance with Clause 54.1 (*Financial statements*), the Charterers shall deliver to the Owners a Compliance Certificate signed by two (2) directors of the Charter Guarantor, certifying that, as at the date of such financial statements:

54.41.1 the Charter Guarantor is in compliance with the covenants and undertakings in Clause 56 (*Financial covenants*) (or if it is not in compliance, indicating the extent of the breach) and setting out the calculation of the covenants and undertakings in Clause 56 (*Financial covenants*); and

54.41.2 that no Termination Event has occurred and is continuing which has not been waived or remedied at the date of such Compliance Certificate or, if that is not the case, specifying the same and the steps, if any, being taken to remedy the same.

54.42 **US Tax Obligor** The Charterers will ensure that no Obligor shall become a US Tax Obligor.

54.43 **Overseas companies** The Charterers shall not, and shall procure that no other Obligor will, promptly inform the Owners if it delivers to the Registrar particulars required under the Overseas Regulations of any UK Establishment and it shall comply with any directions given to it by the Owners regarding the recording of any Encumbrance on the register which it is required to maintain under The Overseas Companies (Execution of Documents and Registration of Charges) Regulations 2009.

54.44 **No change to centre of main interests** The Charterers shall not, and shall procure that no other Obligor will, change the location of its centre of main interest (as that term is used in Article 3(1) of the Regulation) and it will not create no "establishment" (as that term is used in Article 2(10) of the Regulation) in any other jurisdiction.

54.45 **Carbon Intensity Indicator**

54.45.1 in relation to the Carbon Intensity Indicator rating of the Vessel, for any calendar year during the Agreement Term:

(a) they shall procure that the Vessel shall have a proper Carbon Intensity Indicator rating and shall maintain her Carbon Intensity Indicator rating in line with good commercial maintenance and operation practice so as not to interfere, hinder or affect the normal operations of the Vessel for the next year;

(b) they shall, upon the Owners' request, provide all data and records relating to the Vessel's Carbon Intensity Indicator rating and her operations to the Owners promptly; and

(c) if the Vessel has a Carbon Intensity Indicator rating of "D" or below, they shall submit a written explanation in such form as reasonably acceptable to the Owners setting out the corrective measures or actions to improve her Carbon Intensity Indicator rating to "C" or above and implement such written explanation in accordance with applicable regulations.

54.46 **EU ETS**

54.46.1 The Charterers:

(a) shall or shall procure that any other organisation or person whom the Charterers have contractually agreed to take over all duties and responsibilities imposed by the ISM Code (including the Approved Manager, any Sub-Charterer and any Time Charterer of the Vessel) will:

(i) ensure full compliance in respect of the Vessel under any applicable Emission Scheme; and

(ii) promptly upon the Owners' request, provide evidence of such compliance and any other information and documents as required by the Owners and/or the relevant authority in relation to any applicable Emission Scheme;

(b) shall fulfil all obligations which may be imposed on the Owners as registered owner of the Vessel by the MARPOL Carbon Intensity Regulations;

54.46.2 without prejudice to the foregoing Clause 54.46.1, in relation to EU ETS and FuelEU:

(a) if the Vessel sails into any European Union ports, they shall register the Vessel as part of a "Shipping Company" as required under EU ETS and shall comply in all respects with EU ETS and FuelEU; they shall ensure a maritime operator holding account for the Vessel only will be set up, by them or any other organisation or person whom the Charterers have contractually agreed to take over all duties and responsibilities imposed by the ISM Code (including the Approved Manager, any Sub-Charterer and any Time Charterer of the Vessel), and the maritime operator holding account for the Vessel is not pooled with any other vessel without the Owners' prior written consent;

(b) if required by the Owners, provide a letter in a format to be acceptable to the Owners confirming that they have assumed responsibility for the operation of the Vessel and have indemnified the Owners of all liabilities under EU ETS and FuelEU (the "**EU ETS and FuelEU Maritime Letter**");

(c) shall submit the EU ETS and FuelEU Maritime Letter to the relevant administering authority upon registration of the Vessel pursuant to EU ETS and shall promptly provide the Owners (which shall be no later than fourteen (14) days of the Owners' demand) with evidence of such submission and registration; and

(d) if required by the Owners, the Charterers shall enter and shall procure the organisation or person whom the Charterers have contractually agreed to take over all duties and responsibilities imposed by the ISM Code (including the Approved Manager or any sub charterer of the Vessel) enters into an agreement, on such terms and conditions the Owners may reasonably require, setting out the specific obligations of the Charterers and such organisation or person in respect of the exchange, review and analysis of all relevant data and information relating to the EU ETS and FuelEU, surrendering of the Emission Allowances and such other actions as may be required to ensure compliance with this Clause 54.46.

54.47 **EU ETS and FuelEU Indemnity**

Notwithstanding any delegation or sub-delegation by the Charterers or direct mandate by the Owners to any organisation or person to take over all or any part of the duties and responsibilities imposed by the ISM Code (including but not limited to the Approved Manager or any sub charterer of the Vessel):

54.47.1 the Charterers shall always remain responsible towards the Owners under Clause 54.46 and other relevant terms and conditions of this Charter; and

54.47.2 without prejudice to the Owners' rights and benefits under Clause 66, the Charterers shall indemnify, protect, defend and hold harmless (notwithstanding any act or omission of any organisation or person whom the Charterers have contractually agreed to take over all duties and responsibilities imposed by the ISM Code) the Owners from, against and in respect of, any and all liabilities, obligations, losses, damages, penalties, fines, fees, claims, actions, proceedings, judgement, order or other sanctions, lien, suits, costs, expenses and disbursements, including reasonable and documented legal fees and expenses, of whatever kind and nature, imposed on, suffered or incurred by or asserted against the Owners, in any way relating to, resulting from or arising out of or in connection with, in each case, directly or indirectly, any MARPOL Carbon Intensity Regulations, any Emission Scheme(s) applicable to the Vessel or the Owners, including but not limited to the EU ETS and FuelEU.

54.48 **Time Charter Assignment**

If no Time Charter has been entered into by the Actual Delivery Date and as a result, the Time Charter Assignment is not executed and delivered to the Owners on or prior to the Actual Delivery Date and, any Time Charter is subsequently entered into at any time during the Agreement Term, the Charterers shall:

54.48.1 procure that the Time Charter Assignor will promptly execute and deliver the Time Charter Assignment in favour of the Owners in respect of such Time Charter and any relevant Time Charter Guarantee; and

54.48.2 in connection with such Time Charter Assignment, deliver or procure the delivery to the Owners of (i) all documents and other evidence of the kind referred to in Clause 43 (*Conditions precedent and subsequent*) which would have been required to be delivered if such Time Charter Assignment had been executed and delivered as a condition precedent on or prior to the Actual Delivery Date; and (ii) such legal opinions as the Owners shall in their absolute discretion require, in each case in form and substance satisfactory to the Owners.

54.49 **War risks**

54.49.1 The Charterers shall not cause or permit the Vessel to enter or trade to any zone which is declared a war zone by any government or by the Vessel's war risks insurers or which is otherwise excluded from the scope of coverage of the obligatory insurances unless:

(a) the prior written consent of the Owners have been given; and

(b) the Charterers have (at their expense) effected any special, additional or modified insurance cover which the Owners may require.

54.49.2 The Charterers shall not cause or permit the Vessel to load contraband cargo, or to pass through any blockade, whether such blockade be imposed on all vessels, or is imposed selectively in any way whatsoever against vessels of certain flags or ownership, or against certain cargoes or crews or otherwise howsoever, or to proceed to an area where she shall be subject, or is likely to be subject to a belligerent's right of search and/or confiscation.

55 Earnings Account

55.1 The Charterers hereby undertake to the Owners that:

55.1.1 if, at any time during the Agreement Term, the Account Bank is to be changed from such bank or financial institution which the Owners and the Charterers have previously agreed to be the Account Bank for the purpose of this Charter (in each instance a "**Previous Account Bank**") as a result of the Owners' internal approval requirements, then the Charterers shall (without limiting the generality of Clause 54.16 (*Further assurance*)) at the Owners' expense (unless such request is a result of a change of law in which case the Charterers shall be responsible for such expense), promptly take all such action as the Owners may reasonably require for the purpose of effecting a substitution of such Previous Account Bank to such Owners-approved bank or financial institution (in each instance the "**Newly-Approved Account Bank**"), including but not limited to the following:

(a) the (1) execution of all necessary account opening mandates, "know your client", compliance checks or similar documents, and (2) payment of account administration, operation, maintenance or associated fees, in each case as such Newly-Approved Account Bank may require;

(b) the transfer of all amounts standing credit to the Earnings Account held with such Previous Account Bank to the Earnings Account opened or to be opened with the Newly-Approved Account Bank; and

(c) the:

(i) execution of a new security instrument (together with all other documents required by it according to its terms, including, without limitation, all notices of assignment and/or charge and acknowledgements of all such notices of assignment); and

(ii) procurement of: (x) a legal opinion issued by a competent law firm qualified to practise in the jurisdiction in which the new Earnings Account referred to in paragraph (b) above is to be opened, (y) a legal opinion issued by a competent law firm qualified to practise in the jurisdiction of formation of the Charterers, and (z) such security instrument, other documents and legal opinions shall, in each case as applicable, in form and substance satisfactory to the Owners (acting reasonably); and

55.1.2 to deposit all of the Earnings, Requisition Compensation and proceeds of Insurances received by the Charterers into the Earnings Account, free and clear of any costs, fees, expenses, disbursements, withholdings or deductions.

55.2 Provided that (i) no Potential Termination Event or Termination Event has occurred or is continuing and (ii) for ten (10) consecutive days immediately prior to each Hire Payment Date, the balance standing to the credit of the Earnings Account is maintained at an amount no less than Hire payable by the Charterers on such Hire Payment Date, the Charterers may withdraw any balance that is standing to the credit of the Earnings Account.

56 Financial covenants

56.1 **Financial definitions** For the purpose of this Clause 56, the following definitions shall apply:

"**Tangible Asset Net Worth**" means, at any relevant time, the aggregate of the amounts paid up or credited as paid up on the issued ordinary share capital of the Charter Guarantor and the amount standing to the credit of the reserves of the Charter Guarantor or any of its Subsidiaries, including any amount credited to the share premium account, **but deducting**:

(a) any debit balance on the profit and loss account of the Charter Guarantor;

(b) (to the extent included) any amount shown in respect of goodwill or other intangible assets of the Charter Guarantor or any of its Subsidiaries;

(c) (to the extent included) any provision for deferred taxation; and

(d) any amount in respect of any dividend or distribution declared, recommended or made by the Charter Guarantor or any of its Subsidiaries and to the extent payable to a person who is not the Charter Guarantor or any of its Subsidiaries and to the extent such distribution is not provided for in the most recent financial statements, and so that no amount shall be included or excluded more than once.

"**Total Assets**" means the aggregate value of the assets of the Charter Guarantor.

"**Total Liabilities**" means the aggregate amount of all the obligations of the Charter Guarantor in respect of borrowings.

56.2 **Financial covenants** The Charterers shall procure that the Charter Guarantor will ensure that at all times during the Agreement Term:

(a) the Tangible Asset Net Worth shall not be less than US$100,000,000; and

(b) the Total Liabilities shall not exceed eighty per cent (80%) of the Total Assets.

56.3 **Financial testing**

56.3.1 The financial covenants in this Clause 56 shall be tested by reference to each of the financial statements delivered pursuant to, as applicable, Clause 54.1 (*Financial statements*) and/or each Compliance Certificate delivered pursuant to Clause 54.41 (*Compliance Certificate*).

56.3.2 Any amount in a currency other than US Dollars is to be taken into account at its equivalent in US Dollar calculated on the basis of the relevant rates of exchange used by the Charter Guarantor in, or in connection with, its financial statements for that period.

56.3.3 When calculating the financial covenants in this Clause 56, the effect of all transactions between members of the Group shall be eliminated to the extent not already netted out on consolidation.

56.3.4 No item may be credited or deducted more than once in any calculation under this Clause 56.

57 Value maintenance clause

57.1 **Definitions** In this Clause 57:

"**Test Date**" means any day within the Agreement Term, which the Owners may notify to the Charterers.

"**Value Maintenance Ratio**" means the ratio (expressed as a percentage) of:

(a) the Market Value of the Vessel, plus any additional security provided pursuant to Clause 57.3.2(a)

to

(b) the then current Cost Balance.

"**Value Maintenance Threshold**" means the ratio (expressed as a percentage) of one hundred and twenty per cent. (120%).

57.2 **Valuations**

57.2.1 For the purposes of testing the Value Maintenance Ratio on a Test Date, the Market Value shall be determined by the Owners based on the valuation from the most recent Valuation Report provided to the Owners in accordance with the requirements under this Clause 57, which shall be prepared by an Approved Valuer nominated by the Owners, provided that:

(a) subject to paragraph (b), the Charterers shall arrange, deliver to the Owners and bear the cost of the issuance of such Valuation Report once every twelve (12) months during the Agreement Term and any additional Valuation Report shall be at the Owners' cost; and

(b) if a Termination Event is continuing, the Charterers shall arrange, deliver to the Owners and bear the cost of the issuance of all Valuation Reports as may be required by the Owners,

provided further that if the Charterers fail to deliver any Valuation Report in accordance with the requirements under this Clause 57, the Owners may arrange each such Valuation Report at the Charterers' cost.

57.2.2 Each Valuation Report to be provided for the purpose of Clause 57.2.1 shall:

(a) be issued by an Approved Valuer (I) no more than fifteen (15) days before the relevant Test Date and (II) no fewer than five (5) days before the relevant Test Date;

(b) be delivered to the Owners no later than five (5) days prior to the relevant Test Date;

(c) be prepared with or without physical inspection of the Vessel, as the Owner may require;

(d) be prepared on the basis of a sale for prompt delivery for cash on normal arm's length commercial terms as between a willing seller and a willing buyer, free of any charter; and

(e) always exclude or deduct an amount equal to the usual and reasonable expenses which would be incurred in connection with a sale described in sub-paragraphs (c) and (d) above.

57.2.3 If an Approved Valuer determines that the Market Value shall fall within a range, the valuation as determined by such Approved Valuer should be the arithmetic mean of the highest and lowest values of such range.

57.2.4 Each valuation shall be provided by an Approved Valuer in US Dollars.

57.3 **Value Maintenance Ratio**

57.3.1 The Owners may test the Value Maintenance Ratio on any Test Date in accordance with the methodology described in Clause 57.2 (*Valuations*).

57.3.2 If, after conducting testing of the Value Maintenance Ratio on the relevant Test Date, the Owners determine that the Value Maintenance Ratio is less than the Value Maintenance Threshold (the said difference between that Market Value and the Cost Balance shall be referred to as the "**shortfall**" for the purposes of this Clause), then the Charterers shall, within 14 days of the Owners' receipt of the relevant Valuation Reports, undertake any of the following at the Charterers' option (but always subject to the Owners' prior approval):

(a) provide, or ensure that a third party provides, additional security, which, in the opinion of the Owners has a net realisable value of an amount at least equal to the shortfall and is acceptable to the Owners, and which is documented in such terms as the Owners may require; or

(b) prepay to the Owners in the amount of the shortfall, to be applied by the Owners to reduce, to the extent of such amount, the Cost Balance by prepaying the Balloon Amount and, upon the Balloon Amount being fully prepaid, the Basic Fixed Hire in inverse chronological order of maturity (it being understood and the Owners and the Charterers hereby agree and acknowledge that any amount prepaid in accordance with this sub-paragraph (b) shall, once so applied by the Owners, not be refundable in any circumstance whatsoever),

in each case in order to restore the Value Maintenance Ratio to the Value Maintenance Threshold.

57.3.3 In connection with any additional security provided in accordance with Clause 57.3.2, the Owners shall be entitled to receive certified copies of such documents of the kind referred to in Clause 43 (*Conditions precedent and subsequent*) and such favourable opinions as the Owners shall in its absolute discretion required.

57.3.4 If at any time after any additional security has been provided in accordance with Clause 57.3.2(a), the Owners determine that the Value Maintenance Ratio is higher than the Value Maintenance Threshold for a consecutive period of more than 60 days, the Owners shall, upon the Charterers' request, release to the Charterers such part of the additional security provided to the Owners pursuant to Clause 57.3.2(a) above as shall decrease the Value Maintenance Ratio to the Value Maintenance Threshold, subject to the Owners being satisfied that (1) no Termination Event and no Potential Termination Event has occurred or will occur before or after such release and (2) immediately following such release, the Value Maintenance Ratio will not be lower than the Value Maintenance Threshold.

58 Termination Events

58.1 **Each of the following events shall constitute a Termination Event.** The Owners and the Charterers agree that it is a fundamental term and condition of this Charter that the occurrence of a Termination Event which is a breach of contract by the Charterers is either a repudiatory breach for the purpose of this Charter or its otherwise a breach of condition by the Charterers under this Charter and, if not a breach of contract by the Charterers, then it is an agreed terminating event.

58.1.1 **Failure to pay** An Obligor fails to pay any amount due from it under any Transaction Document to which it is a party at the time, in the currency and otherwise in the manner specified therein, unless the failure to pay is caused by a Disruption Event, and such payment is made within three (3) Business Days of its due day.

58.1.2 **Misrepresentation** Any representation or statement made or deemed to be made by an Obligor in any Transaction Document or any other document delivered by or on behalf of an Obligor under or in connection with any Transaction Document is or proves to have been incorrect or misleading in any material respect when made or deemed to be made.

58.1.3 **Specific covenants** An Obligor fails to perform or comply with Clauses 54.11 (*Anti-money laundering*), 54.18 (*Insurance*), 54.26 (*Negative pledge*), 54.24 (*No borrowings*), 54.30 (*Registration*), 54.39 (*Anti-bribery laws*) and 56 (*Financial covenants*).

58.1.4 **Other obligations** An Obligor fails to perform or comply with any of the obligations expressed to be assumed by it in any Transaction Document (other than those referred to in Clause 58.1.3 (*Specific covenants*)). No Termination Event under this Clause will occur if the failure to comply is capable of remedy (to the extent that the Owners consider, in their absolution discretion, that such failure is capable of remedy) and is remedied to the satisfaction of the Owners within fourteen (14) days after the earlier of (A) the Owners having given notice thereof to the relevant Obligor, and (B) any Obligor becoming aware of such failure to perform or comply.

58.1.5 **Cross default**

(a) Any Financial Indebtedness of any Obligor is not paid when due nor within any originally applicable grace period.

(b) Any Financial Indebtedness of any Obligor is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default or review event (however described).

(c) Any commitment for any Financial Indebtedness of any Obligor is cancelled or suspended by a creditor of any Obligor as a result of an event of default or review event (however described).

(d) Any creditor of any Obligor becomes entitled to declare any Financial Indebtedness of any Obligor due and payable prior to its specified maturity as a result of an event of default or review event (however described).

No Termination Event will occur under this Clause 58.1.5 if the aggregate amount of Financial Indebtedness or commitment for Financial Indebtedness in respect of the Charter Guarantor falling within paragraphs (a) to (d) above is less than US$10,000,000 (or its equivalent in any other currency or currencies). Such threshold does not apply to any Financial Indebtedness provided by a Bank Member.

58.1.6 **Insolvency and rescheduling**

(a) An Obligor or any member of its Group:

(i) is unable to pay its debts as they fall due;

(ii) is deemed to, or is declared to, be unable to pay its debt under applicable law;

(iii) suspends or threatens to suspend making payments on any of its debts; or

(iv) by reason of actual or anticipated financial difficulties, commences negotiations with any one or more of its creditors (excluding the Owners in their capacity as such) with a view to the general readjustment or rescheduling of its indebtedness or makes a general assignment for the benefit of its creditors or a composition with its creditors.

(b) The value of the assets of any member of the Group (other than the Chargor) is less than its liabilities (taking into account contingent and prospective liabilities).

(c) A moratorium is declared in respect of any indebtedness of any member of the Group.

58.1.7 **Insolvency proceedings**

(a) Any corporation action, legal proceedings or other procedure or step is taken in relation to:

(i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of any Obligor;

(ii) a composition, compromise, assignment or arrangement with any creditor of any Obligor;

(iii) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of any assets; or

(iv) enforcement of any Encumbrance over any assets of any Obligor,

or any analogous procedure or step is taken in any jurisdiction.

(b) Sub-paragraph (a) above shall not apply to any winding-up petition which is frivolous or vexatious and is discharged, stayed or dismissed within fourteen (14) days of commencement.

58.1.8 **Creditors' process**

Any expropriation, attachment, sequestration, distress or execution (or any analogous process in any jurisdiction) affects any asset or assets of an Obligor.

58.1.9 **Execution or distress**

(a) An Obligor fails to comply with or pay any sum due from it (within thirty (30) days of such amount falling due) under any final judgment or any final order made or given by any court or other official body of a competent jurisdiction against which there is no right of appeal or if a right of appeal exists, where the time limit for making such appeal has expired.

(b) Any execution or distress is levied against, or an encumbrancer takes possession of, the whole or any part of, the property, undertaking or assets of an Obligor.

58.1.10 **Similar event** Any event occurs which, under the laws of any jurisdiction, has an analogous effect to any of those events mentioned in Clauses 58.1.6 (*Insolvency and rescheduling*), 58.1.7 (*Insolvency proceedings*), 58.1.8 (*Creditors' process*) or 58.1.9 (*Execution or distress*).

58.1.11 **Repudiation** An Obligor repudiates any Transaction Document to which it is a party or does or causes to be done any act or thing evidencing an intention to repudiate any such Transaction Document.

58.1.12 **Validity and admissibility** At any time any act, condition or thing required to be done, fulfilled or performed in order:

(a) to enable any Obligor lawfully to enter into, exercise its rights under and perform the respective obligations expressed to be assumed by it in the Transaction Documents;

(b) to ensure that the obligations expressed to be assumed by each of the Obligors in the Transaction Documents are legal, valid and binding; or

(c) to make the Transaction Documents admissible in evidence in any applicable jurisdiction,

is not done, fulfilled or performed within thirty (30) days after notification from the Owners to the relevant Obligor requiring the same to be done, fulfilled or performed.

58.1.13 **Illegality** At any time:

(a) it is or becomes unlawful for any Obligor to perform or comply with any or all of its obligations under the Transaction Documents to which it is a party;

(b) any of the obligations of the Charterers under the Transaction Documents to which they are parties are (subject to the Legal Reservations) not or cease to be legal, valid and binding; or

(c) any Encumbrance created or purported to be created by the Security Documents ceases to be legal, valid, binding, enforceable or effective or is alleged by a party to such Security Document (other than the Owners) to be ineffective,

and, in each case, such illegality is not remedied or mitigated to the satisfaction of the Owners within thirty (30) days after they have given notice thereof to the relevant Obligor.

58.1.14 **Material adverse change** At any time there shall occur any event or change which has a Material Adverse Effect.

58.1.15 **Conditions subsequent** The condition referred to in Clause 43.2 (*Conditions precedent and subsequent*) is not satisfied within the time period specified in that Clause or such other time period specified by the Owners in their discretion.

58.1.16 **Revocation or modification of consents etc.** Any Necessary Authorisation which is now or which at any time during the Agreement Term becomes necessary to enable any of the Obligors to comply with any of their obligations in or pursuant to any of the Transaction Documents is revoked, withdrawn or withheld, or modified in a manner which the Owners reasonably considers is, or may be, prejudicial to the interests of Owners in a material manner, or if such Necessary Authorisation ceases to remain in full force and effect.

58.1.17 **Cessation of business** Any of the Obligors ceases, or threatens to cease, to carry on all or a substantial part of its business provided that it shall not be a Termination Event under this Clause 58.1.17 if such cessation of business is a direct result of a Total Loss of the Vessel or if the relevant Obligor is the Approved Manager and such Approved Manager is replaced in accordance with Clause 63.3 (*Appointment of and changes to the Approved Manager*) within 21 days of the earlier of (i) the Owners giving notice to an Obligor and (ii) an Obligor becoming aware of the such event.

58.1.18 **Curtailment of business** The business of any of the Obligors is wholly or materially curtailed by any intervention by or under authority of any government, or if all or a substantial part of the undertaking, property or assets of any of the Obligors is seized, nationalised, expropriated or compulsorily acquired by or under authority of any government or any Obligor disposes or threatens to dispose of a substantial part of its business or assets.

58.1.19 **Reduction of capital** Any Obligor reduces its committed or subscribed capital.

58.1.20 **Environmental matters**

(a) Any Environmental Claim is made against the Charterers or in connection with the Vessel, where such Environmental Claim is reasonably likely to have a Material Adverse Effect.

(b) Any actual Environmental Incident occurs in connection with the Vessel, where such Environmental Incident has a Material Adverse Effect.

58.1.21 **Loss of property** All or a substantial part of the business or assets of any Obligor is destroyed, abandoned, seized, appropriated or forfeited for any reason provided that a Total Loss of the Vessel shall not be a Termination Event under this Clause.

58.1.22 **Sanctions** Any Obligor does not comply with any of its undertakings referred to in Clause 54.10 (*Sanctions*) or any representations in Clause 53.1.25 (*Sanctions*) is or proves to have been incorrect or misleading in any material respects when made or deemed to be made.

58.1.23 **Arrest** The Vessel is arrested or seized for any reason whatsoever (other than caused solely and directly by any action or omission from the Owners) unless the Vessel is released and returned to the possession of the Charterers within 30 days of such arrest or seizure.

58.1.24 **Change of Control** A Change of Control occurs without the prior written consent of the Owners.

58.1.25 **MOA termination events** There occurs any event or circumstance referred to in clause 15.1.1(b) (*MOA Termination Events*) of the MOA.

58.1.26 **Termination, repudiation or cancellation of Sub-Charter or Time Charter on or before the Actual Delivery Date** Any Sub-Charter or Time Charter is terminated, repudiated, cancelled, rescinded or otherwise ceases to remain in full force and effect on or before the Actual Delivery Date, irrespective of whether the relevant termination, repudiation, cancellation, recission or cessation of effectiveness is due to any default, act or omission on the part of the Charterers.

58.1.27 **Termination, repudiation or cancellation of Sub-Charter or Time Charter after the Actual Delivery Date** Any Sub-Charter or Time Charter is terminated, repudiated, cancelled, rescinded or otherwise ceases to remain in full force and effect after the Actual Delivery Date, **provided that** no Termination Event will occur under this Clause 58.1.27 if, within forty-five (45) days (or such longer period as may be agreed between the Owners and the Charterers) of such termination, repudiation, cancellation, recission or cessation of effectiveness (as applicable), such Sub-Charter or Time Charter (in each case as applicable) is replaced by another charter in respect of the Vessel (on terms reasonably acceptable to the Owners) entered into between (x) the Charterers (as disponent owner) and a sub-charterer or (y) the Time Charter Assignor (as disponent owner) and a time charterer (in each case as applicable) acceptable to the Owners and the rights of the Charterers or the Time Charter Assignor (in each case as applicable) in the replacement charter are assigned to the Owners (to the Owners' satisfaction).

58.1.28 **Termination or cancellation of other Project Documents**

(a) Any Project Document (other than a Sub-Charter or a Time Charter, to which Clauses 58.1.26 (*Termination, repudiation or cancellation of Sub-Charter or Time Charter before the Actual Delivery Date*) and 58.1.27 (*Termination, repudiation or cancellation of Sub-Charter or Time Charter after the Actual Delivery Date*) shall apply) is terminated, cancelled or otherwise ceases to remain in full force and effect.

(b) Without limiting the generality of paragraph (a) above, any such event or circumstance has occurred such that the Charterers (in their capacities as original buyers under the Building Contract) have become entitled to exercise their rights to cancel, terminate or rescind the Building Contract (irrespective of whether the Charterers have exercised such right).

58.1.29 **Similar event in relation to Builder** Any event which, under the laws of any jurisdiction, has a similar or analogous effect to any of those events mentioned in Clauses 58.1.6 (*Insolvency and rescheduling*), 58.1.7 (*Insolvency proceedings*), 58.1.8 (*Creditors' process*) or 58.1.9 (*Execution or* *distress*) above occurs (*mutatis mutandis*) in relation to the Builder provided that it shall not be a Termination Event under this Clause 58.1.29 if, during the period an event which, under the laws of any jurisdiction, has a similar or analogous effect to any of those events mentioned in Clauses 58.1.6 (*Insolvency and rescheduling*), 58.1.7 (*Insolvency proceedings*), 58.1.8 (*Creditors' process*) or 58.1.9 (*Execution or distress*) above has occurred (mutatis mutandis) in relation to the Builder, the Refund Guarantee remains (in the opinion of an independent and reputable leading maritime law firm) legal, valid, binding, enforceable and effective and the Builder continues to perform its obligations under Building Contract to the Owners' satisfaction (acting reasonably).

58.1.30 **Judgments** Any judgment or order of a court, arbitral tribunal or other tribunal or any order or sanction of any governmental or other regulatory body is made against an Obligor or its assets which has a Material Adverse Effect.

58.1.31 **Merger** The Charterers or the Charter Guarantor enters into any major asset reorganisation, amalgamation, demerger, merger, consolidation or corporate reconstruction which has a Material Adverse Effect without the prior written consent of the Owners.

58.1.32 **Encumbrance imperilled** Any Encumbrance created or intended to be created by a Security Document is in any way imperilled or in jeopardy.

58.1.33 **Litigation** Any litigation, arbitration or administrative proceedings or investigations of, or before, any court, arbitral body or agency are started or threatened, or any judgment or order of a court, arbitral body or agency is made, in relation to any of the Transaction Documents or the transactions contemplated in any of the Transaction Documents or against any member of the Group or its assets which has or is reasonably likely to have a Material Adverse Effect.

58.1.34 **Termination Event** A Termination Event (as defined in the Related Charter) occurs under the Related Charter.

58.1.35 **Effect of a Termination Event** On and at any time after the occurrence of a Termination Event which is continuing the Owners may terminate the chartering of the Vessel under this Charter and/or exercise all or any of the remedies the Owner is entitled to exercise under any Transaction Document or any applicable law or regulation.

58.2 **Owners' options after occurrence of a Termination Event** On or at any time after the occurrence of a Termination Event which is continuing, the Owners may at their option:

58.2.1 by delivering to the Charterers a Termination Notice, terminate the chartering of the Vessel under this Charter with immediate effect or on the date specified in such Termination Notice and withdraw the Vessel from the service of the Charterers without noting any protest and without interference by any court or any other formality whatsoever, whereupon the Vessel shall no longer be in the possession of the Charterers with the consent of the Owners, and the Charterers shall redeliver the Vessel to the Owners in accordance with Clauses 49 (*Redelivery*) and 50 (*Redelivery conditions*);

58.2.2 apply any amount then standing to the credit to the Earnings Account against any Unpaid Sum or such other amounts which the Owners or other Obligors may owe under the Transaction Documents; and/or

58.2.3 (without prejudice to Clause 58.2.2) enforce any Encumbrance created pursuant to the relevant Transaction Documents.

58.3 **Payment of Early Termination Sum** On the Termination Payment Date in respect of any Termination in accordance with Clause 58.2 (*Owners' options after occurrence of a Termination Event*), the Charterers shall pay to the Owners an amount equal to the Early Termination Sum.

58.4 **Owners' application of Early Termination Sum** Following any termination to which this Clause 58 applies, all sums payable in accordance with Clause 58.3 (*Payment of Early Termination Sum*) or received pursuant to Clause 58.2 (*Owners' options after occurrence of a Termination Event*) or any other provision of this Clause 58 shall be paid to such account or accounts as the Owners may direct and shall be applied towards settlement of the Early Termination Sum (or part thereof) and any other sums due and payable under the Transaction Documents. To the extent that there is any surplus after such application, such surplus shall be paid to the Charterers by way of rebate.

58.5 **Transfer of title** If the chartering of the Vessel or, as the case may be, the obligation of the Owners to deliver and charter the Vessel to the Charterers is terminated in accordance with the terms of this Charter, the obligation of the Charterers to pay Hire shall cease once the Charterers have made the payment pursuant to Clause 58.3 (*Payment of Early Termination Sum*) to the satisfaction of the Owners, whereupon the Owners shall promptly transfer title to the Vessel to the Charterers (or its nominee) in accordance with Clauses 61.4 to 61.7 (*Transfer of title*).

58.6 **Owners' rights reserved** Without prejudice to the forgoing or to any other rights of the Owners under the Charter, at any time after the occurrence of a Termination Event which is continuing, the Owners may, acting in their sole discretion without prejudice to the Charterers' obligations under Clause 50 (*Redelivery conditions*), retake possession of the Vessel and, the Charterers agree that the Owners, for such purpose, may put into force and exercise all their rights and entitlements at law and may enter upon any premises belonging to or in the occupation or under the control of the Charterers where the Vessel may be located as well as giving instructions to the Charterers' servants or agents for this purpose, provided that the Owners shall not be entitled to exercise their rights under this Clause if the Charterers have made the payment pursuant to Clause 58.3 (*Payment of Early Termination Sum*) to the satisfaction of the Owners and the Owners have transferred title to the Vessel to the Charterers (or its nominee) in accordance with Clauses 61.4 to 61.7 (*Transfer of title*).

58.7 **Owners' right to sell the Vessel** Following any termination to which this Clause 58 applies, if the Charterers have not paid to the Owners the Early Termination Sum in full by the applicable Termination Payment Date, the Owners shall be entitled (but not obliged) to sell the Vessel and apply the relevant Net Sale Proceeds against the Early Termination Sum and claim from the Charterers for any shortfall.

58.8 **Charterers' obligation to pay the Early Termination Sum unaffected** The Charterers' obligation to pay the Early Termination Sum (and any of their other obligations under the Transaction Documents) shall remain in full force and effect irrespective of whether Owners complete the sale of the Vessel referred to in Clause 58.7 (*Owners' right to sell the Vessel*). Without prejudice to the foregoing, if the Net Sale Proceeds reduce the applicable Early Termination Sum to zero, the Charterers shall not be obliged to pay the Early Termination Sum.

58.9 **Charterers have no right to terminate** Save as otherwise expressly provided in this Charter, the Charterers shall not have the right to terminate this Charter any time prior to the expiration of the Agreement Term for any reason whatsoever, including (without limitation) in exercise of any right in law or equity that they would, but for this provision, have to terminate, whether because of a breach of a condition, a repudiatory breach of an intermediate term, a renunciation or impossibility or on any other ground.

58.10 **Cumulative rights** The rights conferred upon the Owners by the provisions of this Clause 58 are cumulative and in addition to any rights which they may otherwise have in law or in equity or by virtue of the provisions of this Charter.

59 Sub-chartering and assignment

59.1 The Charterers shall not without the prior written consent of the Owners:

59.1.1 let the Vessel on demise charter for any period;

59.1.2 de-activate or lay up the Vessel;

59.1.3 assign their rights under this Charter.

59.2 The Charterers acknowledge that the Owners' consent to any sub-bareboat chartering may be subject (amongst other things) to the Owners being satisfied as to the intended flag during such sub-bareboat chartering.

59.3 Without prejudice to anything contained in this Clause 59:

59.3.1 save as provided and permitted under the Transaction Documents, the Charterers shall not enter into any sub-charter for the Vessel; and

59.3.2 if the charter period under a Sub-Charter or Time Charter shall expire and the parties to such Sub-Charter or Time Charter agree to extend such charter period, the Charterers shall, upon the Owners' request, ensure that the amount of charterhire applicable to such extended charter period shall be no less than the amount of charterhire applicable to the charter period immediately prior to the original date of expiry.

59.4 The Owners may assign, transfer and/or novate all or any of their rights and obligations under any of the Transaction Documents (or ownership in the Owners) without the prior consent of the Charterers or any other Obligor, and the Charterers or other Obligors shall execute such documents and do all such things as the Owners may require to facilitate and/or effect such assignment, transfer or novation by the Owner. The Charterers and the other Obligors shall permit any disclosure by the Owners of the Transaction Documents and the terms and conditions thereunder to any potential financiers, transferees or assignees and their respective advisers or agents as the Owners may deem necessary to facilitate any such transfer, assignment or novation.

60 Name of Vessel

60.1 The Charterers may:

60.1.1 choose the initial name of the Vessel, but may only change the initial name of the Vessel with the prior consent of the Owners; and

60.1.2 paint the Vessel in the colours, display the funnel insignia and fly the house flag as required by the Charterers from time to time,

provided that at redelivery of the Vessel in accordance with Clause 49 (*Redelivery*), the Charterers shall, at the request of the Owners and at the Charterers' cost, restore the Vessel to her original name, colours, funnel insignia and house flag.

61 Early Termination, purchase option, purchase obligation and transfer of title

61.1 Early Termination – Charterers' purchase option

61.1.1 The Charterers may, at any time on or after Earliest Purchase Option Date, notify the Owners by serving an irrevocable Termination Notice of the Charterers' intention to terminate this Charter and purchase the Vessel from the Owners on a Purchase Option Date for the applicable Early Termination Sum, provided that:

(a) no Total Loss has occurred under Clause 62 (*Total Loss*);

(b) no Termination Event is continuing or would occur as a result of such early termination;

(c) there must be at least a three (3) month period between the date on which the Termination Notice is served and the proposed Purchase Option Date.

61.1.2 In exchange for payment of the Early Termination Sum on the Purchase Option Date, the Owners shall arrange for title of the Vessel to be transferred to the Charterers in accordance with Clauses 61.4 to 61.7 (*Transfer of title*).

61.2 **Early Termination – Project Parties, Project Documents or Illegality of Owners**

61.2.1 If:

(a) without prejudice to Clauses 58.1.11 (*Repudiation*), 58.1.26 (*Termination, repudiation or cancellation of Sub-Charter or Time Charter on or before the Actual Delivery Date*) and 58.1.27 (*Termination, repudiation or cancellation of Sub-Charter or Time Charter after the Actual Delivery Date*), any Project Party repudiates (or evidences an intention to repudiate) any Project Document to which such Project Party is a party; or

(b) any Project Party ceases or threatens to cease, to carry on all or, in the opinion of the Owners, any material part of such Project Party's business which has a Material Adverse Effect; or

(c) it becomes unlawful or it is prohibited for the Owners to charter the Vessel pursuant to this Charter and, to the extent that the law permits the Owners to notify the Charterers of the relevant event, the Charterers and the Owners fail to agree an alternative having negotiated in good faith for a period of thirty (30) days (or such longer period as may be agreed by the Owners) after the Owners have given notice to the Charterers of the relevant event,

then, in each case, the Owners may, at their option and by delivering to the Charterers a Termination Notice, terminate this Charter with immediate effect or on the date specified in such Termination Notice, and withdraw the Vessel from the service of the Charterers without noting any protest and without interference by any court or any other formality whatsoever, whereupon the Vessel shall no longer be in the possession of the Charterers with the consent of the Owners, and the Charterers shall redeliver the Vessel to the Owners in accordance with Clauses 49 (*Redelivery*) and 50 (*Redelivery conditions*).

61.2.2 On or at any time after a Termination in accordance with Clause 61.2.1, the Owners may (but without prejudice to the Charterers' obligations under Clause 50 (*Redelivery conditions*)) retake possession of the Vessel and, the Charterers agree that the Owners, for such purpose, may put into force and exercise all their rights and entitlements at law and may enter upon any premises belonging to or in the occupation or under the control of the Charterers where the Vessel may be located as well as giving instructions to the Charterers' servants or agents for this purpose.

61.2.3 On the Termination Payment Date in respect of any termination of the chartering of the Vessel under this Charter in accordance with Clause 61.2.1, the Charterers shall pay to the Owners an amount equal to the Early Termination Sum.

61.2.4 Following any termination to which Clause 61.2.1 applies, all sums payable in accordance with Clause 61.2.3 shall be paid to such account or accounts as the Owners may direct and shall be applied in the Owners' sole discretion.

61.2.5 If the chartering of the Vessel or, as the case may be, the obligation of the Owners to deliver and charter the Vessel to the Charterers is terminated in accordance with Clause 61.2.1, the obligation of the Charterers to pay Hire shall cease once the Charterers have made the payment pursuant to Clause 61.2.3 to the satisfaction of the Owners, whereupon the Owners shall, in exchange of such payment, arrange for title of the Vessel to be transferred to the Charterers in accordance with Clauses 61.4 to 61.7 (*Transfer of title*).

61.3 **Purchase obligation**

Subject to the other provisions of this Charter, the Charterers shall be obliged to purchase the Vessel or cause their nominee to purchase the Vessel upon the expiration of the Charter Period by payment of the Purchase Obligation Price.

61.4 **Transfer of title**

In exchange for the full payment of:

61.4.1 the Purchase Obligation Price (in the case of the circumstances described in Clause 61.3 (*Purchase obligation*)) or the Early Termination Sum (in the case of the circumstances described in Clauses 61.1 (*Early Termination – Charterers' purchase option*) or 61.2 (*Early Termination – Project Parties, Project Documents or Illegality of Owners*)); and

61.4.2 all sums due and payable to the Owners under the Transaction Documents and subject to compliance with the other conditions set out in this Clause,

the Owners shall:

61.4.3 transfer title to and ownership of the Vessel to the Charterers (or their nominee) by delivering to the Charterers (in each case at the Charterers' costs):

(a) a duly executed and notarised, legalised and/or apostilled (as applicable) bill of sale; and

(b) the Title Re-transfer PDA; and

61.4.4 to procure the deletion of any mortgage or prior Encumbrance created by the Owners in relation to the Vessel at the Charterers' cost,

provided always that prior to such transfer or deletion (as the case may be), the Owners shall have received the letter of indemnity as referred to in Clause 61.7 from the Charterers, and the Charterers shall have performed all their obligations in connection herewith and with the Vessel, including without limitation the full payment of all Unpaid Sums, taxes, charges, duties, costs and disbursements (including legal fees) in relation to the Vessel.

61.5 The transfer in accordance with Clause 61.4 (*Transfer of title*) shall be made in all respects at the Charterers' expense on an "as is, where is" basis and the Owners shall give the Charterers (or their nominee) no representations, warranties (other than a warranty that the Vessel shall be free from all Encumbrances created by the Owners), agreements or guarantees whatsoever concerning or in connection with the Vessel, the Insurances, the Vessel's condition, state or class or anything related to the Vessel, expressed or implied, statutory or otherwise.

61.6 The Owners shall at the Charterers' cost ensure that a bill of sale referred to in Clause 61.4 (*Transfer of title*) will be prescribed and executed in a form recordable in the Flag State.

61.7 The Charterers shall, immediately prior to the receipt of the bill of sale, furnish the Owners with a letter of indemnity (in a form satisfactory to the Owners) whereby the Charterers and the Charter Guarantor shall state that, among other things, the Owners has and will have no interest, concern or connection with the Vessel after the date of such letter and that the Charterers and/or the Charter Guarantor shall indemnify the Owners and keep the Owners indemnified against any claims made by any person arising in connection with the Vessel.

62 Total Loss

62.1 If circumstances exist giving rise to a Total Loss, the Charterers shall promptly notify the Owners of the facts of such Total Loss. Without prejudice to the obligations of the Charterers to pay to the Owners all monies then due or thereafter to become due under this Charter, if the Vessel shall become a Total Loss during the Charter Period, the Charter Period shall end on the Settlement Date.

62.2 If the Vessel becomes a Total Loss during the Charter Period, the Charterers shall, on the Settlement Date, pay to the Owners an amount equal to the Early Termination Sum as at the Settlement Date.

62.3 The obligations of the Charterers under Clause 62.2 shall apply regardless of whether or not any moneys are payable under any Insurances in respect of the Vessel, regardless of the amount payable thereunder, regardless of the cause of the Total Loss and regardless of whether or not any of the said compensation shall become payable.

62.4 All Total Loss Proceeds shall be paid to such account or accounts as the Owners may direct and shall be applied towards satisfaction of the Early Termination Sum and any other sums due and payable under the Transaction Documents. To the extent that there is any surplus after such application, such surplus shall be paid to the Charterers by way of rebate.

62.5 The Charterers shall, at the Owners' request, provide satisfactory evidence, in the reasonable opinion of the Owners, as to the date on which the constructive total loss of the Vessel occurred pursuant to the definition of Total Loss.

62.6 The Charterers shall continue to pay Hire on the days and in the amounts required under this Charter notwithstanding that the Vessel shall become a Total Loss provided always that no further instalments of Hire shall become due and payable after the Charterers have made the payment required by Clause 62.2.

63 Appointment of and changes to the manager

63.1 Subject to the other provisions of this Charter, the Owners confirm their consent to the appointment by the Charterers of:

63.1.1 the person referred to in paragraph (a) of the definition of "Approved Commercial Manager" as the commercial manager of the Vessel; and

63.1.2 the person referred to in paragraph (a) of the definition of "Approved Technical Manager" as the technical manager of the Vessel,

it being understood that each such appointment shall take effect on or before the Actual Delivery Date.

63.2 The Charterers covenant not to permit any sub-contracting by any Approved Manager or amend the material terms of any Management Agreement without the prior written consent of the Owners.

63.3 There shall not be any change to the Approved Manager without the Owners' prior written consent unless:

63.3.1 the Charterers notify the Owners in writing at least fourteen (14) days prior to the proposed change;

63.3.2 the replacement manager falls under the definition of "Approved Commercial Manager" or "Approved Technical Manager";

63.3.3 the Owners have received all of the following documents and other evidence in form and substance satisfactory to the Owners prior to the change:

(a) a copy of the Management Agreement made or to be made between the Charterers and the replacement manager on such terms that are substantially the same as, or more favourable to the Charterers than, the original Management Agreement delivered by the Charterers to the Owners pursuant to clause 43 (*Conditions precedent and conditions subsequent*) or otherwise in form and substance satisfactory to the Owners;

(b) an original of the Manager's Undertaking duly executed by the replacement manager, together with all documents required by it including, without limitation, the notice of assignment;

(c) in respect of the replacement manager and/or the Manager's Undertaking, the documents referred to in:

(i) paragraphs 1 (*Obligors*) and 4.3 (*"Know your customer" documents*) of Part I of schedule 1 to the MOA (*Conditions precedent and subsequent*);

(ii) paragraph 2.3.2 (*Document of Compliance*), 6 (*Other Authorisations*) and 10.10 (*Legal opinions*) of Part III of schedule 1 to the MOA (*Conditions precedent and subsequent*);

63.3.4 within ten (10) Business Days of the date of the Manager's Undertaking, the Owners have received the letter of undertaking as described in paragraph 3 of Part V of schedule 1 to the MOA (*Conditions precedent and subsequent*)

63.4 Without prejudice to the foregoing, the Owners shall be entitled, but without obligation, to replace the Approved Managers with such other ship management company at the Charterers' costs upon the occurrence of a Termination Event which is continuing.

64 Fees and expenses

64.1 The Charterers shall bear all reasonable and documented costs, fees (including legal fees) and disbursements incurred by the Owners and the Charterers in connection with:

64.1.1 the negotiation, preparation and execution of this Charter, the other Transaction Documents and the Finance Documents, including, without limitation, to any amendment, supplement or modification thereof or thereto requested by the Charterers;

64.1.2 the delivery of the Vessel under the MOA and this Charter;

64.1.3 preparation or procurement of any survey, inspections, Valuation Report, tax or insurance advice;

64.1.4 preservation or enforcement of any of the rights and remedies of the Owners under or in relation to the Transaction Documents;

64.1.5 all legal fees and other expenses arising out of or in connection with the early termination or purchase obligation pursuant to Clause 61 (*Early Termination, purchase obligation and transfer of title*); and

64.1.6 such other activities relevant to the transaction contemplated herein.

64.2 The Owners shall not be liable for any costs of supervision of construction of the Vessel under the Building Contract nor any agency, stocking up cost, buyer's supplied items or equivalent each of which shall be the responsibility, or for the account, of the Seller or the Charterers.

64.3 ***[****Intentionally left in blank****]***

65 Stamp duties and taxes

65.1 The Charterers shall pay promptly all stamp, documentary or other like duties and taxes to which the Charter, the MOA and the other Transaction Documents may be subject or give rise and shall indemnify the Owners on demand against any and all liabilities with respect to or resulting from any delay on the part of the Charterers to pay such duties or taxes.

65.2 All amounts set out or expressed in a Transaction Document to be payable to the Owners which constitute the consideration for any supply for Indirect Tax purposes shall be deemed to be exclusive of any Indirect Tax. If any Indirect Tax is chargeable on any supply made by the Owners to any Obligor in connection with a Transaction Document, that Obligor shall pay to the Owners an amount equal to the amount of the Indirect Tax (in addition to and at the same time as paying any other consideration for such supply).

65.3 Where a Transaction Document requires any Obligor to reimburse or indemnify the Owners for any costs or expenses, that Obligor shall also at the same time reimburse or indemnify (as the case may be) the Owners against all Indirect Tax incurred by the Owners in respect of the costs or expenses save to the extent the Owners reasonably determine that they are entitled to credit or repayment in respect of the Indirect Tax from the relevant tax authority.

66 Further indemnities

66.1 Whether or not any of the transactions contemplated hereby are consummated, the Charterers shall, in addition to the provisions under Clause 22 (*Indemnity*) of this Charter, indemnify, protect, defend and hold harmless the Owners, their Agents and (in respect of Clauses 66.1.1, 66.1.3, 66.1.4(b) and 66.1.6) the Finance Parties (collectively, the "Indemnitees") throughout the Agreement Term from, against and in respect of, any and all liabilities, obligations, losses, damages, penalties, fines, fees, claims, actions, proceedings, judgement, order or other sanction, lien, salvage, general average, suits, costs, expenses and disbursements, including legal fees and expenses, of whatsoever kind and nature, imposed on, suffered or incurred by or asserted against any Indemnitee, in any way relating to, resulting from or arising out of or in connection with, in each case, directly or indirectly, any one or more of the following:

66.1.1 the Vessel or any part thereof, including with respect to:

(a) the ownership of, manufacture, design, possession, use or non-use, operation, maintenance, testing, repair, overhaul, condition, alteration, modification, addition, improvement, storage, seaworthiness, replacement, repair of the Vessel or any part (including, in each case, latent or other defects, whether or not discoverable and any claim for patent, trademark, or copyright infringement and all liabilities, obligations, losses, damages and claims in any way relating to or arising out of spillage of cargo or fuel, out of injury to persons, properties or the environment or strict liability in tort);

(b) any claim or penalty arising out of violations of applicable law by the Charterers, any Sub-Charterers, the Time Charter Assignor or any Time Charterer;

(c) death or property damage of shippers or others;

(d) any liens in respect of the Vessel or any part thereof (save for those in favour of the Finance Parties or otherwise created by the Owners); or

(e) any registration and/or tonnage fees (whether periodic or not) in respect of the Vessel payable to any registry of ships and any service fees payable to any service provider in relation to maintaining such registration at any registry of ships;

66.1.2 any breach of or failure to perform or observe, or any other non-compliance with, any law or regulation applicable to the Vessel, any covenant or agreement or other obligation to be performed by the Charterers under any Transaction Document to which they are a party or the falsity of any representation or warranty of the Charterers in any Transaction Document to which they are a party or the occurrence of any Termination Event;

66.1.3 in connection with:

(a) preventing or attempting to prevent the arrest, confiscation, seizure, taking and execution, requisition, impounding, forfeiture or detention of the Vessel; or

(b) in securing or attempting to secure the release of the Vessel,

in each case in connection with the exercise of the rights of a holder of a lien created by the Charterers;

66.1.4 incurred or suffered by the Owners:

(a) in procuring the delivery of the Vessel to the Charterers under Clause 42 (*Pre-delivery and delivery*);

(b) in recovering possession of the Vessel following termination of this Charter under Clause 58 (*Termination Events*) or earlier termination of this Charter under Clause 61 (*Early Termination, purchase obligation and transfer of title*);

(c) in arranging for a transfer of the title of the Vessel in accordance with Clauses 61.4 to 61.7 (*Transfer of title*); or

(d) in connection with the registration of the Vessel at any registry of ships;

66.1.5 arising from the Master or officers of the Vessel or the Charterers' agents signing bills of lading or other documents; and

66.1.6 in connection with:

(a) the arrest, seizure, taking into custody or other detention by any court or other tribunal or by any governmental entity or any piracy-related loss; or

(b) subjection to distress by reason of any process, claim, exercise of any rights conferred by a lien or by any other action whatsoever,

of the Vessel which are expended, suffered or incurred as a result of or in connection with any claim or against, or liability of, the Charterers or any other member of the Group, together with any costs and expenses or other outgoings which may be paid or incurred by the Owners in releasing the Vessel from any such arrest, seizure, custody, detention or distress.

66.2 The Charterers shall pay to the Owners promptly on the Owners' written demand the amount of all costs and expenses (including legal fees) incurred by the Owners in connection with the enforcement of, or the preservation of any rights under, any Transaction Document including (without limitation) (i) any losses, costs and expenses which the Owners may from time to time sustain, incur or become liable for by reason of the Owners being deemed by any court or authority to be an operator, or in any way concerned in the operation, of the Vessel and (ii) collecting and recovering the proceeds of any claim under any of the Insurances.

66.3 If any sum payable by the Charterers to the Owners under this Charter or any other Transaction Document or under any order or judgment relating to a Transaction Document has to be or requested by the Owners (acting reasonably) to be, converted from the currency in which the Transaction Document provided for the sum to be paid (the "**Contractual Currency**") into another currency (the "**Payment Currency**") for the purpose of:

66.3.1 making or lodging any claim or proof against the Charterers, whether in its liquidation, any arrangement involving it or otherwise; or

66.3.2 obtaining an order or judgment from any court or other tribunal; or

66.3.3 enforcing any such order or judgment; or

66.3.4 avoiding, reducing or mitigating any actual or potential risks or the effect of violation of Sanctions or other applicable laws and regulations,

the Charterer shall indemnify the Owners against the loss arising when the amount of the payment actually received by the Owners is converted at the available rate of exchange from the Payment Currency into the Contractual Currency.

66.4 Without prejudice to any right to damages or other claim which either party may, at any time, have against the other hereunder, it is hereby agreed and declared that the indemnities contained in Clause 22 (*Indemnity*) and this Clause 66, and each other indemnity contained in this Charter in favour of the Owners and the other Indemnitees, shall survive any termination of this Charter or other ending of the Agreement Term and any breach of, or repudiation or alleged repudiation by, the Charterers or the Owners of this Charter or any of the other Transaction Documents.

67 Set-off

The Owners may set off any matured obligation due from the Charterers under the Transaction Documents (to the extent beneficially owned by the Owners) against any obligation (whether matured or not) owed by the Owners to the Charterers, regardless of the place of payment or currency of either obligation. If the obligations are in different currencies, the Owners may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

68 Further assurances and undertakings

Each party shall make all applications and execute all other documents and do all other acts and things as may be necessary to implement and to carry out their obligations under, and the intent of, this Charter.

69 Cumulative rights

The rights, powers and remedies provided in this Charter are cumulative, may be exercised as often as appears expedient and not exclusive of any rights, powers or remedies at law or in equity unless specifically otherwise stated.

70 Day count convention

Any interest, Pre-Delivery Interest, Variable Hire, commission or fee accruing under a Transaction Document will accrue from day to day and is calculated on the basis of the actual number of days elapsed and a year of 360 days.

71 No waiver

No delay, failure or forbearance by a party to exercise (in whole or in part) any right, power or remedy under, or in connection with, this Charter will operate as a waiver. No waiver of any breach of any provision of this Charter will be effective unless that waiver is in writing and accepted by the party against whom that waiver is claimed.

No waiver of any breach will be, or be deemed to be, a waiver of any other or subsequent breach.

72 Entire agreement

72.1 This Charter contains all the understandings and agreements of whatsoever kind and nature existing between the parties in respect of this Charter, the rights, interests, undertakings agreements and obligations of the parties to this Charter and shall supersede all previous and contemporaneous negotiations and agreements but shall be read in conjunction with the MOA.

72.2 This Charter may not be amended, altered or modified except by a written instrument executed by each of the parties to this Charter.

73 Invalidity

If any term or provision of this Charter or the application thereof to any person or circumstances shall to any extent be invalid or unenforceable the remainder of this Charter or application of such term or provision to persons or circumstances (other than those as to which it is already invalid or unenforceable) shall (to the extent that such invalidity or unenforceability does not materially affect the operation of this Charter) not be affected thereby and each term and provision of this Charter shall be valid and be enforceable to the fullest extent permitted by law.

74 English language

All notices, communications and financial statements and reports under or in connection with this Charter and the other Transaction Documents shall be in English language or, if in any other language, shall be accompanied by a translation into English. In the event of any conflict between the English text and the text in any other language, the English text shall prevail.

75 No partnership

Nothing in this Charter creates, constitutes or evidences any partnership, joint venture, agency, trust or employer/employee relationship between the parties, and neither party may make, or allow to be made any representation that any such relationship exists between the parties. Neither party shall have the authority to act for, or incur any obligation on behalf of, the other party, except as expressly provided in this Charter.

76 Notices

76.1 Any notices to be given to the Owners under this Charter shall be sent in writing by registered letter or email and addressed to:

Hai Kuo Shipping 1973T Limited

Address: c/o

ICBC Financial Leasing Co., Ltd.

16-19/F, Building #5, Yuetan Centre

Yard 1, Yuetan South Street

Xicheng District, Beijing 100045

The People's Republic of China

Email: saijianan@leasing.icbc.com.cn

Attention: Simon Sai

or to such other address, facsimile number or email address as the Owners may notify to the Charterers in accordance with this Clause 76.

76.2 Any notices to be given to the Charterers under this Charter shall be sent in writing by registered letter, facsimile or email and addressed to:

Huafeng Shipping Inc.

Address: 26/F Yardley Commercial Building, 1-6 Connaught Road West, Hong Kong

Email: Philip@jinhuiship.com / teresa@jinhuiship.com

Attention: Teresa Chau

or to such other address or email address as the Charterers may notify to the Owners in accordance with this Clause 76.

76.3 Any such notice shall be deemed to have reached the party to whom it was addressed, when dispatched and acknowledged received (in case of a facsimile or an email) or when delivered (in case of a registered letter). A notice or other such communication received on a non-working day or after 5:00 pm in the place of receipt shall be deemed to be served on the following day in such place.

77 Conflicts

Unless stated otherwise, in the event of there being any conflict between the provisions of Clauses 1 (*Definitions*) (Part II) to 31 (*Notices*) (Part II) and the provisions of Clauses 39 (*Definitions*) to 84 (*Law and jurisdiction*), the provisions of Clauses 39 (*Definitions*) to 84 (*Law and jurisdiction*) shall prevail.

78 Survival of obligations

The termination of this Charter for any cause whatsoever shall not affect the right of the Owners to recover from the Charterers any money due to the Owners on or before the termination in consequence thereof and all other rights of the Owners (including but not limited to any rights, benefits or indemnities which are expressly provided to continue after the termination of this Charter) are reserved hereunder. Without prejudice to the foregoing, the Owners shall, to the extent the title has not already been transferred pursuant to Clauses 61.4 to 61.7 (*Transfer of title*), upon receipt of the Early Termination Sum which has been paid in full in accordance with Clause 61 (*Early Termination, purchase obligation and transfer of title*), arrange for title of the Vessel to be transferred to the Charterers in accordance with Clauses 61.4 to 61.7 (*Transfer of title*).

79 Counterparts

This Charter may be executed in any number of counterparts and any single counterpart or set of counterparts signed, in either case, by the Parties shall be deemed to constitute a full and original agreement for all purposes.

80 Confidentiality

80.1 The Parties shall maintain the information provided in connection with the Transaction Documents strictly confidential and agree to disclose to no person other than:

80.1.1 its board of directors, employees (only on a need to know basis), and shareholders, professional advisors (including the legal and accounting advisors and auditors) and rating agencies;

80.1.2 as may be required to be disclosed under applicable law or regulations or for the purpose of legal proceedings;

80.1.3 in the case of the Owners, (1) to any Permitted Party, any Finance Party or other actual or potential financier providing funding for the acquisition or refinancing of the Vessel (provided the same have entered into similar confidentiality arrangements), (2) to professional advisers, auditors, insurers or insurance brokers and service providers of the Permitted Parties who are under a duty of confidentiality to the Permitted Parties and (3) as required by any law or any government, quasi-government, administrative, regulatory or supervisory body or authority, court or tribunal with jurisdiction over any of the Permitted Parties;

80.1.4 in the case of the Charterers, to any Sub-Charterers (but subject always to Clause 80.2) in respect of obtaining any consent required under the terms of any relevant Sub-Charter; and

80.1.5 the Builder, any Approved Managers, the classification society and flag authorities, in each case as may be necessary in connection with the transactions contemplated hereunder.

80.2 Any other disclosure by each Party shall be subject to the prior written consent of the other Party, provided that the Charterers may disclose any information provided in connection with the Transaction Documents to their sub-contractors and any Sub-Charterers, in each case subject to the procurement of a confidentiality undertaking (in form and substance satisfactory to the Owners) from such sub-contractor or Sub-Charterers.

81 Third Parties Act

81.1 Any person which is an Indemnitee from time to time and is not a party to this Charter shall be entitled to enforce such terms of this Charter as provided for in this Charter in relation to the obligations of the Charterers to such Indemnitee, subject to the provisions of Clause 84 (*Law and jurisdiction*) and the Third Parties Act. The Third Parties Act applies to this Charter as set out in this Clause 81.

81.2 Save as provided in Clause 81.1, a person who is not a party to this Charter has no right under the Third Parties Act to enforce or to enjoy the benefit of any term of this Charter.

82 Waiver of immunity

82.1 To the extent that the Charterers may in any jurisdiction claim for themselves or their assets or revenues immunity from any proceedings, suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process and to the extent that such immunity (whether or not claimed) may be attributed in any such jurisdiction to the Charterers or their assets or revenues, the Charterers agree not to claim and irrevocably waive such immunity to the full extent permitted by the laws of such jurisdiction.

82.2 The Charterers consent generally in respect of any proceedings to the giving of any relief and the issue of any process in connection with such proceedings including (without limitation) the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment which is made or given in such proceedings. The Charterers agree that in any proceedings in England this waiver shall have the fullest scope permitted by the English State Immunity Act 1978 and that this waiver is intended to be irrevocable for the purposes of such Act.

83 FATCA

83.1 For the purpose of this Clause 83, the following terms shall have the following meanings:

"**Code**" means the United States Internal Revenue Code of 1986, as amended.

"**FATCA**" means:

(a) sections 1471 through 1474 of the Code and any associated regulations;

(b) any treaty, law or regulation of any other jurisdiction, or relating to an intergovernmental agreement between the US and any other jurisdiction, which (in either case) facilitates the implementation of paragraph (a) above; or

(c) any agreement pursuant to the implementation of paragraphs (a) or (b) above with the US Internal Revenue Service, the US government or any governmental or taxation authority in any other jurisdiction.

"**FATCA Deduction**" means a deduction or withholding from a payment under this Charter or the other Transaction Documents required by or under FATCA.

"**FATCA Exempt Party**" means a Party that is entitled to receive payments free from any FATCA Deduction.

83.2 Subject to Clause 83.4, each Party shall, within ten (10) Business Days of a reasonable request by another Party:

83.2.1 confirm to that other Party whether it is:

(a) a FATCA Exempt Party; or

(b) not a FATCA Exempt Party; and

83.2.2 supply to that other Party such forms, documentation and other information relating to its status under FATCA as that other Party reasonably requests for the purposes of that other Party's compliance with FATCA.

83.3 If a Party confirms to another Party pursuant to Clause 83.2.1(a) that it is a FATCA Exempt Party and it subsequently becomes aware that it is not or has ceased to be a FATCA Exempt Party, that Party shall notify that other Party reasonably promptly.

83.4 Clause 83.2 shall not oblige the Owners to do anything which would or might in its reasonable opinion constitute a breach of:

83.4.1 any law or regulation;

83.4.2 any fiduciary duty; or

83.4.3 any duty of confidentiality.

83.5 If a Party fails to confirm whether or not it is a FATCA Exempt Party or to supply forms, documentation or other information requested in accordance with Clauses 83.2.1 or 83.2.2 (including, for the avoidance of doubt, where Clause 83.4 applies), then such Party shall be treated for the purposes of this Charter and the other Transaction Documents (and payments under them) as if it is not a FATCA Exempt Party until such time as the Party in question provides the requested confirmation, forms, documentation or other information.

83.6 Each Party, Obligor or Finance Party (if applicable) may make any FATCA Deduction it is required by FATCA to make, and any payment required in connection with that FATCA Deduction, and no Party, Obligor or Finance Party (if applicable) shall be required to increase any payment in respect of which it makes such a FATCA Deduction or otherwise compensate the recipient of the payment for that FATCA Deduction.

83.7 Each Party, Obligor or Finance Party (if applicable) shall promptly, upon becoming aware that it must make a FATCA Deduction (or that there is any change in the rate or the basis of such FATCA Deduction) notify the Party, Obligor or Finance Party (if applicable) to whom it is making the payment.

84 Law and jurisdiction

84.1 This Charter 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.

84.2 Any dispute, controversy, difference or claim arising out of or relating to this Charter, including the existence, validity, interpretation, performance, breach or termination thereof or any dispute regarding non-contractual obligations arising out of or relating to it shall be referred to and finally resolved by arbitration administered by the Hong Kong International Arbitration Centre (HKIAC) under the HKIAC Administered Arbitration Rules in force when the Notice of Arbitration is submitted.

84.2.1 The law of this arbitration clause shall be Hong Kong law.

84.2.2 The seat of arbitration shall be Hong Kong.

84.2.3 The number of arbitrators shall be three. The arbitration proceedings shall be conducted in English.

Schedule 1 Form of Protocol of Delivery and Acceptance

Protocol of Delivery and Acceptance

It is hereby certified that pursuant to a bareboat charter dated [•] and made between Hai Kuo Shipping 1973T Limited (the "**Owner**") as owner and Huafeng Shipping Inc. (the "**Bareboat Charterer**") as bareboat charterer (as maybe amended and supplemented from time to time, the "**Bareboat Charter**") in respect of one [•] named m.v. "[•]" and to be registered under the laws and flag of [•] with IMO number [•] (the "**Vessel**"), the Vessel is delivered for charter by the Owner to the Bareboat Charterer, and accepted by the Bareboat Charterer from the Owner at [•] hours (Beijing time) on the date hereof in accordance with the terms and conditions of the Bareboat Charter.

In witness whereof, the Owner and the Bareboat Charterer have caused this **Protocol of Delivery and Acceptance** to be executed by their duly authorised representative on this [•] day of [•] 20[•] in [•].

THE OWNER	**THE BAREBOAT CHARTERER**
Hai Kuo Shipping 1973T Limited	**Huafeng Shipping Inc.**
by:	by:
Name:	Name:
Title:	Title:
Date:	Date:

Schedule 2 Form of Title Re-Transfer Protocol of Delivery and Acceptance

Protocol of Delivery and Acceptance

m.v. "[•]"

Hai Kuo Shipping 1973T Limited of Room 1915, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong (the "**Owners**") deliver to **Huafeng Shipping Inc.** of Floor 19, Banco General Tower, Aquilino de la Guardia Street, Marbella, Panama City, Republic of Panama (the "**Bareboat Charterers**") the Vessel described below and the Bareboat Charterers accept delivery of, title and risk to the Vessel pursuant to the terms and conditions of the bareboat charterer dated [•] (as may be amended and supplemented from time to time) and made between (1) the Owners and (2) the Bareboat Charterers.

Name of Vessel:	[•]
Flag:	[•]
Place of Registration:	[•]
IMO Number:	[•]
Gross Registered Tonnage:	[•]
Net Registered Tonnage:	[•]
Dated:	[•]

At: hours (Beijing time)

Place of delivery:

THE OWNERS	**THE BAREBOAT CHARTERERS**
Hai Kuo Shipping 1973T Limited	**Huafeng Shipping Inc.**
by:	by:
Name:	Name:
Title:	Title:
Date:	Date:

Schedule 3 Form of Compliance Certificate

To: **Hai Kuo Shipping 1973T Limited** (the "**Owner**")

From: **Jinhui Shipping and Transportation Limited** (the "**Guarantor**")

Date: ______________

Dear Sirs

Bareboat Charter dated [•] made between the Owner and Huafeng Shipping Inc. (as amended and supplemented from time to time the "Charter") and Guarantee dated [•] by the Guarantor in favour of the Owner (as amended and supplemented from time to time the "Guarantee")

1 We refer to the Charter and the Guarantee. This is a Compliance Certificate. Terms defined in the Guarantee have the same meaning when used in this Compliance Certificate unless given a different meaning in this Compliance Certificate.

2 We confirm that as at the date hereof, we are in compliance with the financial covenants set out in Clause 9.2 of the Guarantee. Please find attached the computations demonstrating the continued compliance with Clause 9.2 of the Guarantee.

3 We confirm that, the attached consolidated financial statements, [for the financial year ending [•] give a true and fair view of the Guarantor's financial condition and operations as at the date of this Compliance Certificate][for the financial quarter ending [•] fairly represent the Guarantor's financial condition and operations as at the date of this Compliance Certificate].

4 We confirm that, as at the date of this Compliance Certificate, no Termination Event has occurred.

5 We further confirm that as at the date of this Compliance Certificate:

	Please check and provide details where applicable
No event set out in clause 58 (*Termination Events*) of the Charter has occurred, which, following the expiry of any applicable remedy period, would result in the occurrence of a Termination Event.	
The steps taken (if any) to remedy the event that has occurred and which, following the expiry of any applicable remedy period, would result in the occurrence of a Termination Event are as follows:	

……………………………………..

for and on behalf of

Jinhui Shipping and Transportation Limited

Name:

Title:

**Schedule 4	The Vessels, The Parties and The Charters**

Vessels	Owners	Charterers	Bareboat Charters
Bulk carrier with Builder's hull number JNS674 ("**Vessel A**")	Hai Kuo Shipping 1971T Limited ("**Owner A**")	Jinyao Marine Inc. ("**Charterer A**")	Bareboat charter entered or to be entered into between Owner A and Charterer A in respect of Vessel A, as amended and/or supplemented from time to time ("**Charter A**")
Bulk carrier with Builder's hull number JNS675 ("**Vessel B**")	Hai Kuo Shipping 1973T Limited ("**Owner B**")	Huafeng Shipping Inc. ("**Charterer** B")	Bareboat charter entered or to be entered into between Owner B and Charterer B in respect of Vessel B, as amended and/or supplemented from time to time ("**Charter B**")

Schedule 5 Special Fixed Hire Schedule

Hire Payment Date	**Amount of Special Fixed Hire (US$)**
1st	65,410.16
2nd	64,107.43
3rd	62,122.04
4th	60,164.97
5th	60,199.24
6th	58,896.51
7th	56,967.76
8th	55,067.33
9th	54,988.32
10th	53,685.59
11th	51,813.48
12th	49,969.69
13th	49,777.40
14th	48,474.67
15th	46,659.20
16th	45,370.63
17th	44,566.48
18th	43,263.75
19th	41,504.92
20th	39,774.41

The Charterers hereby expressly acknowledge that the amounts set out in the Special Fixed Hire Schedule above are calculated on the basis of the following assumptions:

(a) the Actual Delivery Date of the Vessel is 15 March 2028;

(b) the MOA Purchase Price is US$18,282,343.40; and

(c) the Charterers pay each Basic Fixed Hire on time in accordance with the terms of this Charter.

Accordingly, if any of the above assumptions proves to be incorrect then, as soon as reasonably practicable, the Owners shall prepare a substitute Special Fixed Hire Schedule on the same basis as the existing Special Fixed Hire Schedule, amended only to reflect the change of the above assumptions.

The Owners shall be entitled to deliver to the Charterers, at any relevant time, an amended Special Fixed Hire Schedule and any amended Special Fixed Hire Schedule delivered to the Charterers shall be deemed to be incorporated into this Charter and shall thereafter constitute the then current Special Fixed Hire Schedule for all purposes subject to any further adjustments in accordance with these provisions.

SIGNATURE PAGE

ADDITIONAL CLAUSES
TO BAREBOAT CHARTER FOR THE BULK CARRIER
WITH BUILDER'S HULL NUMBER JNS675

THE OWNERS

Signed for and on behalf of

Hai Kuo Shipping 1973T Limited

By:

Jiawen Sai

Name: Jiawen Sai

Title: Attorney-in-fact

Date: 28 July 2026

THE CHARTERERS

Signed for and on behalf of

Huafeng Shipping Inc.

By:

Name:

Title:

Date:

SIGNATURE PAGE

ADDITIONAL CLAUSES
TO BAREBOAT CHARTER FOR THE BULK CARRIER
WITH BUILDER'S HULL NUMBER JNS675

THE OWNERS	**THE CHARTERERS**
Signed for and on behalf of	Signed for and on behalf of
Hai Kuo Shipping 1973T Limited	**Huafeng Shipping Inc.**
By:	By:
Name:	Name: Shum Yee Hong
Title:	Title: Director
Date:	Date: 28 July 2026

Charter Guarantee
relating to one (1) bulk carrier with builder's hull no. JNS675

Dated 28 July **20**26

(1) **Jinhui Shipping and Transportation Limited**
(as Guarantor)

(2) **Hai Kuo Shipping 1973T Limited**
(as Owner)

Contents

Charter Guarantee

Dated: 28 July **20**26

By:

(1) **Jinhui Shipping and Transportation Limited**, an exempted company incorporated under the laws of Bermuda with registration number 19469 whose registered address is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda (the "**Guarantor**")

In favour of:

(2) **Hai Kuo Shipping 1973T Limited**, a company incorporated under the laws of Hong Kong with business registration number 71357880 whose registered address is Room 1915, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong (the "**Owner**").

Whereas:

(A) The Owner (as buyer) has agreed to purchase and Huafeng Shipping Inc. (the "**Bareboat Charterer**", in its capacity as seller) has agreed to sell the vessel with builder's hull no. JNS675 (the "**Vessel**") on the terms and subject to the conditions set out in a memorandum of agreement dated 28 July 2026 (as amended, supplemented, novated or replaced from time to time the "**MOA**") made between the Owner as buyer and the Bareboat Charterer as seller.

(B) The Owner has agreed to let and Bareboat Charterer has agreed to charter the Vessel on the terms and subject to the conditions set out in a bareboat charter on barecon 2017 form with rider clauses dated 28 July 2026 (as amended, supplemented, novated or replaced from time to time the "**Bareboat Charter**") made between the Owner as owner and the Bareboat Charterer as bareboat charterer.

(C) The Guarantor is, as at the date of this Guarantee, indirectly the beneficial owner of two (2) common registered shares (with a par value of one US dollar (US$1) each) in the Bareboat Charterer (the "**Shares**").

(D) Pursuant to the Bareboat Charter and as a condition precedent to the Owner's agreement to enter into the Bareboat Charter, the Guarantor has agreed to execute and deliver this Guarantee in favour of the Owner.

(E) This Guarantee is the Charter Guarantee referred to in the Bareboat Charter.

It is agreed as follows:

1 Definitions and Interpretation

1.1 In this Guarantee:

"**Bareboat Charterer's Liabilities**" means all of the present and future liabilities (whether actual or contingent and whether owned in any other capacity whatsoever) and obligations of the Bareboat Charterer to the Owner under the Transaction Documents, including (without limitation) all sums payable or which may become payable by the Bareboat Charterer to the Owner under or pursuant to the Transaction Documents, and including (without limitation) all damages and other payments (whether awarded by any court or arbitral tribunal or by agreement or otherwise) payable by the Bareboat Charterer to the Owner for breach, termination or variation of the Bareboat Charter or any other Transaction Document.

"**Compliance Certificate**" means a certificate substantially in the form set out in Schedule 1 (*Form of Compliance Certificate*).

"**Delegate**" means any delegate, agent or attorney or co-trustee appointed by the Owner as holder of any of the Security Documents.

"**Guarantor Liabilities**" means all of the liabilities and obligations of the Guarantor to the Owner under or pursuant to this Guarantee, from time to time, whether in respect of principal, interest, costs or otherwise and whether present, future, actual or contingent.

"**Party**" means a party to this Guarantee and "**Parties**" means more than one of them.

"**Receiver**" means a receiver or receiver and manager or administrative receiver of the whole or any part of the Security Assets.

"**Subordinated Obligations**" means all of the liabilities and obligations of the Bareboat Charterer to the Guarantor of any kind, whether actual or contingent, present or future, and whether incurred alone or jointly or jointly and severally with any other and in whatever currency howsoever.

"**Transaction Encumbrances**" means the Encumbrances created or evidenced or expressed to be created or evidenced under the Security Documents.

1.2 Unless otherwise specified in this Guarantee, or unless the context otherwise requires, all words and expressions defined or explained in the Bareboat Charter shall have the same meanings when used in this Guarantee.

1.3 Clause 40 (*Interpretations*) of the Bareboat Charter shall apply to this Guarantee as if it were incorporated into it with any necessary modifications.

1.4 Headings are for the purpose of reference only, have no legal or other significance and shall ignored in the interpretation of this Guarantee.

1.5 This Guarantee shall be read together with the Bareboat Charter, but in case of any conflict between the Bareboat Charter and this Guarantee, unless expressly provided to the contrary in this Guarantee, the provisions of the Bareboat Charter shall prevail.

2 Guarantee and Indemnity

The Guarantor irrevocably and unconditionally:

2.1 guarantees to the Owner (as primary obligor and not merely as surety) the due and punctual payment and discharge of all moneys whatsoever which may from time to time fall due to be paid by the Bareboat Charterer under or pursuant to any Transaction Document to which it is a party;

2.2 guarantees to the Owner (as primary obligor and not merely as surety) the due and punctual performance and observance by the Bareboat Charterer of all the Bareboat Charterer's obligations under the Transaction Documents;

2.3 undertakes with the Owner that if and whenever the Bareboat Charterer fails to pay on the due date any sum whatsoever due and payable by it under or pursuant to any Transaction Document to which it is a party the Guarantor shall pay that sum on demand;

2.4 undertakes with the Owner that if and whenever the Bareboat Charterer defaults in the due and punctual performance of any of its obligations under the Transaction Documents to which it is a party, the Guarantor shall on demand by the Owner cause the performance of those obligations;

2.5 agrees with the Owner, as a separate and independent obligation, as primary obligor and not as surety only, to indemnify the Owner on demand and keep the Owner indemnified against all costs, charges, expenses, claims, liabilities, losses, duties and fees suffered or incurred by the Owner, directly or indirectly, as a result of any breach or non-performance of, or non-compliance by the Bareboat Charterer with, any of its obligations under or pursuant to any Transaction Document or as a result of any of those obligations being or becoming void, voidable, unenforceable, invalid or illegal, whether by reason of any legal limitation, disability or incapacity on or of the Bareboat Charterer or any other fact or circumstance whatsoever whether or not known to the Owner or the Guarantor;

2.6 agrees with the Owner that for the avoidance of any doubt the Owner is entitled to make multiple demands under this Guarantee; and

2.7 agrees with the Owner that, if at any time any law requires (or is interpreted to require) the Guarantor to make any deduction or withholding from any payment, or to change the rate or manner in which any required deduction or withholding is made, the Guarantor will promptly notify the Owner and, simultaneously with making that payment, the Guarantor will pay whatever additional amount (after taking into account any additional taxes on, or deductions or withholdings from, or restrictions or conditions on, that additional amount) is necessary to ensure that, after making the deduction or withholding, the Owner receives a net sum equal to the sum which the Owner would have received had no deduction or withholding been made.

3 Continuing Security

3.1 This Guarantee is a continuing guarantee for the performance of all the Bareboat Charterer's Liabilities and will extend to the ultimate balance of the Bareboat Charterer's Liabilities from time to time, regardless of any partial performance of those obligations, any intermediate payment or discharge in whole or in part or any other act, matter or thing which might otherwise constitute a legal or equitable discharge of any of the Guarantor's obligations under this Guarantee.

3.2 If any discharge, release or arrangement (whether in respect of the obligations of any Obligor or any security for those obligations or otherwise) is made by the Owner in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of the Guarantor under this Guarantee will continue or be reinstated as if the discharge, release or arrangement had not occurred.

3.3 The obligations of the Guarantor under this Guarantee and in respect of any Transaction Encumbrances will not be affected or discharged by an act, omission, matter or thing which, but for this Clause 3.3, would reduce, release or prejudice any of its obligations under this Guarantee (without limitation and whether or not known to it or the Owner) including:

3.3.1 any time, waiver or consent granted to, or composition with, any Obligor or other person;

3.3.2 the release of any other Obligor or any other person under the terms of any composition or arrangement with any creditor of any Obligor or any other member of the Group;

3.3.3 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;

3.3.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person;

3.3.5 any amendment, novation, supplement, extension restatement (however fundamental and whether or not more onerous) or replacement of a Transaction Document or any other document or security including, without limitation, any extension to the Charter Period or any change to the Hire;

3.3.6 any unenforceability, illegality or invalidity of any obligation of any person under any Transaction Document or any other document or security; or

3.3.7 any insolvency or similar proceedings.

3.4 Without prejudice to the generality of Clauses 1.3 and 3.3, the Guarantor expressly confirms that it intends that this Guarantee and any Encumbrance created by it under any Transaction Document shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Transaction Documents (including any extension to the Charter Period or any change to the Hire (or any part of it)) and any fees, costs and/or expenses associated with any of the foregoing.

3.5 The Guarantor waives any right it may have of first requiring the Owner (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming or commencing proceedings under this Guarantee. This waiver applies irrespective of any law or any provision of a Transaction Document to the contrary.

3.6 Until all amounts which may be or become payable by the Obligors under or in connection with the Transaction Documents have been irrevocably paid in full, the Owner (or any trustee or agent on its behalf) may:

3.6.1 refrain from applying or enforcing any other moneys, security or rights held or received by the Owner (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Guarantor shall not be entitled to the benefit of the same; and

3.6.2 hold in an interest-bearing suspense account any moneys received from the Guarantor or on account of any of the Guarantor Liabilities.

3.7 All rights which the Guarantor at any time has (whether in respect of this Guarantee, a mortgage or any other transaction) against the Bareboat Charterer, any other Obligor or their respective assets shall be fully subordinated to the rights of the Owner under the Transaction Documents and until all amounts which may be or become payable by the Obligors under or in connection with the Transaction Documents have been irrevocably paid in full and unless the Owner otherwise directs, the Guarantor will not exercise any rights which it may have (whether in respect of any Transaction Document to which it is a party or any other transaction) by reason of performance by it of its obligations under the Transaction Documents or by reason of any amount being payable, or liability arising, under this Guarantee:

3.7.1 to be indemnified by an Obligor;

3.7.2 to claim any contribution from any other guarantor of any Obligor's obligations under the Transaction Documents;

3.7.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Owner under the Transaction Documents or of any other guarantee or security taken pursuant to, or in connection with, the Transaction Documents by the Owner;

3.7.4 to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which the Guarantor has given a guarantee, undertaking or indemnity under Clause 2 (*Guarantee and indemnity*);

3.7.5 to exercise any right of set-off against any Obligor; and/or

3.7.6 to claim or prove as a creditor of any Obligor in competition with the Owner.

If the Guarantor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Owner by the Obligors under or in connection with the Transaction Documents to be repaid in full on trust for the Owner and shall promptly pay or transfer the same to the Owner or as the Owner may direct for application in accordance with the Transaction Documents.

3.8 This Guarantee and any other Encumbrance given by the Guarantor is in addition to and is not in any way prejudiced by, and shall not prejudice, any other guarantee or Encumbrance or any other right of recourse now or subsequently held by the Owner or any right of set-off or netting or to combine accounts in connection with the Transaction Documents.

4 Additional Payment Obligations

4.1 In addition to, any without limiting, any indemnity in favour of the Owner under any Transaction Document, the Guarantor shall promptly indemnify the Owner as holder of any of the Security Documents and every Receiver and Delegate on demand against any cost, loss or liability incurred by any of them:

4.1.1 in relation to or as a result of:

(a) any failure by the Bareboat Charterer to comply with its obligations under clause 64 (*Fees and expenses*) of the Bareboat Charter or clause 29 (*Taxes, costs and expenses*) of the MOA;

(b) acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised;

(c) the taking, holding, protection or enforcement of this Guarantee and any other Security Documents;

(d) the exercise of any of the rights, powers, discretions, authorities and remedies vested in the Owner and each Receiver and Delegate by the Transaction Documents or by law;

(e) any default by any Obligor in the performance of any of the obligations expressed to be assumed by it in the Transaction Documents;

(f) any action by the Guarantor which vitiates, reduces the value of, or is otherwise prejudicial to, any Transaction Encumbrance; and

(g) instructing lawyers, accountants, tax advisers, surveyors or other professional advisers or experts as permitted under this Guarantee or any other Transaction Document;

4.1.2 acting as holder of any of the Security Documents, appointing or acting as a Receiver or Delegate under the Transaction Documents or which otherwise relates to any of the Security Assets or the performance of the terms of this Guarantee or the other Transaction Documents (otherwise than as a result of the Owner's gross negligence or wilful misconduct).

4.2 If any sum due from the Guarantor under this Guarantee (a "**Sum**"), or any order, judgment or award given or made in relation to a Sum, has to be converted from the currency (the "**First Currency**") in which that Sum is payable into another currency (the "**Second Currency**") for the purpose of:

4.2.1 making or filing a claim or proof against the Guarantor, or

4.2.2 obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings,

the Guarantor shall as an independent obligation, within three (3) Business Days of demand, indemnify the Owner against any cost, loss or liability arising out of or as a result of the conversion including any discrepancy between (a) the rate of exchange used to convert that Sum from the First Currency into the Second Currency and (b) the rate or rates of exchange available to the Owner at the time of its receipt of that Sum.

The Guarantor waives any right it may have in any jurisdiction to pay any amount under this Guarantee in a currency or currency unit other than that in which it is expressed to be payable.

4.3 If the Bareboat Charterer or the Guarantor requests an amendment, waiver or consent in relation to any Transaction Document, the Guarantor shall, within three (3) Business Days of demand, reimburse the Owner for the amount of all costs and expenses (including legal fees) reasonably incurred by the Owner (and by any Receiver or Delegate appointed by the Owner) in responding to, evaluating, negotiating or complying with that request or requirement.

4.4 The Guarantor shall, within three (3) Business Days of demand, pay to the Owner the amount of all costs and expenses (including legal fees) incurred by the Owner in connection with the enforcement of, or the preservation of any rights under, any Security Document and any proceedings instituted by or against the Owner as a consequence of taking or holding the Transaction Documents or enforcing those rights.

4.5 If the Guarantor fails to pay any amount payable by it under this Guarantee on its due date, interest shall accrue on a daily basis on the overdue amount from the due date up to the date of actual payment (both before and after judgment) at the Default Rate. Any interest accruing under this Clause 4.5 shall be immediately payable by the Guarantor on demand by the Owner. Default interest (if unpaid) arising on an overdue amount will be compounded with the overdue amount at the end of each period applicable to that overdue amount but will remain immediately due and payable.

4.6 This Clause 4 (*Additional Payment Obligations*) is without prejudice to the Guarantor Liabilities in respect of the Bareboat Charterer's obligations under:

4.6.1 clauses 22 (*Indemnity*), 64 (*Fees and expenses*) and 66 (*Further indemnities*) of the Bareboat Charter;

4.6.2 clauses 29 (*Taxes, costs and expenses*) and 30 (*Indemnities*) of the MOA; and

4.6.3 similar provisions in any other Transaction Documents.

5 Application of Moneys

5.1 All sums which the Owner receives under or in connection with this Guarantee shall, unless otherwise agreed by the Owner or otherwise provided in the Bareboat Charter, be applied by the Owner in or towards satisfaction of, or retention on account for, the Guarantor Liabilities in such manner as the Owner may in its discretion determine. Any balance after such application shall be returned to the Guarantor by way of telegraphic transfer to a bank account designated by the Guarantor within ten (10) Business Days after the Guarantor Liabilities have been unconditionally and irrevocably paid and discharged in full.

5.2 The Owner may place any money received by it under or in connection with this Guarantee to the credit of a suspense account on such terms and subject to such conditions as the Owner may in its discretion determine for so long as the Owner thinks fit without any obligation in the meantime to apply that money in or towards discharge of the Bareboat Charterer's Liabilities, and, despite such payment, the Owner may claim against any of the other Obligors or prove in the bankruptcy, liquidation or insolvency of any of the other Obligors for the whole of the Bareboat Charterer's Liabilities at the date of the Owner's demand for payment pursuant to this Guarantee, together with all interest, commission, charges and expenses accruing subsequently.

6 Representations and Warranties

6.1 The Guarantor makes the representations and warranties set out in this Clause 6 (*Representations and Warranties*) to the Owner.

6.1.1 All representations and warranties given by the Bareboat Charterer in the Bareboat Charter in respect of the Guarantor and/or this Guarantee are correct and none of them is misleading.

6.1.2 The Guarantor indirectly holds one hundred per cent (100%) of the legal and beneficial interests in the Shares.

6.1.3 The Guarantor is under the control of the NG Family. (For the purpose of this Clause 6.1.3, "**NG Family**" means 吴少辉 (Siu Fai NG) with (HK ID number D178683(1)), 吴锦华(Kam Wah NG) (HK ID number D254632(A)) and any of their respective spouses and descendants.)

6.1.4 The Guarantor is not aware of any material facts or circumstances which have not been disclosed to the Owner and which might, if disclosed, have adversely affected the decision of a person considering whether or not to agree to charter or continue to charter the Vessel to the Bareboat Charterer pursuant to the Bareboat Charterer.

6.1.5 The Guarantor has received a copy of the Bareboat Charter and other Transaction Documents and approves of, and agrees to, the terms and conditions of the Transaction Documents.

6.2 Each of the representations set out in Clause 6.1 is deemed to be repeated by the Guarantor by reference to the facts and circumstances then existing on the date of the date of this Guarantee, on the Actual Delivery Date and on each Hire Payment Date for so long as the Bareboat Charterer's Liabilities or any part thereof is in force.

7 General Undertakings

The undertakings in this Clause 7 (*General undertakings*) remain in force from the date of this Guarantee until the expiry of the Agreement Term.

7.1 The Guarantor has not taken, and will not take without the prior written consent of the Owner (and then only on such terms and subject to such conditions as the Owner may impose), any security from any of the other Obligors in connection with this Guarantee, and any security taken by the Guarantor notwithstanding this Clause 7.1 shall be held by the Guarantor in trust for the Owner absolutely as a continuing security for the Guarantor Liabilities.

7.2 The Guarantor shall not without the Owner's prior written consent (which shall not be unreasonably withheld or delayed) permit any change in the legal or beneficial ownership of the Bareboat Charterer which would result in a breach of the representation and warranty contained in Clause 6.1.2.

7.3 The Guarantor will observe and perform any and all covenants and undertakings in the Bareboat Charter whose observance and performance by the Guarantor the Bareboat Charterer undertakes to procure.

7.4 The Guarantor agrees that from time to time on the written request of the Owner it will promptly execute and deliver to the Owner all further documents which the Owner may reasonably require for the purpose of obtaining the full benefit of this Guarantee.

7.5 The Guarantor shall procure that the Bareboat Charterer shall not incur any indebtedness owing to any member of the Group, save as expressly permitted under clause 54.24 (*No borrowings*) of the Bareboat Charter.

7.6 The Guarantor shall not without the prior written consent of the Owner:

7.6.1 create or permit to exist any Encumbrance over (i) any of the Shares (including any stocks, shares, warrants, rights or property accruing or acquired by the Guarantor or any other member of the Group at any time by way of redemption, purchase, bonus, option or preference or otherwise to or in respect of or derived from all or any of the Shares or any derivatives thereof) (the "**Relevant Property**") or (ii) any dividends, interest or other moneys payable on all or any of the Relevant Property; or

7.6.2 enter or permit any other member of the Group to enter into any transaction (whether voluntary or not) to sell, transfer or otherwise dispose of any of the Relevant Property or any dividends, interest or other moneys payable on all or any of the Relevant Property.

8 Preservation of Owner's Rights

8.1 Until all the Bareboat Charterer's Liabilities have been finally paid and performed in full, the Guarantor hereby irrevocably waives any rights to which it may be entitled as surety, including (without limitation) any rights to share in or succeed to or benefit from (by subrogation, or otherwise) any rights that the Owner may have in respect of the liabilities and obligations of the Bareboat Charterer under the Transaction Documents and any rights to prove in a liquidation or insolvency of the Bareboat Charterer in competition with the Owner and any other rights whatsoever which may be inconsistent with the Guarantor's obligations under this Guarantee or prejudice the payment and performance by the Bareboat Charterer of its liabilities and obligations under the Transaction Documents.

8.2 The Guarantor irrevocably agrees that the Owner shall not be obliged to obtain judgment against the Bareboat Charterer in respect of any breach (or alleged breach) of the Bareboat Charterer's obligations to it under the Transaction Documents in any court or tribunal or take any other action whatsoever against the Bareboat Charterer or any other person before taking steps to make a demand or claim under this Guarantee and the Guarantor irrevocably waives all formalities or rights whatsoever to which it would otherwise be entitled or which it would otherwise be required to satisfy or fulfil before so proceeding or making demand against the Guarantor.

8.3 Any release, settlement, discharge or arrangement relating to the liabilities of the Guarantor under this Guarantee shall be conditional on no payment, assurance or security received by the Owner in respect of the Bareboat Charterer's Liabilities being avoided or reduced under any law (whether English or foreign) in force from time to time relating to bankruptcy, insolvency or any (in the reasonable opinion of the Owner) analogous circumstance and after any such avoidance or reduction the Owner shall be entitled to exercise all of its rights, powers, discretions and remedies under or pursuant to this Guarantee and/or any other rights, powers, discretions or remedies which they would otherwise have been entitled to exercise, as if no release, settlement, discharge or arrangement had taken place.

8.4 The Guarantor Liabilities shall be continuing for all purposes and every sum of money which may now or in the future be or become due or owing to the Owner by the Bareboat Charterer (or which would have become due or owing had it not been for the bankruptcy, liquidation or insolvency of the Bareboat Charterer) shall be deemed to continue due and owing to the Owner until such sum is actually repaid to the Owner, notwithstanding the bankruptcy, liquidation or insolvency of the Bareboat Charterer.

9 Financial Covenants and Information

9.1 The Guarantor shall provide to the Owner as soon as the same become available, but in any event within:

9.1.1 one hundred and eighty (180) days after the end of each of the financial years of the Guarantor, the audited consolidated financial statements of the Guarantor for that financial year; and

9.1.2 one hundred and twenty (120) days after the end of each financial quarter, the unaudited consolidated financial statements of the Guarantor for that quarter;

and all such financial statements shall be prepared in the English language using the relevant GAAP.

9.2 The Guarantor shall maintain the following financial covenants (on a consolidated basis) throughout the Agreement Term:

9.2.1 the Tangible Asset Net Worth shall not be less than US$100,000,000; and

9.2.2 the Total Liabilities shall not exceed eighty per cent (80%) of the Total Assets.

For the purpose of this Clause 9.2, the following terms have the meanings ascribed to them below:

"**Tangible Asset Net Worth**" means, at any relevant time, the aggregate of the amounts paid up or credited as paid up on the issued ordinary share capital of the Guarantor and the amount standing to the credit of the reserves of the Guarantor or any of its Subsidiaries, including any amount credited to the share premium account, **but deducting**:

(a) any debit balance on the profit and loss account of the Guarantor;

(b) (to the extent included) any amount shown in respect of goodwill or other intangible assets of the Guarantor or any of its Subsidiaries;

(c) (to the extent included) any provision for deferred taxation; and

(d) any amount in respect of any dividend or distribution declared, recommended or made by the Guarantor or any of its Subsidiaries and to the extent payable to a person who is not the Guarantor or any of its Subsidiaries and to the extent such distribution is not provided for in the most recent financial statements,

and so that no amount shall be included or excluded more than once.

"**Total Assets**" means the aggregate value of the assets of the Guarantor.

"**Total Liabilities**" means the aggregate amount of all the obligations of the Guarantor in respect of borrowings.

9.3 Financial testing

9.3.1 The financial covenants in Clause 9.2 shall be tested by reference to each of the financial statements delivered pursuant to, as applicable, Clause 9.1 and/or each Compliance Certificate delivered pursuant to Clause 9.4.

9.3.2 Any amount in a currency other than US Dollars is to be taken into account at its US Dollar equivalent calculated on the basis of the relevant rates of exchanged used by the Guarantor in, or in connection with, its financial statements for that period.

9.3.3 When calculating the financial covenants in Clause 9.2, the effect of all transactions between members of the Group shall be eliminated to the extent not already netted out on consolidation.

9.3.4 No item may be credited or deducted more than once in any calculation under this Clause 9 (*Financial covenants and information*).

9.4 Concurrently with the delivery of each set of the annual financial statements in accordance with Clause 9.1, the Guarantor shall supply to the Owner a Compliance Certificate signed by two (2) directors of the Guarantor.

9.5 The Guarantor will attach to each Compliance Certificate a copy of the latest Valuation Report obtained in accordance with clause 57.2.1 of the Bareboat Charter.

10 Subordinated Obligations

10.1 The Guarantor agrees that it will not, nor will it permit any member of the Group to, without the prior written consent of the Owner:

10.1.1 demand or accept discharge (whether directly or from any third party) or accelerate payment of any of the Subordinated Obligations;

10.1.2 demand, accept or claim any guarantee, indemnity or encumbrance from any person in respect of any of the Subordinated Obligations;

10.1.3 create or permit to exist any encumbrance over, or otherwise dispose of, any of the Subordinated Obligations; or

10.1.4 claim or exercise any right of set off or counterclaim against the Subordinated Obligations in respect of any liability now or in the future due or owing by the

Guarantor or any member of the Group, as the case may be, to the Bareboat Charterer.

10.2 The Guarantor agrees that if, notwithstanding Clause 10.1, the Guarantor or any member of the Group receives any payment or distribution in respect of or on account of the Subordinated Obligations (including, without limitation, any proceeds of any guarantee, indemnity or encumbrance held by the Guarantor or any member of the Group in respect of any of the Subordinated Obligations) at any time following the occurrence and during the continuation of a Termination Event, the Guarantor will, and/or will cause the relevant member of the Group to, hold that amount or distribution on trust for the Owner for application towards reduction of the Bareboat Charterer's Liabilities. If any of the Bareboat Charterer's Liabilities is discharged by set off (notwithstanding Clause 10.1.4) the Guarantor will, and/or will cause the relevant member of the Group to, immediately pay an amount equal to the amount discharged to the Owner for application towards reduction of the Bareboat Charterer's Liabilities.

10.3 The obligations of the Guarantor and the rights of the Owner under this Clause shall not be affected by any fluctuations in the amount of the Bareboat Charterer's Liabilities.

10.4 The Guarantor further agrees and undertakes with the Owner that all claims of whatsoever nature which the Guarantor has or may have at any time against the Bareboat Charterer or any of its property or assets (including, but without limitation, the Vessel or any share or interest in the Vessel or in her Earnings, Insurances or Requisition Compensation) shall rank after and be in all respects subordinate to any and all claims, whether actual or contingent, which the Owner has or may have at any time against the Bareboat Charterer or any of its property or assets and that the Guarantor will not without the Owner's prior written consent:

10.4.1 take any steps to enforce its rights to recover any moneys owing to the Guarantor by the Bareboat Charterer and more particularly (but without limitation) take or issue any judicial or other legal proceedings against the Bareboat Charterer or any of its property or assets (including, but without limitation, the Vessel or any share or interest in the Vessel or in her Earnings, Insurances or Requisition Compensation); or

10.4.2 prove in the liquidation or other dissolution of the Bareboat Charterer or in any proceedings in connection with the Vessel, her Earnings, Insurances or Requisition Compensation in competition with the Owner.

11 Notices

The provisions of clause 76 (*Notices*) of the Bareboat Charter shall (mutatis mutandis) apply to communications between the Owner and the Guarantor as if they were set out in full in this Guarantee and as if references to the Owner were references to the Owner and references to the Bareboat Charterer were references to the Guarantor.

12 Payments

12.1 On each date on which the Guarantor is required to make a payment under this Guarantee or any other Transaction Document to which the Guarantor is a party, the Guarantor shall make the same available to the Owner (unless a contrary indication appears in a Transaction Document) for value on the due date at the time and in such funds specified by the Owner as being customary at the time for settlement of transactions in the relevant currency in place of the payment.

12.2 Payment shall be made to such account with such bank as the Owner specifies.

12.3 All payments to be made by the Guarantor shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

12.4 Any payment which is due to be made on a day that is not a Business Day shall be made on the preceding Business Day.

12.5 Subject to Clauses 12.6 and 12.7 any amount payable under this Guarantee is payable in dollars.

12.6 Each payment in respect of costs, expenses or Taxes shall be made in the currency in which the costs, expenses or Taxes are incurred.

12.7 Any amount expressed to be payable in a currency other than dollars shall be paid in that other currency.

12.8 The Guarantor's obligation under this Guarantee shall be absolute irrespective of any contingency whatsoever including but not limited to any set-off, condition, counterclaim, recoupment, defence or other whatsoever right the Bareboat Charterer or the Guarantor may have against the Owner.

12.9 The provisions of clause 65 (*Stamp duties and taxes*) of the Bareboat Charter shall apply to this Guarantee as if they were expressly incorporated in this Guarantee with any necessary modifications.

13 Set-Off

The Owner may set off any matured obligation due from the Guarantor under this Guarantee (to the extent beneficially owned by the Owner) against any matured obligation owed by the Owner to the Guarantor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Owner may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

14 Calculations and Certificates

14.1 In any litigation or arbitration proceedings arising out of or in connection with a Transaction Document, the entries made in the accounts maintained by the Owner are *prima facie* evidence of the matters to which they relate.

14.2 Any certification or determination by the Owner of a rate or amount under any Transaction Document is, in the absence of manifest error or any question of law, conclusive evidence of the matters to which it relates.

15 Partial Invalidity

If, at any time, any provision of this Guarantee 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 of this Guarantee nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

16 Remedies and Waivers

No failure to exercise, nor any delay in exercising, on the part of the Owner, any right or remedy under a Transaction Document shall operate as a waiver of any such right or remedy or constitute an election to affirm any Transaction Document. No election to affirm any Transaction Document on the part of the Owner shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Guarantee and any other Security Document are cumulative and not exclusive of any rights or remedies provided by law.

17 Miscellaneous

17.1 If at any time one or more of the provisions of this Guarantee becomes invalid, illegal or unenforceable in any respect, that provision shall be severed from the remainder and the validity, legality and enforceability of the remaining provisions of this Guarantee shall not be affected or impaired in any way.

17.2 This Guarantee shall be binding on the Guarantor and its successors and permitted assignees and transferees, and shall inure to the benefit of the Owner and its successors in title, permitted transferees and permitted assignees. The Guarantor may not assign nor transfer any of its rights (if any) or obligations under or pursuant to this Guarantee without the prior written consent of the Owner.

17.3 The Guarantor may not assign any of its rights or transfer any of its rights or obligations under this Guarantee. The Owner shall be permitted to without the prior written consent of the Guarantor, assign its rights under or novate this Guarantee to the same extent as it may assign or novate its rights under the Bareboat Charter.

17.4 This Guarantee may be executed in any number of counterparts each of which shall be original but which shall together constitute one and the same instrument.

17.5 This Guarantee constitutes the entire agreement between the Owner and the Guarantor in relation to the subject matter hereof and no amendment or variation of the terms of this Guarantee shall be valid unless in writing signed by the Guarantor and the Owner.

17.6 Other than the Finance Parties, a person who is not a party to this Guarantee has no right under the Third Parties Act to enforce or to enjoy the benefit of any term of this Guarantee.

17.7 The representations and warranties on the part of the Guarantor contained in this Guarantee shall survive the execution of this Guarantee.

17.8 Clause 80 (*Confidentiality*) of the Bareboat Charter shall apply to this Guarantee as if it was incorporated into the Guarantee with any necessary modifications.

17.9 As against the Guarantor:

17.9.1 any arbitration award or judgment or order of a court in Hong Kong in connection with the Bareboat Charter and/or the Transaction Documents; and

17.9.2 any statement or admission of each Obligor in connection with the Bareboat Charterer and/or the Transaction Documents,

shall be binding and conclusive as to all matters of fact and law to which it relates.

18 Governing Law

This Guarantee and any non-contractual obligations arising out of or in connection with it are governed by and interpreted in accordance with English law.

19 Arbitration

19.1 Any dispute, controversy, difference or claim arising out of or relating to this Guarantee, including the existence, validity, interpretation, performance, breach or termination thereof or any dispute regarding non-contractual obligations arising out of or relating to it shall be referred to and finally resolved by arbitration administered by the Hong Kong International Arbitration Centre (HKIAC) under the HKIAC Administered Arbitration Rules in force when the Notice of Arbitration is submitted.

19.1.1 The law of this arbitration clause shall be Hong Kong law.

19.1.2 The seat of arbitration shall be Hong Kong.

19.1.3 The number of arbitrators shall be three. The arbitration proceedings shall be conducted in English.

Schedule 1 Form of Compliance Certificate

To: **Hai Kuo Shipping 1973T Limited** (the "**Owner**")

From: **Jinhui Shipping and Transportation Limited** (the "**Guarantor**")

Date: ______________

Dear Sirs

Bareboat Charter dated [•] made between the Owner and Huafeng Shipping Inc. (as amended and supplemented from time to time the "Charter") and Guarantee dated [•] by the Guarantor in favour of the Owner (as amended and supplemented from time to time the "Guarantee")

1 We refer to the Charter and the Guarantee. This is a Compliance Certificate. Terms defined in the Guarantee have the same meaning when used in this Compliance Certificate unless given a different meaning in this Compliance Certificate.

2 We confirm that as at the date hereof, we are in compliance with the financial covenants set out in Clause 9.2 of the Guarantee. Please find attached the computations demonstrating the continued compliance with Clause 9.2 of the Guarantee.

3 We confirm that, the attached consolidated financial statements, [for the financial year ending [•] give a true and fair view of the Guarantor's financial condition and operations as at the date of this Compliance Certificate][for the financial quarter ending [•] fairly represent the Guarantor's financial condition and operations as at the date of this Compliance Certificate].

4 We confirm that, as at the date of this Compliance Certificate, no Termination Event has occurred.

5 We further confirm that as at the date of this Compliance Certificate:

	Please check and provide details where applicable
No event set out in clause 58 (*Termination Events*) of the Charter has occurred, which, following the expiry of any applicable remedy period, would result in the occurrence of a Termination Event.	
The steps taken (if any) to remedy the event that has occurred and which, following the expiry of any applicable remedy period, would result in the occurrence of a Termination Event are as follows:	

…………………………………..

for and on behalf of

Jinhui Shipping and Transportation Limited

Name:

Title:

Schedule to Compliance Certificate

Computations in respect of Clause 9.2 of the Guarantee

[To be inserted]

In witness of which this Guarantee has been duly executed and delivered as a deed the day and year first before written.

SIGNED and **DELIVERED**)
as a **DEED**)
by **Jinhui Shipping and Transportation Limited**)
acting by: Ng Siu Fai)
its duly authorised Director)
in the presence of:)

Witness signature ....

Name: Ho Suk Lin

Address: 26/F, Yardley Commercial Building,
1-6 Connaught Road West,
Hong Kong

SIGNED and **DELIVERED**)
as a **DEED**)
by **Hai Kuo Shipping 1973T Limited**)
acting by:)
its duly authorised)
in the presence of:)

Witness signature ....

Name:

Address:

In witness of which this Guarantee has been duly executed and delivered as a deed the day and year first before written.

SIGNED and **DELIVERED**)
as a **DEED**)
by **Jinhui Shipping and Transportation**)
Limited)
acting by:)
)
its duly authorised)
)
in the presence of:

Witness signature ....

Name:

Address:

)
SIGNED and **DELIVERED**)
as a **DEED**)
by **Hai Kuo Shipping 1973T Limited**)
)
acting by: Trevor Siu) Trevor Siu
its duly authorised Attorney-in-fact)
)
in the presence of:)
)

Witness signature ....

Name: Yeung Sze Cheuk

Address:

43/F, One Taikoo Place,
979 King's Road,
Quarry Bay, Hong Kong

The Board of Directors
Jinhui Holdings Company Limited
26th Floor, Yardley Commercial Building
1-6 Connaught Road West
Hong Kong

Date: 24 July 2026

Dear Sirs,

Major Transaction of Jinhui Holdings Company Limited (the "Company")

FAIRLINE CONSULTANTS LIMITED, incorporated in the British Virgin Islands, being the shareholder of the Company who holds 205,325,568 issued shares (approximately 38.72% of the total issued shares of the Company) and 409,099 issued shares of Jinhui Shipping and Transportation Limited ("Jinhui Shipping") (approximately 0.37% of the total issued shares of Jinhui Shipping) as at date of this letter. Mr. Ng Siu Fai, Chairman and executive director of the Company, is the beneficial owner holding 51% of FAIRLINE CONSULTANTS LIMITED.

TIMBERFIELD LIMITED, incorporated in the British Virgin Islands, being the shareholder of the Company who holds 136,883,712 issued shares (approximately 25.81% of the total issued shares of the Company) and 260,000 issued shares of Jinhui Shipping (approximately 0.24% of the total issued shares of Jinhui Shipping) as at date of this letter. Mr. Ng Kam Wah, Managing Director and executive director of the Company, is the beneficial owner of TIMBERFIELD LIMITED.

Mr. Ng Siu Fai and Mr. Ng Kam Wah are brothers and the two founders of the Group. FAIRLINE CONSULTANTS LIMITED and TIMBERFIELD LIMITED, being a closely allied group of shareholders, together hold 342,209,280 shares which represent a controlling interests of approximately 64.53% of the total issued shares of the Company and voting rights in general meetings of the Company and 669,099 issued shares of Jinhui Shipping (approximately 0.61% of the total issued shares of Jinhui Shipping) as at date of this letter.

Under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as one or more of the applicable percentage ratios defined under the Listing Rules in respect of the Sale and Leaseback Arrangements, in aggregate, exceed 25% but less than 75%, the Sale and Leaseback Arrangements constitute a major transaction of the Company under Chapter 14 of the Listing Rules

FAIRLINE CONSULTANTS LIMITED and TIMBERFIELD LIMITED are not interested in the Sale and Leaseback Arrangements on Two Vessels, other than through its shareholding interest in the Company and Jinhui Shipping as aforesaid.

FAIRLINE CONSULTANTS LIMITED and TIMBERFIELD LIMITED, hereby irrevocably and unconditionally approve the Sale and Leaseback Arrangements on Two Vessels on the respective terms of Memoranda and the Charter Agreements, copies of which are attached thereto.

You are hereby authorised to provide a copy of this approval to The Stock Exchange of Hong Kong Limited and to any other persons to whom disclosure of this approval is deemed appropriate by the Board of Directors of the Company.

Yours faithfully

For and on behalf of	For and on behalf of
Fairline Consultants Limited	**Timberfield Limited**
Ng Siu Fai	Ng Kam Wah
Authorized Signature	Authorized Signature

Contract No.: JFLSPV2026S197-01

MEMORANDUM OF AGREEMENT

Dated 29 July 2026

(1) **JINHAN MARINE INC.**, a corporation incorporated in the Republic of Panama with limited liability and a registered non-Hong Kong company under Part 16 of the Companies Ordinance (Cap. 622 of the Laws of Hong Kong) having a principal place of business in Hong Kong at 26th Floor, Yardley Commercial Building, 1-6 Connaught Road West, Hong Kong (hereinafter called the **"Sellers"**), have agreed to sell; and

(2) 汇弘(天津)航运租赁有限公司 **(HUI HONG (TIANJIN) SHIPPING LEASING CO., LTD.)**, a company incorporated in the People's Republic of China with limited liability and unified social credit code 91120118MABYN79E4A (hereinafter called the **"Buyers"**), have agreed to buy:

Vessel:	one (1) bulk carrier currently under construction by the Builder and bearing hull no. HT64-428 and IMO no. 1111997 named or to be named "JIN HAN"
Classification Society:	American Bureau of Shipping
Year of Build:	2026
Builder:	江苏韩通船舶重工有限公司 (Jiangsu Hantong Ship Heavy Industry Co., Ltd.)

(hereinafter called the **"Vessel"**), on the following terms and conditions:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions:

In this Agreement, unless otherwise defined or the context requires otherwise, terms defined in the Charter shall have the same meaning and construction (*mutatis mutandis*) when used in this Agreement.

In addition:

"Anti-Money Laundering Laws" means all applicable anti-money laundering statutes (including all applicable rules and regulations thereunder) and all applicable related or similar laws, rules, regulations or guidelines, of all applicable jurisdictions including and without limitation, the US, the European Union, the United Kingdom, the PRC, Hong Kong and the Republic of Panama and which in each case (a) issued, administered or enforced by any governmental agency having jurisdiction over the Sellers or the Buyers; (b) of any jurisdiction in which the Sellers or the Buyers conduct business; or (c) to which the Sellers or the Buyers are subjected or subject to.

"Approved Valuer" has the meaning ascribed to such term in the Charter.

"Builder" has the meaning ascribed to such term in the Charter.

"Buyers' Nominated Flag State" means (a) Hong Kong or (b) such other flag state approved by the Buyers.

"Cancelling Date" means 28 August 2027 or such later date as the Sellers and the Buyers may agree.

"Charter" means the bareboat charterparty in respect of the Vessel to be entered into on or about the date of this Agreement, between the Buyers as owners and the Charterers as charterers, as the same may be amended, supplemented or otherwise modified from time to time.

"Charterers" means JINHAN MARINE INC., a corporation incorporated in the Republic of Panama with limited liability and a registered non-Hong Kong company under Part 16 of the Companies Ordinance (Cap. 622 of the Laws of Hong Kong) having a principal place of business in Hong Kong at 26th Floor, Yardley Commercial Building, 1-6 Connaught Road West, Hong Kong.

"Charter Delivery" means the actual delivery of the Vessel by the Buyers as owners to the Charterers as charterers under and in accordance with the provisions of the Charter, and **"Charter Delivery Date"** means the date of the Charter Delivery.

"Charterhire Principal" has the meaning ascribed to such term in the Charter.

"Classification Society" means the classification society referred to above.

"Conditional Payment Order" has the meaning ascribed to such term in paragraph (a) of Clause 3 (*Payment*).

"Emission Scheme" has the meaning ascribed to such term in the Charter.

"EU MRV" has the meaning ascribed to such term in the Charter.

"Finance Party" has the meaning ascribed to such term in the Charter.

"Fuel EU Maritime" has the meaning ascribed to such term in the Charter.

"Initial Market Value" means the arithmetic mean of the valuations of the Vessel shown by two (2) valuation reports and each prepared:

(a) at the cost of the Sellers and addressed to the Buyers;

(b) on a date no earlier than thirty (30) days prior to the MOA Delivery Date;

(c) by an Approved Valuer;

(d) without physical inspection of the Vessel; and

(e) on the basis of a sale for prompt delivery for cash on normal arm's length commercial terms as between a willing seller and a willing buyer, free of any existing charter or other contract of employment or such other basis as may be agreed by the Buyers,

and such valuations shall be prepared by one Approved Valuer nominated and appointed by the Buyers and one Approved Valuer nominated and appointed by the Sellers and further provided that if the difference in the two valuations obtained is more than ten per cent. (10%) of the lower valuation obtained, a third Approved Valuer shall be nominated and appointed by the Buyers and the third valuation shall be prepared on the same terms and conditions as set out in paragraphs (a) to (e) above and the Initial Market Value shall be the arithmetic mean of such three valuations and shall be binding to the Buyers and the Sellers.

"In writing" or **"written"** means a letter handed over from a Party to the other Party, a registered letter or email.

"Losses" has the meaning ascribed to such term in the Charter.

"MOA Delivery" means the actual delivery of the Vessel by the Sellers to and the actual acceptance of the Vessel by the Buyers under and in accordance with the provisions of this Agreement, and **"MOA Delivery Date"** means the date of MOA Delivery.

"MOA PDA" means the protocol of delivery and acceptance to be executed and delivered by the Sellers and the Buyers pursuant to this Agreement, being in the form set out in Schedule 2 (*Form of MOA PDA*).

"Parties" means the Sellers and the Buyers and each is a **"Party"**.

"Payment Notice" means the payment notice to be submitted by the Sellers to the Buyers to request for the Buyers' remittance of the Purchase Price on the Purchase Price Pre-positioning Date, which shall be in the form set out in Schedule 1 (*Form of Payment Notice*).

"Purchase Price" means the price for the Vessel as stated in Clause 2 (*Purchase Price*).

"Purchase Price Pre-positioning Date" has the meaning ascribed to such term in Paragraph (b) of Clause 3 (*Payment*).

"Sanctioned Country" has the meaning ascribed to such term in the Charter.

"Sanctioned Person" has the meaning ascribed to such term in the Charter.

"Sanctions" has the meaning ascribed to such term in the Charter.

"Sellers' Designated Account" means such account as nominated by the Builder under paragraph 4(b), article II of the Shipbuilding Contract and as notified by the Seller to the Buyer in writing prior to the Purchase Price Pre-positioning Date to which the Purchase Price shall be released on the MOA Delivery Date.

"Sellers' Designated Bank" means such financial institution as nominated by the Builder under paragraph 4(b), article II of the Shipbuilding Contract and as notified by the Seller to the Buyer in writing prior to the Purchase Price Pre-positioning Date.

"Shipbuilding Contract" means the shipbuilding contract dated 28 June 2024 made between the Builder as builder and the Sellers as buyer, as amended by addendum no.1 to shipbuilding contract dated 16 September 2024 made between the Builder as builder, Anhui Technology Imp. & Exp. Co., Ltd. as trading house and the Sellers as buyer and addendum no.2 to shipbuilding contract dated 28 October 2025 made between the Builder as builder and the Sellers as buyer, whereby the Builder agreed to build, launch, complete and deliver the Vessel to the Sellers, together with all further supplements and amendments to it.

"Shipbuilding Contract Delivery" means the actual delivery of the Vessel by the Builder as sellers to, and the actual acceptance of the Vessel by, the Sellers as buyers pursuant to the terms and conditions of the Shipbuilding Contract, and **"Shipbuilding Contract Delivery Date"** means the date of Shipbuilding Contract Delivery.

1.2 **Construction**

The provisions of clauses 32.2 to 32.5 of the Charter apply to this Agreement as though set out in full, except that references to the Charter are to be construed as references to this Agreement.

2. **AGREEMENT FOR SALE AND PURCHASE AND PURCHASE PRICE**

(a) Pursuant to the Shipbuilding Contract, the Builder has agreed to design, engineer, build, launch, equip, complete, deliver and sell, and the Sellers have agreed to purchase, the Vessel upon the terms and conditions set out in the Shipbuilding Contract.

(b) Subject to paragraph (c) below, the Sellers hereby agree to sell and the Buyers hereby agree to purchase the Vessel on the terms and conditions of this Agreement. The purchase price of the Vessel payable by the Buyers to the Sellers under this Agreement (the **"Purchase Price"**) shall be the lower of:

(i) US$17,000,000; and

(ii) 60% of the Initial Market Value.

(c) The Buyers have agreed to let the Vessel to the Charterers and the Charterers have agreed to hire the Vessel from the Buyers immediately upon the acceptance of the Vessel by the Buyers from the Sellers under this Agreement, pursuant to the terms and conditions set forth in the Charter.

3. **PAYMENT**

(a) The Purchase Price payable by the Buyers to the Sellers shall be remitted to and held by the Sellers' Designated Bank to the order of the Buyers, subject to the conditions set out in a conditional payment order to be sent together with each such remittance by way of authenticated MT199 SWIFT message (or in such other manner approved by the Buyers) to the Sellers' Designated Bank on terms acceptable to the Parties (the **"Conditional Payment Order"**) and may only be released to the Sellers' Designated Account in accordance with the terms of the Conditional Payment Order.

(b) The Buyers shall, on the intended remittance date of the Purchase Price set out in the Payment Notice and agreed by the Buyers or such other date determined by the Buyers in their sole discretion (the **"Purchase Price Pre-positioning Date"**), remit the Purchase Price to the Sellers' Designated Bank together with the Conditional Payment Order instructing the Sellers' Designated Bank to hold the Purchase Price to the order of the Buyers until satisfaction of the conditions set out in the Conditional Payment Order, whereupon the Purchase Price shall be released to the Sellers' Designated Account, provided that:

(i) the Sellers have, at least five (5) Business Days (or such shorter period as agreed between the Buyers and the Sellers) prior to the Purchase Price Pre-positioning Date, provided to the Buyers the Payment Notice duly signed by the Sellers advising the Buyers that the Purchase Price is due and payable;

(ii) the Buyers have, at least three (3) Business Days prior to the Purchase Price Pre-positioning Date, received the items set out in Clause 8 (*Documentation*), and part A of schedule 3 (*Conditions Precedent*) to, the Charter;

(iii) no Potential Termination Event or Termination Event (each as defined in the Charter) having occurred and is continuing on the Purchase Price Pre-positioning Date and no Potential Termination Event or Termination Event (each as defined in the Charter) shall occur or be continuing on the MOA Delivery Date; and

(iv) the Shipbuilding Contract Delivery shall take place on the Shipbuilding Contract Delivery Date, the MOA Delivery shall take place on the MOA Delivery Date and the Charter Delivery shall take place on the Charter Delivery Date.

4. **INSPECTION**

The Buyers have waived any rights to inspect the Vessel and the sale is outright and definite, subject only to the terms and conditions of this Agreement.

5. **TIME AND PLACE OF DELIVERY AND NOTICES**

(a) The Vessel shall be delivered by the Sellers and taken over by the Buyers on the MOA Delivery Date at a safe and accessible berth or anchorage or at sea in the Sellers' option.

(b) The Sellers shall, from the date of this Agreement, keep the Buyers informed of the delivery schedule of the Vessel under the Shipbuilding Contract and shall promptly inform the Buyers of any change in any milestone date (the intended delivery date) under the Shipbuilding Contract. The Sellers shall provide the Buyers with copies of all notices of the expected or estimated Shipbuilding Contract Delivery Date and MOA Delivery Date.

(c) Should the Vessel become a Total Loss before Shipbuilding Contract Delivery or MOA Delivery, any funds advanced by or on the Buyers' behalf in connection with this Agreement shall be returned immediately to the Buyers (along with any interest at the Interest Rate incurred) whereafter this Agreement shall be null and void.

6. **DIVERS INSPECTION/DRYDOCKING**

The Buyers have waived any rights to require divers' inspections of the Vessel and her classification records and the sale is outright and definite, subject only to the terms and conditions of this Agreement.

7. **SPARES, BUNKERS AND OTHER ITEMS**

To the extent owned by the Sellers, the Sellers shall deliver the Vessel to the Buyers with everything belonging to her on board and on shore.

All spare parts and spare equipment (if any) used or unused whether on board or not shall become the Buyers' property on delivery of the Vessel from the Sellers to the Buyers without extra payment.

The Sellers are not required to replace spare parts which are taken out of spare and used as replacement prior to MOA Delivery, but the replaced items shall be the property of the Buyers without extra payment.

Items on board which are on hire or owned by third parties are excluded from the sale without compensation. The Vessel's radio installation, communication and navigational equipment, loading program and computer equipment shall be included in the sale without extra payment if they are the property of the Sellers.

Any remaining and unused bunkers, lubricating and hydraulic oils and greases in storage tanks and unopened drums shall be excluded from the sale and shall become the Buyers' property without extra payment.

8. **DOCUMENTATION**

Unless otherwise agreed between the Parties, at the MOA Delivery the Parties will attend a closing meeting either virtually or at a place to be determined.

(a)

(i) In exchange for payment of the Purchase Price, the Sellers shall provide the Buyers with the documents within the time frames specified in part B of schedule 3 (*Conditions Precedent*) to the Charter in accordance with clause 35.1 of the Charter.

(ii) The Buyers shall provide the Sellers with the following documents on or before the MOA Delivery:

(aa) copies of the constitutional documents of the Buyers;

(bb) a copy of a resolution of the board of directors of the Buyers:

(1) approving the terms of, and the transactions contemplated by, the Transaction Documents to which they are a party (the **"Relevant Documents"**) and resolving that they execute, deliver and perform the Relevant Documents;

(2) authorising a specified person or persons to execute the Relevant Documents on their behalf; and

(3) authorising a specified person or persons, on their behalf, to sign and/or despatch all documents and notices to be signed and/or despatched by them under or in connection with the Relevant Documents.

(b) The Sellers and the Buyers shall sign and deliver to each other the MOA PDA confirming the date and time of delivery of the Vessel from the Sellers to the Buyers.

(c) If any of the documents referred to in paragraph (a) above (including any notarial statements) are not in the English language they shall be accompanied by an English translation by an authorised translator or certified by a lawyer qualified to practice in the country of the translated language.

9. **ENCUMBRANCES AND INDEMNITIES**

The Sellers warrant that the Vessel, at the time of MOA Delivery, is free and clear from all charters (other than the Charter), encumbrances (other than the Permitted Security Interests), mortgages and maritime liens or any other claims or debts whatsoever, and is not subject to port state or other administrative detentions.

The Sellers hereby undertake to indemnify the Buyers against:

(a) all consequences of claims made against the Vessel which have been incurred prior to the time of MOA Delivery; and

(b) all Losses suffered or incurred by the Buyers which arise, or are asserted, in connection with the Sellers' failure to comply with any applicable Emission Scheme, EU MRV and Fuel EU Maritime prior to the time of MOA Delivery.

10. **TAXES, FEES AND EXPENSES**

Any taxes (including withholding taxes or deductions), fees and expenses (including, without limitation, any tonnage taxes and stamp taxes) in connection with the purchase and registration of the Vessel which are in each case payable to the Buyers' Nominated Flag State and any similar charges in connection with the sale of the Vessel under this Agreement shall be for the Sellers' account.

11. **CONDITION ON DELIVERY**

The Vessel, together with everything belonging to or relating to the Vessel (including all spare parts, equipment and other inventory, all supplies and any other items required by the Charterers under the Charter), shall be at the Sellers' risk and expense until the Vessel is delivered to the Buyers in accordance with the terms and conditions of this Agreement and the Charter.

The Vessel shall be delivered on an "as is where is" basis with her class maintained without condition/recommendation, free of average damage affecting the Vessel's class, and with her classification certificates and national certificates, as well as all other certificates the Vessel had at the date of this Agreement, valid and unextended without condition/recommendation by the Classification Society or the relevant authorities at the time of delivery.

12. **NAME/MARKINGS – INTENTIONALLY OMITTED**

13. **SELLERS' DEFAULT**

(a) Should the Sellers fail to be ready to validly complete a legal transfer by the Cancelling Date, then the Buyers shall have the option of cancelling this Agreement by notice in writing to the Sellers. Should the Buyers not elect to cancel this Agreement notwithstanding the Sellers' failure to validly complete a legal transfer as aforesaid, the Sellers shall promptly compensate the Buyers for any losses and any costs and expenses incurred in each case resulting from such failure together with interest incurred at the Default Rate from the date of demand to the date on which the Sellers compensate the Buyers under this paragraph, both dates inclusive.

(b) The Buyers shall also have the option of cancelling this Agreement if any of the conditions to their obligation to purchase and accept delivery of the Vessel referred to in Clause 18 (*Representations and Undertakings*) have not been satisfied (and the same have not been waived by the Buyers) at the time when the Buyers would otherwise be required to complete the purchase and accept delivery of the Vessel. If the Buyers elect to cancel this Agreement for that reason, the Sellers shall make due compensation to the Buyers for their loss and for all costs and expenses incurred together with interest incurred at the Default Rate from the date of demand to the date on which the Sellers compensate the Buyers under this paragraph.

14. **LAW AND ARBITRATION**

(a) This Agreement and any non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with English law.

(b) Any dispute, controversy, difference or claim arising out of or in connection with this Agreement, including any dispute relating to any non-contractual obligation arising from or in connection with this Agreement and any question regarding its existence, validity, interpretation, performance, breach or termination thereof (a **"Dispute"**), shall be referred to and finally resolved by arbitration administered by the Hong Kong International Arbitration Centre (**"HKIAC"**) under the HKIAC Administered Arbitration Rules in force when the Notice of Arbitration is submitted.

(c) The governing law of these arbitration provisions is Hong Kong law. The seat of arbitration shall be Hong Kong. The number of arbitrators shall be three. Each Party shall designate in the Notice of Arbitration and the Answer to the Notice of Arbitration, respectively, one arbitrator. If either Party fails to designate an arbitrator, HKIAC shall appoint the arbitrator. The two arbitrators so appointed shall designate a third arbitrator, who shall act as the presiding arbitrator. Failing such designation within 30 days from the confirmation or appointment of the second arbitrator, HKIAC shall appoint the presiding arbitrator. The arbitration proceedings shall be conducted in English.

(d) The HKIAC Administered Arbitration Rules are deemed to be incorporated by reference into this Clause 14 and capitalised terms used in this Clause which are not otherwise defined in this Charter have the meaning given to them in the HKIAC Administered Arbitration Rules.

15. **NOTICES**

All notices to be provided under this Agreement shall be in writing.

Contact details for recipients of notices are as follows:

For the Buyers:

Address:	c/o No.1 Building, No.99 East Jialingjiang Street, Nanjing, Jiangsu Province, P.R. China
Attention:	Zhang Xinhang / He Siwei / Jiang Lu
Email:	xinhang.zhang@jsleasing.cn / siwei.he@jsleasing.cn / lu.jiang@jsleasing.cn

For the Sellers:

Address:	c/o 26th Floor, Yardley Commercial Building, 1-6 Connaught Road West, Hong Kong
Attention:	Shum Yee Hong / Teresa Chau
Email:	shumyh@jinhuishipping.com / teresa@jinhuiship.com

16. **ENTIRE AGREEMENT**

The written terms of this Agreement comprise the entire agreement between the Buyers and the Sellers in relation to the sale and purchase of the Vessel and supersede all previous agreements whether oral or written between the Parties in relation thereto.

Each of the Parties acknowledges that in entering into this Agreement it has not relied on and shall have no right or remedy in respect of any statement, representation, assurance or warranty (whether or not made negligently) other than as is expressly set out in this Agreement.

Any terms implied into this Agreement by any applicable status or law are hereby excluded to the extent that such exclusion can legally be made. Nothing in this Clause shall limit or exclude any liability for fraud.

17. **CONCURRENT DELIVERY OF THE VESSEL UNDER SHIPBUILDING CONTRACT AND CHARTER; ADDITIONAL CONDITIONS PRECEDENT**

17.1 Upon the delivery of the Vessel from the Builder to the Sellers under the Shipbuilding Contract and the simultaneous delivery of the Vessel from the Sellers to the Buyers under this Agreement, the Vessel shall simultaneously be delivered to and accepted by the Charterers pursuant to the Charter. This Agreement shall be effective only upon:

(a) the due execution of the Shipbuilding Contract by the authorised representatives of the Builder and the Sellers;

(b) the due execution of this Agreement by the authorised representatives of the Buyers and the Sellers;

(c) the due execution of the Charter by the authorised representatives of the Buyers (as owners) and the Charterers (as charterers) with provision for the delivery and acceptance of the Vessel under the Charter to take place automatically upon delivery and acceptance of the Vessel under the Shipbuilding Contract and this Agreement;

(d) the satisfaction or the waiver (as the case may be) by the Buyers of the conditions precedent set out in schedule 3 (*Conditions Precedent*) to the Charter; and

(e) the representations made by the Charterers under clause 48 (*Representations and Warranties*) of the Charter are true.

17.2 The obligation of the Buyers to purchase and accept delivery of the Vessel under this Agreement is further subject to and conditional upon:

(a) the Buyers having been satisfied (or having waived) all conditions set out in clause 35.1 of the Charter including (without limitation) in relation to the execution, delivery and (where appropriate and/or possible) registration and perfection in favour of the Buyers (in their capacity as owners under the Charter) of all Security Interests required to be granted under the Charter;

(b) the representations and warranties contained in clause 48 *(Representations and Warranties)* of the Charter being true and accurate on the date of the Payment Notice, the Purchase Price Pre-positioning Date and the date of release of the Purchase Price respectively by reference to the facts and circumstances then existing;

(c) no Potential Termination Event or Termination Event (each as defined in the Charter) having occurred;

(d) no event of default (however described) under the Shipbuilding Contract having occurred; and

(e) no Total Loss having occurred.

18. **REPRESENTATIONS AND UNDERTAKINGS**

18.1 **Representations and warranties**

The Sellers make the following representations and warranties to the Buyers on the date of this Agreement and each of which shall be deemed repeated by reference to the facts and circumstances prevailing at the time when the Sellers tender the Vessel for MOA Delivery:

(a) they are not aware of any modifications or changes required by the Classification Society or any regulatory body as at the date of this Agreement;

(b) all documents and information provided by or on their behalf to the Buyers are in all respects complete and accurate;

(c) subject to any qualification (if applicable) set out in such information or documents, any factual information or documents provided in writing by them to the Buyers was true and accurate in all material respects as at the date such information or documents were provided and there are no other material facts or considerations the omission of which would render such information or documents misleading;

(d) no litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency have been started in respect of themselves which, if adversely determined, are likely to result in a Material Adverse Effect; and

(e) they are not in breach of any applicable Sanctions or any applicable laws or regulations relating to the Vessel and her ownership, employment, operation, management and registration and in particular they have complied with all applicable Sanctions and all applicable Anti-Money Laundering Laws and confirm that the Group has instituted and maintained systems, controls, policies and procedures designed to:

(i) detect and prevent incidences of money laundering; and

(ii) promote and achieve compliance with all Sanctions and Anti-Money Laundering Laws.

18.2 **Undertakings**

The Sellers undertake that they shall comply or procure compliance with the following undertakings:

(a) they shall not use, permit or authorise any person not to directly or indirectly use the Purchase Price for any purpose that would breach any Sanctions or any Anti-Money Laundering Laws and they shall not lend, invest, contribute or otherwise make available the Purchase Price to or for any other person in a manner which would result in a violation of any Sanctions or any Anti-Money Laundering Laws;

(b) they shall not directly or indirectly use the proceeds of the sale of the Vessel or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or any other person to (i) fund any activities or business of or with any person, in any country or territory that at the time of such funding (ii) in any other manner or for a purpose that would result in a violation of Sanctions by any Security Party or the Buyers and any of their Affiliates;

(c) they shall not permit or authorise any other person to directly or indirectly use, lend, make payments of, contribute or otherwise make available, all or any part of the proceeds of the Purchase Price to any Subsidiary, joint venture partner or any other person to fund any trade, business or other activities:

(i) involving or for the benefit of any Sanctioned Person or Sanctioned Country; or

(ii) in any other manner that would reasonably be expected to result in any Security Party, the Buyers or any Finance Party (if applicable) being in breach of any Sanctions or become a Sanctioned Person; and

(d) they shall comply with the undertakings set out in clause 53 (*Emission Scheme, EU MRV and Fuel EU Maritime*) of the Charter, *mutatis mutandis*, as though set out in full herein.

19. ANTI-CORRUPTION CLAUSE

The Sellers undertake and warrant to the Buyers that neither they nor any member of their group of companies, nor any agent, consultant or other intermediary acting on behalf of them or their group of companies, shall, (directly or indirectly) in relation to this Agreement, give, promise or attempt to give, or approve or authorise the giving of, anything of value, including by transferring all or part of the remuneration payable under this Agreement to:

(a) any employee, officer or director of or any person representing the Buyers or their group of companies;

(b) any other person, including any public official;

(c) a political party or a labour union controlled by any government or political party; or

(d) a charitable or other organization, or an officer, director or employee thereof, or any person acting directly or indirectly on behalf of same,

for the purpose of (i) securing any improper advantage for them or their group of companies; (ii) inducing or influencing that public officials improperly take any action or refrain from taking any action in order for them or their group of companies to obtain or retain business, or to secure the direction of business to any Party or its group of companies; or (iii) inducing or influencing that public officials use their influence with any government or pubic international organisation, or any department, agency or other instrumentality thereof, for any such purpose.

20. FOREIGN TRADE CONTROLS CLAUSE

The Sellers warrant, represent and undertake to the Buyers on a continuing basis:

(a) that neither themselves, nor any person, entity or body on whose behalf or under whose direction they act, or who they assist, or who directly or indirectly owns or controls themselves; nor any person, entity or body who they may nominate to facilitate any aspect of this transaction are or will be individual(s) or entity(ies) designated pursuant to any national, international or supranational law or regulation imposing trade and economic sanctions, prohibitions or restrictions (a **"sanctioned entity"**);

(b) they are acting, and shall act, always in their own name and for their own account, and are not acting on behalf of any sanctioned entity;

(c) they shall notify the Buyers immediately if they, or any person, entity or body on whose behalf or under whose direction they act, or who they assist, or who owns or controls themselves, or any person who they nominate to facilitate any aspect of this transaction, become a sanctioned entity, or if the sale of the Vessel under this Agreement becomes a sanctioned transaction and will provide any information the Buyers reasonably request;

(d) that on the date of this Agreement and throughout up until delivery of the Vessel, the Vessel is not blacklisted by any national or international organization, sanctioned, or designated pursuant to any national, international or supranational law or regulation; and

(e) if at any time before the MOA Delivery the Buyers become aware of any actual or threatening breach of the warranty, representation and undertaking and condition contained in paragraphs (a) to (d)above, the Buyers may cancel this Agreement by written notice to them, without liability to them.

21. **DISCLOSURE**

The provisions of this Agreement, and all related documents and negotiations, are strictly private and confidential and each Party will use all reasonable efforts to ensure that no disclosure relating to any of the foregoing will be made or issued by or on behalf of any Party provided that:

(a) each Party may make disclosures with respect to this Agreement with the express prior written consent of the other Party;

(b) each Party may make appropriate disclosures on a need to know basis and subject to similar disclosure restrictions to their respective shareholders or prospective shareholders, bankers or other financiers, or professional advisors, or as necessary to rating agencies, or as required by the rules or regulations of any applicable stock exchange, in particular, the Sellers may make disclosures required to be made by Jinhui Shipping and Transportation Limited (**"Jinhui Shipping"**) and Jinhui Holdings Company Limited (**"Jinhui Holdings"**) pursuant to the rules and regulations of the Oslo Stock Exchange and the Hong Kong Stock Exchange respectively or similar body (whether or not having the force of law), or as required by any court order or applicable law, rule or regulation; and

(c) the Buyers may disclose the terms of this Agreement to any Finance Party in connection with any of their financing or refinancing arrangements for the purchase of the Vessel.

The Parties will agree in advance the terms and publication dates of any press announcements in relation to the transactions contemplated by this Agreement and otherwise no press announcements shall be made by neither Party.

22. **COUNTERPARTS**

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

23. **AMENDMENTS AND WAIVERS**

No amendment or variation of this Agreement will be valid unless it is made in writing and signed by or on behalf of each Party. No failure or delay on the part of any Party in exercising any right, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege under this Agreement.

24. **SEVERABILITY**

If any provision of this Agreement is held to be illegal or invalid such illegality or invalidity will not affect the other provisions of this Agreement which will remain in full force and effect.

25. **SUCCESSORS AND ASSIGNS**

This Agreement shall be binding upon and inure to the benefit of and be enforceable by the respective successors and permitted assigns of the Parties. Neither Party may assign or transfer any of its rights, obligations or interests hereunder without the prior written consent of the other (such consent not to be unreasonably withheld) save that the Buyers may assign their rights, at their own cost, hereunder as security in connection with any of their financing or refinancing arrangements for the purchase of the Vessel to the same extent as permitted pursuant to the terms of the Charter.

26. **NO THIRD PARTY RIGHTS**

No term of this Agreement is enforceable under the Contracts (Rights of Third Parties) Act 1999 by a person who is not party to this Agreement.

27. **CONFLICT WITH CHARTER**

This Agreement is subject to the terms and provisions of the Charter and to the extent there is any conflict between this Agreement and the Charter, the terms and provisions of the Charter shall prevail.

28. **EXCLUSION OF CONSEQUENTIAL AND OTHER LOSSES**

Neither Party shall be liable under or in connection with this Agreement for any form of consequential, exemplary, incidental, indirect or special losses or damages of any nature whatsoever, however caused and whenever arising.

29. **SUBJECTS**

The transactions contemplated under this Agreement are at all times subject to the Sellers obtaining approval from the majority shareholders of Jinhui Holdings. The Sellers hereby confirm that such approval has already been obtained.

IN WITNESS WHEREOF the Parties have caused this Agreement to be executed by the duly authorised representatives of the Parties on the day and year first above written.

Authorised Signatures

THE SELLERS

SIGNED by Shum Yee Hong ,) duly authorised Director,) for and on behalf of **JINHAN MARINE INC.**) in accordance with its articles of incorporation) in the presence of:)	Name: Shum Yee Hong Title: Director

Signature of witness:	
Name:	Kwok Wai Yu Rosanna
Title:	Director

THE BUYERS

SIGNED by 張欣航 (Zhang Xinhang), duly authorised Legal Representative, for and on behalf of)
汇弘(天津)航运租赁有限公司)
(HUI HONG (TIANJIN) SHIPPING LEASING CO., LTD.))
in accordance with its articles of association
in the presence of:

(affixed with company chop)

Name: 張欣航 (Zhang Xinhang)
Title: Legal Representative

汇弘(天津)航运租赁有限公司 1201021028249

Signature of witness:
Name: HE SIWEI
Title: Manager

Schedule 1: Form of Payment Notice

To: 汇弘(天津)航运租赁有限公司
(HUI HONG (TIANJIN) SHIPPING LEASING CO., LTD.)
a company incorporated in the People's Republic of China with limited liability and unified social credit code 91120118MABYN79E4A

Date: [●]

Memorandum of agreement dated [●]
(as the same may be amended, supplemented
or otherwise modified from time to time, the "MOA")
in relation to one (1) bulk carrier named "JIN HAN"
bearing Hull No. HT64-428 and IMO No. 1111997 (the "Vessel")

1. We refer to the MOA made between us in relation to the Vessel.

2. This is the Payment Notice.

3. Capitalised terms in this Payment Notice have the meanings set out in the MOA unless otherwise defined herein.

4. We hereby propose:

   (a) [●] as the Purchase Price Pre-positioning Date in respect of the Purchase Price; and

   (b) [●] as the MOA Delivery Date.

5. We hereby request that the Purchase Price of US$[●] be remitted to [●] on the Purchase Price Pre-positioning Date in accordance with payment details set out below, to be held to the order of 汇弘(天津)航运租赁有限公司(HUI HONG (TIANJIN) SHIPPING LEASING CO., LTD.) in accordance with the instructions set out in the Conditional Payment Order to be sent to such bank, in the form set out in the Appendix:

SWIFT Code:	[●]
Sellers' Designated Bank:	[●]
Beneficiary:	[●]
Account No.:	[●]
Reference:	[●]

6. We confirm that the representations made in Clause 18 (*Representations and Undertakings*) of the MOA are true and correct as at the date of this notice.

7. We agree that the remittance and application of the Purchase Price in accordance with paragraph 5 above shall constitute a full discharge of the Buyers' obligations in respect

thereof under the MOA and we shall hold you harmless and keep you indemnified against all consequences of any inaccuracy of any details set out herein or any other payment instructions sent or purported to be sent to you by us.

Yours faithfully,

For and on behalf of
JINHAN MARINE INC.

____
Name:
Title: Director

Appendix

Conditional Payment Order

Schedule 2: Form of MOA PDA

PROTOCOL OF DELIVERY AND ACCEPTANCE

JINHAN MARINE INC., a corporation incorporated in the Republic of Panama with limited liability and a registered non-Hong Kong company under Part 16 of the Companies Ordinance (Cap. 622 of the Laws of Hong Kong) (the **"Sellers"**) hereby sells, transfers and delivers to 汇弘(天津)航运租赁有限公司 **(HUI HONG (TIANJIN) SHIPPING LEASING CO., LTD.)**, a company incorporated in the People's Republic of China with limited liability and unified social credit code 91120118MABYN79E4A (the "**Buyers**"), and the Buyers hereby accept delivery, title and risk of and in one (1) bulk carrier known as "JIN HAN" bearing Hull No. HT64-428 and IMO No. 1111997 (the **"Vessel"**) at [●] hours [Beijing] time in [●] on [●], and each of the Buyers and the Sellers confirm that the Vessel is delivered pursuant to and in accordance with the terms and conditions of a memorandum of agreement dated [●] (as the same may be amended, supplemented and varied from time to time) entered into between (1) the Sellers as sellers and (2) the Buyers as buyers.

Date: [●]

For and on behalf of
JINHAN MARINE INC.
(*as Sellers*)

____
Name:
Title: Director

For and on behalf of
汇弘(天津)航运租赁有限公司
(HUI HONG (TIANJIN) SHIPPING LEASING CO., LTD.)
(*as Buyers*)
(company chop affixed)

____
Name: 張欣航 (Zhang Xinhang)
Title: Legal Representative

BARECON 2001

BIMCO
STANDARD FORM

STANDARD BAREBOAT CHARTER

PART 1

1. Shipbroker N/A Contract Number: JFLSPV2026L197-01	2. Place and date 29 July 2026
3. Owners/Place of business (Cl. 1) 汇弘航运租赁有限公司 Hui Hong (Tianjin) Shipping Leasing Co., Ltd. a company incorporated in the People's Republic of China with limited liability and unified social credit code 91120118MABYN79E4A	4. Bareboat Charterers/Place of business (Cl. 1) JINHAN MARINE INC. a corporation incorporated in the Republic of Panama with limited liability and a registered non-Hong Kong company under Part 16 of the Companies Ordinance (Cap. 622 of the Laws of Hong Kong) having a principal place of business in Hong Kong at 26th Floor, Yardley Commercial Building, 1-6 Connaught Road West, Hong Kong
5. Vessel's name, call sign and flag (Cl. 1 and 3) Name: JIN HAN Call Sign: VRXB6 Flag: Hong Kong	
6. Type of Vessel Bulk Carrier	7. GT/NT GT: Above 35,600 NT: Above 21,100
8 When/Where built 2026 Jiangsu Hantong Ship Heavy Industry Co., Ltd., P.R. China	9. Total DWT (abt.) in metric tons on summer freeboard About 63,500MT
10. Classification Society (Cl. 3) American Bureau of Shipping	11. Date of last special survey by the Vessel's classification society N/A
12. Further particulars of Vessel (also indicate minimum number of months' validity of class certificates agreed acc. to Cl. 3) Official No. HK-6114 IMO No. 1111997	

13. Port or Place of delivery (Cl. 3) **As per MOA**	14. Time for delivery (Cl. 4) **See Additional Clause 36 (Delivery)**
15. Cancelling date (Cl. 5) **See Additional Clause 32.1 (Definitions)**	
16. Port or Place of redelivery (Cl. 15) **See Additional Clause 41 (Termination and Redelivery; Total Loss)**	17. No. of months' validity of trading and class certificates upon redelivery (Cl. 15) **six (6) months**
18. Running days' notice if other than stated in Cl. 4 **N/A**	19. Frequency of dry-docking (Cl. 10(g)) **In accordance with Classification Society or flag state requirements**
20. Trading limits (Cl. 6) **Trading worldwide via safe ports/ safe berths/ safe anchorages within International Navigating Limits (INL) or otherwise with the prior written consent from the Owners, always afloat at any time of tide**	
21. Charter period (Cl. 2) **See Additional Clause 33 (Charter Period)**	22. Charter hire (Cl. 11) **See Additional Clause 38 (Charterhire)**
23. New class and other safety requirements (state percentage of Vessel's insurance value acc. to Box 29)(Cl. 10(a)(ii)) **See Additional Clause 40 (Insurance)**	
24. Rate of interest payable acc. to Cl. 11 (f) and, if applicable, acc. to PART IV **See Additional Clause 38 (Charterhire)**	25. Currency and method of payment (Cl. 11) **RMB or any other currency designated by the Owners (see also Additional Clause 38 (Charterhire))**
26. Place of payment; also state beneficiary and bank account (Cl. 11) **See Additional Clause 38 (Charterhire)**	27. Bank guarantee/bond (sum and place) (Cl. 24) (optional) **Corporate Guarantee and Personal Guarantees (See Additional Clause 32.1 (Definitions))**
28. Mortgage(s), if any (state whether 12(a) or (b) applies; if 12(b) applies state date of Financial Instrument and name of Mortgagee(s)/Place of business) (Cl. 12) **12(b) applies; form of Financial Instrument and name of Mortgagee to be determined**	29. Insurance (hull and machinery and war risks) (state value acc. to Cl. 13(f) or, if applicable, acc. to Cl. 14(k)) (also state if Cl. 14 applies) **See Additional Clause 40 (Insurance)**
30. Additional insurance cover, if any, for Owners' account limited to (Cl. 13(b) or, if applicable, Cl. 14(g)) **See Additional Clause 40 (Insurance)**	31. Additional insurance cover, if any, for Charterers' account limited to (Cl. 13(b) or, if applicable, Cl. 14(g)) **See Additional Clause 40 (Insurance)**

<table>
<tr><td>32. Latent defects (only to be filled in if period other than stated in Cl. 3)

N/A</td><td>33. Brokerage commission and to whom payable (Cl. 27)

N/A</td></tr>
<tr><td>34. Grace period (state number of clear banking days) (Cl. 28)

See Additional Clause 47 (Termination Events)</td><td>35. Dispute Resolution (state 30(a), 30(b) or 30(c); if 30(c) agreed Place of Arbitration must be stated (Cl. 30)

(c) See Additional Clause 57 (Governing Law and Arbitration)</td></tr>
<tr><td colspan="2">36. War cancellation (indicate countries agreed) (Cl. 26(f))

N/A</td></tr>
<tr><td>37. Newbuilding Vessel (indicate with "yes" or "no" whether PART III applies) (optional)

Yes; Part III does not apply.</td><td>38. Name and place of Builders (only to be filled in if PART III applies)

N/A</td></tr>
<tr><td>39. Vessel's Yard Building No. (only to be filled in if PART III applies)

N/A</td><td>40. Date of Building Contract (only to be filled in if PART III applies)

N/A</td></tr>
<tr><td colspan="2">41. Liquidated damages and costs shall accrue to (state party acc. to Cl. 1)

(a) N/A
(b) N/A
(c) N/A</td></tr>
<tr><td>42. Hire/Purchase agreement (indicate with "yes" or "no" whether PART IV applies) (optional)

No; Part IV does not apply.</td><td>43. Bareboat Charter Registry (indicate with "yes" or "no" whether PART V applies) (optional)

Yes; Part V does not apply</td></tr>
<tr><td>44. Flag and Country of the Bareboat Charter Registry (only to be filled in if PART V applies)

Hong Kong</td><td>45. Country of the Underlying Registry (only to be filled in if PART V applies)

N/A</td></tr>
<tr><td colspan="2">46. Number of additional clauses covering special provisions, if agreed

Clause 32 (Definitions) to Clause 58 (Miscellaneous)</td></tr>
</table>

PREAMBLE - It is mutually agreed that this Contract shall be performed subject to the conditions contained in this Charter which shall include PART I and PART II. In the event of a conflict of conditions, the provisions of PART I shall prevail over those of PART II to the extent of such conflict but no further. It is further mutually agreed that PART III and/or PART IV and/or PART V shall only apply and only form part of this Charter if expressly agreed and stated in Boxes 37, 42 and 43. If PART III and/or PART IV and/or PART V apply, it is further agreed that in the event of a conflict of conditions, the provisions of PART I and PART II shall prevail over those of PART III and/or PART IV and/or PART V to the extent of such conflict but no further.

Signature (Owners) **For and on behalf of** **汇弘航运租赁有限公司** **HUI HONG SHIPPING LEASING CO., LTD.** **(company chop affixed)** **Name: 張欣航(Zhang Xinhang)** **Title: Legal Representative**	Signature (Charterers) **For and on behalf of** **JINHAN MARINE INC.** **Name:** **Title: Director**

Signature (Owners)	Signature (Charterers)
For and on behalf of **汇弘航运租赁有限公司** **HUI HONG SHIPPING LEASING CO., LTD.** **(company chop affixed)**	**For and on behalf of** **JINHAN MARINE INC.**
Name: 張欣航(Zhang Xinhang) **Title: Legal Representative**	**Name: Shum Yee Hong** **Title: Director**

PART II

1. Definitions

In this Charter, the following terms shall have the meanings hereby assigned to them:

"The Owners" shall mean the party identified in Box 3;

"The Charterers" shall mean the party identified in Box 4;

"The Vessel" shall mean the vessel named in Box 5 and with particulars as stated in Boxes 6 to 12.

"Financial Instrument" means the mortgage, deed of covenant or other such financial security instrument as ~~annexed to this Charter and stated in Box 28.~~ <u>may at a later date be granted by the Owners to any bank or financial institution as permitted under and in accordance with the terms of this Charter. See also Additional Clause 32 (Definitions).</u>

2. Charter Period

In consideration of the hire detailed in Box 22, the Owners have agreed to let and the Charterers have agreed to hire the Vessel for the period stated in Box 21 ("The Charter Period").

3. Delivery
<u>**See Additional Clause 36 (Delivery)**</u>

~~(not applicable when Part III applies, as indicated in Box 37)~~

~~(a) The Owners shall before and at the time of delivery exercise due diligence to make the Vessel seaworthy and in every respect ready in hull, machinery and equipment for service under this Charter.~~

~~The Vessel shall be delivered by the Owners and taken over by the Charterers at the port or place indicated in Box 13 in such ready safe berth as the Charterers may direct.~~

~~(b) The Vessel shall be properly documented on delivery in accordance with the laws of the flag state indicated in Box 5 and the requirements of the classification society stated in Box 10. The Vessel upon delivery shall have her survey cycles up to date and trading and class certificates valid for at least the number of months agreed in Box 12.~~

~~(c) The delivery of the Vessel by the Owners and the taking over of the Vessel by the Charterers shall constitute a full performance by the Owners of all the Owners' obligations under this Clause 3, and thereafter the Charterers shall not be entitled to make or assert any claim against the Owners on account of any conditions, representations or warranties expressed or implied with respect to the Vessel but the Owners shall be liable for the cost of but not the time for repairs or renewals occasioned by latent defects in the Vessel, her machinery or appurtenances, existing at the time of delivery under this Charter, provided such defects have manifested themselves within twelve (12) months after delivery unless otherwise provided in Box 32.~~

4. Time for Delivery
<u>**See Additional Clause 36 (Delivery)**</u>

~~(not applicable when Part III applies, as indicated in Box 37)~~

~~The Vessel shall not be delivered before the date indicated in Box 14 without the Charterers' consent and the Owners shall exercise due diligence to deliver the Vessel not later than the date indicated in Box 15.~~

~~Unless otherwise agreed in Box 18, the Owners shall give the Charterers not less than thirty (30) running days' preliminary and not less than fourteen (14) running days' definite notice of the date on which the Vessel is expected to be ready for delivery. The Owners shall keep the Charterers closely advised of possible changes in the Vessel's position.~~

5. Cancelling
<u>**See Additional Clause 34 (Effectiveness)**</u>

~~(not applicable when Part III applies, as indicated in Box 37)~~

~~(a) Should the Vessel not be delivered latest by the cancelling date indicated in Box 15, the Charterers shall have the option of cancelling this Charter by giving the Owners notice of cancellation within thirty six (36) running hours after the cancelling date stated in Box 15, failing which this Charter shall remain in full force and effect.~~

~~(b) If it appears that the Vessel will be delayed beyond the cancelling date, the Owners may, as soon as they are in a position to state with reasonable certainty the day on which the Vessel should be ready, give notice thereof to the Charterers asking whether they will exercise their option of cancelling, and the option must then be declared within one hundred and sixty-eight (168) running hours of the receipt by the Charterers of such notice or within thirty-six (36) running hours after the cancelling date, whichever is the earlier. If the Charterers do not then exercise their option of cancelling, the seventh day after the readiness date stated in the Owners' notice shall be substituted for the cancelling date indicated in Box 15 for the purpose of this Clause 5.~~

~~(c) Cancellation under this Clause 5 shall be without prejudice to any claim the Charterers may otherwise have on the Owners under this Charter.~~

6. Trading Restrictions

The Vessel shall be employed in lawful trades for the carriage of suitable lawful merchandise within the trading limits indicated in Box 20.

The Charterers undertake not to employ the Vessel or suffer the Vessel to be employed otherwise than in conformity with the terms of the contracts of insurance (including any warranties expressed or implied therein) without first obtaining the consent of the insurers to such employment and complying with such requirements as to extra premium (which shall be at the Charterers' expense) or otherwise as the insurers may prescribe.

The Charterers also undertake not to employ the Vessel or suffer her employment in any trade or business which is forbidden by the law of any country to which the Vessel may sail or is otherwise illicit or in carrying illicit or prohibited goods or in any manner whatsoever which may render her liable to condemnation, destruction, seizure or confiscation.

Notwithstanding any other provisions contained in this Charter it is agreed that nuclear fuels or radioactive products or waste are specifically excluded from the cargo permitted to be loaded or carried under this Charter. This exclusion does not apply to radio-isotopes used or intended to be used for any industrial, commercial, agricultural, medical or scientific purposes provided the Owners' prior approval has been obtained to loading thereof.

7. Surveys on Delivery and Redelivery (Intentionally omitted)

~~(not applicable when Part III applies, as indicated in Box 37)~~

~~The Owners and Charterers shall each appoint surveyors for the purpose of determining and agreeing in writing the condition of the Vessel at the time of delivery and redelivery hereunder. The Owners shall bear all expenses of the On-hire Survey including loss of time, if any, and the Charterers shall bear all expenses of the Off-hire Survey including loss of time, if any, at the daily equivalent to the rate of hire or pro rata thereof.~~

8. Inspection See also Additional Clause 49.3(d)

~~The Owners shall have the right at any time after giving reasonable notice to the Charterers to inspect or survey the Vessel or instruct a duly authorised surveyor to carry out such survey on their behalf:~~

~~(a) to ascertain the condition of the Vessel and satisfy themselves that the Vessel is being properly repaired and maintained. The costs and fees for such inspection or survey shall be paid by the Owners unless the Vessel is found to require repairs or maintenance in order to achieve the condition so provided;~~

~~(b) in dry-dock if the Charterers have not dry-docked Her in accordance with Clause 10(g). The costs and fees for such inspection or survey shall be paid by the Charterers; and~~

~~(c) for any other commercial reason they consider necessary (provided it does not unduly interfere with the commercial operation of the Vessel). The costs and fees for such inspection and survey shall be paid by the Owners.~~

All time used in respect of any inspection, survey or repairs shall be for the Charterers' account and form part of the Charter Period.

The Charterers shall also permit the Owners to inspect the Vessel's log books whenever requested and shall whenever required by the Owners furnish them with full information regarding any casualties or other accidents or damage to the Vessel.

9. Inventories, Oil and Stores

A complete inventory of the Vessel's entire equipment, outfit including spare parts, appliances and of all consumable stores on board the Vessel shall be made by the Charterers ~~in conjunction with the Owners on delivery and again~~ on redelivery of the Vessel. Without limiting the foregoing~~. The~~, the Charterers shall also provide~~and~~ the Owners (at no cost to the Owners), with a complete inventory of~~respectively, shall at the time of delivery and redelivery take over and pay for~~ all bunkers, lubricating oil, unbroached provisions, paints, ropes and other consumable stores ~~(excluding spare parts) in the said Vessel at the then current market prices at the ports of delivery and redelivery, respectively. The Charterers shall ensure that all spare parts listed in the inventory and used during the Charter Period are replaced at their expense prior to redelivery of the~~in the Vessel on redelivery of the Vessel.

10. Maintenance and Operation

(a) (i) Maintenance and Repairs - During the Charter Period the Vessel shall be in the full possession and at the absolute disposal for all purposes of the Charterers and under their complete control in every respect. The Charterers shall maintain the Vessel, her machinery, boilers, appurtenances and spare parts in a good state of repair, in efficient operating condition and in accordance with good commercial maintenance practice and, except as provided for in Clause 14(l), if applicable, at their own expense they shall at all times keep the Vessel's Class fully up to date with the Classification Society indicated in Box 10 and maintain all other necessary certificates in force at all times.

(ii) New Class and Other Safety Requirements - In the event of any improvement, structural changes or new equipment becoming necessary for the continued operation of the Vessel by reason of new class requirements or by compulsory legislation costing (excluding the Charterers' loss of time) more than the percentage stated in Box 23, or if Box 23 is left blank, 5 per cent of the Vessel's insurance value as stated in Box 29, then the extent, if any, to which the rate of hire shall be varied and the ratio in which the cost of compliance shall be shared between the parties concerned in order to achieve a reasonable distribution thereof as between the Owners and the Charterers having regard, inter alia, to the length of the period remaining under this Charter shall, in the absence of agreement, be referred to the dispute resolution method agreed in Clause 30.

(iii) Financial Security - The Charterers shall maintain financial security or responsibility in respect of third party liabilities as required by any government, including federal, state or municipal or other division or authority thereof, to enable the Vessel, without penalty or charge, lawfully to enter, remain at, or leave any port, place, territorial or contiguous waters of any country, state or municipality in performance of this Charter without any delay. This obligation shall apply whether or not such requirements have been lawfully imposed by such government or division or authority thereof.

The Charterers shall make and maintain all arrangements by bond or otherwise as may be necessary to satisfy such requirements at the Charterers' sole expense and the Charterers shall indemnify the Owners against all consequences whatsoever (including loss of time) for any failure or inability to do so.

(b) Operation of the Vessel - The Charterers shall at their own expense and by their own procurement man, victual, navigate, operate, supply, fuel and, whenever required, repair the Vessel during the Charter Period and they shall pay all charges and expenses of every kind and nature whatsoever incidental to their use and operation of the Vessel under this Charter, including annual flag state fees and any foreign general municipality and/or state taxes. The Master, officers and crew of the Vessel shall be the servants of the Charterers for all purposes whatsoever, even if for any reason appointed by the Owners.

Charterers shall comply with the regulations regarding officers and crew in force in the country of the Vessel's flag or any other applicable law.

(c) The Charterers shall keep the Owners and the mortgagee(s) advised of the intended employment, planned dry-docking and major repairs of the Vessel, as reasonably required.

(d) Flag and Name of Vessel – During the Charter Period, the Charterers shall have the liberty to paint the Vessel in their own colours, install and display their funnel insignia and fly their own house flag. The Charterers shall also have the liberty, with the Owners' consent, which shall not be unreasonably withheld, to change ~~the flag and/or~~ the name of the Vessel during the Charter Period. However, the Charterers shall not change the flag of the Vessel during the Charter Period without the Owners' prior consent. Painting and re-painting, instalment and re-instalment, registration and re-registration, if required by the Owners, shall be at the Charterers' expense and time.

(e) Changes to the Vessel – Subject to Clause 10(a)(ii), the Charterers shall make no structural changes in the Vessel or changes in the machinery, boilers, appurtenances or spare parts thereof without in each instance first securing the Owners' approval thereof. If the Owners so agree, the Charterers shall, if the Owners so require, restore the Vessel to its former condition before the termination of this Charter.

(f) Use of the Vessel's Outfit, Equipment and Appliances - The Charterers shall have the use of all outfit, equipment, and appliances on board the Vessel at the time of delivery, provided the same or their substantial equivalent shall be returned to the Owners on redelivery in the same good order and condition as when received, ordinary wear and tear excepted. The Charterers shall from time to time during the Charter Period replace such items of equipment as shall be so damaged or worn as to be unfit for use and shall ensure that title to any part replaced, renewed or substituted remains with the Owners. The Charterers are to procure that all repairs to or replacement of any damaged, worn or lost parts or equipment be effected in such manner (both as regards workmanship and quality of materials) as not to diminish the value of the Vessel. The Charterers have the right to fit additional equipment at their expense and risk but the Charterers shall remove such equipment at the end of the period if requested by the Owners. Any equipment including radio equipment on hire on the Vessel at time of delivery shall be kept and maintained by the Charterers and the Charterers shall assume the obligations and liabilities of the Owners under any lease contracts in connection therewith and shall reimburse the Owners for all expenses incurred in connection therewith, also for any new equipment required in order to comply with radio regulations.

(g) Periodical Dry-Docking - The Charterers shall (at their cost and expense) dry-dock the Vessel and clean and paint her underwater parts whenever the same may be necessary, but not less than once during the period stated in Box 19 or, if Box 19 has been left blank, every sixty (60) calendar months after delivery or such other period as may be required by the

Classification Society or flag state.

11. Hire

See Additional Clause 38 (Charterhire)

~~(a) The Charterers shall pay hire due to the Owners punctually in accordance with the terms of this Charter in respect of which time shall be of the essence.~~

~~(b) The Charterers shall pay to the Owners for the hire of the Vessel a lump sum in the amount indicated in Box 22 which shall be payable not later than every thirty (30) running days in advance, the first lump sum being payable on the date and hour of the Vessel's delivery to the Charterers. Hire shall be paid continuously throughout the Charter Period.~~

~~(c) Payment of hire shall be made in cash without discount in the currency and in the manner indicated in Box 25 and at the place mentioned in Box 26.~~

~~(d) Final payment of hire, if for a period of less than thirty (30) running days, shall be calculated proportionally according to the number of days and hours remaining before redelivery and advance payment to be effected accordingly.~~

~~(e) Should the Vessel be lost or missing, hire shall cease from the date and time when she was lost or last heard of. The date upon which the Vessel is to be treated as lost or missing shall be ten (10) days after the Vessel was last reported or when the Vessel is posted as missing by Lloyd's, whichever occurs first. Any hire paid in advance to be adjusted accordingly.~~

~~(f) Any delay in payment of hire shall entitle the Owners to interest at the rate per annum as agreed in Box 24. If Box 24 has not been filled in, the three months Interbank offered rate in London (LIBOR or its successor) for the currency stated in Box 25, as quoted by the British Bankers' Association (BBA) on the date when the hire fell due, increased by 2 per cent, shall apply.~~

~~(g) Payment of interest due under sub-clause 11(f) shall be made within seven (7) running days of the date of the Owners' invoice specifying the amount payable or, in the absence of an invoice, at the time of the next hire payment date.~~

12. Mortgage

~~(only to apply if Box 28 has been appropriately filled in)~~

~~(a)* The Owners warrant that they have not effected any mortgage(s) of the Vessel and that they shall not effect any mortgage(s) without the prior consent of the Charterers, which shall not be unreasonably withheld.~~

(b)* The Vessel chartered under this Charter may be ~~is~~ financed by a mortgage according to the Financial Instrument.

The Charterers undertake to comply, and provide such information and documents to enable the Owners to comply, with all such instructions or directions in regard to the employment, insurances, operation, repairs and maintenance of the Vessel as laid down in the Financial Instrument or as may be directed from time to time during the currency of the Charter by the mortgagee(s) in conformity with each the Financial Instrument in each case insofar as consistent with the terms of this Charter. The Charterers confirm that, for this purpose, they will once such Financial Instrument is available ~~have~~ acquainted themselves with all relevant terms, conditions and provisions of the Financial Instrument and agree to acknowledge this in writing in any form that may be required by the mortgagee(s). ~~The Owners warrant that they have not effected any mortgage(s) other than stated in Box 28 and that they shall not agree to any amendment of the mortgage(s) referred to in Box 28 or effect any~~

~~other mortgage(s) without the prior consent of the Charterers, which shall not be unreasonably withheld.~~

*(Optional, Clauses 12(a) and 12(b) are alternatives; indicate alternative agreed in Box 28).

13. Insurance and Repairs <u>See Additional Clause 40 (Insurance)</u>

~~(a) During the Charter Period the Vessel shall be kept insured by the Charterers at their expense against hull and machinery, war and Protection and Indemnity risks (and any risks against which it is compulsory to insure for the operation of the Vessel, including maintaining financial security in accordance with sub-clause 10(a)(iii)) in such form as the Owners shall in writing approve, which approval shall not be unreasonably withheld. Such insurances shall be arranged by the Charterers to protect the interests of both the Owners and the Charterers and the mortgagee(s) (if any), and the Charterers shall be at liberty to protect under such insurances the interests of any managers they may appoint. Insurance policies shall cover the Owners and the Charterers according to their respective interests.~~

~~Subject to the provisions of the Financial Instrument, if any, and the approval of the Owners and the insurers, the Charterers shall effect all insured repairs and shall undertake settlement and reimbursement from the insurers of all costs in connection with such repairs as well as insured charges, expenses and liabilities to the extent of coverage under the insurances herein provided for.~~

~~The Charterers also to remain responsible for and to effect repairs and settlement of costs and expenses incurred thereby in respect of all other repairs not covered by the insurances and/or not exceeding any possible franchise(s) or deductibles provided for in the insurances.~~

~~All time used for repairs under the provisions of sub-clause 13(a) and for repairs of latent defects according to Clause 3(c) above, including any deviation, shall be for the Charterers' account.~~

~~(b) If the conditions of the above insurances permit additional insurance to be placed by the parties, such cover shall be limited to the amount for each party set out in Box 30 and Box 31, respectively. The Owners or the Charterers as the case may be shall immediately furnish the other party with particulars of any additional insurance effected, including copies of any cover notes or policies and the written consent of the insurers of any such required insurance in any case where the consent of such insurers is necessary.~~

~~(c) The Charterers shall upon the request of the Owners, provide information and promptly execute such documents as may be required to enable the Owners to comply with the insurance provisions of the Financial Instrument.~~

~~(d) Subject to the provisions of the Financial Instrument, if any, should the Vessel become an actual, constructive, compromised or agreed total loss under the insurances required under sub-clause 13(a), all insurance payments for such loss shall be paid to the Owners who shall distribute the moneys between the Owners and the Charterers according to their respective interests. The Charterers undertake to notify the Owners and the mortgagee(s), if any, of any occurrences in consequence of which the Vessel is likely to become a total loss as defined in this Clause.~~

~~(e) The Owners shall upon the request of the Charterers, promptly execute such documents as may be required to enable the Charterers to abandon the Vessel to insurers and claim a constructive total loss.~~

~~(f) For the purpose of insurance coverage against hull and machinery and war risks under the provisions of sub-clause 13(a), the value of the Vessel is the sum indicated in Box 29.~~

14. Insurance, Repairs and Classification <u>(Intentionally omitted)</u>

PART II

~~(Optional, only to apply if expressly agreed and stated in Box 29, in which event Clause 13 shall be considered deleted).~~

~~(a)~~ ~~During the Charter Period the Vessel shall be kept insured by the Owners at their expense against hull and machinery and war risks under the form of policy or policies attached hereto. The Owners and/or insurers shall not have any right of recovery or subrogation against the Charterers on account of loss of or any damage to the Vessel or her machinery or appurtenances covered by such insurance, or on account of payments made to discharge claims against or liabilities of the Vessel or the Owners covered by such insurance. Insurance policies shall cover the Owners and the Charterers according to their respective interests.~~

~~(b)~~ ~~During the Charter Period the Vessel shall be kept insured by the Charterers at their expense against Protection and Indemnity risks (and any risks against which it is compulsory to insure for the operation of the Vessel, including maintaining financial security in accordance with sub-clause 10(a)(iii)) in such form as the Owners shall in writing approve which approval shall not be unreasonably withheld.~~

~~(c)~~ ~~In the event that any act or negligence of the Charterers shall vitiate any of the insurance herein provided, the Charterers shall pay to the Owners all losses and indemnify the Owners against all claims and demands which would otherwise have been covered by such insurance.~~

~~(d)~~ ~~The Charterers shall, subject to the approval of the Owners or Owners' Underwriters, effect all insured repairs, and the Charterers shall undertake settlement of all miscellaneous expenses in connection with such repairs as well as all insured charges, expenses and liabilities, to the extent of coverage under the insurances provided for under the provisions of sub-clause 14(a).~~

~~The Charterers to be secured reimbursement through the Owners' Underwriters for such expenditures upon presentation of accounts.~~

~~(e)~~ ~~The Charterers to remain responsible for and to effect repairs and settlement of costs and expenses incurred thereby in respect of all other repairs not covered by the insurances and/or not exceeding any possible franchise(s) or deductibles provided for in the insurances.~~

~~(f)~~ ~~All time used for repairs under the provisions of sub-clauses 14(d) and 14(e) and for repairs of latent defects according to Clause 3 above, including any deviation, shall be for the Charterers' account and shall form part of the Charter Period.~~

~~The Owners shall not be responsible for any expenses as are incident to the use and operation of the Vessel for such time as may be required to make such repairs.~~

~~(g)~~ ~~If the conditions of the above insurances permit additional insurance to be placed by the parties such cover shall be limited to the amount for each party set out in Box 30 and Box 31, respectively. The Owners or the Charterers as the case may be shall immediately furnish the other party with particulars of any additional insurance effected, including copies of any cover notes or policies and the written consent of the insurers of any such required insurance in any case where the consent of such insurers is necessary.~~

~~(h)~~ ~~Should the Vessel become an actual, constructive, compromised or agreed total loss under the insurances required under sub-clause 14(a), all insurance payments for such loss shall be paid to the Owners, who shall distribute the moneys between themselves and the Charterers according to their respective interests.~~

~~(i)~~ ~~If the Vessel becomes an actual, constructive, compromised or agreed total loss under the insurances arranged by the Owners in accordance with sub-clause 14(a), this Charter shall terminate as of the date of such loss.~~

~~(j)~~ ~~The Charterers shall upon the request of the Owners, promptly execute such documents as may be required to enable the Owners to abandon the Vessel to the insurers and claim a constructive total loss.~~

~~(k)~~ ~~For the purpose of insurance coverage against hull and machinery and war risks under the provisions of sub-~~

~~clause 14(a), the value of the Vessel is the sum indicated in Box 29.~~

~~(l) Notwithstanding anything contained in sub-clause 10(a), it is agreed that under the provisions of Clause 14, if applicable, the Owners shall keep the Vessel's Class fully up to date with the Classification Society indicated in Box 10 and maintain all other necessary certificates in force at all times.~~

15. Redelivery

See Additional Clause 41 (Termination and Redelivery; Total Loss)

~~At the expiration of the Charter Period the Vessel shall be redelivered by the Charterers to the Owners at a safe and ice-free port or place as indicated in Box 16, in such ready safe berth as the Owners may direct. The Charterers shall give the Owners not less than thirty (30) running days' preliminary notice of expected date, range of ports of redelivery or port or place of redelivery and not less than fourteen (14) running days' definite notice of expected date and port or place of redelivery.~~

~~Any changes thereafter in the Vessel's position shall be notified immediately to the Owners.~~

~~The Charterers warrant that they will not permit the Vessel to commence a voyage (including any preceding ballast voyage) which cannot reasonably be expected to be completed in time to allow redelivery of the Vessel within the Charter Period. Notwithstanding the above, should the Charterers fail to redeliver the Vessel within the Charter Period, the Charterers shall pay the daily equivalent to the rate of hire stated in Box 22 plus 10 per cent or to the market rate, whichever is the higher, for the number of days by which the Charter Period is exceeded. All other terms, conditions and provisions of this Charter shall continue to apply.~~

~~Subject to the provisions of Clause 10, the Vessel shall be redelivered to the Owners in the same or as good structure, state, condition and class as that in which she was delivered, fair wear and tear not affecting class excepted.~~

~~The Vessel upon redelivery shall have her survey cycles up to date and trading and class certificates valid for at least the number of months agreed in Box 17.~~

16. Non-Lien See also Additional Clauses 39.1 and 49.1(b)

The Charterers will not suffer, nor permit to be continued, any lien or encumbrance incurred by them or their agents, which might have priority over the title and interest of the Owners in the Vessel. The Charterers further agree to fasten to the Vessel in a conspicuous place and to keep so fastened during the Charter Period a notice reading as follows:

"This Vessel is the property of (name of Owners). It is under charter to (name of Charterers) and by the terms of the Charter Party neither the Charterers nor the Master have any right, power or authority to create, incur or permit to be imposed on the Vessel any lien whatsoever."

17. Indemnity See also Additional Clause 43 (Indemnities)

(a) The Charterers shall indemnify the Owners against any loss, damage or expense (including legal expenses) incurred by the Owners arising out of or in relation to a breach of this Charter by the Charterers and/or the operation of the Vessel by the Charterers, and against any lien of whatsoever nature arising out of an event occurring during the Charter Period. If the Vessel be arrested or otherwise detained by reason of claims or liens arising out of her operation hereunder by the Charterers, the Charterers shall at their own expense take all reasonable steps to secure that within a reasonable time the Vessel is released, including the provision of bail.

Without prejudice to the generality of the foregoing, the Charterers agree to indemnify the Owners against all consequences or liabilities arising from the Master, officers or agents signing Bills of Lading or other documents.

~~(b) If the Vessel be arrested or otherwise detained by reason of a claim or claims against the Owners, the Owners~~

~~shall at their own expense take all reasonable steps to secure that within a reasonable time the Vessel is released, including the provision of bail.~~

~~In such circumstances the Owners shall indemnify the Charterers against any loss, damage or expense incurred by the Charterers (including hire paid under this Charter) as a direct consequence of such arrest or detention.~~

18. Lien

The Owners to have a lien upon all cargoes, sub-hires and sub-freights belonging or due to the Charterers or any sub-charterers and any Bill of Lading freight for all claims under this Charter.~~, and the Charterers to have a lien on the Vessel for all moneys paid in advance and not earned.~~

19. Salvage

Subject to the provisions of the Security Documents, ~~A~~all salvage and towage performed by the Vessel shall be for the Charterers' benefit and the cost of repairing damage occasioned thereby shall be borne by the Charterers.

20. Wreck Removal

In the event of the Vessel becoming a wreck or obstruction to navigation the Charterers shall indemnify the Owners against any sums whatsoever which the Owners shall become liable to pay and shall pay in consequence of the Vessel becoming a wreck or obstruction to navigation.

21. General Average

The Owners shall not contribute to General Average.

22. Assignment, Sub-Charter and Sale
See also Additional Clause 45 (Mortgage, Assignment and Transfer)

(a) The Charterers shall not assign this Charter nor sub-charter the Vessel on a bareboat basis except with the prior consent in writing of the Owners.~~, which shall not be unreasonably withheld, and subject to such terms and conditions as the Owners shall approve.~~

~~(b) The Owners shall not sell the Vessel during the currency of this Charter except with the prior written consent of the Charterers, which shall not be unreasonably withheld, and subject to the buyer accepting an assignment of this Charter.~~

23. Contracts of Carriage

(a)* The Charterers are to procure that all documents issued during the Charter Period evidencing the terms and conditions agreed in respect of carriage of goods shall contain a paramount clause incorporating any legislation relating to carrier's liability for cargo compulsorily applicable in the trade; if no such legislation exists, the documents shall incorporate the Hague-Visby Rules. The documents shall also contain the New Jason Clause and the Both-to-Blame Collision Clause.

~~(b)* The Charterers are to procure that all passenger tickets issued during the Charter Period for the carriage of passengers and their luggage under this Charter shall contain a paramount clause incorporating any legislation relating to carrier's liability for passengers and their luggage compulsorily applicable in the trade; if no such legislation exists, the passenger tickets shall incorporate the Athens Convention Relating to the Carriage of Passengers and their Luggage by Sea, 1974, and any protocol thereto.~~

~~*Delete as applicable.~~

PART II

24. Bank Guarantee

~~(Optional, only to apply if Box 27 filled in)~~

~~The Charterers undertake to furnish, before delivery of the Vessel, a first class bank guarantee or bond in the sum and at the place as indicated in Box 27 as guarantee for full performance of their obligations under this Charter.~~

25. Requisition/Acquisition

(a) In the event of the Requisition for Hire of the Vessel by any governmental or other competent authority (hereinafter referred to as "Requisition for Hire") irrespective of the date during the Charter Period when "Requisition for Hire" may occur and irrespective of the length thereof and whether or not it be for an indefinite or a limited period of time, and irrespective of whether it may or will remain in force for the remainder of the Charter Period, this Charter shall not be deemed thereby or thereupon to be frustrated or otherwise terminated and the Charterers shall continue to pay the stipulated hire in the manner provided by this Charter until the time when the Charter would have terminated pursuant to any of the provisions hereof. ~~, always provided however that in the event of "Requisition for Hire" any Requisition Hire or compensation received or receivable by the Owners shall be payable to the Charterers during the remainder of the Charter Period or the period of the "Requisition for Hire" whichever be the shorter.~~

~~(b)~~ ~~In the event of the Owners being deprived of their ownership in the Vessel by any Compulsory Acquisition of the Vessel or requisition for title by any governmental or other competent authority (hereinafter referred to as "Compulsory Acquisition"), then, irrespective of the date during the Charter Period when "Compulsory Acquisition" may occur, this Charter shall be deemed terminated as of the date of such "Compulsory Acquisition".~~

~~In such event Charter Hire to be considered as earned and to be paid up to the date and time of such "Compulsory Acquisition".~~

26. War

(a) For the purpose of this Clause, the words "War Risks" shall include any war (whether actual or threatened), act of war, civil war, hostilities, revolution, rebellion, civil commotion, warlike operations, the laying of mines (whether actual or reported), acts of piracy, acts of terrorists, acts of hostility or malicious damage, blockades (whether imposed against all vessels or imposed selectively against vessels of certain flags or ownership, or against certain cargoes or crews or otherwise howsoever), by any person, body, terrorist or political group, or the Government of any state whatsoever, which may be dangerous or are likely to be or to become dangerous to the Vessel, her cargo, crew or other persons on board the Vessel.

(b) The Vessel, unless the written consent of the Owners be first obtained, and the applicable additional insurance cover has been placed with copies of the same provided to the Owners in advance, shall not continue to or go through any port, place, area or zone (whether of land or sea), or any waterway or canal, where it reasonably appears that the Vessel, her cargo, crew or other persons on board the Vessel, in the reasonable judgement of the Owners, may be, or are likely to be, exposed to War Risks. Should the Vessel be within any such place as aforesaid, which only becomes dangerous, or is likely to be or to become dangerous, after her entry into it, the Owners shall have the right to require the Vessel to leave such area.

PART II

(c) The Vessel shall not load contraband cargo, or to pass through any blockade, whether such blockade be imposed on all vessels, or is imposed selectively in any way whatsoever against vessels of certain flags or ownership, or against certain cargoes or crews or otherwise howsoever, or to proceed to an area where she shall be subject, or is likely to be subject to a belligerent's right of search and/or confiscation.

~~(d)~~ ~~If the insurers of the war risks insurance, when Clause 14 is applicable, should require payment of premiums and/or calls because, pursuant to the Charterers' orders, the Vessel is within, or is due to enter and remain within, any area or areas which are specified by such insurers as being subject to additional premiums because of War Risks, then such premiums and/or calls shall be reimbursed by the Charterers to the Owners at the same time as the next payment of hire is due.~~

(e) The Charterers shall have the liberty:

(i) to comply with all orders, directions, recommendations or advice as to departure, arrival, routes, sailing in convoy, ports of call, stoppages, destinations, discharge of cargo, delivery, or in any other way whatsoever, which are given by the Government of the Nation under whose flag the Vessel sails, or any other Government, body or group whatsoever acting with the power to compel compliance with their orders or directions;

(ii) to comply with the orders, directions or recommendations of any war risks underwriters who have the authority to give the same under the terms of the war risks insurance;

(iii) to comply with the terms of any resolution of the Security Council of the United Nations, any directives of the European Community, the effective orders of any other Supranational body which has the right to issue and give the same, and with national laws aimed at enforcing the same to which the Owners are subject, and to obey the orders and directions of those who are charged with their enforcement.

(f) In the event of outbreak of war (whether there be a declaration of war or not)

~~(i) between any two or more of the following countries: the United States of America; Russia; the United Kingdom; France; and the People's Republic of China,~~

~~(ii) between any two or more of the countries stated in Box 36, both the Owners and the Charterers shall have the right to cancel this Charter, whereupon the Charterers shall redeliver the Vessel to the Owners in accordance with Clause 15, if the Vessel has cargo on board after discharge thereof at destination, or if debarred under this Clause from reaching or entering it at a near, open and safe port as directed by the Owners, or if the Vessel has no cargo on board, at the port at which the Vessel then is or if at sea at a near, open and safe port as directed by the Owners. In all cases~~ hire shall continue to be paid in accordance with Clause 11 and Additional Clause 38 (Charterhire)~~except as aforesaid all other provisions of this Charter shall apply until redelivery~~.

27. Commission

~~The Owners to pay a commission at the rate indicated in Box 33 to the Brokers named in Box 33 on any hire paid under the Charter. If no rate is indicated in Box 33, the commission to be paid by the Owners shall cover the actual expenses of the Brokers and a reasonable fee for their work.~~

~~If the full hire is not paid owing to breach of the Charter by either of the parties the party liable therefor shall indemnify the Brokers against their loss of commission.~~

~~Should the parties agree to cancel the Charter, the Owners shall indemnify the Brokers against any loss of commission but in such case the commission shall not exceed the brokerage on one year's hire.~~

28. Termination

See Additional Clauses 47 (Termination Events) and 41 (Termination and Redelivery; Total Loss)

~~(a) Charterers' Default~~

~~The Owners shall be entitled to withdraw the Vessel from the service of the Charterers and terminate the Charter with immediate effect by written notice to the Charterers if:~~

~~(i) the Charterers fail to pay hire in accordance with Clause 11. However, where there is a failure to make punctual payment of hire due to oversight, negligence, errors or omissions on the part of the Charterers or their bankers, the Owners shall give the Charterers written notice of the number of clear banking days stated in Box 34 (as recognised at the agreed place of payment) in which to rectify the failure, and when so rectified within such number of days following the Owners' notice, the payment shall stand as regular and punctual.~~

~~Failure by the Charterers to pay hire within the number of days stated in Box 34 of their receiving the Owners' notice as provided herein, shall entitle the Owners to withdraw the Vessel from the service of the Charterers and terminate the Charter without further notice;~~

~~(ii) the Charterers fail to comply with the requirements of:~~

~~(1) Clause 6 (Trading Restrictions)~~

~~(2) Clause 13(a) (Insurance and Repairs)~~

~~provided that the Owners shall have the option, by written notice to the Charterers, to give the Charterers a specified number of days grace within which to rectify the failure without prejudice to the Owners' right to withdraw and terminate under this Clause if the Charterers fail to comply with such notice;~~

~~(iii) the Charterers fail to rectify any failure to comply with the requirements of sub-clause 10(a)(i) (Maintenance and Repairs) as soon as practically possible after the Owners have requested them in writing so to do and in any event so that the Vessel's insurance cover is not prejudiced.~~

~~(b) Owners' Default~~

~~If the Owners shall by any act or omission be in breach of their obligations under this Charter to the extent that the Charterers are deprived of the use of the Vessel and such breach continues for a period of fourteen (14) running days after written notice thereof has been given by the Charterers to the Owners, the Charterers shall be entitled to terminate this Charter with immediate effect by written notice to the Owners.~~

~~(c) Loss of Vessel~~

~~This Charter shall be deemed to be terminated if the Vessel becomes a total loss or is declared as a constructive or compromised or arranged total loss. For the purpose of this sub-clause, the Vessel shall not be deemed to be lost unless she has either become an actual total loss or agreement has been reached with her underwriters in respect of her constructive, compromised or arranged total loss or if such agreement with her underwriters is not reached it is adjudged by a competent tribunal that a constructive loss of the Vessel has occurred.~~

~~(d) Either party shall be entitled to terminate this Charter with immediate effect by written notice to the other party in the event of an order being made or resolution passed for the winding up, dissolution, liquidation or bankruptcy of the other party (otherwise than for the purpose of reconstruction or amalgamation) or if a receiver is appointed, or if it suspends payment, ceases to carry on business or makes any special arrangement or~~

~~composition with its creditors.~~

~~(c) The termination of this Charter shall be without prejudice to all rights accrued due between the parties prior to the date of termination and to any claim that either party might have.~~

29. Repossession

In the event of the termination of this Charter in accordance with the applicable provisions of Clause 28, the Owners shall have the right to repossess the Vessel from the Charterers at her current or next port of call, such port or place as the Owners may designate in their sole discretion or at a port or place convenient to them without hindrance or interference by the Charterers, courts or local authorities. Pending physical repossession of the Vessel in accordance with this Clause 29, the Charterers shall hold the Vessel as gratuitous bailee only to the Owners. The Owners shall arrange for an authorised representative to board the Vessel as soon as reasonably practicable following the termination of the Charter. The Vessel shall be deemed to be repossessed by the Owners from the Charterers upon the boarding of the Vessel by the Owners' representative. All arrangements and expenses relating to the settling of wages, disembarkation and repatriation of the Charterers' Master, officers and crew shall be the sole responsibility of the Charterers.

30. Dispute Resolution

See Additional Clause 57 (Governing Law and Arbitration)

~~(a)* This Contract shall be governed by and construed in accordance with English law and any dispute arising out of or in connection with this Contract shall be referred to arbitration in London in accordance with the Arbitration Act 1996 or any statutory modification or re-enactment thereof save to the extent necessary to give effect to the provisions of this Clause.~~

~~The arbitration shall be conducted in accordance with the London Maritime Arbitrators Association (LMAA) Terms current at the time when the arbitration proceedings are commenced.~~

~~The reference shall be to three arbitrators. A party wishing to refer a dispute to arbitration shall appoint its arbitrator and send notice of such appointment in writing to the other party requiring the other party to appoint its own arbitrator within 14 calendar days of that notice and stating that it will appoint its arbitrator as sole arbitrator unless the other party appoints its own arbitrator and gives notice that it has done so within the 14 days specified. If the other party does not appoint its own arbitrator and give notice that it has done so within the 14 days specified, the party referring a dispute to arbitration may, without the requirement of any further prior notice to the other party, appoint its arbitrator as sole arbitrator and shall advise the other party accordingly.~~

~~The award of a sole arbitrator shall be binding on both parties as if he had been appointed by agreement.~~

~~Nothing herein shall prevent the parties agreeing in writing to vary these provisions to provide for the appointment of a sole arbitrator.~~

~~In cases where neither the claim nor any counterclaim exceeds the sum of US$50,000 (or such other sum as the parties may agree) the arbitration shall be conducted in accordance with the LMAA Small Claims Procedure current at the time when the arbitration proceedings are commenced.~~

~~(b)* This Contract shall be governed by and construed in accordance with Title 9 of the United States Code and the Maritime Law of the United States and any dispute arising out of or in connection with this Contract shall be referred to three persons at New York, one to be appointed by each of the parties hereto, and the third by the two so chosen; their decision or that of any two of them shall be final, and for the purposes of enforcing any award, judgement may be entered on an award by any court of competent jurisdiction. The proceedings shall be conducted in accordance with the rules of the Society of Maritime Arbitrators, Inc.~~

~~In cases where neither the claim nor any counterclaim exceeds the sum of US$50,000 (or such other sum as the~~

~~parties may agree) the arbitration shall be conducted in accordance with the Shortened Arbitration Procedure of the Society of Maritime Arbitrators, Inc. current at the time when the arbitration proceedings are commenced.~~

~~(c)* This Contract shall be governed by and construed in accordance with the laws of the place mutually agreed by the parties and any dispute arising out of or in connection with this Contract shall be referred to arbitration at a mutually agreed place, subject to the procedures applicable there.~~

~~(d) Notwithstanding (a), (b) or (c) above, the parties may agree at any time to refer to mediation any difference and/or dispute arising out of or in connection with this Contract.~~

~~In the case of a dispute in respect of which arbitration has been commenced under (a), (b) or (c) above, the following shall apply:~~

~~(i) Either party may at any time and from time to time elect to refer the dispute or part of the dispute to mediation by service on the other party of a written notice (the "Mediation Notice") calling on the other party to agree to mediation.~~

~~(ii) The other party shall thereupon within 14 calendar days of receipt of the Mediation Notice confirm that they agree to mediation, in which case the parties shall thereafter agree a mediator within a further 14 calendar days, failing which on the application of either party a mediator will be appointed promptly by the Arbitration Tribunal ("the Tribunal") or such person as the Tribunal may designate for that purpose. The mediation shall be conducted in such place and in accordance with such procedure and on such terms as the parties may agree or, in the event of disagreement, as may be set by the mediator.~~

~~(iii) If the other party does not agree to mediate, that fact may be brought to the attention of the Tribunal and may be taken into account by the Tribunal when allocating the costs of the arbitration as between the parties.~~

~~(iv) The mediation shall not affect the right of either party to seek such relief or take such steps as it considers necessary to protect its interest.~~

~~(v) Either party may advise the Tribunal that they have agreed to mediation. The arbitration procedure shall continue during the conduct of the mediation but the Tribunal may take the mediation timetable into account when setting the timetable for steps in the arbitration.~~

~~(vi) Unless otherwise agreed or specified in the mediation terms, each party shall bear its own costs incurred in the mediation and the parties shall share equally the mediator's costs and expenses.~~

~~(vii) The mediation process shall be without prejudice and confidential and no information or documents disclosed during it shall be revealed to the Tribunal except to the extent that they are disclosable under the law and procedure governing the arbitration.~~

~~(Note: The parties should be aware that the mediation process may not necessarily interrupt time limits.)~~

~~(e) If Box 35 in Part I is not appropriately filled in, sub-clause 30(a) of this Clause shall apply. Sub-clause 30(d) shall apply in all cases.~~

~~*Sub-clauses 30(a), 30(b) and 30(c) are alternatives; indicate alternative agreed in Box 35.~~

31. Notices

<u>See Additional Clause 46 (Notices)</u>

~~(a) Any notice to be given by either party to the other party shall be in writing and may be sent by fax, telex, registered or recorded mail or by personal service.~~

PART II

~~(b) The address of the Parties for service of such communication shall be as stated in Boxes 3 and 4 respectively.~~

PART III

~~**1. Specifications and Building Contract**~~

~~(a) The Vessel shall be constructed in accordance with the Building Contract (hereafter called "the Building Contract") as annexed to this Charter, made between the Builders and the Owners and in accordance with the specifications and plans annexed thereto, such Building Contract, specifications and plans having been counter-signed as approved by the Charterers.~~

~~(b) No change shall be made in the Building Contract or in the specifications or plans of the Vessel as approved by the Charterers as aforesaid, without the Charterers' consent.~~

~~(c) The Charterers shall have the right to send their representative to the Builders' Yard to inspect the Vessel during the course of her construction to satisfy themselves that construction is in accordance with such approved specifications and plans as referred to under sub-clause (a) of this Clause.~~

~~(d) The Vessel shall be built in accordance with the Building Contract and shall be of the description set out therein. Subject to the provisions of sub-clause 2(c)(ii) hereunder, the Charterers shall be bound to accept the Vessel from the Owners, completed and constructed in accordance with the Building Contract, on the date of delivery by the Builders. The Charterers undertake that having accepted the Vessel they will not thereafter raise any claims against the Owners in respect of the Vessel's performance or specification or defects, if any.~~

~~Nevertheless, in respect of any repairs, replacements or defects which appear within the first 12 months from delivery by the Builders, the Owners shall endeavour to compel the Builders to repair, replace or remedy any defects or to recover from the Builders any expenditure incurred in carrying out such repairs, replacements or remedies.~~

~~However, the Owners' liability to the Charterers shall be limited to the extent the Owners have a valid claim against the Builders under the guarantee clause of the Building Contract (a copy whereof has been supplied to the Charterers). The Charterers shall be bound to accept such sums as the Owners are reasonably able to recover under this Clause and shall make no further claim on the Owners for the difference between the amount(s) so recovered and the actual expenditure on repairs, replacement or remedying defects or for any loss of time incurred.~~

~~Any liquidated damages for physical defects or deficiencies shall accrue to the account of the party stated in Box 41(a) or if not filled in shall be shared equally between the parties.~~

~~The costs of pursuing a claim or claims against the Builders under this Clause (including any liability to the Builders) shall be borne by the party stated in Box 41(b) or if not filled in shall be shared equally between the parties.~~

~~**2. Time and Place of Delivery**~~

~~(a) Subject to the Vessel having completed her acceptance trials including trials of cargo equipment in accordance with the Building Contract and specifications to the satisfaction of the Charterers, the Owners shall give and the Charterers shall take delivery of the Vessel afloat when ready for delivery and properly documented at the Builders' Yard or some other safe and readily accessible dock, wharf or place as may be agreed between the parties hereto and the Builders. Under the Building Contract the Builders have estimated that the Vessel will be ready for delivery to the Owners as therein provided but the delivery date for the purpose of this Charter shall be the date when the Vessel is in fact ready for delivery by the Builders after completion of trials whether that be before or after as indicated in the Building Contract. The Charterers shall not be entitled to refuse acceptance~~

PART III

~~of delivery of the Vessel and upon and after such acceptance, subject to Clause 1(d), the Charterers shall not be entitled to make any claim against the Owners in respect of any conditions, representations or warranties, whether express or implied, as to the seaworthiness of the Vessel or in respect of delay in delivery.~~

~~(b) If for any reason other than a default by the Owners under the Building Contract, the Builders become entitled under that Contract not to deliver the Vessel to the Owners, the Owners shall upon giving to the Charterers written notice of Builders becoming so entitled, be excused from giving delivery of the Vessel to the Charterers and upon receipt of such notice by the Charterers this Charter shall cease to have effect.~~

~~(c) If for any reason the Owners become entitled under the Building Contract to reject the Vessel the Owners shall, before exercising such right of rejection, consult the Charterers and thereupon~~

~~(i) if the Charterers do not wish to take delivery of the Vessel they shall inform the Owners within seven (7) running days by notice in writing and upon receipt by the Owners of such notice this Charter shall cease to have effect; or~~

~~(ii) if the Charterers wish to take delivery of the Vessel they may by notice in writing within seven (7) running days require the Owners to negotiate with the Builders as to the terms on which delivery should be taken and/or refrain from exercising their right to rejection and upon receipt of such notice the Owners shall commence such negotiations and/or take delivery of the Vessel from the Builders and deliver her to the Charterers;~~

~~(iii) in no circumstances shall the Charterers be entitled to reject the Vessel unless the Owners are able to reject the Vessel from the Builders;~~

~~(iv) if this Charter terminates under sub-clause (b) or (c) of this Clause, the Owners shall thereafter not be liable to the Charterers for any claim under or arising out of this Charter or its termination.~~

~~(d) Any liquidated damages for delay in delivery under the Building Contract and any costs incurred in pursuing a claim therefor shall accrue to the account of the party stated in Box 41(c) or if not filled in shall be shared equally between the parties.~~

~~3. Guarantee Works~~

~~If not otherwise agreed, the Owners authorise the Charterers to arrange for the guarantee works to be performed in accordance with the building contract terms, and hire to continue during the period of guarantee works. The Charterers have to advise the Owners about the performance to the extent the Owners may request.~~

~~4. Name of Vessel~~

~~The name of the Vessel shall be mutually agreed between the Owners and the Charterers and the Vessel shall be painted in the colours, display the funnel insignia and fly the house flag as required by the Charterers.~~

~~5. Survey on Redelivery~~

~~The Owners and the Charterers shall appoint surveyors for the purpose of determining and agreeing in writing the condition of the Vessel at the time of redelivery.~~

~~Without prejudice to Clause 15 (Part II), the Charterers shall bear all survey expenses and all other costs, if any, including the cost of docking and undocking, if required, as well as all repair costs incurred. The Charterers shall also bear all loss of time spent in connection with any docking and undocking as well as repairs, which shall be paid at the rate of hire per day or pro rata.~~

PART IV

~~On expiration of this Charter and provided the Charterers have fulfilled their obligations according to Part I and II as well as Part III, if applicable, it is agreed, that on payment of the final payment of hire as per Clause 11 the Charterers have purchased the Vessel with everything belonging to her and the Vessel is fully paid for.~~

~~In the following paragraphs the Owners are referred to as the Sellers and the Charterers as the Buyers.~~

~~The Vessel shall be delivered by the Sellers and taken over by the Buyers on expiration of the Charter.~~

~~The Sellers guarantee that the Vessel, at the time of delivery, is free from all encumbrances and maritime liens or any debts whatsoever other than those arising from anything done or not done by the Buyers or any existing mortgage agreed not to be paid off by the time of delivery. Should any claims, which have been incurred prior to the time of delivery be made against the Vessel, the Sellers hereby undertake to indemnify the Buyers against all consequences of such claims to the extent it can be proved that the Sellers are responsible for such claims. Any taxes, notarial, consular and other charges and expenses connected with the purchase and registration under Buyers' flag, shall be for Buyers' account. Any taxes, consular and other charges and expenses connected with closing of the Sellers' register, shall be for Sellers' account.~~

~~In exchange for payment of the last month's hire instalment the Sellers shall furnish the Buyers with a Bill of Sale duly attested and legalized, together with a certificate setting out the registered encumbrances, if any. On delivery of the Vessel the Sellers shall provide for deletion of the Vessel from the Ship's Register and deliver a certificate of deletion to the Buyers.~~

~~The Sellers shall, at the time of delivery, hand to the Buyers all classification certificates (for hull, engines, anchors, chains, etc.), as well as all plans which may be in Sellers' possession.~~

~~The Wireless Installation and Nautical Instruments, unless on hire, shall be included in the sale without any extra payment.~~

~~The Vessel with everything belonging to her shall be at Sellers' risk and expense until she is delivered to the Buyers, subject to the conditions of this Contract and the Vessel with everything belonging to her shall be delivered and taken over as she is at the time of delivery, after which the Sellers shall have no responsibility for possible faults or deficiencies of any description.~~

~~The Buyers undertake to pay for the repatriation of the Master, officers and other personnel if appointed by the Sellers to the port where the Vessel entered the Bareboat Charter as per Clause 3 (Part II) or to pay the equivalent cost for their journey to any other place.~~

PART V

~~1. Definitions~~

~~For the purpose of this PART V, the following terms shall have the meanings hereby assigned to them:~~

~~"The Bareboat Charter Registry" shall mean the registry of the State whose flag the Vessel will fly and in which the Charterers are registered as the bareboat charterers during the period of the Bareboat Charter.~~

~~"The Underlying Registry" shall mean the registry of the state in which the Owners of the Vessel are registered as Owners and to which jurisdiction and control of the Vessel will revert upon termination of the Bareboat Charter Registration.~~

~~2. Mortgage~~

~~The Vessel chartered under this Charter is financed by a mortgage and the provisions of Clause 12(b) (Part II) shall apply.~~

~~3. Termination of Charter by Default~~

~~If the Vessel chartered under this Charter is registered in a Bareboat Charter Registry as stated in Box 44, and if the Owners shall default in the payment of any amounts due under the mortgage(s) specified in Box 28, the Charterers shall, if so required by the mortgagee, direct the Owners to re-register the Vessel in the Underlying Registry as shown in Box 45.~~

~~In the event of the Vessel being deleted from the Bareboat Charter Registry as stated in Box 44, due to a default by the Owners in the payment of any amounts due under the mortgage(s), the Charterers shall have the right to terminate this Charter forthwith and without prejudice to any other claim they may have against the Owners under this Charter.~~ 3

Additional Clauses to
Standard Bareboat Charter

between

汇弘(天津)航运租赁有限公司
(HUI HONG (TIANJIN) SHIPPING LEASING CO., LTD.)
as Owners

and

JINHAN MARINE INC.
as Charterers

in respect of

one (1) bulk carrier bearing hull no. HT64-428 and
IMO no. 1111997 and named or to be named "JIN HAN"

Contract no.: JFLSPV2026L197-01

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Contents

Clause **Page**

32. DEFINITIONS

32.1 In this Charter the following terms shall have the meanings ascribed to them below:

"Account Bank" means The Hongkong and Shanghai Banking Corporation Limited acting through its office at 1 Queen's Road Central, Hong Kong or any other bank or financial institution mutually agreed by the Owners and the Charterers with which the Earnings Account is at any time held.

"Affiliate" means, in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company.

"Anti-Money Laundering Laws" means all applicable financial record-keeping and reporting requirements, anti-money laundering statutes (including all applicable rules and regulations thereunder) FATF recommendations and all applicable related or similar laws, rules, regulations, guidelines of all jurisdictions including and without limitation, the US, the European Union, the United Kingdom, PRC, Hong Kong, Singapore and the Republic of Panama (including, without limitation, Anti-Money Laundering Law of the PRC (中华人民共和国反洗钱法), Rules of the People's Bank of China on Anti-Money Laundering by Financial Institutions (中国人民银行金融机构反洗钱规定) and Measures of the People's Bank of China on Administration of Reporting of High Value Transactions and Suspicious Transactions by Financial Institutions (金融机构大额交易和可疑交易报告管理办法)) and which in each case are (a) issued, administered or enforced by any governmental agency having jurisdiction over any Security Party or the Owners; (b) of any jurisdiction in which any Security Party or the Owners conduct business or (c) to which any Security Party or the Owners is subjected or subject to.

"Approved Manager" means Goldbeam International Limited (華珠國際有限公司), a company incorporated in Hong Kong with limited liability and business registration number 14667101, as technical and commercial manager and/or any other first class reputable ship management company designated by the Charterers and approved by the Owners who may be appointed as commercial/technical manager of the Vessel.

"Approved Valuer" means Arrow Valuations, Barry Rogliano Salles, Braemar ACM Shipbroking, Clarksons Platou, Fearnleys As, Greig Shipbrokers, Howe Robinson Partners, MB Shipbrokers, Simpsons, Spencer and Young or any other shipbroker nominated by a Party and approved by the Owners.

"Assigned Property" has the meaning ascribed to such term in the Charterers Assignment.

"Authorisation" means:

(a) an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation, lodgement or registration; or

(b) in relation to anything which will be fully or partly prohibited or restricted by law if a Governmental Agency intervenes or acts in any way within a specified period after lodgement, filing, registration or notification, the expiry of that period without intervention or action.

"Break Costs" means the amount (if any) by which:

(a) the Variable Charterhire which the Owners should have received pursuant to the terms of this Charter for the period from the date of receipt of all or any part of the Charterhire Principal or Unpaid Sum to the last day of the current Interest Period, had the Charterhire Principal or Unpaid Sum received been paid on the last day of that Interest Period;

exceeds:

(b) the amount which the Owners would be able to obtain by placing an amount equal to the Charterhire Principal or Unpaid Sum received by it on deposit with a leading bank for a period starting on the Business Day following receipt or recovery and ending on the last day of the current Interest Period,

as confirmed by a certificate issued by the Owners confirming the amount of such Break Costs.

"Builder" means 江苏韩通船舶重工有限公司 (Jiangsu Hantong Ship Heavy Industry Co., Ltd.), a company incorporated in the People's Republic of China and unified social credit code 91320612749408542M, having its registered office at Wujie Town, Tongzhou City, Jiangsu Province, the People's Republic of China 225327.

"Business Day" means a day (other than a Saturday or Sunday):

(a) in relation to any date for payment of amounts under the Transaction Documents, on which banks and the relevant financial markets are open for general business in Shanghai, Hong Kong and the principal financial centre of the country of the currency of payment;

(b) in relation to the fixing of an interest rate, which is a US Government Securities Business Day; and

(c) in relation to any other matter, on which banks (including the Account Bank) are open for general business in Shanghai and Hong Kong.

"Cancelling Date" has the meaning ascribed to such term in the MOA.

"Central Bank Rate" means the percentage rate per annum which is the aggregate of:

(a) the short-term interest rate target set by the US Federal Open Market Committee as published by the Federal Reserve Bank of New York from time to time or if that target is not a single figure, the arithmetic mean of:

(i) the upper bound of the short-term interest rate target range set by the US Federal Open Market Committee and published by the Federal Reserve Bank of New York; and

(ii) the lower bound of that target range; and

(b) the applicable Central Bank Rate Adjustment.

"Central Bank Rate Adjustment" means, in relation to the Central Bank Rate prevailing at close of business on any US Government Securities Banking Day, the 20% trimmed arithmetic mean (calculated by the Owners) of the Central Bank Rate Spreads for the five (5) immediately preceding US Government Securities Banking Days for which Overnight SOFR is available.

"Central Bank Rate Spread" means, in relation to any US Government Securities Banking Day, the difference (expressed as a percentage rate per annum) calculated by the Owners of:

(c) the Overnight SOFR for that US Government Securities Banking Day; and

(d) the Central Bank Rate prevailing at close of business on that US Government Securities Banking Day.

"Certificate of Delivery and Acceptance" means a certificate substantially in the form set out in Schedule 1 (*Certificate of Delivery and Acceptance*) to be signed by the Charterers upon Delivery.

"Change of Control" means at any time, without the prior written consent of the Owners, any change in control (including any material change in the composition of their board of directors of the Charterers) or ownership of (i) the Charterers from that set out in Clause 48.1(t) or (ii) the Corporate Guarantor from that set out in Clause 48.1(v). For the purpose of this definition, **"control"** has the meaning ascribed to such term in Clause 32.2(h).

"Charge Over Account" means the charge over the Earnings Account executed or to be executed by the Charterers and the Owners in the agreed form.

"Charter Period" means the period commencing on the Commencement Date up to and including the Expiry Date, unless terminated earlier in accordance with the provisions of this Charter.

"Charterers Assignment" means the assignment executed or to be executed by the Charterers and the Owners in respect of the Vessel, pursuant to which the Charterers shall assign the Assigned Property in favour of the Owners in the agreed form.

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"Charterhire" means, in respect of each Payment Date, the aggregate of the amount of:

(a) the Fixed Charterhire; and

(b) the Variable Charterhire,

payable under this Charter on that Payment Date, as determined and payable in accordance with Clause 38 (*Charterhire*).

"Charterhire Principal" means the amount, at any point in time, calculated as the aggregate outstanding amount of the Fixed Charterhire and the Purchase Obligation Price, as more particularly set out in the column entitled "Charterhire Principal" in the Charterhire Schedule, as the same may from time to time be adjusted in accordance with this Charter.

"Charterhire Schedule" means the charterhire schedule set out in Schedule 2 (*Charterhire Schedule*) (as the same may from time to time be amended or replaced in accordance with the terms of this Charter).

"Classification Society" means American Bureau of Shipping or such other first class international classification society being a member of the International Association of Classification Societies approved in writing by the Owners (acting reasonably).

"Code" means the US Internal Revenue Code of 1986.

"Collateral Charter" means the bareboat charter in respect of the Collateral Vessel dated on or about the same date as this Charter made between the Collateral Owners and the Collateral Charterers.

"Collateral Charterers" means JINMING MARINE INC., a corporation incorporated in the Republic of Panama with limited liability and a registered non-Hong Kong company under Part 16 of the Companies Ordinance (Cap. 622 of the Laws of Hong Kong).

"Collateral Owners" means 汇文(天津)航运租赁有限公司 **(HUIWEN (TIANJIN) SHIPPING LEASING CO., LTD.)**, a company incorporated in the People's Republic of China with limited liability and unified social credit code 91120118MAD94AHF9Q.

"Collateral Termination Event" in respect of the Collateral Charter has the meaning ascribed to the term "Termination Event" in the Collateral Charter.

"Collateral Vessel" means one (1) bulk carrier known bearing Hull No. HT64-429 and IMO No. 1112006 and named or to be named as "JIN MING".

"Commencement Date" means the date on which Delivery occurs, which shall be the same date as the MOA Delivery Date.

"Compliance Certificate" has the meaning ascribed to such term in the Corporate Guarantee.

"Corporate Guarantee" means the unconditional and irrevocable guarantee and indemnity dated on or about the date of this Charter executed by the Corporate Guarantor in favour of the Owners guaranteeing *inter alia* the obligations of the Charterers under this Charter and the other Transaction Documents.

"Corporate Guarantor" means Jinhui Shipping and Transportation Limited, an exempted company incorporated in Bermuda and listed on the Oslo Stock Exchange with stock code JIN.

"Deed of Charge" means the deed of charge in respect of the entire issued shares of the Charterers executed or to be executed by the Shareholder and the Owners in the agreed form.

"Default Rate" means two per cent. (2%) per annum above the Interest Rate.

"Delivery" means the time when:

(a) the Charterers obtain title to and accept delivery of the Vessel under the Shipbuilding Contract;

(b) the Owners obtain title to and accept delivery of the Vessel under the Memorandum of Agreement; and

(c) the Charterers accept delivery of the Vessel pursuant to this Charter.

"Dollars", **"$"** and **"US$"** mean the lawful currency for the time being of the US.

"Earnings" means all moneys whatsoever which are now, or later become, due or payable to the Charterers (actually or contingently) and which arise out of the use or operation of the Vessel, including (without limiting the generality of the foregoing):

(a) all freight, hire and passage moneys, compensation payable in the event of requisition of the Vessel for hire, remuneration for salvage and towage services, demurrage and detention moneys and damages for breach (or payments for variation or termination) of any charterparty or other contract for the employment of the Vessel;

(b) if and whenever the Vessel is employed on terms whereby any moneys falling within paragraph (a) are pooled or shared with any other person, that proportion of the net receipts of the relevant pooling or sharing arrangement which is attributable to the Vessel;

(c) all moneys payable under any Insurances in respect of loss of hire or earnings; and

(d) all other payments or proceeds of any kind whatsoever relating to the Vessel as would be deemed as "earnings" under GAAP or other applicable accounting principles.

"Earnings Account" means an account in the name of the Charterers maintained with the relevant Account Bank or any other account with the relevant Account Bank which is designated by the Owners as the Earnings Account into which all Earnings shall be paid for the purpose of this Charter and the Charterers Assignment, including any renewal or redesignation of such account from time to time or any replacement for such account by the relevant Account Bank, or such other account as the Owners may from time to time agree.

"Emission Allowances" means an allowance, credit, quota, permit or equivalent, representing a right of a vessel to emit a specified quantity of greenhouse gas emissions recognised by the Emission Scheme.

"Emissions Data" means the Vessel's compliance with Emission Scheme, EU MRV and Fuel EU Maritime.

"Emission Scheme" means a greenhouse gas emissions trading scheme which for the purposes of this Charter shall include EU ETS and any other similar systems imposed by applicable lawful authorities that regulate the issuance, allocation, trading or surrendering of Emission Allowances.

"Emission Scheme Authority" means in relation to an Emission Scheme, the relevant authority administering or otherwise implementing such Emissions Scheme.

"Emission Scheme Participant" means in relation to an Emission Scheme, any person which is responsible for complying with the requirements of such Emissions Scheme.

"Environmental Claim" means:

(a) any claim which relates to the Vessel or its passengers or cargo from time to time by any governmental, judicial or regulatory authority which arises out of an Environmental Incident or which relates to any Environmental Law; or

(b) any claim by any other person in relation to the Vessel or its passengers or cargo from time to time which relates to an Environmental Incident or an alleged Environmental Incident,

and **"claim"** means a claim for damages, compensation, fines, penalties or any other payment; an order or direction to take, or not to take, certain action or to desist from or suspend certain action; and any form of enforcement or regulatory action, including the arrest or attachment of any asset.

"Environmental Incident" means:

(a) any release of Environmentally Sensitive Material from the Vessel;

(b) any incident in which Environmentally Sensitive Material is released from a vessel other than the Vessel and which involves a collision between the Vessel and such other vessel or some other incident of navigation or operation, in either case, in connection with which the Vessel is actually liable to be arrested, attached, detained or injuncted and/or the Vessel and/or the Owners, the Charterers and/or any other operator or manager of the Vessel is at fault or otherwise liable to any legal or administrative action; or

(c) any other incident involving the Vessel in which Environmentally Sensitive Material is released otherwise than from the Vessel and in connection with which the Vessel is actually arrested and/or where the Owners, the Charterers, and/or any other operator or manager of the Vessel is at fault or otherwise liable to any legal or administrative action.

"Environmental Law" means any law relating to pollution or protection of the environment, to the carriage or actual or threatened releases of Environmentally Sensitive Material.

"Environmentally Sensitive Material" means oil, oil products and any other substance (including any chemical, gas or other hazardous or noxious substance) which is (or is capable of being or becoming) polluting, toxic or hazardous.

"Expiry Date" means the date falling eighty-four (84) months after the Commencement Date.

"ETS and Fuel EU Maritime Letter" shall have the meaning as defined under Clause 53 (*Emission Scheme, EU ETS, EU MRV and Fuel EU Maritime*).

"EU ETS" means the European Union Emissions Trading System specifically applicable to shipping pursuant to the European Directive 2023/959 amending European Directive 2003/87/EC and Commission Implementing Regulation (EU) 2023/2599 of 22 November 2023 laying down rules for the application of Directive 2003/87/EC of the European Parliament and of the Council as regards the administration of shipping companies by administering authorities in respect of a shipping company, together with any of its amendments, re-enactments, supplements, addenda, or any applicable law or regulation implementing the aforementioned directives.

"EU MRV" means the European Regulation 2023/957 of the European Parliament and of the Council of 10 May 2023 amending Regulation (EU) 2015/757 in order to provide for the inclusion of maritime transport activities in the EU ETS and for the monitoring, reporting and verification of emissions of additional greenhouse gases and emissions from additional ship types.

"Fallback Interest Payment" means the aggregate amount of interest that:

(a) is, or is scheduled to become, payable under paragraphs (b), (c) or (d) of Clause 38.9; and

(b) relates to the Charterhire Principal.

"FATCA" means:

(a) sections 1471 to 1474 of the Code or any associated regulations;

(b) any treaty, law or regulation of any other jurisdiction, or relating to an intergovernmental agreement between the US and any other jurisdiction, which (in either case) facilitates the implementation of any law or regulation referred to in paragraph (a) above; or

(c) any agreement pursuant to the implementation of any treaty, law or regulation referred to in paragraph (a) or (b) above with the US Internal Revenue Service, the US government or any governmental or taxation authority in any other jurisdiction.

"FATCA Deduction" means a deduction or withholding from a payment under a Transaction Document required by FATCA.

"FATCA Exempt Party" means a Party that is entitled to receive payments free from any FATCA Deduction.

"FATF" means the Financial Action Task Force, an inter-governmental body whose purpose is the development and promotion of national and international policies to combat money laundering and terrorist financing.

"Final Contract Price" has the meaning ascribed to such term in the MOA.

"Finance Parties" means any of the Owners' financiers (or agent or trustee of the Owners' financiers) or any Affiliate of the Owners or any other reputable bank or financial institution which is or will be a party to a Financing Document (other than the Owners and other entities which may have agreed or be intended as debtors and/or obligors thereunder).

"Financial Indebtedness" means, in relation to a person (the **"debtor"**), a liability of the debtor (whether present or future, actual or contingent):

(a) moneys borrowed;

(b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;

(c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;

(d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with GAAP as at the date of this Charter, be treated as a balance sheet liability;

(e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);

(f) any amount raised under any other transaction (including any forward sale or purchase agreement) of a type not referred to in any other paragraph of this definition having the commercial effect of a borrowing;

(g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that derivative transaction, that amount) shall be taken into account);

(h) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and

(i) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (h) above.

"Financial Instruments" means any mortgage, deed of covenants, general assignment or such other financial security instruments granted to any Finance Party as security for the obligations of the Owners in relation to financing and/or refinancing the acquisition of the Vessel.

"Financing Documents" means a facility, loan or credit agreement (howsoever described) entered into or to be entered into by the Owners and any Finance Party (howsoever described) for financing the purchase and/or acquisition of the Vessel and the Financial Instruments referred to in such facility or credit agreement.

"Fixed Charterhire" means, on each Payment Date, the corresponding quarterly instalment for that Payment Date as set out in the column entitled "Fixed Charterhire" in Schedule 2 (*Charterhire Schedule*), as the same may from time to time be adjusted in accordance with the terms of this Charter.

"Fuel EU Maritime" means Fuel EU Maritime Regulation 2023/1805 dated 13 September 2023 on the use of renewable and low-carbon fuels in maritime transport, and amending Directive 2009/16/EC.

"Funding Rate" means any individual rate notified by the Owners to the Charterers pursuant to Paragraph (a)(ii) of Clause 38.12.

"GAAP" means generally accepted accounting principles in Hong Kong.

"Governmental Agency" means any government or any governmental agency, semi-governmental or judicial entity or authority (including any stock exchange or any self-regulatory organisation established under statute).

"Group" means the Corporate Guarantor and its Subsidiaries from time to time, and a **"member of the Group"** means any one of them.

"Historic Term SOFR" means, in relation to the Charterhire Principal, the most recent Term SOFR for a period equal in length to the Interest Period and which is as of a US Government Securities Business Day which is no more than three US Government Securities Business Days before the Quotation Day.

"Holding Company" means, in relation to a company or corporation, any other company or corporation in respect of which it is a Subsidiary.

"Hong Kong" means the Hong Kong Special Administrative Region of the PRC.

"Indirect Tax" means any goods and services tax, consumption tax, value added tax or any Tax of a similar nature.

"Initial Charterhire Principal" means the Charterhire Principal as of the Purchase Price Pre-positioning Date.

"Initial Market Value" has the meaning ascribed to such term in the MOA.

"Insurances" means:

(a) all policies and contracts of insurance, including entries of the Vessel in any protection and indemnity or war risks association, which are effected in respect of the Vessel, the Earnings or otherwise in relation to it whether before, on or after the date of this Charter; and

(b) all rights, proceeds and other assets relating to, or derived from, any of the foregoing, including any rights to a return of a premium and any rights in respect of any claim whether or not the relevant policy, contract of insurance or entry has expired on or before the date of this Charter.

"Interest Period" means, in relation to any Variable Charterhire or any Unpaid Sum, each period of a duration of three (3) months provided that:

(a) the first Interest Period shall commence on (and include) the Purchase Price Pre-positioning Date and end on (but exclude) the Second Payment Date;

(b) each subsequent Interest Period shall commence on (and include) the last day of the immediately preceding Interest Period and end on (but exclude) the next immediate Payment Date; and

(c) an Interest Period shall not extend beyond the date falling eighty-four (84) months after the Purchase Price Pre-positioning Date or the Expiry Date, whichever is earlier.

"Interest Rate" means the percentage per annum which is the aggregate of the Reference Rate plus the Margin.

"Interpolated Historic Term SOFR" means, in relation to the Charterhire Principal, the rate (rounded to the same number of decimal places as the Term SOFR) which results from interpolating on a linear basis between:

(a) the most recent Term SOFR (as of a day which is not more than three US Government Securities Business Days before the Quotation Day) for the longest period (for which Term SOFR is available) which is less than the Interest Period; and

(b) the most recent Term SOFR (as of a day which is not more than three US Government Securities Business Days before the Quotation Day) for the shortest period (for which Term SOFR is available) which exceeds the Interest Period.

"Interpolated Term SOFR" means, in relation to the Charterhire Principal, the rate (rounded to the same number of decimal places as Term SOFR) which results from interpolating on a linear basis between:

(a) either:

  (i) Term SOFR (as of the Quotation Day prior to 5:00 p.m. (New York time)) for the longest period (for which Term SOFR is available) which is less than the Interest Period; or

  (ii) if no such Term SOFR is available for a period which is less than the Interest Period, Overnight SOFR for the day that is two US Government Securities Business Days before the Quotation Day; and

(b) Term SOFR (as the Quotation Day prior to 5:00 p.m. (New York time)) for the shortest period (for which Term SOFR is available) which exceeds the Interest Period.

"ISM Code" means the International Safety Management Code (including the guidelines on its implementation), adopted by the International Maritime Organisation Assembly as Resolutions A.741 (18) and A.788 (19), as the same may be amended or supplemented from time to time (and the terms **safety management system**, **Safety Management Certificate** and **Document of Compliance** have the same meanings as are given to them in the ISM Code).

"ISPS Code" means the International Ship and Port Security Code as adopted by the Conference of Contracting Governments to the Safety of Life at Sea Convention 1974 on 13 December 2002 and incorporated as Chapter XI-2 of the Safety of Life at Sea Convention 1974, as the same may be supplemented or amended from time to time.

"JHCL" means Jinhui Holdings Company Limited, a company incorporated in Hong Kong with limited liability and listed on The Hong Kong Stock Exchange Limited with stock code 137.

"Legal Reservations" means:

(a) the principle that equitable remedies may be granted or refused at the discretion of a court and the limitation of enforcement by laws relating to insolvency, reorganisation and other laws generally affecting the rights of creditors;

(b) the time barring of claims under the Limitation Acts, and defences of set-off or counterclaim;

(c) similar principles, rights and defences under the laws of any Relevant Jurisdiction; and

(d) any other matters which are set out as qualifications or reservations as to matters of law of general application in the legal opinions delivered to the Owners under Clause 35 (*Conditions Precedent and Subsequent*).

"Limitation Acts" means the Limitation Act 1980 and the Foreign Limitation Periods Act 1984 or any similar statutes or laws in any other relevant jurisdiction.

"Major Casualty" means any casualty to the Vessel in respect of which the claim or the aggregate of the claims against all insurers, before adjustment for any relevant franchise or deductible, exceeds US$500,000 or the equivalent in any other currency.

"Management Agreement" means, at any relevant time, the ship management agreement executed or to be executed between the Charterers and the relevant Approved Manager, together with all supplements and amendments to it.

"Manager's Undertaking" means the letter of undertaking from each Approved Manager *inter alia* subordinating the rights of each Approved Manager against the Vessel to the rights of the Owners and (if required by the Owners) any Finance Party in such form and substance as shall be acceptable to the Owners and (if applicable) the relevant Finance Party and **"Manager's Undertakings"** means two or more of them.

"Margin" means 1.6% per annum.

"Maritime Labour Convention" means the Maritime Labour Convention, 2006 (entered into force on 20 August 2013) and includes the Articles, Regulations and Code of the Maritime Labour Convention as amended or extended.

"Market Disruption Rate" means the percentage rate per annum which is the Reference Rate.

"Market Value" means, in relation to the Vessel, the arithmetic mean of the valuations of the Vessel shown by two (2) valuation reports and each prepared:

(a) at the cost of the Charterers and addressed to the Owners;

(b) on a date no earlier than thirty (30) days prior to the relevant date of determination;

(c) by an Approved Valuer;

(d) without physical inspection of the Vessel; and

(e) on the basis of a sale for prompt delivery for cash on normal arm's length commercial terms as between a willing seller and a willing buyer, free of any existing charter or other contract of employment or such other basis as may be agreed by the Owners,

and such valuations shall be prepared by one Approved Valuer nominated and appointed by the Owners and one Approved Valuer nominated and appointed by the Charterers and further provided that if the difference in the two valuations obtained is more than ten per cent. (10%) of the lower valuation obtained, a third Approved Valuer shall be nominated and appointed by the Owners and the third valuation shall be prepared on the same terms and conditions as set out in paragraphs (a) to (e) above and the Market Value shall be the arithmetic mean of such three valuations and shall be binding to the Owners and the Charterers.

"MARPOL" means the International Convention for the Prevention of Pollution from Ships 1973 (as modified in 1978 and 1997) and includes any extensions of it and any regulation issued pursuant to it as the same may be supplemented or superseded from time to time.

"MARPOL Protocol" means Annex VI (Regulations for the Prevention of Air Pollution from Ships) to the International Convention for the Prevention of Pollution from Ships 1973 (as amended in 1978 and 1997).

"MARPOL Carbon Intensity Regulations" means the regulations contained in Chapters 1, 2 and 4 of Revised MARPOL Annex VI which relate to "Regulations on the Carbon Intensity of International Shipping" and Resolution MEPC.328(76) implementing the CII and any associated guidelines and/or subsequent amendments, including the Ship Energy Efficiency Management Plan (SEEMP).

"Material Adverse Effect" means, in the reasonable opinion of the Owners, a material adverse effect on:

(a) the business, operations, property or financial condition of any Security Party or of the Group taken as a whole;

(b) the ability of any Security Party to perform its obligations under any Transaction Document to which it is a party;

(c) the validity, legality or enforceability of any Transaction Document or the rights or remedies of the Owners under, the Transaction Documents; or

(d) the validity, legality or enforceability of any Security Interests expressed to be created under any Security Document or the priority and ranking of any of such Security Interests.

"MOA" means the memorandum of agreement dated on or about the date of this Charter between the Charterers as sellers and the Owners as buyers in relation to the sale and purchase of the Vessel.

"MOA Delivery" means the actual delivery of the Vessel by the Charterers as sellers to, and the actual acceptance of the Vessel by, the Owners as buyers under and in accordance with the provisions of the MOA.

"MOA Delivery Date" means the date of MOA Delivery.

"MOA PDA" has the meaning ascribed to such term in the MOA.

"Mortgage" has the meaning ascribed to such term in Clause 45 (*Mortgage, assignment and transfer*).

"Mortgagee" has the meaning ascribed to such term in Clause 45 (*Mortgage, assignment and transfer*).

"OFAC" means the US Office of Foreign Assets Control of the Department of the Treasury or its successor.

"Original Financial Statements" means:

(a) in relation to the Corporate Guarantor, its audited financial statements for the financial year ended 31 December 2024; and

(b) in relation to the Charterers, their first audited financial statements to be delivered to the Owners after the date of this Charter.

"Original Jurisdiction" means, in relation to a Security Party, the jurisdiction under whose laws it is incorporated or domiciled as at the date of this Charter.

"Overnight SOFR" means the secured overnight financing rate (SOFR) administered by the Federal Reserve Bank of New York (or any other person which takes over the administration of that rate) published (before any correction, recalculation or republication by the administrator) by the Federal Reserve Bank of New York (or any other person which takes over the publication of that rate).

"Owners Account" means such bank account as the Owners may from time to time designate and into which all Charterhire and all other sums payable under this Charter by the Charterers to the Owners shall be paid in accordance with this Charter.

"Parties" means together, the Owners and the Charterers and each is a **"Party"**.

"Payment Date" means:

(a) in respect of any Fixed Charterhire or any Variable Charterhire:

(i) if the Purchase Price Pre-positioning Date falls on or before the 25^{th} day in a calendar month, the Purchase Price Pre-positioning Date and each of the dates falling at three monthly intervals thereafter up to and including the last Payment Date or the date falling eighty-one (81) months after the Purchase Price Pre-positioning Date, whichever is earlier; or

(ii) if the Purchase Price Pre-positioning Date falls after the 25^{th} day in a calendar month, the Purchase Price Pre-positioning Date, the date falling on the 25^{th} day in the third calendar month immediately following the calendar month in which the Purchase Price Pre-positioning Date occurs and each of the dates falling at three monthly intervals thereafter up to and including the last Payment Date or the date falling eighty-one (81) months after the Purchase Price Pre-positioning Date, whichever is earlier,

provided that the instalment of the Charterhire payable on the Purchase Price Pre-positioning Date shall be paid by the Charterers to the Owners on the next immediate Payment Date (the **"Second Payment Date"**), together with the instalment of the Charterhire payable by the Charterers to the Owners on the Second Payment Date;

(b) in respect of the Purchase Option Price, the Purchase Option Date; and

(c) in respect of the Purchase Obligation Price, the Purchase Obligation Payment Date.

"Permitted Security Interests" means:

(a) Security Interests created by a Transaction Document or a Financial Instrument;

(b) liens for salvage;

(c) liens arising by operation of law or otherwise in the ordinary course of the operation, repair or maintenance of the Vessel provided such liens do not secure amounts more than thirty (30) days overdue;

(d) any Security Interest (other than a Security Interest over any assets subject to security granted under a Security Document) created in favour of a plaintiff or defendant in any action of the court or tribunal before whom such action is brought as security for costs and expenses where the Charterers are prosecuting or defending such action in good faith by appropriate steps;

(e) Security Interests arising by operation of law in respect of taxes which are not overdue or for payment of taxes which are overdue for payment but which are being contested by the Charterers in good faith by appropriate steps and in respect of which adequate reserves have been made; and

(f) such other Security Interests as permitted in writing by the Owners.

"Potential Termination Event" means, an event or circumstance which would, with the giving of any notice, the lapse of time, a determination of the Owners or any combination of the foregoing, be a Termination Event.

"PRC" means the People's Republic of China.

"Purchase Obligation" means the purchase obligation of the Charterers pursuant to Clause 52 (*Purchase Obligation*).

"Purchase Obligation Date" means the last day of the Charter Period, being the date on which (if the Charter Period has not previously been terminated) the Owners shall sell and transfer the legal and beneficial interest in the Vessel to the Charterers, and the Charterers may purchase and accept the same in accordance with Clause 52 (*Purchase Obligation*).

"Purchase Obligation Payment Date" means the date falling eighty-four (84) months after the Purchase Price Pre-positioning Date, being the date on which the Charterers shall be obliged to pay the Purchase Obligation Price to the Owners for the purchase of the Vessel.

"Purchase Obligation Price" means US$5,000,000.

"Purchase Option" means the purchase option granted by the Owners to the Charterers pursuant to Clause 51 (*Purchase Option*).

"Purchase Option Date" means any date on which the Owners shall sell and transfer the legal and beneficial interest in the Vessel to the Charterers in accordance with Clause 51 (*Purchase Option*).

"Purchase Option Period" means the period commencing from (and excluding) twenty-four (24) months after the Commencement Date and ending on (and excluding) the Expiry Date.

"Purchase Option Price" means, in respect of any Purchase Option Date, the aggregate of (without double counting):

(a) all Charterhire, due and payable, but unpaid under this Charter up to (and including) such Purchase Option Date together with interest accrued thereon up to the date of receipt by the Owners of Purchase Option Price;

(b) in relation to any date falling during the relevant period (subject to Clause 51 (*Purchase Option*)) set out in column A of the table below, the corresponding amount set out in column B of the table below (without double-counting any amount under paragraph (a) above):

Column A	**Column B**
from (but excluding) the last day of the 2nd year of the Charter Period up to (and including) the last day of the 3rd year of the Charter Period	101% of the Charterhire Principal as of such date
from (but excluding) the last day of the 3rd year of the Charter Period up to (and including) the last day of the 5th year of the Charter Period	100.5% of the Charterhire Principal as of such date
from (but excluding) the last day of the 5th year of the Charter Period up to (but excluding) the Expiry Date	100% of the Charterhire Principal as of such date

(c) (if applicable) any Break Costs;

(d) breakage costs reasonably incurred by the Owners under the Financing Documents, solely as a direct result of early prepayment or termination of the relevant financing in connection with the exercise of the Purchase Option provided that such costs shall be documented and the Owners shall have used all reasonable endeavours to mitigate such costs;

(e) any other Unpaid Sum, other than the Charterhire, together with interest accrued thereon up to the date of receipt by the Owners of the Purchase Option Price; and

(f) (without double counting) all liabilities, costs and expenses (including, without limitation, any legal fees) so incurred in recovering possession of, and in repositioning, berthing, insuring and maintaining the Vessel for carrying out any works or modifications required to cause the Vessel to conform with the provisions of Clause 41.8.

"Purchase Price" has the meaning ascribed to such term in the MOA.

"Purchase Price Pre-positioning Date" has the meaning ascribed to such term in the MOA.

"Quotation Day" means in relation to any period for which an Interest Rate is to be determined, seven (7) Business Days before the first day of that period unless market practice differs in the relevant syndicated loans market, in which case the Quotation Day for that Interest Period will be determined by the Owners in accordance with market practice in that market practice.

"Quoted Tenor" means any period for which Term SOFR is customarily displayed on the relevant page or screen of an information service.

"Reference Rate" means:

(a) Term SOFR as of the Quotation Day prior to 5:00 p.m. (New York time) and for a period equal in length to three months; or

(b) as otherwise determined pursuant to Clause 38.9,

and if, in either case, that rate is less than zero, the Reference Rate shall be deemed to be such a rate that the Reference Rate is zero.

"Relevant Jurisdictions" means, in relation to a Security Party:

(a) its Original Jurisdiction;

(b) any jurisdiction where any asset subject to or intended to be subject to the Transaction Security to be created by it is situated;

(c) any jurisdiction where it conducts its business; and

(d) any jurisdiction whose laws govern the perfection of any of the Security Documents entered into by it,

and a **"Relevant Jurisdiction"** means each or any of them, as the context may require.

"Relevant Market" means the market for overnight cash borrowing collateralised by US Government securities.

"Requisition Compensation" means all moneys or other compensation from time to time payable during the Charter Period by reason of expropriation, confiscation, requisition or acquisition of the Vessel of any kind and to any extent whatsoever, effected by any governmental or official authority.

"Sanctioned Country" means any country or territory that is or whose government is, the subject of Sanctions broadly prohibiting dealings with such government, country or territory.

"Sanctioned Person" means any person (whether designated by name or by reason of being included in a class of persons) against whom Sanctions are directed, including without limitation as a result of being (a) owned or controlled directly or indirectly by any person which is a designated target of Sanctions, or (b) organised under the laws of, or a citizen or resident of, any Sanctioned Country, or otherwise a target of Sanctions.

"Sanctions" means any sanctions, embargoes, freezing provisions, prohibitions or other restrictions relating to trading, doing business, investment, exporting, financing or making assets available (or other activities similar to or connected with any of the foregoing):

(a) imposed by law or regulation of the United Kingdom, the Council of the European Union, the PRC, the United Nations or its Security Council, the US, Hong Kong, the Republic of Panama or any government, official institution or agency of any of the foregoing, whether or not any Security Party is legally bound to comply with the foregoing; or

(b) otherwise imposed by any law or regulation by which any Security Party is bound or as regards a regulation, compliance with which is reasonable in the ordinary course of the Charterers' business.

"Security Documents" means the Corporate Guarantee, the Deed of Charge, the Charge Over Account, the Charterers Assignment, any Manager's Undertaking, any Subordination Deed and any other document granted as security or quasi-security for the obligations of the Charterers and/or any other Security Party under or in connection with the Transaction Documents and **"Security Document"** means each or any of them as the context may require.

"Security Interest" means:

(a) a mortgage, charge (whether fixed or floating) or pledge, any maritime or other lien or any other security interest of any kind;

(b) the security rights of a plaintiff under an action *in rem*; or

(c) any other right which confers on a creditor or potential creditor a right or privilege to receive the amount actually or contingently due to it ahead of the general unsecured creditors of the debtor concerned; however this paragraph (c) does not apply to a right of set off or combination of accounts conferred by the standard terms of business of a bank or financial institution.

"Security Parties" means collectively, the Charterers, the Collateral Charterers, the Corporate Guarantor, the Shareholder, any Approved Manager and any other party which is a member of the Group providing Security Interests to the Owners for the obligations of the Charterers and/or any other Security Party under or in connection with the Transaction Documents pursuant to a Security Document and **"Security Party"** means each or any of them as the context may require.

"Senior Finance Package" has the meaning ascribed to such term in Clause 45 (*Mortgage, assignment and transfer*).

"Shareholder" means Jin Hui Shipping Inc., a BVI business company incorporated in the British Virgin Islands with limited liability and company number 46107.

"Shipbuilding Contract" means the shipbuilding contract dated 28 June 2024 made between the Builder as builder and the Charterers as buyer, as amended by addendum no.1 to shipbuilding contract dated 16 September 2024 made between the Builder as builder, Anhui Technology Imp. & Exp. Co., Ltd. as trading house and the Charterers as buyer and addendum no.2 to shipbuilding contract dated 28 October 2025 made between the Builder as builder and the Charterers as buyer, whereby the Builder agreed to build, launch, complete and deliver the Vessel to the Charterers, together with all further supplements and amendments to it.

"Shipbuilding Contract Delivery" means the actual delivery of the Vessel by the Builder as sellers to, and the actual acceptance of the Vessel by, the Charterers as buyers pursuant to the terms and conditions of the Shipbuilding Contract.

"Shipbuilding Contract Delivery Date" means the date of Shipbuilding Contract Delivery.

"Sub-Charterers" means any person which is party to any contract of affreightment or (subject always to the prior written consent of the Owners and any condition that the Owners may in their discretion impose, including assignment of insurances by the relevant Sub-Charterer to the Owners) any time charterparty or any voyage charterparty exceeding 12 months' duration (whether by virtue of any optional extensions or otherwise) made between the Charterers and such person for the chartering of the Vessel and **"Sub-Charterer"** means each or any of them as the context may require.

"Sub-Charters" means any contract of affreightment or (subject always to the prior written consent of the Owners and any condition that the Owners may in their discretion impose, including assignment of insurances by the relevant Sub-Charterer to the Owners) any other demise charterparty, any time charterparty or any voyage charterparty exceeding 12 months' duration (whether by virtue of any optional extensions or otherwise) made between the Charterers and another person for the employment of the Vessel, as the same may be amended, supplemented or otherwise modified from time to time and **"Sub-Charter"** means each or any of them, as the context may require.

"Subordination Deed" means, if required by the Owners, any subordination deed to be granted by the Charterers as company and the Corporate Guarantor as subordinated lender in favour of the Owners in such form as may be acceptable to the Owners.

"Subsidiary" means in relation to any company or corporation, a company or corporation:

(a) which is controlled, directly or indirectly, by the first mentioned company or corporation;

(b) more than half the issued equity share capital of which is beneficially owned, directly or indirectly, by the first mentioned company or corporation; or

(c) which is a Subsidiary of another Subsidiary of the first mentioned company or corporation,

and for this purpose, a company or corporation shall be treated as being controlled by another if that other company or corporation is able to direct its affairs and/or to control the composition of its board of directors or equivalent body.

"Tax" means any present or future income, tonnage, freight, stamp or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same) and **"Taxation"** shall be construed accordingly.

"Term SOFR" means the term SOFR reference rate administered by CME Group Benchmark Administration Limited (or any other person which takes over the administration of that rate) for the relevant period published (before any correction, recalculation or republication by the administrator) by CME Group Benchmark Administration Limited (or any other person which takes over the publication of that rate).

"Termination Event" means any event described in Clause 47 (*Termination Events*).

"Termination Sum" means, in respect of any date, the aggregate of (without double counting):

(a) (i) all Charterhire, due and payable, but unpaid under this Charter up to (and including) such date together with interest accrued thereon up to the date of receipt by the Owners of the Termination Sum;

(ii) 100% of the Charterhire Principal as of the date of receipt by the Owners of the Termination Sum;

(iii) If this Charter is terminated following the occurrence of a Termination Event which is continuing under Clause 41 (*Termination and Redelivery; Total Loss*), an early termination fee in an amount equal to 1.5% of the Charterhire Principal referred to in sub-paragraph (ii) above and payment of such early termination fee shall not be construed as a penalty but shall represent an agreed estimate of the loss and damage suffered by the Owners in entering into the MOA and this Charter, amount of which is acknowledged by the Charterers as being proportionate having regard to the legitimate interests of the Owners in protecting against their risks of the Charterers failing to perform their obligations under this Charter; and

(iv) any other costs, losses, liabilities and expenses (including, without limitation, any legal fees) incurred or suffered by the Owners as a result of the early termination of this Charter;

(b) breakage costs reasonably incurred by the Owners under the Financing Documents, provided that such costs shall be documented and the Owners shall have used all reasonable endeavours to mitigate such costs;

(c) any Unpaid Sum, other than the Charterhire, due and payable, but unpaid, under this Charter and any other Transaction Document, together with interest accrued thereon up to the date of receipt by the Owners of the Termination Sum; and

(d) (without double counting) all liabilities, costs and expenses (including, without limitation, any legal fees) so incurred in recovering possession of, and in repositioning, berthing, insuring and maintaining the Vessel for carrying out any works or modifications required to cause the Vessel to conform with the provisions of Clause 41.8.

"Test Date" means each date on which a valuation report is provided to the Owners in accordance with Clause 49.3(h).

"Third Parties Act" means the Contracts (Rights of Third Parties) Act 1999.

"Total Loss" means:

(a) the actual, constructive, compromised, agreed or arranged total loss of the Vessel;

(b) any expropriation, confiscation, requisition or acquisition of the Vessel, whether for full consideration, a consideration less than its proper value, a nominal consideration or without any consideration, which is effected by any Governmental Agency or by any person or persons claiming to be or to represent a Governmental Agency (excluding a requisition for hire) unless it is redelivered within ninety (90) days to the full control of the Owners or the Charterers; or

(c) any arrest, capture, seizure or detention of the Vessel (including any hijacking or theft but excluding any event specified in paragraph (b) of this definition) unless it is redelivered within ninety (90) days to the full control of the Owners or the Charterers.

"Transaction Documents" means collectively, this Charter, the MOA and the Security Documents and **"Transaction Document"** means each or any of them, as the context may require.

"Transaction Security" means the Security Interests created or evidenced or expressed to be created or evidenced under the Security Documents.

"Unpaid Sum" means any sum due and payable but unpaid by any Security Party under the Transaction Documents.

"US" means the United States of America.

"US Government Securities Business Day" means any day other than:

(a) a Saturday or a Sunday; and

(b) a day on which the Securities Industry and Financial Markets Association (or any successor organisation) recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in US Government securities.

"US Tax Obligor" means:

(a) the Charterers if they are resident for tax purposes in the US; or

(b) a Security Party some or all of whose payments under the Transaction Documents are from sources within the US for the purposes of US federal income tax.

"Value Maintenance Ratio" means the ratio (expressed as a percentage) of:

(a) the Market Value of the Vessel and any additional cash already provided to restore the Value Maintenance Threshold; to

(b) the Charterhire Principal then outstanding.

"Value Maintenance Threshold" means the ratio (expressed as a percentage) of one hundred and ten per cent. (110%) during the Charter Period.

"Variable Charterhire" means, on each Payment Date, an amount calculated by multiplying (a) the Charterhire Principal immediately prior to that Payment Date (or in respect of the first Payment Date, the Initial Charterhire Principal) by (b) the Interest Rate and (c) a fraction whose denominator is 360 and whose numerator is the number of days which will elapse from, in respect of the Payment Date of the first Interest Period during the Charter Period, the Purchase Price Pre-positioning Date, and, in respect of each other Payment Date, the immediately preceding Payment Date (including that date) until, in respect of the Payment Date of the final Interest Period during the Charter Period, the last day of such Interest Period (not including that day), and, in respect of all other Payment Dates, that Payment Date (not including that date).

"Vessel" means one (1) bulk carrier currently under construction by the Builder and bearing hull no. HT64-428 and IMO no. 1111997 named or to be named "JIN HAN" which upon Delivery (a) (with title passing) from the Builder to the Charterers under the Shipbuilding Contract, (b) (with title passing) from the Charterers to the Owners under the MOA and, simultaneously, (c) from the Owners to the Charterers under this Charter will be registered in the name of the Owners as owner and the Charterers as demise charterer under the laws and flag of the flag state stated in Box 5 by way of demise charter registration and includes any share or interest in that vessel and her engines, scrubber, machinery, boats, tackle, outfit, spare gear, fuel, consumables or other stores, belongings and appurtenances whether on board or ashore and whether now owned or after the date of this Charter acquired and also any and all additions, improvements and replacements after the date of this Charter made in or to that vessel or any part of that vessel or in or to her equipment and appurtenances referred to above.

32.2 In this Charter:

(a) **"agreed form"** means, in relation to a document, such document in a form agreed in writing between the Owners and the Charterers;

(b) **"asset"** includes present and future properties, revenues and rights of every description;

(c) **"company"** includes any partnership, joint venture and unincorporated association;

(d) **"consent"** includes an Authorisation, consent, approval, resolution, licence, exemption, filing, registration, notarisation and legalisation;

(e) **"contingent liability"** means a liability which is not certain to arise and/or the amount of which remains unascertained;

(f) **"continuing"** means, in relation to any Potential Termination Event, a Potential Termination Event which has not been waived by the Owners or remedied to the satisfaction of the Owners;

(g) **"continuing"** means:

(i) in relation to any Termination Event, a Termination Event which has not been waived by the Owners; and

(ii) in relation to any Collateral Termination Event, a Collateral Termination Event which has not been waived by the Collateral Owners;

(h) **"control"** over a particular company means the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to:

(i) cast, or control the casting of, more than 51 per cent, of the maximum number of votes that might be cast at a general meeting of such company; or

(ii) appoint or remove all, or the majority, of the directors or other equivalent officers of such company; or

(iii) give directions with respect to the operating and financial policies of such company with which the directors or other equivalent officers of such company are obliged to comply;

(i) **"document"** includes a deed; also a letter, email, fax or telex;

(j) **"expense"** means any kind of cost, charge or expense (including all legal costs, charges and expenses) and any applicable value added or other tax;

(k) **"including"** shall be construed as **"including without limitation"** (and cognate expressions shall be construed similarly);

(l) **"indebtedness"** includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;

(m) **"law"** includes any order or decree, any form of delegated legislation, any treaty or international convention and any regulation or resolution of the Council of the European Union, the European Commission, the United Nations or its Security Council;

(n) **"legal or administrative action"** means any legal proceeding or arbitration and any administrative or regulatory action or investigation;

(o) **"liability"** includes every kind of debt or liability (present or future, certain or contingent), whether incurred as principal or surety or otherwise;

(p) **"months"** shall be construed in accordance with Clause 32.3 (*Meaning of month*);

(q) **"person"** includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium, partnership or other entity (whether or not having separate legal personality);

(r) **"policy"** in relation to any insurance, includes a slip, cover note, certificate of entry or other document evidencing the contract of insurance or its terms;

(s) **"protection and indemnity risks"** means the usual risks covered by a protection and indemnity association which is a member of the International Group of P&I Clubs acceptable to the Owners or China Shipowners Mutual Assurance Association including pollution risks, extended passenger cover and the proportion (if any) of any sums payable to any other person or persons in case of collision which are not recoverable under the hull and machinery policies by reason of the incorporation in them of Clause 6 of the International Hull Clauses (1/11/02 or 1/11/03), Clause 8 of the Institute Time Clauses (Hulls) (1/10/83) or Clause 8 of the Institute Time clauses (Hulls) (1/11/1995) or the Institute Amended Running Down clause (1/10/71) or any equivalent provision;

(t) **"regulation"** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;

(u) **"tax"** includes any present or future tax, duty, impost, levy or charge of any kind which is imposed by any state, any political sub-division of a state or any local or municipal authority (including any such imposed in connection with exchange controls), and any connected penalty, interest or fine but excludes any tax on the Owners' overall net income under the laws of the jurisdiction of the Owners' incorporation;

(v) a provision of law is a reference to that provision as amended or re-enacted; and

(w) a time of day is a reference to Beijing time unless the time of another jurisdiction is stated or implied.

32.3 Meaning of month

A period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month, except that:

(a) (subject to paragraph (b) below) if the numerically corresponding day is not a Business Day, that period shall end on the immediately preceding Business Day; and

(b) if there is no numerically corresponding day in the calendar month in which that period is to end, that period shall end on the last Business Day in that calendar month.

The above rules will only apply to the last month of any period.

32.4 In this Charter:

(a) references to a Transaction Document or any other document being in the form of a particular appendix or to any document referred to in the recitals include references to that form with any modifications to that form which the Owners may approve;

(b) references to, or to a provision of, a Transaction Document or any other document are references to it as amended or supplemented, whether before the date of this Charter or otherwise;

(c) references to, or to a provision of, any law include any amendment, extension, re-enactment or replacement, whether made before the date of this Charter or otherwise;

(d) references to Clauses, paragraphs and Schedules are to be construed as references to clauses and paragraphs of, and schedules to, this Charter;

(e) references to the **"Owners"**, the **"Collateral Owners"**, the **"Charterers"**, the **"Collateral Charterers"**, any **"Approved Manager"**, any **"Classification Society"**, the **"Corporate Guarantor"**, the **"Shareholder"**, any **"Security Party"** or any **"Party"** shall be construed so as to include its successors in title, permitted assigns and permitted transferees to, or of, its rights and/or obligations under the Transaction Documents;

(f) a reference in this Charter to a Central Bank Rate shall include any successor rate to, or replacement rate for, that rate; and

(g) unless a contrary indication appears, words importing the plural include the singular and vice versa, and words importing a gender include every gender.

32.5 **Headings.** In interpreting a Transaction Document or any provision of a Transaction Document, all clauses, paragraphs and other headings in that and any other Transaction Document shall be entirely disregarded.

32.6 Third party rights

A person who is not a Party has no right under the Third Parties Act to enforce or to enjoy the benefit of any term of this Charter.

33. CHARTER PERIOD

33.1 The Charter Period shall commence on the Commencement Date.

33.2 Notwithstanding the foregoing and subject to the terms herein, this Charter shall be in full force and effect and valid, binding and enforceable against the Parties with effect from the date hereof.

33.3 The Charter Period shall, subject to the terms of this Charter, continue for a period of eighty-four (84) months from the Commencement Date.

34. EFFECTIVENESS

34.1 Unless otherwise agreed in writing by the Parties, if:

(a) a Potential Termination Event or a Termination Event has occurred and is continuing;

(b) the Shipbuilding Contract is terminated or is otherwise no longer in full force and effect for any reason whatsoever prior to the Shipbuilding Contract Delivery Date;

(c) the MOA is terminated or is otherwise no longer in full force and effect for any reason whatsoever prior to the MOA Delivery Date;

(d) title to the Vessel is not transferred to the Charterers under the Shipbuilding Contract in accordance with its terms; or

(e) title to the Vessel is not transferred from the Charterers to the Owners under the MOA in accordance with its terms,

then this Charter shall immediately terminate and be cancelled without the need for either of the Owners or the Charterers to take any action whatsoever provided that the Owners shall be entitled to retain all fees paid by the Charterers pursuant to Clause 42 (*Fees and Expenses*) (and, without prejudice to Clause 42 (*Fees and Expenses*), if such fees have not been paid but are due and payable, the Charterers shall forthwith pay such fees to the Owners in accordance with Clause 42 (*Fees and Expenses*)). Such payment shall not be construed as a penalty but shall represent an agreed estimate of the loss and damage suffered by the Owners in entering into the MOA and this Charter, amount of which is acknowledged by the Charterers as being proportionate having regard to the legitimate interests of the Owners in protecting against their risks of the Charterers failing to perform their obligations under this Charter.

35. CONDITIONS PRECEDENT AND SUBSEQUENT

35.1 The Owners shall be obliged to charter the Vessel to the Charterers in accordance with the terms of this Charter only subject to and conditional upon:

(a) no Potential Termination Event or Termination Event having occurred which is continuing on the Commencement Date;

(b) the representations and warranties contained in Clause 48 (*Representations and warranties*) being true and correct in all aspects on the date hereof by reference to the facts and circumstances then existing;

(c) the Charterers as sellers and the Owners as buyers having duly executed and entered into the MOA;

(d) the Shipbuilding Contract Delivery and the MOA Delivery occurring on or before the Cancelling Date; and

(e) the Owners having received from the Charterers:

(i) on or before the date falling three (3) Business Days (or such other period as the Owners may agree in their sole discretion or as otherwise specified in Part A of Schedule 3) prior to the Purchase Price Pre-positioning Date, the documents or evidence set out in Part A of Schedule 3 (*Conditions Precedent*) in form and substance satisfactory to them; and

(ii) on the Commencement Date and prior to or simultaneously with the Owners executing a dated and timed copy of the protocol of delivery and acceptance evidencing delivery of the Vessel under the MOA, the documents or evidence set out in Part B of Schedule 3 (*Conditions Precedent*) in form and substance satisfactory to them,

and if any of the above documents is not in the English, and if so required by the Owners, 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.

35.2 The Charterers shall deliver to the Owners the conditions subsequent set out in Schedule 4 (*Conditions Subsequent*) in a form and substance satisfactory to the Owners within the time periods permitted therein (or such later date as the Owners may agree).

35.3 The conditions precedent and subsequent set out in Clause 35.1 are for the sole benefit of the Owners and may be waived in whole or in part, with or without conditions, on or before the relevant due date without prejudicing the right of the Owners to require fulfilment of such conditions in whole or in part at any time thereafter.

36. DELIVERY

36.1 Subject to the requirements of Clause 35.1 being fulfilled or otherwise waived to the satisfaction of the Owners, on delivery to and acceptance by the Charterers as buyers of the Vessel from the Builder as sellers of the Vessel under the Shipbuilding Contract and simultaneous delivery to and acceptance by the Owners as buyers of the Vessel from the Charterers as sellers of the Vessel under the MOA and subject to the provisions of this Clause 36, the Vessel shall be deemed to have been delivered to, and accepted (without reservation) by, the Charterers under this Charter (irrespective of whether the Charterers shall become and be entitled to the possession and use of the Vessel).

36.2 On Delivery, as evidence of the commencement of the Charter Period, the Charterers shall sign and deliver to the Owners the Certificate of Delivery and Acceptance. Without prejudice to this Clause, the Charterers shall be deemed to have accepted the Vessel under this Charter, and the commencement of the Charter Period having started, on Delivery even if, for whatever reason, the Certificate of Delivery and Acceptance is not signed.

36.3 Without prejudice and notwithstanding the provisions of this Clause, the Charterers shall not be entitled for any reason whatsoever to refuse to accept delivery of the Vessel under this Charter once the Vessel has been delivered to and accepted by the Charterers as buyers from the Builder as sellers under the Shipbuilding Contract and simultaneously delivered to and accepted by the Owners as buyers from the Charterers as sellers under the MOA, and the Owners shall not be liable for any losses, cost or expenses whatsoever or howsoever arising including any loss of profit or any loss or otherwise and whether before or after Delivery:

(a) resulting directly or indirectly from any defect or alleged defect in the Vessel or any failure of the Vessel; or

(b) arising from any delay in the commencement of the Charter Period or any failure of the Charter Period to commence.

36.4 The Owners shall not be obliged to deliver the Vessel to the Charterers with any bunkers and unused lubricating oils and greases in storage tanks and unopened drums of the Vessel.

36.5 The Charterers hereby acknowledge and agree that the Owners are not the manufacturer or original supplier of the Vessel and that the Owners make no condition, term, representation or warranty, express or implied (and whether statutory or otherwise) as to:

(a) the Owners' title to the Vessel; or

(b) the seaworthiness, merchantability, condition, design, operation, performance, quality, capacity or fitness for use or as to the eligibility of the Vessel for any particular trade or operation or any other condition, term, representation or warranty whatsoever, express or implied, with respect to the Vessel.

36.6 Acceptance of delivery by the Charterers or (as the case may be) deemed delivery of the Vessel to the Charterers under this Charter shall be conclusive proof evidencing that, for the purposes of the obligations and liabilities of the Owners hereunder or in connection herewith, the Vessel is at that time seaworthy, in accordance with the provisions of this Charter, in good working order and repair and without defect or inherent vice whether or not discoverable by the Charterers and free and clear of all liens, Security Interests and debts of whatsoever nature.

36.7 The Charterers hereby waive all of their rights in respect of any condition, term, representation or warranty express or implied (and whether statutory or otherwise) on the part of the Owners and all of their claims against the Owners howsoever and whatsoever that may arise in respect of the Vessel or the Owners' title thereto, or all of their rights therein or arising out of the operation of the Vessel or the chartering thereof under this Charter (including in respect of the seaworthiness or otherwise of the Vessel).

36.8 The Charterers agree that the Owners shall be under no liability to supply any replacement ship or any piece or part thereof during any period when the Vessel is unusable and shall not be liable to the Charterers or any other person as a result of the Vessel being unusable.

37. CHARTERERS' RISK

37.1 As between the Owners and the Charterers, the Charterers shall, from the Commencement Date and throughout the period during which the Charterers have physical possession of the Vessel, at all times bear all risk of loss, theft, confiscation, seizure, damage or destruction to (and loss, damage and destruction caused by) the Vessel from any cause of any kind (including any loss or damage due to the operation of the Vessel (including the technical and commercial management of the Vessel) or pollution (including oil pollution)) and the Vessel will be in every respect at the sole risk of the Charterers.

37.2 The Charterers acknowledge that the ownership of the Vessel shall at all times remain with the Owners and that the payment of the Charterhire and any other amounts due under this Charter or any other Transaction Document shall not, and do not, confer any right of ownership or any purchase option on the Charterers (other than as may be expressly conferred by this Charter).

38. CHARTERHIRE

38.1 In consideration of the Owners agreeing to charter the Vessel to the Charterers under this Charter at the request of the Charterers, the Charterers hereby irrevocably and unconditionally agree to pay to the Owners the Charterhire in respect of the chartering of the Vessel during the Charter Period and all other amounts that are due and payable under the other Transaction Documents.

38.2 An indicative Charterhire Schedule setting out the amount of the Fixed Charterhire payable during the Charter Period is set out in Schedule 2 (*Charterhire Schedule*). The Charterers hereby agree with the Owners and acknowledge that the Charterhire as set out in Schedule 2 (*Charterhire Schedule*) has been calculated on the basis that the Initial Charterhire Principal is in the amount of US$17,000,000.

38.3 Subject to the other terms of this Clause, each instalment of the Charterhire shall be paid in advance on each Payment Date on the following basis (unless otherwise stipulated):

(a) the relevant first Payment Date, shall be the Purchase Price Pre-positioning Date;

(b) each subsequent instalment of the Charterhire shall be paid in quarterly intervals during the Charter Period; and

(c) the final instalment of the Charterhire shall be paid on the last Payment Date or the date falling eighty-one (81) months after the Purchase Price Pre-positioning Date, whichever is earlier,

provided that the instalment of the Charterhire payable on the Purchase Price Pre-positioning Date shall be paid by the Charterers to the Owners on the Second Payment Date together with the instalment of the Charterhire payable by the Charterers to the Owners on the Second Payment Date and in each case, each such Charterhire shall be paid in same day available funds by not later than 4:00 p.m. (Beijing time).

38.4 This Charter is on a "hell or high water basis" so that, as a result, the Vessel shall not at any time be deemed off-hire and the Charterers' obligation to pay all Charterhire and other amounts payable in this Charter and any other Transaction Document shall be absolute and unconditional under any and all circumstances and shall not be affected by any circumstances of any nature whatsoever including:

(a) any set off, counterclaim, recoupment, defence, claim or other right which any Security Party may at any time have against the Owners or any other person for any reason whatsoever including any act, omission or breach on the part of the Owners under this Charter or any other agreement at any time existing between the Owners and such Security Party;

(b) any change, extension, indulgence or other act or omission in respect of any indebtedness or obligation of any Security Party, or any sale, exchange, release or surrender of, or other dealing in, any security for any such indebtedness or obligation;

(c) any title defect or Security Interest or any dispossession of the Vessel by title paramount or otherwise;

(d) any defect in the seaworthiness, condition, value, design, merchantability, operation or fitness for use of the Vessel or the ineligibility of the Vessel for any particular trade;

(e) any damage (other than damage resulting in a Total Loss) to or forfeiture or court marshal's or other sale of the Vessel;

(f) any libel, attachment, levy, detention, sequestration or taking into custody of the Vessel or any restriction or prevention of or interference with or interruption or cessation in, the use or possession thereof by the Charterers or any Sub-Charterer;

(g) any insolvency, bankruptcy, reorganization, arrangement, readjustment, dissolution, liquidation or similar proceedings by or against any Security Party;

(h) any invalidity, unenforceability, lack of due authorization or other defect, or any failure or delay in performing or employing with any of the terms and provisions of any Transaction Document by any Security Party or any other person;

(i) any enforcement or attempted enforcement by the Owners of their rights under any Transaction Document; or

(j) any loss of use of the Vessel due to deficiency or default or strike of officers or crew, fire, breakdown, damage, accident, defective cargo or any other cause which would or might but for this provision have the effect of terminating or in any way affecting any obligation of any Security Party under any Transaction Document.

38.5 Without prejudice to any grace periods contained in this Charter, the time stipulated in this Charter for all payments by the Charterers, and for the performance of the Charterers' obligations under this Charter, will be of the essence of this Charter.

38.6 All payments of Charterhire and any other moneys payable under the Transaction Documents shall be made in Dollars or any other currency designated by the Owners.

38.7 All Charterhire and any other moneys payable under the Transaction Documents shall be payable by the Charterers to the Owners Account.

38.8 Payment of Charterhire and any other moneys payable under the Transaction Documents shall be at the Charterers' risk until receipt by the Owners of the payment into the Owners Account.

38.9

(a) Interpolated *Term SOFR:* If Term SOFR is not available for the Interest Period, the Reference Rate for such period shall be Interpolated Term SOFR for a period equal in length to the Interest Period.

(b) *Historic Term SOFR:* If paragraph (a) above applies but Interpolated Term SOFR is not available for the Interest Period, the Reference Rate for such Interest Period shall be Historic Term SOFR for a period equal in length to the Interest Period.

(c) *Interpolated Historic Term SOFR*: If paragraph (b) above applies but Historic Term SOFR is not available for the Interest Period, the Reference Rate for such Interest Period shall be Interpolated Historic Term SOFR for a period equal in length to the Interest Period.

(d) *Central Bank Rate*: If paragraph (c) above applies but Interpolated Historic Term SOFR is not available for the Interest Period, the Reference Rate for such Interest Period shall be the percentage rate per annum which is the arithmetic mean of the applicable Central Bank Rates for the days in the Interest Period, provided that the Central Bank Rate applicable to the day falling five (5) days prior to the last day of the relevant Interest Period shall be deemed to be the Central Bank Rate for the final five days of such the Interest Period.

(e) *Cost of funds:* If paragraph (d) above applies but the Central Bank Rate is not available for the Interest Period, there shall be no Reference Rate and Clause 38.11 shall apply to the Charterhire Principal for that Interest Period.

38.10 If before 5.00 p.m. in Beijing on the Business Day immediately following the Quotation Day for the relevant Interest Period, the Owners notify the Charterers that the cost to them of funding the Charterhire Principal from whatever source they may reasonably select would be in excess of the Market Disruption Rate then Clause 38.11 shall apply to the Charterhire Principal for the relevant Interest Period.

38.11

(a) If this Clause 38.11 applies, the Interest Rate for the relevant period shall be the rate per annum which is the sum of:

(i) the Margin; and

(ii) the rate notified to the Charterers by the Owners as soon as practicable and in any event by 5 p.m. on the date falling five (5) Business Days after the Quotation Day (or, if earlier, on the date falling five (5) Business Days before the date on which interest is due to be paid in respect of that Interest Period), to be that which expresses as a percentage rate per annum their cost of funding relating to the Charterhire Principal from whatever source that the Owners (or, if any Financing Documents are entered into, the Owners' financiers) may select.

(b) If this Clause 38.11 applies and the Owners or the Charterers so require, the Owners and the Charterers shall enter into negotiations (for a period of not more than thirty (30) days) with a view to agreeing a substitute basis for determining the rate of interest.

(c) For the avoidance of doubt, in the event that no substitute basis is agreed at the end of the thirty (30) day period, the rate of interest shall continue to be determined in accordance with the terms of this Charter.

(d) Any alternative basis agreed pursuant to paragraph (b) above shall be binding on both the Owners and the Charterers.

38.12

(a) The Owners shall promptly notify the Charterers of the determination of the rate of interest under this Charter.

(b) In respect of any Fallback Interest Payment, the Owners shall promptly upon a Fallback Interest Payment being determinable notify the Charterers of that Fallback Interest Payment.

(c) The Owners shall promptly notify the Charterers of each Funding Rate relating to the Charterhire Principal.

(d) This Clause 38.12 shall not require the Owners to make any notification to any Party on a day which is not a Business Day.

38.13 All stamp duty, value added tax, withholding or other taxes and import and export duties and all other similar types of charges which may be levied or assessed on or in connection with:

(a) the operation of this Charter or any other Transaction Document in respect of the hire and all other payments to be made pursuant to this Charter or any other Transaction Document and the remittance thereof to the Owners; and

(b) the import, export, purchase, delivery and re-delivery of the Vessel in all applicable jurisdictions,

shall be borne by the Charterers. The Charterers shall pay, if applicable, value added tax and other similar tax levied on any Charterhire and other payments payable under this Charter (including any relevant late penalties, charges or interest (if any) in relation to tax reporting or otherwise) or any other Transaction Document by addition to, and at the time of payment of, such amounts.

38.14 Any payment of the Termination Sum shall be made together with any other amount payable under the Transaction Documents.

38.15 If the Charterers or any other Security Party fail to make any payment due under this Charter or any other Transaction Document on the due date, they shall pay interest on such late payment at the Default Rate from the date on which such payment became due until the date of payment thereof. All default interest and any other payments under this Charter or any other Transaction Document which are of an annual or periodic nature shall accrue from day to day and shall be calculated on the basis of the actual number of days elapsed and a 360 day year. The period between the due date for payment of any sum due and payable hereunder or thereunder and the date upon which the obligation to pay such sum is discharged shall be divided into successive periods, the duration of which shall be selected by the Owners. During each such period (as well after as before judgment) the outstanding balance of the Unpaid Sum shall bear interest which shall accrue from day to day and on the basis of actual days elapsed and shall be calculated at a rate which is equal to the Default Rate calculated on the basis of actual days elapsed. Any such interest shall be due and payable when the relevant Unpaid Sum is paid or, if earlier, at the end of each period by reference to which it is calculated.

38.16 Any payment, which is due to be made on a day which is not a Business Day, shall be made on the preceding Business Day.

38.17 If the Purchase Price is not US$17,000,000, the indicative Charterhire Schedule shall be revised to reflect the actual Purchase Price, in which case the Owners shall provide the Charterers with a revised Schedule 2 (*Charterhire Schedule*) based on the actual Commencement Date and Purchase Price Pre-positioning Date and the actual Purchase Price (any such revised Schedule 2 (*Charterhire Schedule*) referred to in this Clause 38.17 being a **"Revised Charterhire Schedule"**).

38.18 Any Revised Charterhire Schedule issued pursuant to Clause 38.17 shall:

(a) be deemed incorporated into this Charter in substitution for the then current Schedule 2 (*Charterhire Schedule*) and a copy of this Charter incorporating such Revised Charterhire Schedule shall be circulated between the Parties;

(b) save for manifest error, be conclusive and binding on the Owners and the Charterers; and

(c) for the purposes of this Charter, be conclusive evidence of the rate of the Charterhire and Charterhire Principal payable under this Charter and shall for all purposes be treated as if it had been attached as the Charterhire Schedule *ab initio*.

39. POSSESSION OF VESSEL

39.1 The Charterers shall not, without the prior written consent of the Owners, assign, mortgage or pledge the Vessel or any interest therein and shall not permit the creation of any Security Interest thereon other than Permitted Security Interests.

39.2 The Charterers shall promptly notify any party (as the Owners may request) in writing that the Vessel is the property of the Owners and the Charterers shall provide the Owners with a copy of such written notification and satisfactory evidence of that such party has received such written notification.

39.3 If the Vessel is arrested, seized, impounded, forfeited, detained or taken out of their possession or control (whether or not pursuant to any distress, execution or other legal process), the Charterers shall immediately take necessary steps to procure the release of the Vessel (whether by providing bail or procuring the provision of security or otherwise do such lawful things as the circumstances may require) and shall immediately notify the Owners of such event and shall indemnify the Owners against all losses, costs or charges incurred by the Owners by reason thereof in re-taking possession or otherwise in re-acquiring the Vessel.

39.4 The Charterers shall pay and discharge all obligations and liabilities whatsoever which have given or may give rise to liens on or claims enforceable against the Vessel and take all reasonable steps to prevent a threatened arrest of the Vessel.

39.5 The Owners undertake that, provided that no Termination Event has occurred and is continuing, they shall not, and shall use reasonable efforts to procure that the Owners' financiers (if any) do not, disturb or interfere with the Charterers' quiet possession and enjoyment of the Vessel during the Charter Period.

40. INSURANCE

40.1 The Charterers shall procure that such insurances are effected in form and substance satisfactory to the Owners and their financiers (if any) throughout the Charter Period:

(a) in Dollars or any other currency acceptable to the Owners;

(b) in the case of hull and machinery, fire and usual marine risks (including excess risks and terrorism cover) and war risks, on an agreed value basis, in such amounts but not less than the higher of (i) the Market Value of the Vessel, and (ii) one hundred and twenty per cent. (120%) of the amount of the Charterhire Principal then outstanding;

(c) in the case of oil pollution liability risks for the Vessel, for an aggregate amount equal to the highest level of cover from time to time available under protection and indemnity club entry and in the international marine insurance market and for an amount of not less than US$ 1,000,000,000 (or such other amount of cover against pollution risks as shall at any time be comprised in the basic entry of the Vessel with, and including pollution risks for the highest amount in respect of which cover is or may be available for ships similar to the Vessel);

(d) in relation to protection and indemnity risks (including freight, demurrage and defence cover) in respect of the full tonnage of the Vessel and with an independent and reputable protection and indemnity club member acceptable to the Owners and their financiers (if any);

(e) in relation to a lessor's interest insurance and a mortgagee's interest insurance, in an amount equal to at least one hundred and ten per cent. (110%) of the amount of the Charterhire Principal then outstanding;

(f) in relation to a lessor's additional perils (pollution) and mortgagees' additional perils (pollution), in an amount equal to at least one hundred and ten per cent. (110%) of the amount of the Charterhire Principal then outstanding;

(g) contingent liability insurance for oil pollution in relation to the Owners;

(h) in relation to such other insurances reasonably required by the Owners and/or their financiers (if any);

(i) through approved brokers or with first class international insurers and/or underwriters (having a Standard & Poor's rating of BBB+ or above, a Moody's rating of A or above or an AM Best rating of A- or above) notified to the Owners or, in the case of war risks and protection and indemnity risks, in approved war risks and protection and indemnity risks associations which is a member of the International Group of P&I Clubs acceptable to the Owners; and

(j) upon such terms as shall comply with this Clause 40 or be otherwise from time to time approved in writing by the Owners.

40.2 To the extent required and acceptable to the relevant insurers and protection and indemnity club, the Charterers shall procure that the obligatory insurances shall:

(a) subject always to paragraph (a)(ii) below, name the Owners (or any party designated by the Owners), the Charterers (subject to execution of the Charterers Assignment) and the relevant Approved Manager(s) (subject to execution of a Manager's Undertaking) as the only named assureds (and, in relation to the Owners (or any party designated by the Owners), as named beneficiaries), unless the interest of every other named assured or co-assured is limited:

(i) in respect of any obligatory insurances for hull and machinery and war risks;

(A) to any provable out-of-pocket expenses that they have incurred and which form part of any recoverable claim on underwriters; and

(B) to any third party liability claims where cover for such claims is provided by the policy (and then only in respect of discharge of any claims made against them); and

(ii) in respect of any obligatory insurances for protection and indemnity risks, to any recoveries they are entitled to make by way of reimbursement following discharge of any third party liability claims made specifically against them,

and every other named assured or co-assured has undertaken in writing to the Owners or their financiers (in such form as they reasonably require) that they shall do all things necessary and provide all documents, evidence and information to enable the Owners and their financiers (if any) in accordance with the terms of the loss payable clause, to collect or recover any moneys which at any time become payable in respect of the obligatory insurances;

(b) whenever a financier of the Owners requires:

(i) in respect of fire and other usual marine risks and war risks name (or be amended to name) the same as additional named assured(s) for their rights and interests, warranted no operational interest and with full waiver of rights of subrogation against such financiers, but without such financiers thereby being liable to pay (but having the right to pay) premiums, calls or other assessments in respect of such insurance;

(ii) in relation to protection and indemnity risks, name (or be amended to name) the same as additional insured(s) or co-assured(s) for their rights and interests to the extent permissible under the relevant protection and indemnity club rules; and

(iii) name the Owners' financiers (as applicable) and the Owners (as applicable) as respectively the first ranking loss payee and the second ranking loss payee (and in the absence of any financiers, as first ranking loss payee) in accordance with the terms of the relevant loss payable clauses approved by the Owners' financiers and the Owners with such directions for payment in accordance with the terms of such relevant loss payable clause, as the Owners and their financiers (if any) may specify;

(c) provide that such obligatory insurances shall be primary without right of contribution from other insurances which may be carried by the Owners or their financiers (if any);

(d) provide that the Owners and/or their financiers (if any) may make proof of loss if the Charterers fail to do so; and

(e) provide that if any obligatory insurance is cancelled, or if any substantial change is made in the coverage which adversely affects the interest of the Owners and/or their financiers (if any), or if any obligatory insurance is allowed to lapse for non-payment of premium, such cancellation, change or lapse shall not be effective with respect to the Owners and/or their financiers (if any) for seven (7) days after receipt by the Owners and/or their financiers (if any) of prior written notice from the insurers of such cancellation, change or lapse.

40.3 The Charterers shall:

(a) at least five (5) days prior to Delivery (or such shorter period as may be approved by the Owners), notify in writing the Owners (copied to their financiers (if any)) of the terms and conditions of all Insurances;

(b) at least five (5) days before the expiry of any obligatory insurance (or such shorter period as may be approved by the Owners) notify the Owners (copied to their financiers (if any)) of the brokers (or other insurers) and any protection and indemnity or war risks association through or with whom the Charterers propose to renew that obligatory insurance and of the proposed terms of renewal and obtain the Owners' approval to such matters;

(c) at least five (5) days before the expiry of any obligatory insurance (or such shorter period as may be approved by the Owners), procure that such obligatory insurance is renewed or to be renewed on its expiry date in accordance with the provisions of this Charter;

(d) procure that the approved brokers and/or the war risks and protection and indemnity associations with which such a renewal is effected shall promptly after the renewal or the effective date of the new insurance and protection and indemnity cover notify the Owners (copied to their financiers (if any)) in writing of the terms and conditions of the renewal; and

(e) within seven (7) days after the renewal of any obligatory insurance (or such longer period as may be approved by the Owners), deliver to the Owners a letter of undertaking as required by this Charter in respect of such Insurances for the Vessel as renewed pursuant to paragraph (c) above, together with copies of the relevant policies or cover notes or entry certificates duly endorsed with the interest of the Owners and/or their financiers (if any).

40.4 The Charterers shall, ensure that all insurance companies, underwriters, and (if any) insurance brokers provide the Owners with all policies, cover notes and certificates of entry relating to the obligatory insurances which they are to effect or renew and of a letter or letters or undertaking in a form required by the Owners and their financiers (if any) and including undertakings by the insurance companies and/or underwriters that:

(a) they will have endorsed on each policy, immediately upon issue, a loss payable clause and a notice of assignment complying with the provisions of this Charter, the other Transaction Documents and the Financial Instruments;

(b) they will hold the benefit of such policies and such insurances, to the order of the Owners and/or their financiers (if any) and/or such other party in accordance with the said loss payable clause;

(c) they will advise the Owners and their financiers (if any) promptly of any material change to the terms of the obligatory insurances of which they are aware;

(d) not later than one (1) month before the expiry of the obligatory insurances, they will notify the Owners and their financiers (if any) not less than fourteen (14) days before the expiry of the obligatory insurances, in the event of their not having received notice of renewal instructions from the Charterers and, in the event of their receiving instructions to renew, they will promptly notify the Owners and their financiers (if any) of the terms of the instructions; and

(e) if any of the obligatory insurances form part of any fleet cover, the Charterers shall procure that the insurance broker(s), or leading insurer, as the case may be, undertakes to the Owners and their financiers (if any) that (i) they will not set off against any sum recoverable in respect of a claim relating to the Vessel under such obligatory insurances any premiums due in respect of any other vessel under any fleet cover of which the Vessel forms a part or any premium due for other insurances, (ii) they waive any lien on the policies, or any sums received under them, which they might have in respect of such premiums, (iii) they will not cancel such obligatory insurances by reason of non-payment of such premiums or other amounts and (iv) they will arrange for a separate policy to be issued in respect of the Vessel forthwith upon being so requested by the Owners and/or their financiers (if any) and where practicable.

40.5 The Charterers shall ensure that any protection and indemnity and/or war risks associations in which the Vessel is entered provides the Owners and their financiers (if any) with:

(a) a copy of the certificate of entry for the Vessel as soon as such certificate of entry is issued;

(b) a letter or letters of undertaking in such form as may be required by the Owners and their financiers (if any) or in such association's standard form; and

(c) a copy of each certificate of financial responsibility for pollution by oil or other Environmentally Sensitive Material issued by the relevant certifying authority in relation to the Vessel.

40.6 The Charterers shall ensure that all policies relating to obligatory insurances are deposited with the approved brokers through which the insurances are effected or renewed.

40.7 The Charterers shall procure that all premiums or other sums payable in respect of the obligatory insurances are punctually paid and produce all relevant receipts when so required by the Owners.

40.8 The Charterers shall ensure that any guarantees required by a protection and indemnity or war risks association are promptly issued and remain in full force and effect.

40.9 The Charterers shall neither do nor omit to do (nor permit to be done or not to be done) any act or thing which would or might render any obligatory insurance invalid, void, voidable or unenforceable or render any sum payable under an obligatory insurance repayable in whole or in part; and, in particular:

(a) the Charterers shall procure that all necessary action is taken and all requirements are complied with which may from time to time be applicable to the obligatory insurances, and (without limiting the obligations contained in this Clause) ensure that the obligatory insurances are not made subject to any exclusions or qualifications to which the Owners have not given their prior written approval (unless such exclusions or qualifications are made in accordance with the rules of a protection and indemnity association which is a member of the International Group of P&I Clubs acceptable to the Owners);

(b) the Charterers shall not make or permit any changes relating to the classification or classification society or manager or operator of the Vessel unless such changes have first been approved by the underwriters of the obligatory insurances or the Owners;

(c) the Charterers shall not employ the Vessel, nor allow her to be employed, otherwise than in conformity with the terms and conditions of the obligatory insurances, without first obtaining the consent of the insurers and complying with any requirements (as to extra premium or otherwise) which the insurers specify; and

(d) the Charterers shall procure that all quarterly or other voyage declarations which may be required by the protection and indemnity risks association in which the Vessel is entered to maintain cover for trading to the US and Exclusive Economic Zone (as defined in the US Oil Pollution Act 1990 or any other applicable legislation) are made and the Charterers shall promptly provide the Owners with copies of such declarations and evidence of a valid certificate of financial responsibility.

40.10 The Charterers shall not make or agree to any material alteration to the terms of any obligatory insurance nor waive any right relating to any obligatory insurance without the prior written consent of the Owners and their financiers (if any).

40.11 (a) The Charterers shall not settle, compromise or abandon any claim under any obligatory insurance for Total Loss or for a Major Casualty without the prior written consent of the Owners and their financiers (if any).

(b) The Charterers shall do all things necessary and provide all documents, evidence and information to enable the Owners and/or their financiers (if any) to collect or recover any moneys which at any time become payable in respect of the obligatory insurances.

40.12 The Charterers shall provide the Owners upon written request, copies of:

(a) all communications between the Charterers and:

(i) the approved brokers (if applicable);

(ii) the approved protection and indemnity and/or war risks associations; and/or

(iii) any of the Vessel's insurers and/or underwriters, which relate directly or indirectly to:

(A) the obligations of the Charterers relating to the obligatory insurances including all requisite declarations and payments of additional premiums or calls; and

(B) any credit arrangements made between the Charterers and any of the persons referred to in paragraphs (a)(i) or (a)(ii) above relating wholly or partly to the effecting or maintenance of the obligatory insurances; and

(b) any material communication with all parties involved in case of a claim under any of the Vessel's insurances.

40.13 The Charterers shall promptly provide the Owners (or any persons which they may designate) with:

(a) any information which the Owners or their financiers (if any) (or any such designated person) request for the purpose of:

(i) obtaining or preparing any report from an independent marine insurance broker as to the adequacy of the obligatory insurances effected or proposed to be effected; and/or

(ii) effecting, maintaining or renewing any such insurances as are referred to in Clause 40.1 or dealing with or considering any matters relating to any such insurances;

(b) copies of any communication between all parties involved in case of a claim under any of the Vessel's insurances exceeding the Major Casualty amount; and

(c) prior to the occurrence of a Termination Event which is continuing, a yearly report of any claim under any of the Vessel's insurances which does not exceed the Major Casualty amount and after the occurrence of a Termination Event which is continuing, copies of all communications between all parties in case of a claim under any of the Vessel's insurances.

40.14 If one or more of the obligatory insurances are not effected and maintained with first class international insurers or are effected with an insurance company or captive which is a member of the Group, then the Charterers shall, and will procure, at their own expense, that the relevant insurers maintain in full force and effect facultative reinsurances with reinsurers and through brokers, in each case, of recognised standing and acceptable in all respects to the Owners. Any reinsurance policy shall include, if and when permitted by law, a cut-through clause in a form acceptable to the Owners. The Charterers shall procure that underwriters of the primary insurances assign each reinsurance to the relevant financiers in full, if required.

40.15 The Charterers shall be solely responsible for and indemnify the Owners in respect of all loss or damage to the Vessel (insofar as the Owners shall not be reimbursed by the proceeds of any insurance in respect thereof) however caused occurring at any time or times before physical possession thereof is retaken by the Owners, reasonable wear and tear to the Vessel only excepted.

40.16 The Charterers shall:

(a) if so requested by the Owners, but at the expense of the Charterers, furnish the Owners on or around the Commencement Date (or, after a material change in the terms of the obligatory insurances during the Chater Period, as many times per year as the Owners may reasonably require) with a detailed report signed by an independent firm of marine insurance brokers appointed by the Owners dealing with the Insurances and stating the opinion of such firm as to the adequacy of the Insurances;

(b) reimburse the Owners any reasonable and documented expenses incurred by the Owners in obtaining the reports described in paragraph (a) above; and

(c) procure that there is delivered to the insurance brokers described in paragraph (a) above such information in relation to the Insurances as such brokers may require.

40.17 (a) The Owners and the Charterers shall discuss in good faith the requirements of this Clause 40 (taking into account the type, age and route of the Vessel and prevailing international market practice for a vessel of similar type, age and route as the Vessel) if there are material changes in market circumstances after the date of this Charter (including changes in the availability or the cost of insurance coverage).

(b) Any proposed modification to the requirements of this Clause 40 which the Owners acting reasonably deem appropriate to address material changes in market circumstances and if such a cover is available and it is common market practice to have it in place shall be notified by the Owners to the Charterers and shall be implemented by the Charterers as soon as possible thereafter. All such modifications shall take effect as an amendment to such clauses and shall bind the Charterers accordingly.

41. TERMINATION AND REDELIVERY; TOTAL LOSS

41.1 (a) Upon the occurrence of a Termination Event, the Charterers shall immediately notify the Owners in writing of occurrence of the same.

(b) Provided the Termination Event is continuing, the Owners shall be entitled, by notice to the Charterers to terminate this Charter at any time, and the Charterers shall within two (2) Business Days upon receipt of such notice from the Owners pay to the Owners the Termination Sum, whereupon the Owners shall (save in the event of Total Loss) sell, transfer and redeliver, at the cost and expense of the Charterers, the Vessel to the Charterers on an "as is where is" basis.

41.2 It is hereby agreed by the Parties that payment of the Termination Sum pursuant to Clause 41.1 shall not be construed as a penalty but is acknowledged by the Charterers as being proportionate as to amount, having regard to the legitimate interest of the Owners, in protecting against the risk the Owners bear of the failure of the Charterers to perform their obligations under this Charter and the other Transaction Documents and shall therefore be paid as compensation to the Owners for early termination of this Charter and acquisition of the Vessel by the Charterers.

41.3 Each Termination Event shall either be a breach of condition by the Charterers or any other Security Party of this Charter or any other Transaction Document by the Charterers or any other Security Party or otherwise an agreed event of termination, the occurrence of which provides the Owners the right to terminate this Charter and to exercise all their rights under this Charter and the other Transaction Documents.

41.4 Concurrently with the irrevocable payment of the Termination Sum in full pursuant to the terms of this Charter, this Charter shall terminate and the Owners shall (save in the event of Total Loss) transfer the legal and beneficial ownership of the Vessel to the Charterers free from any registered mortgages incurred or permitted by the Owners (save for those liens, Security Interests and debts incurred by the Charterers or arising out of or in connection with this Charter) and shall execute a bill of sale and a protocol of delivery and acceptance evidencing the same.

41.5 If the Charterers fail to make any payment or make only a partial payment of the Termination Sum on the due date, Clause 38.15 shall apply. In addition, the Charterers agree that upon the occurrence of a Termination Event:

(a) the Charterers' right to possess and operate the Vessel shall immediately cease and the Charterers shall, upon the Owners' request (in their sole discretion), be obliged to immediately (and at the Charterers' own cost) redeliver the

Vessel to the Owners at such ready and nearest safe port as the Owners may require;

(b) the Owners shall be entitled to operate the Vessel as they may determine (in their sole discretion) and may create any encumbrances and maritime liens or any other debts whatsoever or enter into any charters over the Vessel, including, without limitation, any charterparty or other contract for the employment of the Vessel. Earnings arising out of such operation of the Vessel less operational expenses of the Vessel (including, without limitation, any maintenance costs of, and costs for bunkering or oils for, the Vessel) shall be applied against the Termination Sum, any other amounts payable under the Transaction Documents and any amounts payable by the Charterers, the Collateral Charterers or any of their Affiliates to the Collateral Owners under the Transaction Documents (as defined in the Collateral Charter) provided that:

(i) any Losses suffered or incurred by the Owners arising out of such operation of the Vessel shall be indemnified by the Charterers pursuant to Clause 43 (*Indemnities*) by way of being calculated as part of the Termination Sum; and

(ii) this Charter shall be terminated upon redelivery of the Vessel save for the provisions set out in this Clause 41, Clause 43 (*Indemnities*) and any other provisions under the Transaction Documents which are expressed to survive such termination; and

(c) without limiting the generality of the foregoing or any other rights of the Owners, the Owners shall have the sole and exclusive right and power to do any of the following:

(i) at the Owners' option, sell the Vessel free of any charter, lease or other engagement concerning the Vessel for such price and on such terms and conditions as they may, in their absolute discretion, think fit;

(ii) from the gross proceeds of the sale of the Vessel deduct an amount equal to the aggregate of the expenses, disbursements, taxes, costs and losses whatsoever as may have been incurred by the Owners in respect of the sale of the Vessel (for purposes of this Clause, the amount of proceeds after such deduction being the **"Net Sale Proceeds"**), an amount equal to the Termination Sum shall be deducted from the Net Sale Proceeds provided that:

(A) (in the event that the Charterers fail to make any payment or make only a partial payment of the Termination Sum) if the Net Sale Proceeds are insufficient to satisfy the Termination Sum, the Charterers shall pay the shortfall to the Owners within ten (10) days after the sale of the Vessel is concluded; and

(B) if there is any amount remaining from the Net Sale Proceeds after the deduction of the Termination Sum, it shall be:

(1) held by the Owners on trust for the Collateral Owners towards satisfying any amount outstanding and owing by the Charterers, the Collateral Charterers or any of their Affiliates to the Collateral Owners under the Transaction Documents (as defined in the Collateral Charter); and

(2) if no such amount is outstanding and owing, then the Owners shall pay any remaining amount to the Charterers; and

(iii) notwithstanding any provisions to the contrary contained in the foregoing, the Owners may, at their option, retain the Vessel and if the Market Value of the Vessel (after offsetting all costs incidental to such valuation of the Vessel and taking into account all expenses, disbursements, taxes, costs and losses whatsoever which would have been incurred by the Owners in respect of the sale of the Vessel and for purposes of this paragraph, the Market Value of the Vessel after such deduction being the **"Net Market Value"**) is less than the Termination Sum, the Charterers shall immediately pay the difference to the Owners upon demand by the Owners **provided** that any surplus of the Net Market Value after the deduction of the Termination Sum, any other fees and expenses payable to the Owners under Clause 42 (*Fees and Expenses*) and any amounts payable by the Charterers, the Collateral Charterers or any of their Affiliates to the Collateral Owners under the Transaction Documents (as defined in the Collateral Charter) shall be returned by the Owners to the Charterers.

41.6 Without limiting the generality of the foregoing or any other rights of the Owners, upon the occurrence of a Termination Event which is continuing, the Owners shall have the sole and exclusive right and power to do any of the following:

(a) settle, compromise, compound, adjust or defend any actions, suits or proceedings relating to or pertaining to the Vessel and this Charter;

(b) make proof of loss, appear in and prosecute any action arising from any policy or policies of insurance maintained pursuant to this Charter, and settle, adjust or compromise any claims for loss, damage or destruction under, or take any other action in respect of, any such policy or policies; and

(c) terminate any management agreement with any manager (including any Approved Manager) of the Vessel and appoint a substitute manager in their sole discretion.

41.7 The Charterers hereby undertake to indemnify the Owners against any claims incurred in relation to the Vessel as a result of the Charterers' action or performance prior to such transfer of ownership. Any taxes, notarial, consular and other costs, charges and expenses connected with closing of the Owners' register shall be for the Charterers' account.

41.8 Without prejudice to Clause 15, if the Charterers are required to redeliver the Vessel to the Owners pursuant to the terms of this Charter, the Charterers shall ensure that the Vessel shall, at the time of redelivery to the Owners:

(a) be in an equivalent class as she was as at the Commencement Date without any recommendation or condition, and with valid, unextended certificates for not less than six (6) months;

(b) if applicable, have passed her 5-year and if applicable, 10-year special surveys, and subsequent second intermediate survey and dry-dock at the Charterers' time and expense without any condition or outstanding issue and to the satisfaction of the Classification Society;

(c) have her survey cycles up to date and trading and class certificate valid for at least the number of months agreed in Box 17;

(d) be redelivered to the Owners together with all spare parts and spare equipment as were on board at the time of Delivery, and any such spare parts and spare equipment on board at the time of re-delivery shall be taken over by the Owners free of charge;

(e) be free of any cargo and Security Interest (save for the Security Interests granted pursuant to the Financial Instruments); and

(f) be free of any charter (unless the Owners wish to retain the continuance of any then existing charter).

41.9 The Owners shall, at the time of the redelivery of the Vessel:

(a) following the occurrence of a Termination Event, take over all bunkers, lubricating oil, unused provisions, paints, ropes and other consumable stores in the Vessel at no cost to the Owners; and

(b) in the absence of any Termination Event, take over all bunkers, lubricating oil, unused provisions, paints, ropes and other consumable stores in the Vessel at such price(s) that is mutually agreed by the Parties.

41.10 If the Vessel, for any reason, becomes a Total Loss, in consideration of:

(a) the Owners agreeing to enter into this Charter at the request of the Charterers and purchasing the Vessel from the Charterers as sellers under the MOA; and

(b) without prejudice to the rest of this Clause, the Owners agreeing to assign their interest in the Insurances to the Charterers upon receiving irrevocable payment of the Termination Sum in full, the Charterers shall pay the Termination Sum to the Owners on the earlier of:

(i) the date falling sixty (60) days after such Total Loss has occurred; and

(ii) the date of receipt by the Owners and/or their financers (if any), in accordance with the terms of the relevant loss payable clause, of the proceeds of insurance relating to such Total Loss,

provided that it is hereby agreed that any insurance proceeds in respect of the Vessel received by the Owners shall be applied in or towards discharging the Charterers' obligation to pay the Termination Sum and any interest accrued thereon (and such application shall be deemed satisfaction of the Charterers' obligation to pay the Termination Sum to the extent satisfied) and in the event that the insurance proceeds received from the insurers exceeds the Termination Sum due and any interest accrued thereon, the excess shall:

(i) be paid to the Charterers by way of rebate of hire if no Collateral Termination Event has occurred and is continuing; and

(ii) in the event that a Collateral Termination Event has occurred and is continuing, be held by the Owners on trust for the Collateral Owners towards satisfying any amounts outstanding and owing by the Charterers, the Collateral Charterers or any of their Affiliates to the Collateral Owners under the Transaction Documents (as defined in the Collateral Charter).

41.11 For the avoidance of doubt, in the event that the Vessel becomes a Total Loss:

(a) payment of Charterhire, and all other sums payable hereunder during such period shall continue to be made by the Charterers in accordance with the terms of this Charter unless and until the Owners have irrevocably received the Termination Sum together with any interest accrued thereon in full; and

(b) should insurance proceeds be irrevocably received by the Owners from the insurers, the Charterers' obligations to pay the Termination Sum shall be accordingly reduced by such insurance proceeds but in the event that such insurance proceeds is less than the amount of the Termination Sum together with any interest accrued thereon, the Charterers remain obliged to pay to the Owners the balance so that the full amount of the Termination Sum due together with any interest accrued thereon are received by the Owners;

(c) the Vessel continues to be insured in accordance with the terms of this Charter and as may be required by any other agreements relating to the ownership, operation, management, chartering or financing of the Vessel; and

(d) the obligation of the Charterers to pay the Termination Sum shall remain unaffected and exist regardless of whether any of the insurers have agreed or refused to meet or has disputed in good faith, the claim for Total Loss.

41.12 For the purpose of this Charter, a Total Loss shall be deemed to have occurred:

(a) in the case of an actual loss of the Vessel, the date on which it occurred or, if that is unknown, the date when the Vessel was last reported;

(b) in the case of a constructive total loss of the Vessel, upon the date and time request for condemnation of the Vessel is given to the then insurers of the Vessel or, if such insurers do not immediately admit such a clam, on the date and at the time at which either a total loss is subsequently admitted by such insurers or a total loss is subsequently adjudged by a competent court of law or arbitration tribunal to have occurred; and

(c) in the case of a compromised, agreed or arranged total loss of the Vessel, on the date upon which a binding agreement as to such compromised, agreed or arranged total loss has been entered into by the ten insurers of the Vessel.

42. FEES AND EXPENSES

42.1 Without prejudice to any other rights of the Owners hereunder, the Charterers shall promptly pay to the Owners on written demand on a full indemnity basis all and costs, charges and expenses incurred by the Owners in collecting any Charterhire or other payments not paid on the due date under this Charter or any other Transaction Document and in remedying any other failure of the Charterers or any other Security Party to observe the terms and conditions of this Charter or any other Transaction Document.

42.2 All reasonable and documented costs (including legal costs, fees for insurance opinions, valuation, registration and inspection) and expenses incurred by the Owners in the preparation, negotiation, documentation, printing and execution of all documentation in relation to this Charter, the other Transaction Documents and all legal costs, expenses and other disbursements incurred by the Owners' legal counsels in connection with the same, shall be presented in advance to the Charterers for their review and shall be for the account of the Charterers and the Charterers shall pay such costs and expenses promptly on demand.

42.3 All costs and expenses incurred by the Owners in relation to the acquisition and registration of the Vessel by the Owners in the Owners' name in the flag state stated in Box 5 together with any and all fees (including but not limited to any vessel registration and tonnage fees) payable by the Owners to such flag state to maintain and/or renew such registration shall be for the account of the Charterers and the Charterers shall pay such costs and expenses promptly on demand.

43. INDEMNITIES

43.1 In addition to the obligations of the Charterers under Clause 42 (*Fees and Expenses*) and to the extent not already addressed by the foregoing, the Charterers agree at all times during this Charter to indemnify and keep indemnified the Owners against:

(a) all costs and expenses whatsoever incurred by the Owners as a result of their entering into of this Charter, the MOA and the other Transaction Documents, including the costs, expenses, fees, charges for legal services, registration of relevant charges, perfection of any securities and others of whatsoever nature arising out of or in connection with this Charter;

(b) all costs and expenses whatsoever incurred in connection with this Charter and any other Transaction Document or the Vessel, and any costs, charges, or expenses incurred which the Charterers have agreed to pay under this Charter and any other Transaction Document;

(c) if (i) the Charterers or any other Security Party requests an amendment, waiver or consent under any Transaction Document or (ii) an amendment or waiver is required, contemplated or agreed pursuant to this Charter, all fees, costs and expenses (including legal fees) incurred by the Owners in responding to, evaluating, negotiating or complying with or implementing that request, requirement or actual or contemplated agreement;

(d) any Tax (except income tax in its jurisdiction of incorporation) imposed on, or suffered by, the Owners;

(e) all losses, costs, charges, expenses, fees, payments, liabilities, penalties, fines, damages or other sanctions of a monetary nature (collectively, for the purposes of this Clause 43, **"Losses"**) suffered or incurred by the Owners and arising directly or indirectly in any manner out of the design, manufacture, delivery, non-delivery, purchase, importation, registration, ownership, chartering, sub-chartering, possession, performance, survey, control, use, operation, condition, maintenance, repair, replacement, refurbishment, modification, overhaul, insurance, sale or other disposal, return or storage of or loss of or damage to the Vessel or otherwise in connection with the Vessel (whether or not in the control or possession of the Charterers), any and all claims in tort or in contract by any party from the Charterers, any Sub-Charterer or any other party contracting with the Charterers or any Sub-Charterer;

(f) all Losses suffered or incurred by the Owners which arise, or are asserted, under or in connection with any law relating to safety at sea, the ISM Code, the ISPS Code, the MARPOL Protocol, any Environmental Law, Emission Scheme, EU MRV, Fuel EU Maritime or any Sanctions;

(g) all Losses suffered or incurred by the Owners which result directly or indirectly from claims which may at any time be made on the ground that any design, article or material of or in the Vessel or the operation or use thereof constitutes or is alleged to constitute an infringement of patent or copyright or registered design or other intellectual property right or any other right whatsoever;

(h) all Losses suffered or incurred by the Owners in preventing or attempting to prevent the arrest, confiscation, seizure, taking in execution, impounding, forfeiture or detention of the Vessel, or in securing the release of the Vessel therefrom;

(i) all Losses suffered or incurred by the Owners with respect to or as a direct result of the presence, escape, seepage, spillage, leaking, discharge or migration from the Vessel of oil or any other hazardous substance, including any claims asserted or arising under the US Oil Pollution Act of 1990 (as same may be amended and/or re-enacted from time to time hereafter) or similar legislation, regardless of whether or not caused by or within the control of the Charterers;

(j) any Losses incurred or suffered by the Owners in liquidating, employing or prepaying funds acquired or borrowed to purchase or finance or refinance the Vessel (including any costs incurred in unwinding any associated interest rate or currency swaps or currency futures) following any default in payment hereunder or the occurrence of any Termination Event;

(k) any Losses incurred or suffered by the Owners in connection with the enforcement of, or the preservation of any rights under any Transaction Document and the Transaction Security and any proceedings instituted by or against the Owners as a consequence of it entering into a Transaction Document, taking or holding the Transaction Security, or enforcing those rights;

(l) any Losses incurred or suffered by the Owners as a result of any information produced, provided or approved by or on behalf of the Charterers in respect of any Transaction Document being or being alleged to be misleading or deceptive in any respect;

(m) any Losses incurred or suffered by the Owners as a result of acting or relying on any notice, request or instruction given by the Charterers under any Transaction Document which the Owners reasonably believe to be genuine, correct and appropriately authorised; and

(n) any Losses incurred or suffered by the Owners in connection with the administration or release of any Transaction Security.

43.2 If, under any applicable law, whether as a result of judgment against the Charterers or the liquidation of the Charterers or for any other reason, any payment to be made by the Charterers under or in connection with this Charter and any other Transaction Document is made or is recovered in a currency other than the currency (the **"currency of obligation"**) in which it is payable pursuant to this Charter and any other Transaction Document then, to the extent that the payment (when converted into the currency of obligation at the rate of exchange on the date for the determination of liabilities permitted by the applicable law) falls short of the amount unpaid under this Charter and any other Transaction Document, the Charterers shall as a separate and independent obligation, fully indemnify the Owners against the amount of the shortfall; and for the purposes of this Clause **"rate of exchange"** means the best rate at which the Owners are able on the relevant date to purchase the currency of obligation with the other currency.

43.3 The indemnities contained in this Clause 43, and each other indemnity contained in this Charter, shall survive any termination or other ending of this Charter and any breach by, or repudiation by, the Charterers of this Charter.

44. NO WAIVER OF RIGHTS

44.1 No neglect, delay or indulgence on the part of either Party in enforcing the terms and conditions of, or exercising any right or remedy under, this Charter shall prejudice the strict rights of that Party or be construed as a waiver thereof nor shall any single or partial exercise of any right of either Party preclude any other or further exercise thereof.

44.2 No right or remedy conferred upon either Party by this Charter shall be exclusive of any other right or remedy provided for herein or by law and all such rights and remedies shall be cumulative.

45. MORTGAGE, ASSIGNMENT AND TRANSFER

45.1 Subject to Clause 45.2, the Charterers agree that the Owners shall be entitled, at the Owners' sole cost and expense, at any time after the signing of this Charter and without requiring consent of the Charterers but by notice to the Charterers, to grant to any of the Owners' financiers (or agent or trustee of the Owners' financiers) or an Affiliate of the Owners or any other reputable bank or financial institution (each, a **"Mortgagee"**):

(a) any mortgage(s) on the Vessel (each, a **"Mortgage"**); and/or

(b) any assignment(s) of the Owners' interest in the Vessel's earnings, the Insurances and Requisition Compensation thereof; and/or

(c) any assignment(s) of this Charter and of the rights of the Owners hereunder; and/or

(d) any assignment(s) of the Security Documents and of the rights of the Owners thereunder (including in any property of the Charterers or any other Security Party which have been assigned to the Owners thereunder); and/or

(e) any other security which the relevant Mortgagee may require from the Owners or any of their Affiliates or any other person (other than the Charterers or any other member of the Group),

all as security for any loan or other facilities arranged by the Owners to finance or re-finance the purchase and/or acquisition of the Vessel and/or the Collateral Vessel (the **"Senior Finance Package"**).

45.2 Notwithstanding the provisions of Clause 45.1, the Owners shall in any case use reasonable endeavours to procure that any Mortgagee who takes a Mortgage and is a recorded mortgagee of the Vessel will issue in favour of the Charterers, on or before the date of such Mortgage, a quiet enjoyment letter in form and substance acceptable to the Owners, the Charterers and that Mortgagee (each acting reasonably and in good faith) or other mutually acceptable alternative.

45.3 For the avoidance of doubt, provided the Owners have complied with Clause 45.2 above, any failure to obtain a quiet enjoyment letter from any Mortgagee shall not preclude the Owners granting a Mortgage to that Mortgagee as part of the Senior Finance Package.

45.4 The Charterers agree with the Owners to:

(a) acknowledge any notice of an assignment of this Charter and any other Transaction Document by way of security related to the Senior Finance Package; and

(b) (i) procure that any Sub-Charterer is sent a notice of any on-assignment of the rights of the Owners under the Charterers Assignment related to the Senior Finance Package executed in favour of the relevant Mortgagee; and

(ii) use best endeavours to procure that such Sub-Charterer signs any acknowledgement (in form and substance acceptable to that Sub-Charterer, the Owners and that Mortgagee).

45.5 The Charterers shall procure that each Approved Manager shall enter into a Manager's Undertaking (if required by the Owners and/or any Mortgagee) on substantially similar terms. Should any Approved Manager breach any of its obligations under the relevant Manager's Undertaking (and the same not be remedied within ten (10) Business Days of such breach), then the Charterers shall be obliged to terminate or procure the termination of the appointment of that Approved Manager and shall within a further ten (10) Business Days appoint a replacement Approved Manager. Upon the appointment of any replacement Approved Manager, the Charterers shall procure that such replacement Approved Manager shall enter into a Manager's

Undertaking (if required by the Owners and/or any Mortgagee) on substantially similar terms to the Manager's Undertaking (save for logical amendments).

45.6 Subject to the Charterers' rights of quiet enjoyment under any quiet enjoyment letter and there being no additional costs to the Charterers, during the Charter Period the Owners may, subject to at least ten (10) Business Days' (or such shorter period as the Charterers may agree) prior written notice to the Charterers, procure:

(a) a change in their shareholding (including without limitation a sale of all their shares to another financial institution or leasing company engaged in a similar line of business); and/or

(b) a change in the registered ownership of the Vessel; and/or

(c) a transfer by novation by any of their rights and obligations under any of the Transaction Documents,

provided always that the Security Parties shall have no greater obligation or liability under the Transaction Documents as a result of such change in the registered ownership of the Vessel or transfer by novation, based on current laws in effect at the time of such change in the registered ownership of the Vessel or transfer by novation, than it would have had if such change in the registered ownership of the Vessel or transfer by novation had not taken place.

45.7 The Charterers agree and undertake, subject to there being no additional costs imposed on them, to enter into such usual documents and provide all necessary assistance as the Owners shall require to complete any change or transfer set out in Clause 45.6.

46. NOTICES

46.1 Communications in writing and addresses

Any notice, certificate, demand or other communication to be served, given made or sent under or in relation to this Charter shall be in English and in writing and (without prejudice to any other valid method or giving making or sending the same) shall be deemed sufficiently given or made or sent if sent by registered post or by email to the following respective addresses:

(a) in the case of the Owners:

Address:	c/o No.1 Building, No.99 East Jialingjiang Street, Nanjing, Jiangsu Province, P.R. China
Attention:	Zhang Xinhang / He Siwei / Jiang Lu

Email:	xinhang.zhang@jsleasing.cn / siwei.he@jsleasing.cn / lu.jiang@jsleasing.cn

(b) in the case of the Charterers:

Address:	c/o 26th Floor, Yardley Commercial Building, 1-6 Connaught Road West, Hong Kong
Attention:	Philip Tsoi / Teresa Chau
Email:	philip@jinhuiship.com / teresa@jinhuiship.com

or, if a Party changes their address, to such other address as that Party may notify to the other.

46.2 Delivery

(a) Any communication or document made or delivered by one person to another under or in connection with the Transaction Documents will be effective if by way of letter, only 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, and if a particular department or officer is specified as part of its address details provided under this Clause, if addressed to that department or officer.

(b) Notwithstanding paragraph (a) above, any communication or document to be made or delivered to the Owners will be effective only when actually received by them and then only if it is expressly marked for the attention of the department or officer identified with its signature below (or any substitute department or officer as it shall specify for this purpose).

(c) Any communication or document made or delivered to the Charterers in accordance with this Clause will be deemed to have been made or delivered to each of the Security Parties.

(d) Any communication or document which becomes effective, in accordance with paragraphs (a) to (c) above, after 5.00 p.m. in the place of receipt shall be deemed only to become effective on the following Business Day in the place of receipt.

46.3 Electronic communication

(a) Any communication to be made between any two Parties under or in connection with the Transaction Documents may be made by electronic mail or other electronic means (including by way of posting to a secure website) if those two Parties:

(i) notify each other in writing of their electronic mail address and/or any other information required to enable the transmission of information by that means; and

(ii) notify each other of any change to their address or any other such information supplied by them by not less than five (5) Business Days' notice.

(b) Any such electronic communication as specified in paragraph (a) above to be made between a Security Party and the Owners may only be made in that way to the extent that those two Parties agree that, unless and until notified to the contrary, this is to be an accepted form of communication.

(c) Any such electronic communication as specified in paragraph (a) above made between any two Parties will be effective only when actually received (or made available) in readable form and in the case of any electronic communication made by a Party to the Owners only if it is addressed in such a manner as the Owners shall specify for this purpose.

(d) Any electronic communication which becomes effective, in accordance with paragraph (c) above, after 5.00 p.m. in the place in which the Party to whom the relevant communication is sent or made available has its address for the purpose of this Charter shall be deemed only to become effective on the following Business Day in the place of receipt.

(e) Any reference in a Transaction Document to a communication being sent or received shall be construed to include that communication being made available in accordance with this Clause.

46.4 English language

(a) Any notice given under or in connection with any Transaction Document must be in English.

(b) All other documents provided under or in connection with any Transaction Document must be:

(i) in English; or

(ii) if not in English, and if so required by the Owners, 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.

46.5 Notice by the Charterers

The Owners may assume (unless they have received notice to the contrary) that any notice or request made by the Charterers is made on behalf of and with the consent and knowledge of all the Security Parties.

47. TERMINATION EVENTS

Each of the following shall constitute a Termination Event for purposes of this Charter:

(a) the Charterers or any other Security Party fails to make any payment on its due date under a Transaction Document to which it is a party;

(b) the Charterers fail to obtain and/or maintain the Insurances required under Clause 40 (*Insurance*) in accordance with the provisions thereof or any insurer in respect of such Insurances cancels the Insurances or disclaims liability with respect thereto;

(c) there is a Change of Control in breach of Clause 49.1(h);

(d) any requirement of clause 5 (*Financial covenants*) of the Corporate Guarantee is not satisfied;

(e) a Security Party or any of its Subsidiaries, directors, officers or Affiliates becomes a Sanctioned Person or is owned or controlled by, or acting directly or indirectly on behalf of or for the benefit of a Sanctioned Person or any Security Party is in breach of any of Clauses 49.1(i), 49.1(j) and 49.1(k);

(f) the Charterers or any other Security Party commits any other breach of, or omits to observe or perform, any of their other obligations or undertakings in this Charter or any other Transaction Document (other than a breach referred to in paragraph (a), (b), (c) or (d) above) unless such breach or omission is in the opinion of the Owners, remediable and the Charterers and/or the relevant Security Party remedy such breach or omission to the satisfaction of the Owners within ten (10) Business Days of the earlier of (i) the Owners giving notice to the Charterers and (ii) any Security Party becoming aware of the failure to comply;

(g) any representation or warranty or statement made or deemed to be made by the Charterers or any other Security Party in or pursuant to any Transaction Document to which it is a party or in any document or certificate furnished to the Owners in connection therewith or if applicable, in the case of the Charterers only, the Certificate of Delivery and Acceptance, proves to be incorrect or misleading in any material respect when it is made or deemed to be made unless such incorrect or misleading representation, warranty or statement is, in the opinion of the Owners, remediable and the Charterers and/or the relevant Security Party procure that it ceases to be incorrect or misleading in any material respect within ten (10) Business Days of the earlier of (i) the Owners giving notice to the Charterers and (ii) any Security Party becoming aware of the breach of representation or warranty or statement;

(h) any of the following occurs in relation to any Financial Indebtedness of the Charterers or any other Security Party:

(i) any Financial Indebtedness of the Charterers or any other Security Party is not paid when due nor within any originally applicable grace period; or

(ii) any Financial Indebtedness of the Charterers or any other Security Party is declared to be or otherwise becomes due and payable, prior to its specified maturity date as a result of any event of default (howsoever described); or

(iii) any commitment for any Financial Indebtedness of the Charterers or any other Security Party is cancelled or suspended by a creditor of the Charterers or such other Security Party (as the case may be) as a result of an event of default (however described); or

(iv) any creditor of the Charterers or any other Security Party becomes entitled to declare any Financial Indebtedness of the Charterers or any other Security Party (as the case may be) due and payable prior to its specified maturity as a result of an event of default (howsoever defined);

(i) any of the following events (or any analogous procedure or step is taken in any jurisdiction) occurs in relation to the Charterers or any other Security Party:

(i) the Charterers or any other Security Party is or is presumed or deemed to be unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness;

(ii) the value of the assets of the Charterers or any other Security Party (other than the Shareholder) is less than their liabilities (taking into account contingent and prospective liabilities);

(iii) a moratorium is declared in respect of any indebtedness of the Charterers or any other Security Party;

(iv) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration, provisional supervision or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Charterers or any other Security Party or any analogous procedure or step is taken in any jurisdiction;

(v) a composition or arrangement with any creditor of the Charterers or any other Security Party, or any assignment for the benefit of creditors generally of the Charterers or any other Security Party or a class of such creditors or any analogous procedure or step is taken in any jurisdiction;

(vi) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager, provisional supervisor or other similar officer in respect of the Charterers or any other Security Party or any of its assets or any analogous procedure or step is taken in any jurisdiction;

(vii) enforcement of any Security Interest over any assets of the Charterers or any other Security Party or any analogous procedure or step is taken in any jurisdiction; or

(viii) any expropriation, attachment, sequestration, distress or execution (or any analogous process in any jurisdiction) affects any asset or assets of the Charterers or any other Security Party; or

(j) the Charterers or any other Security Party suspends or ceases or threatens to suspend or cease carrying on all or a material part of its business; or

(k) any consent, approval, Authorisation, license or permit necessary to enable the Charterers to operate, charter or sell the Vessel or to enable the Charterers or any other Security Party to comply with any provision of this Charter or any other Transaction Document, as the case may be, to ensure that the obligations of the Charterers or any other Security Parties are legal, valid, binding or enforceable is not granted, expires without being renewed, is revoked or becomes liable to revocation or any material condition of such a consent, approval, Authorisation, license or permit is not fulfilled;

(l) any event or circumstance occurs which has or, in the opinion of the Owners, is likely to have a Material Adverse Effect;

(m) this Charter or any other Transaction Document or any Security Interest created by a Transaction Document:

(i) is cancelled, terminated, rescinded or suspended or otherwise ceases to remain in full force and effect for any reason or no longer constitutes legal, valid, binding and enforceable obligations of any party to that document for any reason whatsoever; or

(ii) is amended or varied without the prior written consent of the Owners, except for any amendment or variation which is expressly permitted by this Charter or any other relevant Transaction Document;

(n) a Security Party rescinds or purports to rescind or repudiates or purports to repudiate a Transaction Document to which it is a party or any other party of any of those Transaction Documents evinces an intention to repudiate or rescind any of those Transaction Documents;

(o) it is or has become unlawful for the Charterers or any other Security Party to perform any of their obligations under the Transaction Documents to which they are a party or any Security Interest created or expressed to be created or evidenced by the Security Documents to which they are a party ceases to be effective with the ranking and priority it is expressed to have; or

(p) the Vessel is not delivered by the Cancelling Date;

(q) the Charterers fail to deliver to the Owners any condition subsequent set out in Schedule 4 (*Conditions Subsequent*) in a form and substance satisfactory to the Owners within the time periods permitted therein (or such later date as the Owners may agree); or

(r) the occurrence of any of the following:

(i) any Collateral Termination Event; or

(ii) any default under the MOA which is not unconditionally waived by the Owners.

48. REPRESENTATIONS AND WARRANTIES

48.1 The Charterers represent and warrant to the Owners as of the date hereof, and (in respect of the Repeating Representations only) on each day henceforth until the last day of Charter Period, as follows:

(a) each Security Party is duly incorporated and validly existing and, where applicable, in good standing under the laws of its jurisdiction of its incorporation;

(b) each Security Party has the corporate capacity, and has taken all corporate action and obtained all material consents, approvals, Authorisations, licenses or permits necessary for it:

(i) to execute and exercise its rights in each of the Transaction Documents to which it is a party;

(ii) to comply with and perform its obligations under each of the Transaction Documents to which it is a party;

(iii) to make the Transaction Documents to which it is a party admissible in evidence in its Relevant Jurisdiction;

(iv) for each Security Party to carry on its business, and which are material; and

(v) to enable each Security Party to create the Security Interest to be created by it under any Security Document to which it is a party and to ensure that such Security Interest has the priority and ranking it is expressed to have;

(c) all the consents, approvals, Authorisations, licenses or permits referred to in paragraph (b) above remain in force and nothing has occurred which makes any of them liable to revocation;

(d) subject to the Legal Reservations, each of the Transaction Documents to which a Security Party is a party constitutes such Security Party's legal, valid and binding obligations enforceable against such Security Party in accordance with its respective terms;

(e) other than the Permitted Security Interests, no third party has any Security Interest or any other interest, right or claim over, in or in relation to the Vessel, this Charter or any moneys payable hereunder and/or any of the other Transaction Documents;

(f) all payments which a Security Party is liable to make under any Transaction Document to which such Security Party is a party may be made by such Security Party without deduction or withholding for or on account of any Tax;

(g) no legal or administrative action of any kind whatsoever involving a Security Party has been commenced or taken;

(h) each Security Party has paid all taxes applicable to, or imposed on or in relation to it, its business or if applicable, the Vessel, except for those being contested in good faith with adequate reserves;

(i) the choice of governing law as stated in each Transaction Document to which a Security Party is party to and the agreement by such Security Party to refer disputes to the relevant courts or tribunal as stated in such Transaction Document will be recognised and enforced in the Relevant Jurisdictions of such Security Party;

(j) no Security Party nor any of its assets are entitled to immunity on the grounds of sovereignty or otherwise from any legal action or proceeding (which shall include suit, attachment prior to judgment, execution or other enforcement);

(k) the obligations of each Security Party under each Transaction Document to which it is a party, are the direct, general and unconditional obligations of such Security Party and rank at least *pari passu* with all other present and future unsecured and unsubordinated creditors of such Security Party save for any obligation which is mandatorily preferred by law and not by virtue of any contract;

(l) no Security Party has established a place of business in the United Kingdom and no Security Party (other than the Charterers and the Collateral Charterers) is registered as a non-Hong Kong company under the Companies Ordinance (Cap. 622 of the Laws of Hong Kong);

(m) no Security Party nor any of its Subsidiaries, directors, officers or Affiliates is a Sanctioned Person or are owned or controlled by, or acting directly or indirectly on behalf of or for the benefit of a Sanctioned Person and none of such persons owns or controls a Sanctioned Person;

(n) neither the Charterers nor any other Security Party is insolvent or in liquidation or administration or subject to any other formal or informal insolvency procedure, and no receiver, administrative receiver, administrator, liquidator, trustee or analogous officer has been appointed in respect of the Charterers or any other Security Party or all or material part of their respective assets;

(o) no Termination Event is continuing or might reasonably be expected to result from the entry into and performance of this Charter or any other Transaction Document;

(p) subject to any qualification (if applicable) set out in such information, any information provided by the Charterers or any other Security Party (or on their behalf) to the Owners was true and accurate in all material respects as at the date it was provided or as the date at which such information was stated;

(q) (i) the financial statements of the Charterers and the Corporate Guarantor most recently supplied to the Owners (which, in the case of the Corporate Guarantor and at the date of this Charter, are their Original Financial Statements) were prepared in accordance with GAAP consistently applied save to the extent expressly disclosed in such financial statements;

(ii) the financial statements of the Charterers and the Corporate Guarantor most recently supplied to the Owners (which, in the case of the Corporate Guarantor and at the date of this Charter, are their Original Financial Statements) give a true and fair view of (if audited) or fairly represent (if unaudited) their financial condition and operations (consolidated in the case of the Corporate Guarantor) for the period to which they relate, save to the extent expressly disclosed in such financial statements; and

(iii) there has been no material adverse change in the business or financial condition of the Charterers (or the business or consolidated financial condition of the Group, in the case of the Corporate Guarantor) since the date of their Original Financial Statements;

(r) no Security Party is in breach of any Sanctions or any laws or regulations (including the operation, management and registration of the Vessel) and in particular it has complied with all Sanctions and Anti-Money Laundering Laws and each of the Security Parties has instituted and maintains systems, controls, policies and procedures designed to detect and prevent incidences of money laundering and promote and achieve compliance with Sanctions and Anti-Money Laundering Laws; and for the purpose of complying with Anti-Money Laundering Law of the PRC (中华人民共和国反洗钱法), Rules of the People's Bank of China on Anti-Money Laundering by Financial Institutions (中国人民银行金融机构反洗钱规定) and Measures of the People's Bank of China on Administration of Reporting of High Value Transactions and Suspicious Transactions by Financial Institutions (金融机构大额交易和可疑交易报告管理办法) and other relevant laws and regulations of the PRC:

  (i) all the identity documents provided by the Charterers are true and valid in all respects;

  (ii) there is no possibility for the Charterers, the Shareholder, the controller and the beneficiary owner of the Charterers or any counterparty involved in any of the Charterers' business activities to participate in any anti-money laundering activities; and

  (iii) sources of all the funds utilised by the Charterers or the Collateral Charterers for payments to the Owners are legitimate and lawful and in compliance with the Anti-Money Laundering Law of the PRC and other relevant laws and regulations of the PRC;

(s) no Security Party is a US Tax Obligor;

(t) the Charterers are (i) wholly legally and beneficially owned and (ii) controlled by the Shareholder;

(u) the Shareholder is (i) wholly legally and beneficially owned and (ii) controlled by the Corporate Guarantor; and

(v) the Corporate Guarantor is controlled by JHCL.

48.2 For the purpose of Clause 48.1, **"Repeating Representations"** means each of the representations set out in Clause 48.1 (except paragraph (f)).

49. CHARTERERS' UNDERTAKINGS

The Charterers undertake that they shall comply or procure compliance with the following undertakings commencing from the date hereof and up to the last day of the Charter Period:

49.1 General Covenants

(a) they will, and will procure that each other Security Party will obtain and promptly renew or procure the obtainment or renewal of and provide copies of, from time to time, any necessary consents, approvals, Authorisations, licenses or permits of any regulatory body or authority required under any law or regulation of a Relevant Jurisdiction of the Charterers or such other Security Party (i) to enable the Charterers or such other Security Party to perform its obligations under each Transaction Document to which it is a party (including to sell, charter and operate the Vessel) and (ii) to ensure the legality, validity, enforceability or admissibility in evidence of any Transaction Document to which the Charterers or such other Security Party is subject;

(b) they will not, and will procure that each other Security Party will not, create, assume or permit to exist any Security Interest of any kind upon any Transaction Document to which they or such other Security Party is a party, and if applicable, the Vessel, in each case other than Permitted Security Interests;

(c) they will at their own cost, and will procure that each other Security Party will:

(i) do all that they or such other Security Party reasonably can to ensure that any Transaction Document to which they or such other Security Party is a party validly creates the obligations and the Security Interests which they or such other Security Party purports to create; and

(ii) without limiting the generality of paragraph (c)(i) above, promptly register, file, record or enrol any Transaction Document to which they or such other Security Party is a party with any court or authority in all their or such other Security Party's Relevant Jurisdictions, pay any stamp, registration or similar tax in all their or such other Security Party's Relevant Jurisdictions in respect of any Transaction Document to which they or such other Security Party is a party, give any notice or take any other step which, is or has become necessary or desirable for any such Transaction Document to be valid, enforceable or admissible in evidence or to ensure or protect the priority of any Security Interest which they or such other Security Party creates;

(d) they shall ensure that no Security Party will enter or be permitted to enter, into any form of merger, sub-division, amalgamation or other reorganisation or change of ownership;

(e) they shall not appoint or permit to be appointed any manager of the Vessel unless it is an Approved Manager and appointed on terms acceptable to the Owners and their financiers (if any) and such Approved Manager has (prior to or immediately upon accepting its appointment) entered into a Manager's Undertaking;

(f) they shall not create, incur, assume, suffer to exist or in any manner become or remain liable for any Financial Indebtedness, other than:

(i) Financial Indebtedness normally associated with the day to day operation of the Vessel, or otherwise in the normal course of business (including any credit granted by an Approved Manager under any of the Management Agreements);

(ii) Financial Indebtedness under the Transaction Documents; and

(iii) Financial Indebtedness, including all shareholders' and intercompany loans or advances, which by its terms is subordinate and subject in right of payment to the prior payment in full of the Financial Indebtedness under or pursuant to the Transaction Documents, as provided in paragraph (g) below or as otherwise evidenced by a subordination deed in form and substance satisfactory to the Owners;

(g) they shall ensure that all shareholder's and intercompany loans and advances to the Charterers from time to time made by the Corporate Guarantor or any other member of the Group to the Charterers:

(i) are and shall be subordinated in all respects to all amounts owing and which may in future become owing by the Charterers under this Charter and the other Transaction Documents;

(ii) shall not be repaid or be subject to payment of interest (although interest may accrue) unless there remains a cash surplus after payment of an instalment of Charterhire;

(iii) are and shall remain unsecured by any Security Interest over the whole or any part of the assets of the Charterers; and

(iv) are not and shall not be capable of becoming subject to any right of set-off or counterclaim;

(h) they shall ensure that no Change of Control occurs unless with the prior written consent of the Owners;

(i) they shall, and shall procure that each other Security Party (including to procure the respective officers, directors of the relevant entity to do the same) shall:

(i) comply with all Sanctions and Anti-Money Laundering Laws;

(ii) maintain systems, controls, policies and procedures designed to promote and achieve ongoing compliance with Sanctions and Anti-Money Laundering Laws;

(iii) in respect of the Sellers, not use, or permit or authorise any person to directly or indirectly use the Purchase Price for any purpose that would breach any Sanctions or Anti-Money Laundering Laws; and

(iv) provide to the Owners all the identity documents, transaction records and receipts and documents in respect of high value and suspicious transactions which are required by the Owners for the purpose of complying with the Anti-Money Laundering Law of the PRC (中华人民共和国反洗钱法) and other relevant laws and regulations of the PRC and cooperate with the Owners in any anti-money laundering due diligence;

(j) they shall procure the Sellers not lend, invest, contribute or otherwise make available any part of the Purchase Price to or for any other person in a manner which would result in a violation of any Sanctions or Anti-Money Laundering Laws;

(k) they shall, and shall procure that each other Security Party will, promptly notify the Owners of any non-compliance, by the Charterers or any other Security Party or their respective officers and directors with all laws and regulations relating to Sanctions or Anti-Money Laundering Laws and provide all information (once available) in relation to their respective business and operations which may be relevant for the purposes of ascertaining whether they or any other Security Party are in compliance with such laws;

(l) they shall not declare or pay any dividends, charges, fees and other distributions following the occurrence of a Termination Event which is continuing; and

(m) they shall procure that all Earnings are paid directly to the Earnings Account and shall provide the Owners with bank statements of the Earnings Account and all such information or as the Owners shall from time to time reasonably require in respect of the Earnings Account.

49.2 Information covenants

(a) they will, and shall procure that each other Security Party will, notify the Owners as soon as any of them becomes aware of the occurrence of any Potential Termination Event or Termination Event and will keep the Owners fully up-to-date with all developments and the Charterers will, if so requested by the Owners, provide any such certificate signed by their director, confirming that there exists no Potential Termination Event or Termination Event;

(b) they will, and shall procure that each other Security Party will, as soon as practicable after receiving the request, provide the Owners with any additional financial or other information relating:

(i) to themselves, any other Security Party and/or the Vessel (including, but not limited to the condition, location, earnings and insurances of the Vessel); or

(ii) to any other matter relevant to, or to any provision of any Transaction Document to which they are respectively a party;

which may be reasonably requested by the Owners (or their financiers (if any)) at any time;

(c) they will provide the Owners with all such information or as the Owners shall from time to time reasonably require regarding employment, and engagements, particulars of all towages and salvages of the Vessel, voyage records, and copies of all charters and other contracts of her employment or otherwise howsoever concerning her;

(d) they will notify the Owners immediately of:

(i) any Environmental Claim made against the Charterers or any Sub-Charterer in connection with the Vessel, or any Environmental Incident, arrest or detention of the Vessel, any exercise or purported exercise of any lien on the Vessel, the Earnings or any requisition of the Vessel for hire; and

(ii) any casualty or occurrence as a result of which the Vessel has become or is, by the passing of time or otherwise, likely to become, a Major Casualty;

(e) they shall, and shall procure that each other Security Party will, comply with all laws and regulations (including all laws and regulations in respect of Taxes);

(f) they shall not, and shall procure that no other Security Party will, directly or indirectly, use the proceeds of the Purchase Price or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner, Affiliate or any other person, to (i) fund any activities or business of or with any person, in any country or territory that at the time of such funding is a Sanctioned Person or Sanctioned Country, or (ii) in any other manner or for a purpose that would result in a violation of Sanctions by any Security Party or the Owners and any of their Affiliates;

(g) without prejudice to paragraph (f) above, they shall, and shall procure that each Security Party (to procure the respective officers, directors to do the same) will, comply with all laws and regulations in respect of Sanctions, and in particular, they shall effect and maintain a sanctions compliance policy and appropriate safeguards designed to prevent any action that would be contrary to Clause 48.1(m) and to ensure compliance with all such laws and regulations implemented from time to time;

(h) they shall not permit or authorise any other person to utilise or employ the Vessel to any Subsidiary, joint venture partner, any Affiliate or any other person to fund any trade, business or other activities:

(i) involving or for the benefit of any Sanctioned Person or Sanctioned Country; or

(ii) in any other manner that would reasonably be expected to result in any Security Party, the Owners or any financier of the Owners being in breach of any Sanctions or become a Sanctioned Person;

(i) they shall, and shall procure that each other Security Party will, upon the Owners' reasonable request, promptly notify the Owners and provide all information in relation to their respective business and operations which may be relevant for the purposes of ascertaining whether they are in compliance with all laws and regulations (including all laws and regulations relating to Sanctions and Taxes), and in particular, they shall notify the Owners in writing immediately upon being aware that any of its shareholders or directors, officers of employees is a Sanctioned Person or has otherwise become a target of Sanctions;

(j) they shall, or shall procure that each other Security Party will provide the Owners with details of any legal or administrative action or litigation or arbitration involving any Security Party or the Vessel or any detention or arrest of the Vessel or any damage to or alteration of the Vessel in excess of the Major Casualty amount as soon as such action is instituted or it becomes apparent to the Charterers or such other Security Party that it is likely to be instituted and is likely to have a Material Adverse Effect on the ability of any Security Party to perform its obligations under each Transaction Document to which it is a party;

(k) they shall supply to the Owners:

(i) as soon as the same become available, but in any event within one hundred and eighty (180) days after the end of each of their financial years:

(A) the audited consolidated financial statements of the Corporate Guarantor for that financial year; and

(B) the unaudited financial statements of the Charterers for that financial year; and

(ii) as soon as the same become available, but in any event within ninety (90) days after the end of each of their financial half years:

(A) the unaudited consolidated financial statements of the Corporate Guarantor for that financial half year; and

(B) the unaudited financial statements of the Charterers for that financial half year;

(l) (i) they shall supply to the Owners, with each set of financial statements delivered pursuant to paragraphs (k) above, a Compliance Certificate setting out (in reasonable detail) computations as to compliance with clause 5 (Financial covenants) of the Corporate Guarantee as at the date as at which those financial statements were drawn up.

(ii) each Compliance Certificate delivered pursuant to paragraph (l)(i) above shall be in the form agreed by the Corporate Guarantor and the Owners before the date of this Charter;

(m) (i) each set of financial statements delivered by the Charterers pursuant to paragraph (k) above shall be certified by an auditor (in the case of paragraph (k)(i)) above, or a director or officer of the relevant company (in the case of paragraph (k)(ii) above), as giving a true and fair view of (in the case of any such financial statements which are audited) or fairly representing (in the case of any such financial statements which are unaudited) their financial condition and operations (or, in the case of the Corporate Guarantor, its consolidated financial condition and operations) as at the date of and for the period in relation to which those financial statements were drawn up; and

(ii) the Charterers shall procure that each set of financial statements delivered pursuant to sub-paragraph (i) above is prepared using GAAP, the accounting practices and financial reference periods consistent with those applied in the preparation of the relevant Original Financial Statements unless, in relation to any set of financial statements, they notify the Owners that there has been a change in GAAP, the accounting practices or financial reference periods and the auditors of the Charterers or the Corporate Guarantor (as the case may be) deliver to the Owners:

(A) a description of any change necessary for those financial statements to reflect GAAP, the accounting practices and financial reference periods upon which the relevant Original Financial Statements were prepared; and

(B) sufficient information, in form and substance as may be reasonably required by the Owners, to enable the Owners to determine whether clause 5 (*Financial covenants*) of the Corporate Guarantee has been complied with and make an accurate comparison between the financial position indicated in those financial statements and the relevant Original Financial Statements;

(n) they shall supply to the Owners a quarterly vessel operation report covering details including, but not limited to, the Vessel's status and conditions, maintenance and repair status, income and operating cost and an annual operating budget or forecast of the Vessel;

(o) they will supply to the Owners any additional financial or other information relating to themselves and the other Security Parties and/or the Vessel (including, but not limited to the condition and location of the Vessel and its earnings and insurances) reasonably requested by the Owners; and

(p) they shall supply to the Owners all information relating to any "know your customer" or other regulatory checks required to be carried out by the Owners.

49.3 Vessel covenants

(a) they shall keep the Vessel registered under the laws and flag of the flag state stated in Box 5 on demise charter registration basis in the name of the Owners as legal and beneficial owner of the Vessel and themselves as demise charterer of the Vessel, and shall not do or permit to be done anything, or omit to do anything which could or might result in:

(i) such registration being forfeited or imperilled; or

(ii) the Vessel being required to be registered under any other law or flag,

and save with the prior written consent of the Owners (such consent not to be unreasonably withheld or delayed), the Charterers shall not register the Vessel or permit her registration under any other law or flag;

(b) they shall not:

(i) permit any chartering of the Vessel on a bareboat charter basis without the prior written consent of the Owners (except as may be expressly permitted under this Charter); or

(ii) enter into any time, voyage or consecutive voyage charter in respect of the Vessel for a period exceeding twelve (12) months (including any optional extensions thereto), other than under a Sub-Charter and provided that as a condition precedent to the execution of any such Sub-Charter, the Charterers shall:

(A) provide the Owners with prior written notice of such Sub-Charter together with information about the intended Sub-Charterer of such Sub-Charter and proposed terms of the Sub-Charter and any further information which the Owners may reasonably request; and

(B) assign all their rights and interests under such Sub-Charter under the Charterers Assignment and shall procure that the relevant Sub-Charterer gives a written acknowledgment of such assignment, each in form and substance acceptable to the Owners and provide such documents as the Owners may reasonably require regarding the due execution of such Sub-Charter and any pertinent ancillary document;

(c) they shall ensure that the Vessel shall be classed and maintained in the highest class with the Classification Society and shall be free of all overdue recommendations, requirements and qualifications affecting class and they shall promptly provide class records of the Vessel upon request to the Owners;

(d) they shall:

(i) permit the Owners (at the reasonable expense of the Charterers) by surveyors or other persons appointed by them for such purpose to board the Vessel at all reasonable times for the purpose of inspecting her once every twelve (12) months during the Charter Period at the cost of the Charterers provided that if a Termination Event has occurred and is continuing the Owners shall be entitled to carry out such inspection at any time as they shall think fit;

(ii) provide all proper facilities for such inspections; and

(iii) give the Owners reasonable advance notice of any intended dry-docking of the Vessel (whether for the purpose of classification, survey or otherwise);

(e) they shall comply, or procure compliance, and shall procure that each other Security Party and any manager of the Vessel will, comply or procure compliance, with all laws or regulations relating to the Vessel and her ownership, employment, operation, management and registration, including the ISM Code, the ISPS Code, the Maritime Labour Convention, all Environmental Laws and the laws of the Vessel's registry;

(f) they shall ensure that the Vessel will not be employed, operated or managed in any manner which:

(i) is contrary to any Sanctions and in particular, the Vessel shall not be used by or for the benefit for any party which is a target of Sanctions, or be used directly or indirectly in trading or otherwise going to, or calling at, any port or other facility in any Sanctioned Country; or

(ii) would trigger the operation of any sanctions limitation or exclusion clause in any insurance documentation;

(g) they shall (at their own expense) replace or renew any equipment of the Vessel as shall be so damaged or worn as to be unfit for use and which needs to be replaced or renewed for the Vessel to maintain its class, if applicable and title to any part replaced or renewed shall remain with the Owners, to the extent that it belonged to it in the first place;

(h) they shall deliver or procure the delivery to the Owners of one (1) valuation report:

(i) once every twelve (12) months during the Charter Period (each such valuation report to be provided at the Charterers' cost); and

(ii) at such other times as the Owners may require in their absolute discretion (provided that each such additional valuation report to be at the costs of the Charterers or their nominee(s) if a Termination Event has occurred);

(i) they shall ensure that:

(i) in order to determine the Market Value on a Test Date for the purposes of testing the Value Maintenance Ratio, the Market Value shall be determined by the Owners to be the valuation from the latest valuation report obtained in accordance with Clause 49.3(h);

(ii) if, after conducting the Value Maintenance Ratio test on the relevant Test Date, the Owners determine that the Value Maintenance Ratio is less than the Value Maintenance Threshold, then the Owners shall notify the Charterers and the Charterers shall, within thirty (30) days of such notification, provide cash collateral in the amount of the shortfall (the **"Cash Collateral"**) and deposit the same in the account designated by the Owners in order to restore the Value Maintenance Ratio to comply with the Value Maintenance Threshold; and

(iii) any Cash Collateral paid to the Owners in accordance with paragraph (ii) above is non-refundable and shall be utilised by the Owners to set off the Charterhire due on the next immediate Payment Date and (in case of surplus remaining) each subsequent Payment Date provided that nothing in this sub-paragraph (iii) shall excuse the Charterers from their obligation to make all payment due to the Owners on the due dates; and

(j) they will ensure that the Purchase Price will be utilised solely for enabling the Sellers to finance the leasing and/or purchase of other vessels in relation to their business and operation.

50. SALE OF THE VESSEL

50.1 Completion of the Purchase Option or, as the case may be, the Purchase Obligation shall take place on the Purchase Option Date or, as the case may be, the Purchase Obligation Date, whereupon the Owners will sell to the Charterers, and the Charterers will purchase from the Owners, all the legal and beneficial interest and title in the Vessel for the Purchase Option Price or, as the case may be, the Purchase Obligation Price, on an "as is where is" basis and on the following terms and conditions:

(a) the Charterers expressly agree and acknowledge that, no condition, warranty or representation of any kind is or has been given by or on behalf of the Owners in respect of the Vessel or any part thereof, and accordingly the Charterers confirm that that they have not, in entering into this Charter, relied on any condition, warranty or representation by the Owners or any person on the Owners' behalf, express or implied, whether arising by law or otherwise in relation to the Vessel or any part thereof, including, warranties or representations as to the description, suitability, quality, merchantability, fitness for any purpose, value, state, condition, appearance, safety, durability, design or operation of any kind or nature of the Vessel or any part thereof, and the benefit of any such condition, warranty or representation by the Owners is hereby irrevocably and unconditionally waived by the Charterers to the extent permissible under applicable law, the Charterers hereby also waive any rights which they may have in tort in respect of any of the matters referred to above and irrevocably agree that the Owners shall have no greater liability in tort in respect of any such matter than they would have in contract after taking account of all of the foregoing exclusions. No third party making any representation or warranty relating to the Vessel or any part thereof are the agents of the Owners nor has any such third party authority to bind the Owners thereby. Notwithstanding anything contained above, nothing contained herein is intended to obviate, remove or waive any rights or warranty or other claims relating thereto which the Charterers or the Owners may have against the manufacturer or supplier of the Vessel or any third party;

(b) the Vessel shall be free from any registered mortgage incurred by the Owners (save for those mortgages, liens, Security Interests and debts incurred by the Charterers arising out of or in connection with the Charter or the Transaction Documents);

(c) the Purchase Option Price or, as the case may be, the Purchase Obligation Price shall be paid by (or on behalf of) the Charterers to the Owners on the Purchase Option Date or, as the case may be, the Purchase Obligation Payment Date together with unpaid amounts of Charterhire but only up to and including the Purchase Option Price or, as the case may be, the Purchase Obligation Payment

Date, and other moneys owing by or accrued or due from the Charterers or any other Security Party under this Charter or any other Transaction Document on or prior to such Purchase option Date or, as the case may be, the Purchase Obligation Payment Date which remains unpaid; and

(d) upon the Purchase Option Price or, as the case may be, the Purchase Obligation Price being irrevocably paid to the Owners in full on, and in accordance with, the terms set forth in this Charter, the Owners agree (at the cost of the Charterers) to, on the Purchase Option Price or, as the case may be, the Purchase Obligation Date, (i) execute a bill of sale in favour of the Charterers in a form registrable with the ship registry of Hong Kong (or such other flag state as the Charterers shall reasonably request) and (ii) enter into a protocol of delivery and acceptance for the sale and delivery of the Vessel to the Charterers in such form as may reasonably be determined by the Owners.

51. PURCHASE OPTION

51.1 The Owners hereby grant to the Charterers a purchase option to require the Owners to sell all of the Owners' beneficial and legal right, title and interest in the Vessel to the Charterers on the Purchase Option Date and at the applicable Purchase Option Price upon the terms and conditions of this Charter.

51.2 Subject to the other terms and conditions of this Charter, the Purchase Option shall only be exercisable by the Charterers if:

(a) the Purchase Option Date falls within the Purchase Option Period;

(b) no Potential Termination Event or Termination Event has occurred and is continuing; and

(c) no Total Loss has occurred.

51.3 The Purchase Option may be exercised by the Charterers by giving the Owners at least sixty (60) days' prior written notice of their intention to exercise the Purchase Option unless otherwise agreed by the Owners in their absolute discretion (the **"Purchase Option Notice"**).

51.4 The Purchase Option Notice shall be signed by a duly authorised officer or attorney of the Charterers and specify the proposed Purchase Option Date. The Charterers may serve the Purchase Option Notice at any time throughout the Purchase Option Period and is irrevocable once given.

51.5 Upon the exercise of the Purchase Option, the Owners and the Charterers shall thereupon perform their respective obligations referred to in Clause 50 (*Sale of the Vessel*) and the applicable Purchase Option Price and other costs and expenses reasonably incurred for the sale of the Vessel shall be paid by the Charterers on the Purchase Option Date.

52. PURCHASE OBLIGATION

52.1 The Charterers hereby agree that they are obliged and required to purchase all of the Owners' beneficial and legal right, title and interest in the Vessel and all belonging to her on the Purchase Obligation Date whereupon the Owners and the Charterers shall perform their obligations referred to in Clause 50 (*Sale of the Vessel*) and the Charterers shall be obliged to pay the Purchase Obligation Price on the Purchase Obligation Payment Date unless this Charter is terminated before the natural expiration or the Owners and the Charterers agree otherwise.

53. EMISSION SCHEME, EU ETS, EU MRV AND FUEL EU MARITIME

(a) The Charterers agree and acknowledge that the Owners are not operating the Vessel and the liability to surrender any Emission Allowances in respect of the Vessel under any applicable Emission Scheme shall lie with the Charterers and/or any other organisation or person whom the Charterers have contractually agreed to take over all duties and responsibilities (including any Manager or any Sub-Charterer) imposed by the ISM Code.

(b) Accordingly, the Charterers:

(i) shall or shall procure that any other organisation or person whom the Charterers have contractually agreed to take over all duties and responsibilities imposed by the ISM Code (including any Manager or any Sub-Charterer) will:

(A) surrender any Emission Allowances in respect of the Vessel under any applicable Emission Scheme;

(B) promptly upon the Owners' request, provide and submit such signed mandate letter in the form required by the Owners and the relevant authority and provide any other information and documents as required by the Owners and/or the relevant authority in relation to any applicable Emission Scheme; and

(C) fulfil all obligations which may be imposed on the Owners as registered owner of the Vessel by the MARPOL Carbon Intensity Regulations;

(ii) without prejudice to the foregoing paragraph, in relation to EU ETS:

(A) if the Vessel sails into any European Union ports, shall or shall procure that any other organisation or person whom the Charterers have contractually agreed to take over all duties and responsibilities imposed by the ISM Code (including any Manager or any Sub-Charterer) register the Vessel as part of a

"Shipping Company" as required under EU ETS and shall comply in all respects with EU ETS and Fuel EU Maritime;

(B) if required by the Owners, provide a letter in a format to be acceptable to the Owners confirming that they have assumed responsibility for the operation of the Vessel and have indemnified the Owners of all liabilities under EU ETS and Fuel EU Maritime (the **"ETS and Fuel EU Maritime Letter"**);

(C) if required by the Owners, shall enter and shall procure that any other organisation or person whom the Charterers have contractually agreed to take over all duties and responsibilities imposed by the ISM Code (including any Manager or any Sub-Charterer) enters an agreement with the Owners setting out how the parties will co-operate to exchange, review and analyze all relevant Emissions Data and information relating to the ETS and Fuel EU Maritime as required to enable the parties to ensure compliance with the EU ETS and Fuel EU Maritime in accordance with the parties' obligations under this Clause 53 (the "**ETS and Fuel EU Maritime Agreement**"); and

(D) shall submit the ETS and Fuel EU Maritime Letter to the relevant administering authority upon registration of the Vessel pursuant to EU ETS and shall promptly provide the Owners (which shall be no later than five (5) days of the Owners' demand) with evidence of such submission and registration; and

(iii) shall (and it shall procure that each Manager and each Sub-Charterer shall):

(A) co-operate and exchange all relevant Emissions Data and information with each other in a timely manner to:

(1) facilitate compliance by the Charterers and any other Emission Scheme Participant with any applicable Emission Scheme; and

(2) enable the Charterers and any other Emission Scheme Participant to calculate the amount of Emission Allowances in respect of the Vessel which are required to be surrendered to the relevant Emission Scheme Authority for that Emission Scheme during the Charter Period; and

(B) promptly supply to the relevant Emission Scheme Authority relating to any applicable Emission Scheme with all relevant documents (including without limitation, any relevant mandating documents required in connection with surrendering the relevant Emission Allowances to the relevant Emission Scheme Authority relating to the relevant Emission Scheme) required to be provided to such Emission Scheme Authority relating to such Emission Scheme,

and to do all such things necessary or advisable to ensure that the Owners, the Charterers, each Emission Scheme Participant and the Vessel will be in compliance with all Environmental Laws.

54. TAX GROSS-UP AND INDEMNITIES

54.1 Tax definitions

(a) In this Clause 51:

"Tax Credit" means a credit against, relief or remission for, or repayment of any Tax.

"Tax Deduction" means a deduction or withholding for or on account of Tax from a payment under a Transaction Document, other than a FATCA Deduction.

"Tax Payment" means an increased payment made by a Security Party to the Owners under Clause 54.2 (*Tax gross-up*) or a payment under Clause 54.3 (*Tax indemnity*).

(b) Unless a contrary indication appears, in this Clause 51 a reference to **"determines"** or **"determined"** means a determination made in the absolute discretion of the person making the determination.

54.2 Tax gross-up

(a) All payments to be made by a Security Party to the Owners under the Transaction Documents shall be made free and clear of and without any Tax Deduction unless such Security Party is required to make a Tax Deduction, in which case the sum payable by such Security Party (in respect of which such Tax Deduction is required to be made) shall be increased to the extent necessary to ensure that the Owners receive a sum net of any deduction or withholding equal to the sum which they would have received had no such Tax Deduction been made or required to be made.

(b) The Charterers shall promptly upon becoming aware that a Security Party must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Owners accordingly. Similarly, the Owners shall notify the Charterers on becoming so aware in respect of a payment payable to the Owners.

(c) If a Security Party is required to make a Tax Deduction, that Security Party shall, and the Charterers shall ensure that Security Party will, make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by law.

(d) Within fifteen (15) days of making either a Tax Deduction or any payment required in connection with that Tax Deduction, the Charterers shall deliver to the Owners evidence reasonably satisfactory to the Owners that the Tax Deduction has been made or (as applicable) any appropriate payment has been paid to the relevant taxing authority.

54.3 Tax indemnity

(a) Without prejudice to Clause 54.2 (*Tax gross-up*), if the Owners are required to make any payment of or on account of Tax on or in relation to any sum received or receivable under the Transaction Documents (including any sum deemed for the purposes of Tax to be received or receivable by the Owners whether or not actually received or receivable) or if any liability in respect of any such payment is asserted, imposed, levied or assessed against the Owners, the Charterers shall, within three (3) Business Days of demand by the Owners, promptly indemnify the Owners against such payment or liability, together with any interest, penalties, costs and expenses payable or incurred in connection therewith, provided that this Clause 54.3 shall not apply to:

(i) any Tax imposed on and calculated by reference to the net income actually received or receivable by the Owners (but, for the avoidance of doubt, not including any sum deemed for the purposes of Tax to be received or receivable by the Owners but not actually receivable) by the jurisdiction in which the Owners are incorporated; or

(ii) a FATCA Deduction required to be made by a Party; or

(iii) any amount that is compensated for by an increased payment made pursuant to Clause 54.2 above.

(b) If the Owners intend to make a claim under paragraph (a) above, they shall notify the Charterers of the event giving rise to the claim.

54.4 Tax credit

If a Security Party makes a Tax Payment and the Owners determine that:

(a) a Tax Credit is attributable to an increased payment of which that Tax Payment forms part, to that Tax Payment or to a Tax Deduction in consequence of which that Tax Payment was required; and

(b) the Owners have obtained and utilised that Tax Credit,

the Owners shall pay an amount to the Security Party which the Owners determine will leave it (after that payment) in the same after-Tax position as it would have been in had the Tax Payment not been made by the Security Party. Such reimbursement shall be made forthwith upon the relevant Security Party certifying that the amount of such credit or remission has been received by it.

54.5 Stamp taxes

The Charterers shall:

(a) pay all stamp duty, registration and other similar Taxes payable in respect of any Transaction Document; and

(b) within three (3) Business Days of demand, indemnify the Owners against any documented cost, loss or liability the Owners incur in relation to any stamp duty, registration or other similar Tax paid or payable in respect of any Transaction Document.

54.6 Indirect Tax

(a) All amounts set out or expressed in a Transaction Document to be payable by any Security Party to the Owners shall be deemed to be exclusive of any Indirect Tax. If any Indirect Tax is chargeable on any supply made by the Owners to any Security Party in connection with a Transaction Document, that Security Party shall, and the Charterers shall ensure that Security Party will, pay to the Owners (in addition to and at the same time as paying the consideration) an amount equal to the amount of the Indirect Tax.

(b) Where a Transaction Document requires any Security Party to reimburse the Owners for any costs or expenses, that Security Party shall, and the Charterers shall ensure that Security Party will, also at the same time pay and indemnify the Owners against all Indirect Tax incurred by the Owners in respect of the costs or expenses to the extent that the Owners reasonably determine that it is not entitled to credit or repayment in respect of the Indirect Tax.

54.7 FATCA information

(a) Subject to paragraph (c) below, a Party shall, within ten (10) Business Days of a reasonable request by the other Party:

(i) confirm to that other Party whether it is:

(A) a FATCA Exempt Party; or

(B) not a FATCA Exempt Party;

(ii) supply to that other Party such forms, documentation and other information relating to its status under FATCA as that other Party reasonably requests for the purposes of that other Party's compliance with FATCA; and

(iii) supply to that other Party such forms, documentation and other information relating to its status as that other Party reasonably requests for the purposes of that other Party's compliance with any other law, regulation, or exchange of information regime.

(b) If a Party confirms to the other Party under paragraph (a)(i) above that it is a FATCA Exempt Party and it subsequently becomes aware that it is not or has ceased to be a FATCA Exempt Party, that Party shall notify that other Party reasonably promptly.

(c) Paragraph (a) above shall not oblige the Owners to do anything, and paragraph (a)(iii) above shall not oblige the Charterers to do anything, which would or might in their reasonable opinion constitute a breach of:

(i) any law or regulation;

(ii) any fiduciary duty; or

(iii) any duty of confidentiality.

(d) If a Party fails to confirm whether or not it is a FATCA Exempt Party or to supply forms, documentation or other information requested in accordance with paragraph (a)(i) or (a)(ii) above (including, for the avoidance of doubt, where paragraph (c) above applies), then such Party shall be treated for the purposes of the Transaction Documents (and payments under them) as if it is not a FATCA Exempt Party until such time as the Party in question provides the requested confirmation, forms, documentation or other information.

54.8 FATCA Deduction

(a) Each Party may make any FATCA Deduction it is required to make by FATCA, and any payment required in connection with that FATCA Deduction, and neither Party shall be required to increase any payment in respect of which it makes such a FATCA Deduction or otherwise compensate the recipient of the payment for that FATCA Deduction.

(b) Each Party shall promptly, upon becoming aware that it must make a FATCA Deduction (or that there is any change in the rate or the basis of such FATCA Deduction), notify the other Party.

55. INCREASED COSTS

55.1 This Clause 55 applies if the Owners notify the Charterers that they consider that as a result of:

(a) the introduction or alteration after the date of this Charter of a law or an alteration after the date of this Charter in the manner in which a law is interpreted or applied (disregarding any effect which relates to the application to payments under this Charter of a tax on the Owners' overall net income under the laws of the jurisdiction of the Owners' incorporation); or

(b) complying with any regulation (including any which relates to capital adequacy or liquidity controls or which affects the manner in which the Owners allocates capital resources to their obligations under this Charter) which is introduced, or altered, or the interpretation or application of which is altered, after the date of this Charter,

the Owners (or their parent company) has incurred or will incur an **"increased cost"**.

55.2 In this Clause 55, **"increased cost"** means, in relation to the Owners:

(a) an additional or increased cost incurred as a result of, or in connection with, the Owners having entered into, or being a party to, this Charter, of funding the acquisition of the Vessel pursuant to the MOA or performing their obligations under this Charter;

(b) a reduction in the amount of any payment to the Owners under this Charter or in the effective return which such a payment represents to the Owners on their capital;

(c) a liability to make a payment, or a return foregone, which is calculated by reference to any amounts received or receivable by the Owners under this Charter,

and for the purposes of this Clause 55.2 the Owners may in good faith allocate or spread costs and/or losses among their assets and liabilities (or any class of their assets and liabilities) on such basis as they consider appropriate.

55.3 Clause 55.1 does not apply to the extent any increased cost is:

(a) attributable to a Tax Deduction (as defined in Clause 54.1 (*Tax definitions*)) required by law to be made by a Security Party;

(b) attributable to a FATCA Deduction required to be made by a Security Party;

(c) compensated for by Clause 54.3 (*Tax indemnity*) (or would have been compensated for under Clause 54.3 (*Tax indemnity*) but was not so compensated solely because any of the exclusions in paragraph (a) of Clause 54.3 (*Tax indemnity*) applied); or

(d) attributable to the wilful breach by the Owners of any law or regulation.

55.4 Subject to the terms of Clause 55.1, the Charterers shall pay to the Owners, on the Owners' demand, the amounts which the Owners from time to time notify the Charterers to be necessary to compensate the Owners for any increased cost incurred by them (or their parent company).

56. AMENDMENTS AND WAIVERS

56.1 Any term of a Transaction Document may be amended or waived only with the consent of the Owners and each Security Party which is a party to such Transaction Document.

56.2 **Published Rate Replacement Event**

(a) If a Published Rate Replacement Event has occurred in relation to any Published Rate for Dollars, any amendment or waiver which relates to:

(i) providing for the use of a Replacement Reference Rate in place of that Published Rate; and

(ii) (A) aligning any provision of any Transaction Document to the use of that Replacement Reference Rate;

(B) enabling that Replacement Reference Rate to be used for the calculation of interest under this Charter (including any consequential changes required to enable that Reference Rate to be used for the purposes of this Charter);

(C) implementing market conventions applicable to that Reference Rate;

(D) providing for appropriate fallback (and market disruption) provisions for that Replacement Reference Rate; or

(E) adjusting the pricing to reduce or eliminate, to the extent reasonably practicable, any transfer of economic value from one Party to another as a result of the application of that Replacement Reference Rate (and if any adjustment or method for calculating any adjustment has been formally designated, nominated or recommended by the Relevant Nominating Body, the adjustment shall be determined on the basis of that designation, nomination or recommendation),

may be made with the consent of the Owners and the Charterers.

(b) In this Clause 56.2:

"Published Rate" means:

(a) Overnight SOFR; or

(b) Term SOFR for any Quoted Tenor.

"Published Rate Replacement Event" means, in relation to a Published Rate:

(a) the methodology, formula or other means of determining that Published Rate has, in the opinion of the Owners and the Charterers, materially changed;

(b) (i) (A) the administrator of that Published Rate or its supervisor publicly announces that such administrator is insolvent; or

(B) information is published in any order, decree, notice, petition or filing, however described, of or filed with a court, tribunal, exchange, regulatory authority or similar administrative, regulatory or judicial body which reasonably confirms that the administrator of that Published Rate is insolvent,

provided that, in each case, at that time, there is no successor administrator to continue to provide that Published Rate;

(ii) the administrator of that Published Rate publicly announces that it has ceased or will cease to provide that Published Rate permanently or indefinitely and, at that time, there is no successor administrator to continue to provide that Published Rate;

(iii) the supervisor of the administrator of that Published Rate publicly announces that such Published Rate has been or will be permanently or indefinitely discontinued; or

(iv) the administrator of that Published Rate or its supervisor announces that that Published Rate may no longer be used; or

(c) the administrator of that Published Rate (or the administrator of an interest rate which is a constituent element of that Published Rate) determines that that Published Rate should be calculated in accordance with its reduced submissions or other contingency or fallback policies or arrangements and either:

(i) the circumstance(s) or event(s) leading to such determination are not (in the opinion of the Owners and the Charterers) temporary; or

(ii) that Published Rate is calculated in accordance with any such policy or arrangement for a period no less than the Reference Rate Contingency Period; or

(d) in the opinion of the Owners and the Charterers, that Published Rate is otherwise no longer appropriate for the purposes of calculating interest under this Charter.

"Reference Rate Contingency Period" means a period of twenty (20) days.

"Relevant Nominating Body" means any applicable central bank, regulator or other supervisory authority or a group of them, or any working group or committee sponsored or chaired by, or constituted at the request of, any of them or the Financial Stability Board.

"Replacement Reference Rate" means a reference rate which is:

(a) formally designated, nominated or recommended as the replacement for a Published Rate by:

(i) the administrator of that Published Rate (provided that the market or economic reality that such reference rate measures is the same as that measured by that Published Rate); or

(ii) any Relevant Nominating Body,

and if replacements have, at the relevant time, been formally designated, nominated or recommended under both paragraphs, the "Replacement Reference Rate" will be the replacement under paragraph (ii) above;

(b) in the opinion of the Owners and the Charterers, generally accepted in the international or any relevant domestic syndicated loan markets as the appropriate successor to a Published Rate; or

(c) in the opinion of the Owners and the Charterers, an appropriate successor to a Published Rate.

57. GOVERNING LAW AND ARBITRATION

57.1 This Charter and any non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with English law.

57.2 Any dispute, controversy, difference or claim arising out of or in connection with this Charter, including any dispute relating to any non-contractual obligation arising from or in connection with this Charter and any question regarding its existence, validity, interpretation, performance, breach or termination thereof (a "**Dispute**"), shall be referred to and finally resolved by arbitration administered by the Hong Kong International Arbitration Centre ("**HKIAC**") under the HKIAC Administered Arbitration Rules in force when the Notice of Arbitration is submitted.

57.3 The governing law of these arbitration provisions is Hong Kong law. The seat of arbitration shall be Hong Kong. The number of arbitrators shall be three. Each Party shall designate in the Notice of Arbitration and the Answer to the Notice of Arbitration, respectively, one arbitrator. If either Party fails to designate an arbitrator, HKIAC shall appoint the arbitrator. The two arbitrators so appointed shall designate a third arbitrator, who shall act as the presiding arbitrator. Failing such designation within 30 days from the confirmation or appointment of the second arbitrator, HKIAC shall appoint the presiding arbitrator. The arbitration proceedings shall be conducted in English.

57.4 The HKIAC Administered Arbitration Rules are deemed to be incorporated by reference into this Clause 56 and capitalised terms used in this Clause which are not otherwise defined in this Charter have the meaning given to them in the HKIAC Administered Arbitration Rules.

58. MISCELLANEOUS

58.1 At any time after the date of this Charter and during the Charter Period, each of the Owners and the Charterers shall keep confidential and shall not, without the prior written consent of the other, disclose to any person:

(a) the financial details of, or the transactions contemplated by, the Transaction Documents; or

(b) any information provided pursuant to any of the Transaction Documents,

provided that the Parties may disclose any such information without consent:

(i) to any person to the extent required for the purpose of any litigation, arbitration or regulatory proceedings or procedure;

(ii) to any person to whom, and to the extent that, information is required to be disclosed by any applicable law or regulation;

(iii) to any Governmental Agency;

(iv) to any Finance Party or any other party to any of the Transaction Documents;

(v) to the auditors, legal or insurance advisors, underwriters or brokers of the Owners, the Charterers or of any of the persons listed in paragraph (iv) above who shall be instructed to maintain the confidentiality of any information supplied to them;

(vi) (if necessary) to rating agencies, or as required by the rules or regulations of any applicable stock exchange or similar body (whether or not having the force of law); or

(vii) in any manner contemplated by any of the Transaction Documents.

58.2 The Charterers waive any rights of sovereign immunity which they or any of their properties may enjoy in any jurisdiction and subjects itself to civil and commercial law with respect to their obligations under this Charter.

58.3 This Charter and each Transaction Document may be executed in any number of counterparts and by the different Parties or thereto on separate counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Charter or that Transaction Document, as the case may be.

Execution page

This Charter has been entered into on the date stated at the beginning of this Charter.

THE OWNERS

SIGNED by 張欣航 (Zhang Xinhang), duly authorised Legal Representative, for and on behalf of 汇弘(天津)航运租赁有限公司 **(HUI HONG (TIANJIN) SHIPPING LEASING CO., LTD.)** in accordance with its articles of association in the presence of:)

(affixed with company chop)

Name: 張欣航 (Zhang Xinhang)
Title: Legal Representative

Signature of witness:
Name: HE SIWEI
Title: manager

THE CHARTERERS

SIGNED by Shum Yee Hong ,	)
duly authorised Director,	)
for and on behalf of **JINHAN MARINE INC.**	)
in accordance with its articles of incorporation	)
in the presence of:	)

Name: Shum Yee Hong
Title: Director

Signature of witness:
Name: Kwok Wai Yu Rosanna
Title: Director

SCHEDULE 1
CERTIFICATE OF DELIVERY AND ACCEPTANCE

JINHAN MARINE INC., a corporation incorporated in the Republic of Panama with limited liability and a registered non-Hong Kong company under Part 16 of the Companies Ordinance (Cap. 622 of the Laws of Hong Kong) (the **"Charterers"**) hereby acknowledge that at [●] hours on [●] (Beijing time) in [●], there was delivered to, and accepted by, the Charterers the Vessel known as "JIN HAN" with IMO No. 1111997, registered under the laws and flag of Hong Kong in the name of 汇弘(天津)航运租赁有限公司 **(HUI HONG (TIANJIN) SHIPPING LEASING CO., LTD.)**, a company incorporated in the People's Republic of China with limited liability and unified social credit code 91120118MABYN79E4A (the **"Owners"**) as owners, under a bareboat charter dated [●] (as the same may be amended, supplemented or otherwise modified from time to time, the **"Charter"**) and made between the Owners and the Charterers and that Delivery (as defined in the Charter) thereupon took place and that, accordingly, the Vessel is and will be subject to all the terms and conditions contained in the Charter from such time and date.

The Charterers warrant that the representations and warranties made by them in clause 48 (*Representations and warranties*) of the Charter remain correct and that no Potential Termination Event or Termination Event (as defined in the Charter) has occurred and is continuing at the date of this Certificate of Delivery and Acceptance.

THE OWNERS

SIGNED by 張欣航 (Zhang Xinhang), duly authorised Legal Representative, for and on behalf of 汇弘(天津)航运租赁有限公司 **(HUI HONG (TIANJIN) SHIPPING LEASING CO., LTD.)** in accordance with its articles of association in the presence of:	)))))	(affixed with company chop) ____________________ Name: 張欣航 (Zhang Xinhang) Title: Legal Representative

Signature of witness: ____________________

Name:

Title:

THE CHARTERERS

SIGNED by ,)
duly authorised Director,)
for and on behalf of **JINHAN MARINE INC.**)
in accordance with its articles of incorporation)
in the presence of:)

Name:
Title: Director

Signature of witness:

Name:

Title:

SCHEDULE 2
CHARTERHIRE SCHEDULE

Payment Dates		Fixed Charterhire (US$)	Charterhire Principal (US$)
1st Payment Date	the Purchase Price Pre-positioning Date	540,000	17,000,000
2nd Payment Date	the applicable Second Payment Date	540,000	15,920,000
3rd Payment Date	the date falling three (3) months from the applicable Second Payment Date	540,000	15,380,000
4th Payment Date	the date falling six (6) months from the applicable Second Payment Date	540,000	14,840,000
5th Payment Date	the date falling nine (9) months from the applicable Second Payment Date	540,000	14,300,000
6th Payment Date	the date falling twelve (12) months from the applicable Second Payment Date	540,000	13,760,000
7th Payment Date	the date falling fifteen (15) months from the applicable Second Payment Date	540,000	13,220,000
8th Payment Date	the date falling eighteen (18) months from the applicable Second Payment Date	540,000	12,680,000
9th Payment Date	the date falling twenty-one (21) months from the applicable Second Payment Date	540,000	12,140,000
10th Payment Date	the date falling twenty-four (24) months from the applicable Second Payment Date	540,000	11,600,000
11th Payment Date	the date falling twenty-seven (27) months from the applicable Second Payment Date	540,000	11,060,000
12th Payment Date	the date falling thirty (30) months from the applicable Second Payment Date	540,000	10,520,000
13th Payment Date	the date falling thirty-three (33) months from the	345,000	10,175,000

Payment Dates		Fixed Charterhire (US$)	Charterhire Principal (US$)
	applicable Second Payment Date		
14th Payment Date	the date falling thirty-six (36) months from the applicable Second Payment Date	345,000	9,830,000
15th Payment Date	the date falling thirty-nine (39) months from the applicable Second Payment Date	345,000	9,485,000
16th Payment Date	the date falling forty-two (42) months from the applicable Second Payment Date	345,000	9,140,000
17th Payment Date	the date falling forty-five (45) months from the applicable Second Payment Date	345,000	8,795,000
18th Payment Date	the date falling forty-eight (48) months from the applicable Second Payment Date	345,000	8,450,000
19th Payment Date	the date falling fifty-one (51) months from the applicable Second Payment Date	345,000	8,105,000
20th Payment Date	the date falling fifty-four (54) months from the applicable Second Payment Date	345,000	7,760,000
21st Payment Date	the date falling fifty-seven (57) months from the applicable Second Payment Date	345,000	7,415,000
22nd Payment Date	the date falling sixty (60) months from the applicable Second Payment Date	345,000	7,070,000
23rd Payment Date	the date falling sixty-three (63) months from the applicable Second Payment Date	345,000	6,725,000
24th Payment Date	the date falling sixty-six (66) months from the applicable Second Payment Date	345,000	6,380,000
25th Payment Date	the date falling sixty-nine (69) months from the applicable Second Payment Date	345,000	6,035,000
26th Payment Date	the date falling seventy-two (72) months from the applicable Second Payment Date	345,000	5,690,000

Payment Dates		Fixed Charterhire (US$)	Charterhire Principal (US$)
27th Payment Date	the date falling seventy-five (75) months from the applicable Second Payment Date	345,000	5,345,000
28th Payment Date	the date falling seventy-eight (78) months from the applicable Second Payment Date	345,000	5,000,000
Purchase Obligation Date			5,000,000 (being the Purchase Obligation Price)

SCHEDULE 3
CONDITIONS PRECEDENT

Part A

The following are the documents referred to in paragraph (e)(i) of Clause 35.1:

1. **The Security Parties**

(a) Copies of the constitutional documents and statutory registers (as applicable) of each of the Security Parties.

(b) A copy of a resolution of the board of directors of each of the Security Parties:

(i) approving the terms of, and the transactions contemplated by, the Transaction Documents to which it is a party (the **"Relevant Documents"**) and resolving that it execute, deliver and perform the Relevant Documents;

(ii) authorising a specified person or persons to execute the Relevant Documents on its behalf; and

(iii) authorising a specified person or persons, on its behalf, to sign and/or dispatch all documents and notices to be signed and/or dispatched by it under or in connection with the Relevant Documents.

(c) A passport copy of the directors and persons who have signed (or will sign) any resolution, certificate or Transaction Document required to be provided under this Charter.

(d) (If required) a copy of a resolution signed by all the holders of the issued shares in each of the Security Parties, approving the terms of, and the transactions contemplated by, the Relevant Documents to which it is a party.

(e) A certificate of each of the Security Parties (signed by an officer or director) confirming that entering into and performing the obligations under the Transaction Documents to which it is a party would not cause any financing, guaranteeing, granting of Security Interests or similar limit binding on it to be exceeded.

(f) Certified copies of power of attorney of each of the Security Parties under which any person named therein may execute any of the Relevant Documents on its behalf.

(g) A certificate of an authorised signatory of each of the Security Parties certifying that each copy document relating to it specified in this Schedule is correct, complete and in full force and effect and has not been amended or superseded as at a date no earlier than the date of this Charter and that any such resolutions or power of attorney have not been revoked.

(h) A copy of the certificate of compliance in respect of the Corporate Guarantor issued by the Bermuda Companies Registry dated within one (1) month of the Bermuda legal opinion referred to in paragraph 8 below.

(i) A copy of the certificate of good standing in respect of the Shareholder issued by the BVI Registry of Corporate Affairs dated within 1 month of the BVI legal opinion referred to in paragraph 8 below.

(j) A recent copy of the certificate of incumbency in respect of the Shareholder issued by the registered agent of the Shareholder.

2. Transaction Documents

2.1 Each of the following documents, duly executed by the parties to it, together with all ancillary documents to be delivered pursuant to it (including but not limited to, the original share certificate(s) of the Charterers) (except for any relevant consent and agreement to notice to be provided to the Owners under Schedule 4 (*Conditions Subsequent*)):

(a) this Charter;

(b) the MOA;

(c) the Corporate Guarantee;

(d) the Deed of Charge;

(e) the Charge Over Account;

(f) if applicable, the Subordination Deed; and

(g) the Collateral Charter.

2.2 Each of the following documents, duly executed by the parties to it but undated, together with all ancillary documents to be delivered pursuant to it:

(a) the Charterers Assignment; and

(b) any Manager's Undertaking.

3. MOA

The Charterers have provided to the Owners:

(a) a duly completed payment notice in the form set out in schedule 1 to the MOA, duly signed by the Charterers advising the Owners that the Purchase Price is due and payable;

(b) a commercial invoice for the Vessel issued by the Charterers to the Owners under the MOA; and

(c) a letter of confirmation of no blacklist by any other organisation or country, duly signed by the Charterers under the MOA.

4. Shipbuilding Contract

The Charterers have provided to the Owners:

(a) a copy of the Shipbuilding Contract;

(b) evidence that all necessary corporate, shareholder and other action have been taken by the Builder to authorise the sale and delivery of the Vessel by the Builder to the Charterers under the Shipbuilding Contract;

(c) evidence that all necessary corporate, shareholder and other action have been taken by the Charterers to authorise the purchase and delivery of the Vessel from the Builder under the Shipbuilding Contract;

(d) declaration of warranty, commercial invoice, non-registration certificate, non-mortgage certificate and other delivery documents executed by the Builder as sellers and/or the Charterers as buyers under the Shipbuilding Contract;

(e) evidence that all the pre-delivery instalments (including the first, second, third and fourth instalments) of the Final Contract Price have been remitted by the Charterers and received by the Builder; and

(f) evidence that the delivery instalment of the Final Contract Price is due and payable under the Shipbuilding Contract, including copies of the payment notice and if applicable, the commercial invoice issued by the Builder as sellers to the Charterers as buyers.

5. Valuation report

Two (2) valuation reports of the Vessel evidencing the Initial Market Value, acceptable in all respects to the Owners.

6. Vessel documents

6.1 A copy of each Management Agreement pertaining to the Vessel.

6.2 A copy of the Document of Compliance of the Approved Manager issued pursuant to the ISM Code.

7. Documents required for the demise charter registration of Vessel

7.1 Evidence satisfactory to the Owners that the documents required for the demise charter registration of the Vessel in the name of the Owners as owner and the Charterers as demise charterer have been pre-cleared by the Charterers and/or the Owners (as applicable) with the flag state stated in Box 5, and that the Vessel can be registered in the name of the Owners as owner and the Charterers as demise charterer under such flag state.

7.2 Confirmation that all registration fees due and payable at the time of the Commencement Date to the Vessel's registry's government agencies, authorities and departments with respect to the Vessel will be or have been paid in full.

8. Legal opinions

Agreed forms of the legal opinions to be issued by the English, Hong Kong, Panamanian, British Virgin Islands and Bermudan legal advisors and any other relevant legal advisors to the Owners on such matters on the relevant laws in relation to the Transaction Documents.

9. Insurance report

An agreed form of the insurance report to be issued by an insurance advisor appointed by the Owners (but at the cost of the Charterers) in the form and substance acceptable to the Owners, together with the insurances or evidence that the Vessel is covered under the insurances as required under Clause 40 (*Insurance*) as from the

Commencement Date and evidence that letter(s) of undertaking have been or will be issued in the manner required by the Transaction Documents.

10. Other information

10.1 Evidence that the Earnings Account has been or will be opened.

10.2 Copies of the Original Financial Statements of the Corporate Guarantor and the Charterers.

10.3 Evidence that any fees, costs and expenses then due from the Charterers to the Owners under the Transaction Documents have been paid and received by, or will be paid and received by, the Owners, on Delivery of the Vessel.

10.4 All "know your customer" requirements as the Owners may require.

10.5 A copy of any other consents, approvals, authorization or other document, opinion or assurance which the Owners consider to be necessary or desirable in connection with the entry into and performance of the transactions contemplated by any of the documents listed in paragraph 2 of Part A of Schedule 3 or for the validity and enforceability of such documents.

10.6 Such other information and documents as the Owners may reasonably require by giving prior written notice to the Charterers.

10.7 If the Owners so require, in relation to any of the documents referred to in this Part A, an English translation of that document (with such cost to be borne by the Charterers).

Part B

The following are the documents referred to in paragraph (e)(ii) of Clause 35.1:

1. Bringdown certificates

If required, a certificate of an authorised signatory of each of the Security Parties, certifying that each document which they are required to provide under Part A of Schedule 3, is correct, complete and in full force and effect as at the Delivery Date.

2. Security Documents

Each of the following documents, duly executed by the parties to it, together with all ancillary documents to be delivered pursuant to it (except for any relevant consent and agreement to notice to be provided to the Owners under Schedule 4 (*Conditions Subsequent*)):

(a) the Charterers Assignment; and

(b) any Manager's Undertaking.

3. Documents required for the demise charter registration of Vessel

3.1 Before execution of the original MOA PDA by the Charterers as sellers and the Owners as buyers:

(a) an original builder's certificate executed by the Builder as sellers in favour of the Charterers as buyers under the Shipbuilding Contract recordable in the flag state stated in Box 5 (duly notarised and if applicable, legalised) and where executed by an attorney of the Builder as sellers, together with an original power of attorney of the Builder (duly notarised and if applicable, legalised);

(b) an original bill of sale executed by the Builder as sellers in favour of the Charterers as buyers in respect of the Vessel (duly notarised and if applicable, legalised) and where executed by an attorney of the Builder as sellers, together with an original power of attorney of the Builder (duly notarised and if applicable, legalised);

(c) an original bill of sale executed by the Charterers as sellers in favour of the Owners as buyers (duly notarised and if applicable, legalised) and where executed by an attorney of the Charterers as sellers, together with an original power of attorney of the Charterers (duly notarised and if applicable, legalised); and

(d) if required, email confirmation from the Hong Kong Shipping Registry of its receipt of all documents required to effect the demise charter registration of the Vessel in the name of the Owners as owner and the Charterers as demise charterer.

3.2 Documentary evidence that the Vessel:

(a) has been unconditionally delivered by the Builder as sellers to the Charterers as buyers pursuant to the terms of the Shipbuilding Contract, where such documents shall include, in particular, the original protocol of delivery and acceptance duly executed by the Builder as sellers and the Charterers as buyers;

(b) has been unconditionally delivered by the Charterers as sellers to the Owners as buyers pursuant to the terms of the MOA, where such documents shall include, in particular, the original MOA PDA duly executed by the Charterers as sellers and the Owners as buyers; and

(c) has been unconditionally delivered by the Owners to, and accepted by, the Charterers pursuant to this Charter, where such documents shall include, in particular, the Certificate of Delivery and Acceptance.

3.3 Documentary evidence issued by the Hong Kong Shipping Registry evidencing that the Vessel is registered in the name of the Owners as owner and the Charterers as demise charterer under the laws and flag of Hong Kong by way of demise charter registration with no registered encumbrance.

4. Vessel certificates

4.1 Evidence that the Vessel:

(a) is in possession of a valid Safety Management Certificate under the ISM Code;

(b) is in possession of a valid maritime labour certificate and declaration of maritime labour compliance under the Code to the Maritime Labour Convention;

(c) is in possession of a valid International Ship Security (ISS) Certificate, a valid International Air Pollution Prevention Certificate (IAPPC) and a valid International Oil Pollution Prevention Certificate (IOPPC); and

(d) is in possession of a certificate issued pursuant to Article VII International Convention on Civil Liability for Bunker Oil Pollution Damage 2001, a certificate issued pursuant to Article VII International Convention on Civil Liability for Oil Pollution Damage 1992 and (if the Vessel enters or trades through US waters) a certificate issued pursuant to section 1016(a) Oil Pollution Act 1990 and section 108(a) Comprehensive Environmental Response, Compensation and Liability Act 1980, as amended, in accordance with US Coast Guard Regulations, 33 CFR Part 138.

4.2 A copy of the Vessel's class certificate evidencing that the Vessel maintains its classification as set out in the MOA free of all recommendations and conditions.

5. Other information

5.1 Evidence that 10% of the Final Contract Price, being the surplus of the delivery instalment of the Final Contract Price over the Initial Charterhire Principal, has been remitted by the Charterers as buyers to the Builder as sellers under the Shipbuilding Contract.

5.2 If the Owners so require, in relation to any of the documents referred to in this Part B of Schedule 3, an English translation of that document (with such cost to be borne by the Charterers).

5.3 Such other information and documents as the Owners may reasonably require by giving prior written notice to the Charterers.

SCHEDULE 4
CONDITIONS SUBSEQUENT

The following are the documents referred to in Clause 35.2:

1. **Within one (1) Business Day after the Commencement Date:**

   (a) Letters of undertaking in respect of the Insurance as required by the Transaction Documents, together with copies of the relevant policies or cover notes or entry certificates in respect of the Insurances duly endorsed with the interest of the Owners.

   (b) A satisfactory insurance report issued by an insurance advisor appointed by the Owners (but at the costs of the Charterers) on the insurances effected on the Vessel pursuant to the provisions of this Charter.

   (c) Legal opinions issued by the English, Hong Kong, Panamanian, British Virgin Islands and Bermudan legal advisors and any other relevant legal advisors to the Owners on such matters on the relevant laws in relation to the Transaction Documents.

2. **Within the stipulated timelines set out in the Charterers Assignment:**

   The relevant consent(s) and agreement(s) to the notices delivered under the Charterers Assignment.

3. **Within the stipulated timelines set out in the Charge Over Account:**

   The relevant consent(s) and agreement(s) to the notice(s) delivered under the Charge Over Account.

4. **Within one (1) month of the Commencement Date (or such later date as the Owners may in their discretion agree on request of the Charterers):**

   Evidence that all registrations, filings or other actions (including without limitation the filings with the Hong Kong Companies Registry) necessary or prudent to give effect to or perfect in the Relevant Jurisdictions, the Security Interests created by the relevant Security Documents have been taken or made and completed.

Dated 29 July 2026

GUARANTEE AND INDEMNITY

in respect of

one (1) bulk carrier bearing hull no. HT64-428 and
IMO no. 1111997 named or to be named "JIN HAN"

between

JINHUI SHIPPING AND TRANSPORTATION LIMITED
(as Guarantor)

and

汇弘(天津)航运租赁有限公司
(HUI HONG (TIANJIN) SHIPPING LEASING CO., LTD.)
(as Owner)

Contract no.: JFLSPV2026G197-01

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Contents

THIS GUARANTEE AND INDEMNITY is dated 29 July 2026 (this **"Guarantee"**) and made between:

(1) **JINHUI SHIPPING AND TRANSPORTATION LIMITED**, an exempted company incorporated in Bermuda and listed on the Oslo Stock Exchange with stock code JIN, as guarantor (the **"Guarantor"**); and

(2) **汇弘(天津)航运租赁有限公司 (HUI HONG (TIANJIN) SHIPPING LEASING CO., LTD.)**, a company incorporated in the People's Republic of China with limited liability and unified social credit code 91120118MABYN79E4A with its registered address at Room 202, Office Are of Inspection Warehouse, No. 6262, Aozhou Road, Dongjiang Comprehensive Free Trade Zone, Tianjin Pilot Free Trade Zone (Tianjin Dongjiang Business Secretary Service Co., Ltd. Free Trade Zone Branch, Trusteeship No. 7377), as owner (the **"Owner"**).

BACKGROUND:

(A) By a bareboat charterparty dated 29 July 2026 (together with all amendments and supplements to it, the **"Charter"**) made between the Owner, as owners, and JINHAN MARINE INC., a corporation incorporated in the Republic of Panama with limited liability and a registered non-Hong Kong company under Part 16 of the Companies Ordinance (Cap. 622 of the Laws of Hong Kong), as charterers (the **"Charterer"**), the Owner has agreed to charter the Vessel to the Charterer upon the terms of the Charter.

(B) As a condition precedent to the obligations of the Owner under the Charter, the Guarantor shall execute this Guarantee in favour of the Owner for the purpose of guaranteeing, amongst others, all obligations of the Security Parties under the Charter and the other Transaction Documents upon the terms of this Guarantee.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Unless the context otherwise requires, words or expressions defined in the Charter (whether specifically or by reference) shall have the same meanings in this Guarantee and this construction shall survive the termination of the Charter. Where a word or phrase is defined in the Charter and this Guarantee, the definition in this Guarantee shall prevail.

1.2 In this Guarantee, the following words and expressions shall, except where the context otherwise requires, have the following respective meanings:

"Bankruptcy" includes a liquidation, receivership or administration and any form of suspension of payments, arrangement with creditors or reorganisation under any corporate or insolvency law of any country.

"Builder" has the meaning ascribed to such term in the Charter.

"Compliance Certificate" means a certificate delivered pursuant to paragraph (b) of Clause 4 (*Representations and Warranties*) and signed by a director of the Guarantor substantially in the form set out in the Schedule (*Form of Compliance Certificate*).

"Guarantor Group" means the Guarantor and its Subsidiaries from time to time, and a **"member of the Guarantor Group"** means any one of them.

"Guaranteed Obligations" means all present and future payment and performance obligations of the Security Parties due, owing or incurred under any Transaction Document to the Owner, in each case:

(a) which are (or which are expressed to be) now or at any time hereafter due to be performed; and

(b) including as a consequence of any breach, non-performance, disclaimer or repudiation by any Security Party (or by a liquidator, receiver, administrative receiver, administrator or any similar officer in respect of that Security Party) of any of such obligations of any Security Party, in each case together with:

  (i) all costs, charges and expenses incurred by the Owner in connection with the protection, preservation or enforcement of its rights under any Transaction Document; and

  (ii) all indebtedness, monies, obligations and liabilities due, owing or incurred in respect of any variations of the Transaction Documents or the obligations and liabilities imposed under such documents.

"Parties" means collectively, the parties to this Guarantee and **"Party"** means each or either of them, as the context may require.

"PRC Anti-Money Laundering Laws" has the meaning ascribed to such term in Clause 7 (*Anti-Money Laundering Clause*).

"PRC National Financial Credit Information Database" has the meaning ascribed to such term in Clause 6 (*Information Collection*).

"Vessel" means one (1) bulk carrier currently under construction by the Builder and bearing hull no. HT64-428 and IMO no. 1111997 named or to be named "JIN HAN".

1.3 Unless otherwise specified and except where the context otherwise requires, any reference in this Guarantee to:

(a) the singular includes the plural and vice versa;

(b) any person shall be construed so as to include its successors and permitted assigns and permitted transferees in accordance with their respective interests;

(c) any document (including the Charter, this Guarantee and each other Transaction Document) shall be construed as a reference to such document as amended, restated, supplemented, varied or novated from time to time in accordance with its terms (to the extent that such document is at the relevant time in effect);

(d) any provision of law shall be construed as a reference to that provision as amended, supplemented, varied, re-enacted, replaced or restated from time to time;

(e) any **"applicable law"** includes, without limitation, (i) applicable laws, acts, codes, conventions, decrees, decree-laws, legislation, statutes, treaties and similar instruments, (ii) applicable final judgments, orders, determinations or awards of any court from which there is no right of appeal (or, if there is a right of appeal, such appeal is not prosecuted within the allowable time) and (iii) applicable directives, guidance, guidelines, notices, orders, regulations and rules of any governmental, judicial or regulatory authority (whether or not having the force of law but with which, if not having the force of law, compliance is customary);

(f) a **"Clause"** shall be construed as a reference to a clause of this Guarantee;

(g) "**continuing**" shall, in relation to a Termination Event, be construed as a reference to a Termination Event which has not been waived by the Owner;

(h) a **"person"** means any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium, partnership or other entity (whether or not having separate legal personality);

(i) a **"successor"** shall be construed so as to mean a successor in title of a person and any person who under the applicable laws of its jurisdiction of incorporation or domicile has assumed the rights and obligations of such person or to which, under such laws or by agreement or otherwise, such rights and obligations have been transferred; and

(j) the **"winding-up"**, **"dissolution"**, **"administration"** or **"re-organisation"** of a person shall be construed so as to include any equivalent or analogous proceedings under the applicable law of the jurisdiction in which such person is incorporated or formed or any jurisdiction in which such person carries on business including the seeking of liquidation, winding-up, reorganisation, dissolution, administration, arrangement, adjustment, protection or relief of debtors.

1.4 Clause headings shall be ignored in the interpretation of this Guarantee.

2. GUARANTEE AND INDEMNITY

(a) In consideration of the Owner entering into the Charter, the Guarantor irrevocably and unconditionally guarantees to the Owner the due payment and prompt performance by the Security Parties of the Guaranteed Obligations when due in accordance with the Charter and the other Transaction Documents.

(b) The Guarantor further irrevocably and unconditionally undertakes to pay to the Owner, on the Owner's demand, any such amount which is not paid by any Security Party when due and payable under the Charter or any other Transaction Document.

(c) The Guarantor as principal obligor and as a separate and independent obligation and liability from its obligations and liabilities under paragraphs (a) and (b) above agrees to indemnify and keep indemnified the Owner, in full and on demand, from and against all and any losses, costs, claims, liabilities, damages, demands and expenses suffered or incurred by the Owner arising out of, or in connection with, any failure of any Security Party to perform or discharge any of the Guaranteed Obligations.

(d) The Owner may serve more than one demand under this Clause 2.

3. PRESERVATION OF RIGHTS

(a) The obligations of the Guarantor contained in this Guarantee shall be in addition to and independent of every other security which the Owner may at any time hold in respect of any Security Party's obligations under any Transaction Document.

(b) The Guarantor shall be liable under this Guarantee as a principal and independent debtor and not merely a surety. Accordingly it shall not have, as regards this Guarantee, any of the rights or defences of a surety. Neither the obligations of the Guarantor contained in this Guarantee nor the rights, powers and remedies conferred upon the Owner by this Guarantee or by law shall be discharged, impaired or otherwise affected by:

(i) the winding-up, dissolution, administration or reorganisation of any Security Party or any other person or any change in its status, function, control or ownership;

(ii) any of the obligations of any Security Party or any other person under any Transaction Document being or becoming illegal, invalid, void, voidable, unenforceable, ineffective or of limited force and effect in any respect;

(iii) any time or other indulgence being granted or agreed to be granted to any Security Party or any other person in respect of any of its obligations under any Transaction Document;

(iv) any amendment to, or any variation, waiver or release of, any Transaction Document or any obligation of any Security Party or any other person under any Transaction Document;

(v) any failure to take, or fully to take, any security contemplated by any Transaction Document or otherwise agreed to be taken in respect of any Security Party's obligations under any Transaction Document;

(vi) any failure to realise or fully to realise the value of, or any release, discharge, exchange or substitution of, any security taken in respect of any Security Party's obligations under any Transaction Document;

(vii) any purported obligation of any Security Party or any other person to the Owner (or any security for that obligation) becoming wholly or in part void, invalid, illegal or unenforceable for any reason, including negligence; and

(viii) any other act, event or omission which, but for this paragraph (b), might operate to discharge, impair or otherwise affect any of the obligations of the Guarantor contained in this Guarantee or any of the rights, powers or remedies conferred upon the Owner by this Guarantee, the Charter or any other Transaction Document or by law.

(c) Any settlement, discharge or release between the Guarantor and the Owner in relation to this Guarantee shall be conditional upon no right, security, disposition or payment to or in favour of the Owner by any Security Party or any other person being avoided, set aside, reduced or ordered to be refunded as a result of the operation of any applicable law and if any such right, security, disposition or payment is so avoided, set aside, reduced or ordered to be refunded, the liability of the Guarantor shall continue and the Owner shall be entitled to recover under this Guarantee the value or amount of that right, security, disposition or payment, in each case as if any such settlement, discharge or release had not occurred.

(d) The Owner shall not be obliged before exercising any of the rights, powers or remedies conferred upon it by this Guarantee or by law:

(i) to make any demand on the Security Parties;

(ii) to take any action or obtain judgment in any court against the Security Parties;

(iii) to make or file any claim or proof in a winding-up or dissolution of the Security Parties; or

(iv) to enforce or seek to enforce any security taken in respect of any Security Party's obligations under any Transaction Document.

(e) The Guarantor agrees that, for so long as any Security Party is under any actual or contingent obligation under the Charter or any other Transaction Document, the Guarantor shall not exercise any right which the Guarantor may at any time have by reason of this Guarantee or the performance by it of its obligations under this Guarantee:

(i) to be indemnified by the Security Parties or to receive any collateral from the Security Parties in respect of the Guarantor's obligations under this Guarantee;

(ii) to claim any contribution from any other guarantor of any Security Party's obligations under any Transaction Document;

(iii) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any of the Owner's rights under the Charter or any other Transaction Document or of any other guarantee or security taken pursuant to, or in connection with, the Charter or any other Transaction Document;

(iv) to claim or prove in a liquidation or other insolvency proceeding of the Security Parties or any co-surety in competition with the Owner; and/or

(v) receive, claim or have the benefit of any payment, distribution or security from or on account of the Security Parties, or exercise any right of set-off against the Security Parties.

4. REPRESENTATIONS AND WARRANTIES

The Guarantor confirms that each of the representations and warranties set forth in clause 48 (*Representations and Warranties*) of the Charter given by the Charterer in so far as they relate to the Guarantor is (subject to the terms of each representation) true and accurate and is deemed repeated in accordance with the terms of the Charter.

5. FINANCIAL COVENANTS

5.1 Financial covenants

The Guarantor shall ensure that:

(a) *Debt-to-asset ratio*

Total Liabilities shall not be greater than 80% of Total Assets.

(b) *Minimum corporate liquidity covenant*

Cash and Cash Equivalents of the Guarantor shall be at least US$345,000 for each of its owned or beneficially controlled vessel.

(c) Consolidated market adjusted tangible net worth

Consolidated Market Adjusted Tangible Net Worth of the Guarantor shall be greater than US$100,000,000.

5.2 **Financial testing**

The financial covenants set out in Clause 5.1 (*Financial covenants*) shall be tested by reference to the financial statements delivered pursuant to clause 49.2(k) of the Charter and Compliance Certificates delivered pursuant to 49.2(l) of the Charter in respect of the Relevant Period.

5.3 **Financial definitions**

In this Clause 5:

(a) *Debt-to-asset ratio*

"Total Assets" means the aggregate value of all assets of the Guarantor.

"Total Liabilities" means the aggregate amount of all obligations of the Guarantor in respect of borrowings.

(b) *Minimum corporate liquidity covenant*

"Cash" means, at any time, cash at bank credited to an account in the name of the Charterers with a reputable financial institution and to which the Charterers are alone beneficially entitled and for so long as (a) that cash is repayable on demand; (b) repayment of that cash is not contingent on the prior discharge of any other indebtedness of any Guarantor Group member or of any other person whatsoever or on the satisfaction of any other condition; (c) there is no Security Interest over that cash; and (d) such cash is freely and immediately available to be applied in payment of the Charterhire.

"Cash Equivalents" means, with respect to any person, investments that are short term investments held by that person (excluding equity investments) which are readily convertible into cash without incurring any significant premium or penalty.

"Relevant Period" means each period of twelve (12) months ending on the last day of the Guarantor Group's financial year and each period of twelve (12) months ending on the last day of the first half of the Group's financial years.

(c) *Consolidated market adjusted tangible net worth*

Consolidated Market Adjusted Tangible Net Worth means, at any time, Total Assets less Total Liabilities.

5.4 **Financial statements**

The Guarantor shall supply to the Owner:

(a) as soon as the same become available, but in any event within one hundred and eighty (180) days after the end of each of its financial years, the audited financial statements of the Guarantor for that financial year;

(b) (i) with each set of financial statements delivered pursuant to paragraph (a)(i) above, a Compliance Certificate setting out (in reasonable detail) computations as to compliance with this Clause 5 as at the date as at which those financial statements were drawn up; and

(ii) each Compliance Certificate delivered pursuant to paragraph (b)(i) above shall be in the form agreed by the Guarantor and the Owner before the date of this Guarantee.

6. INFORMATION COLLECTION

For the purpose of compliance with the requirements of national financial credit information database of the PRC (including, without limitation, the credit information centre of the People's Bank of China) (the **"PRC National Financial Credit Information Database"**):

(a) the Guarantor hereby irrevocably authorises the Owner to provide all the contracts, agreements, commitments and any other documents signed by the Guarantor in relation to the Transaction Documents and the transactions contemplated therein to the PRC National Financial Credit Information Database for the inquiry and/or utilisation by any eligible applicants, including, without limitation, information on the performance of this Guarantee and any information and data provided by the Guarantor; and

(b) the Guarantor acknowledges and agrees that the Owner is entitled to inquire and/or utilise any corporate or financial information regarding the Guarantor which has been recorded in the PRC National Financial Credit Information Database.

7. ANTI-MONEY LAUNDERING CLAUSE

For the purpose of compliance with the Anti-Money Laundering Law of the PRC, the Anti-Money Laundering Regulation for Banking and Financial Institution and the Measures on the Administration of Reporting by Financial Institutions of Large Value and Suspicious Transactions issued by the People's Bank of China and all other relevant laws, regulations, rules, guidelines of the PRC (collectively, the **"PRC Anti-Money Laundering Laws"**):

(a) the Guarantor represents and warrants to the Owner that as of the date of this Guarantee, and on each day henceforth until the last day of Charter Period:

  (i) all the identity documents provided by the Guarantor are true and valid in all respects;

  (ii) there is no possibility for the Guarantor, the Shareholder, the controller and the beneficiary owner of the Guarantor or any counterparty involved in any of the Guarantor' business activities to participate in any anti-money laundering activities; and

  (iii) all funds paid by the Guarantor to the Owner are from legitimate sources and in compliance with the PRC Anti-Money Laundering Laws; and

(b) the Guarantor undertakes that it shall comply or procure compliance with the following undertakings commencing from the date hereof and up to the last day of the Charter Period:

  (i) upon the Owner's reasonable request, the Guarantor shall, to the extent such information and data is available, provide all relevant information and data to the Owner in accordance with the PRC Anti-Money Laundering Laws, including, without limitation, the Guarantor's identification documents, transaction records, receipts, certificates and documents, information on large value and suspicious transactions and any other relevant information and data; and

  (ii) to the extent relevant to the Transaction Documents and the transaction contemplated therein, the Guarantor shall cooperate with the Owner in any due diligence investigations conducted in accordance with the PRC Anti-Money Laundering Laws.

8. CONTINUING GUARANTEE

The obligations of the Guarantor contained in this Guarantee shall constitute and be continuing obligations notwithstanding any settlement of account or other matter or thing whatsoever, and shall not be considered as satisfied or discharged by any intermediate payment, satisfaction or settlement of any part of the Guaranteed Obligations and shall continue in full force and effect until all of the Guaranteed Obligations (whether actual or contingent) have been irrevocably and unconditionally paid and discharged in full. The Guarantor confirms that it shall remain liable under this Guarantee to guarantee and indemnify the Owner in respect of all obligations and liabilities of the Charterer under clause 43 (*Indemnities*) of the Charter and other indemnity provisions contained in the Charter and any other Leasing Documents that will survive the termination of the Charter.

9. PAYMENTS

(a) All payments to be made by the Guarantor under this Guarantee shall be made in the currency in which the corresponding payment obligation of the Charterer is due and payable under the Charter or each other applicable Transaction Document (as the case may be) and in immediately available, freely transferable, cleared funds to such account of the Owner with such bank as the Owner shall from time to time have specified for this purpose.

(b) All payments to be made by the Guarantor under this Guarantee shall be made without set-off or counterclaim and without any deduction or withholding whatsoever. If the Guarantor is obliged by law to make any deduction or withholding from any such payment, the amount due from the Guarantor in respect of such payment shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, the Owner receives a net amount equal to the amount that the Owner would have received had no such deduction or withholding been required to be made.

(c) The Guarantor agrees that:

(i) if any payment received by the Owner in respect of monies owing or due and payable by the Guarantor is avoided on the subsequent insolvency or liquidation of the Guarantor, under any laws relating to insolvency or liquidation, that payment does not discharge or diminish the liability of the Guarantor under this Guarantee, which continues to apply as if that payment at all times remained owing; and

(ii) if the Guarantor has not paid to the Owner the full amount of all sums due under this Guarantee, the Owner may (for the purpose of enabling the Owner to sue the Guarantor and/or any other guarantor of the liabilities which are hereby guaranteed or to prove in its or their liquidation or in any similar proceedings for any monies due and unpaid by the Guarantor to the Owner) at any time place and keep for such time as it may think fit any monies received under this Guarantee, or under such other guarantees or from any other person, to the credit of an account or accounts (bearing interest at a commercial rate) without any obligation on the part of the Owner to apply the same or any part thereof in or towards the discharge of the indebtedness and liabilities of the Guarantor to the Owner.

10. SUBORDINATION

All rights which the Guarantor at any time has (whether in respect of this Guarantee or any other Transaction Document) against the Charterer or its assets shall be fully subordinated to the rights of the Owner under the Transaction Documents. The Guarantor shall not:

(a) claim or prove in a Bankruptcy of the Charterer for any amount payable to the Guarantor by the Charterer, whether in respect of this Guarantee or any other Transaction Document;

(b) take or enforce any Security Interest for any such amount;

(c) claim to set-off any such amount against any amount payable by the Guarantor to the Charterer; or

(d) claim any subrogation or other right in respect of any Transaction Document or any sum received or recovered by the Charterer,

until such time as the Guaranteed Obligations have been irrevocably repaid in full.

11. CURRENCY CONVERSION

The Owner may convert any money received or realised by it under or pursuant to this Guarantee which is not in the currency in which the relevant sum is due and payable under each applicable Transaction Document from that currency into the currency in which such sum is due at the spot rate of exchange reasonably determined by the Owner at or about 11.00 a.m. (Shanghai time) on the relevant date of the conversion.

12. SUSPENSE ACCOUNT

All moneys received, recovered or realised by the Owner under or pursuant to this Guarantee (including the proceeds of any conversion of currency) may in its discretion (for *inter alia* the purpose of claiming or proving in a Bankruptcy of the Charterer) be credited to and held in any suspense or impersonal account pending their application from time to time in or towards the discharge of the Guarantor's obligations under this Guarantee.

13. SET-OFF

The Owner may (but shall not be obliged to) set-off any obligation in respect of Guaranteed Obligations which are due and payable by the Guarantor against any obligation (contingent or otherwise) owed by the Owner to the Guarantor (regardless of the place of payment, or currency of either obligation) and apply any credit balance to which the Guarantor is entitled on any account with the Owner in payment of the Guaranteed Obligations. The Owner may, at the cost of the Guarantor, effect such currency exchanges as it considers are appropriate to implement such set-off.

14. MISCELLANEOUS

(a) This Guarantee may be executed in any number of counterparts and on separate counterparts, each of which when executed shall constitute an original, but all counterparts shall together constitute one and the same instrument.

(b) Any amendment, supplement or variation to this Guarantee must be in writing and executed by each Party.

(c) The Guarantor may not terminate this Guarantee by notice to the Owner or otherwise.

(d) Neither the failure to exercise, nor the delay in any exercise of, nor the single or partial exercise of, any right, power or remedy by the Owner under or in relation to this Guarantee shall (i) operate as a waiver of such right, power or remedy, (ii) prevent any further or other exercise of such right, power or remedy or (iii) prevent the exercise of any other right, power or remedy. The rights, powers and remedies of the Owner provided in this Guarantee are cumulative and not exclusive of any rights, powers or remedies provided by law.

(e) Any waiver or consent given by a Party under or in relation to this Guarantee must, in order to be effective, be in writing and shall only be effective in the specific circumstances in which it is given.

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

(g) Any certificate or determination by the Owner as to any rate of interest or as to any other amount payable under this Guarantee shall, in the absence of manifest error or on any question of law, be conclusive and binding on Guarantor as to that amount.

(h) If any sum paid to the Owner or recovered by the Owner in respect of the liabilities of Guarantor under this Guarantee is less than the amount then due, the Owner may apply that sum to amounts due under this Guarantee in such proportions and order and generally in such manner as Owner may determine.

(i) A person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Guarantee.

(j) The Guarantor shall pay to the Owner on demand all documented fees, costs and expenses (including legal and other costs) payable or incurred by the Owner in connection with the enforcement of or preservation of the Owner's rights under this Guarantee. All amounts payable pursuant to this Clause 14 (*Miscellaneous*) shall be paid in the currency in which they are incurred to the Owner.

(k) It is intended that this Guarantee takes effect as a deed even though the Owner may only execute it under hand.

15. ASSIGNMENTS AND TRANSFERS

(a) This Guarantee shall be binding upon and enure to the benefit of each Party and its respective successors, permitted assigns and permitted transferees.

(b) The Guarantor shall not assign, transfer (whether voluntarily or involuntarily, by operation of law or otherwise) or create or permit to exist any Security Interest over, any of its rights or obligations under this Guarantee.

(c) The Owner may assign its rights under this Guarantee to any person to whom it assigns its rights under the Charter in accordance with the terms of the Charter.

16. NOTICES

16.1 Communications in writing

Any communication to be made under or in connection with this Guarantee shall be made in writing and, unless otherwise stated, may be made by email or letter.

16.2 Addresses

Any communication or document to be made or delivered under or in connection with this Guarantee shall be made or delivered to the following respective addresses:

(a) in the case of the Owner:

Address:	c/o No.1 Building, No.99 East Jialingjiang Street, Nanjing, Jiangsu Province, P.R. China
Attention:	Zhang Xinhang / He Siwei / Jiang Lu
Email:	xinhang.zhang@jsleasing.cn / siwei.he@jsleasing.cn / lu.jiang@jsleasing.cn

(b) in the case of the Guarantor:

Address:	c/o 26th Floor, Yardley Commercial Building, 1-6 Connaught Road West, Hong Kong
Attention:	Teresa Chau
Email:	teresa@jinhuiship.com

or any substitute address or officer as the relevant Party may notify to the other Party by not less than five (5) Business Days' notice.

16.3 **Delivery**

Any notice shall be deemed to have reached the party to whom it was delivered, when dispatched and acknowledged received (in case of an email) or when delivered (in case of a registered letter). A notice or other such communication received on a non-working day or after business hours in the place of receipt shall be deemed to be served on the next following working day in such place.

16.4 **Validity of demands**

A demand under this Guarantee shall be valid notwithstanding that it is served:

(a) on the date on which the amount to which it relates is due and payable by the Charterer under the applicable Transaction Document (as the case may be); or

(b) at the same time as the service of a notice under the applicable Transaction Document,

and a demand under this Guarantee may refer to all amounts payable under or in connection with the Transaction Documents without specifying a particular sum or aggregate sum.

17. GOVERNING LAW AND ARBITRATION

17.1 **Arbitration**

(a) This Guarantee and any non-contractual obligations arising from or in connection with it are in all respects governed by and shall be interpreted in accordance with English law.

(b) Any dispute, controversy, difference or claim arising out of or in connection with this Guarantee, including any dispute relating to any non-contractual obligation arising from or in connection with this Guarantee and any question regarding its existence, validity, interpretation, performance, breach or termination thereof (a "**Dispute**"), shall be referred to and finally resolved by arbitration administered by the Hong Kong International Arbitration Centre ("**HKIAC**") under the HKIAC Administered Arbitration Rules in force when the Notice of Arbitration is submitted.

(c) The governing law of these arbitration provisions is Hong Kong law. The seat of arbitration shall be Hong Kong. The number of arbitrators shall be three. Each Party shall designate in the Notice of Arbitration and the Answer to the Notice of Arbitration, respectively, one arbitrator. If either Party fails to designate an arbitrator, HKIAC shall appoint the arbitrator. The two arbitrators so appointed shall designate a third arbitrator, who shall act as the presiding arbitrator. Failing such designation within 30 days from the confirmation or appointment of the second arbitrator, HKIAC shall appoint the presiding arbitrator. The arbitration proceedings shall be conducted in English.

(d) The HKIAC Administered Arbitration Rules are deemed to be incorporated by reference into this Clause 17.1 and capitalised terms used in this Clause which are not otherwise defined in this Guarantee have the meaning given to them in the HKIAC Administered Arbitration Rules.

17.2 **Waiver of immunities**

The Guarantor irrevocably waives, to the extent permitted by applicable law, with respect to itself and its revenues and assets (irrespective of their use or intended use), all immunity on the grounds of sovereignty or other similar grounds from:

(a) proceedings;

(b) suit;

(c) jurisdiction of any court;

(d) relief by way of injunction or order for specific performance or recovery of property;

(e) attachment of its assets (whether before or after judgment);

(f) execution or enforcement of any judgment to which it or its revenues or assets might otherwise be entitled in any proceedings in the courts of any jurisdiction (and irrevocably agrees, to the extent permitted by applicable law, that it will not claim any immunity in any such proceedings); and

(g) other legal process.

SCHEDULE
FORM OF COMPLIANCE CERTIFICATE

From: **JINHUI SHIPPING AND TRANSPORTATION LIMITED**, an exempted company incorporated in Bermuda and listed on the Oslo Stock Exchange with stock code JIN

With copy to: **JINHAN MARINE INC.**, a corporation incorporated in the Republic of Panama with limited liability and a registered non-Hong Kong company under Part 16 of the Companies Ordinance (Cap. 622 of the Laws of Hong Kong)

To: **汇弘(天津)航运租赁有限公司 (HUI HONG (TIANJIN) SHIPPING LEASING CO., LTD.)**, a company incorporated in the People's Republic of China with limited liability, as owners (the **"Owner"**)

Dated: [●]

1. We refer to the unconditional and irrevocable guarantee and indemnity dated [●] (together with all supplements and amendments to it, the **"Corporate Guarantee"**) made by us in favour of the Owner. This is a Compliance Certificate.

2. Terms defined in the Corporate Guarantee shall have the same meaning in this Compliance Certificate.

3. We confirm that as at the date of this Certificate:

   (a) *Debt-to-asset ratio*

   Total Liabilities is [not] greater than [80% of Total Assets].

   (b) *Minimum corporate liquidity covenant*

   Cash and Cash Equivalents is [not] at least [US$345,000] for each of our owned or beneficially controlled vessel.

   (c) *Consolidated market adjusted tangible net worth*

   Consolidated Market Adjusted Tangible Net Worth is [not] greater than [US$100,000,000].

4. We provide details of computation to support our confirmation of compliance as follows:

   (a) [Total Liabilities:

   (b) Total Assets:

(c) Cash:

(d) Cash Equivalents:

(e) Consolidated Market Adjusted Tangible Net Worth:]

For and on behalf of
JINHUI SHIPPING AND TRANSPORTATION LIMITED

____
Name:
Title: Director

EXECUTION:

This Guarantee has been entered into on the date stated at the beginning of this Guarantee. This Guarantee has been executed and entered into by the Guarantor as a deed and is intended to be and is delivered by it as a deed.

The Guarantor

SIGNED by Ng Siu Fai , duly authorised Director, for and on behalf of **JINHUI SHIPPING AND TRANSPORTATION LIMITED** in accordance with its articles of incorporation in the presence of:	)))))	Name: Ng Siu Fai Title: Director

Signature of witness:	
Name:	Ho Suk Lin
Title:	Director

The Owner

SIGNED by 張欣航 (Zhang Xinhang), duly authorised Legal Representative, for and on behalf of)
汇弘(天津)航运租赁有限公司
(HUI HONG (TIANJIN) SHIPPING LEASING CO., LTD.)
in accordance with its articles of association in the presence of:

(affixed with company chop)

Name: 張欣航 (Zhang Xinhang)
Title: Legal Representative

汇弘(天津)航运租赁有限公司 1201023282249

Signature of witness:
Name: HE SUWEI
Title: Manager

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目

Contract No.: JFLSPV2026S198-01

MEMORANDUM OF AGREEMENT

Dated 29 July 2026

(1) **JINMING MARINE INC.**, a corporation incorporated in the Republic of Panama with limited liability and a registered non-Hong Kong company under Part 16 of the Companies Ordinance (Cap. 622 of the Laws of Hong Kong) having a principal place of business in Hong Kong at 26th Floor, Yardley Commercial Building, 1-6 Connaught Road West, Hong Kong (hereinafter called the **"Sellers"**), have agreed to sell; and

(2) 汇文(天津)航运租赁有限公司 **(HUIWEN (TIANJIN) SHIPPING LEASING CO., LTD.)**, a company incorporated in the People's Republic of China with limited liability and unified social credit code 91120118MAD94AHF9Q (hereinafter called the **"Buyers"**), have agreed to buy:

Vessel:	one (1) bulk carrier currently under construction by the Builder and bearing hull no. HT64-429 and IMO no. 1112006 named or to be named "JIN MING"
Classification Society:	American Bureau of Shipping
Year of Build:	2027
Builder:	江苏韩通船舶重工有限公司 (Jiangsu Hantong Ship Heavy Industry Co., Ltd.)

(hereinafter called the **"Vessel"**), on the following terms and conditions:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions:

In this Agreement, unless otherwise defined or the context requires otherwise, terms defined in the Charter shall have the same meaning and construction (*mutatis mutandis*) when used in this Agreement.

In addition:

"Anti-Money Laundering Laws" means all applicable anti-money laundering statutes (including all applicable rules and regulations thereunder) and all applicable related or similar laws, rules, regulations or guidelines, of all applicable jurisdictions including and without limitation, the US, the European Union, the United Kingdom, the PRC, Hong Kong and the Republic of Panama and which in each case (a) issued, administered or enforced by any governmental agency having jurisdiction over the Sellers or the Buyers; (b) of any jurisdiction in which the Sellers or the Buyers conduct business; or (c) to which the Sellers or the Buyers are subjected or subject to.

"Approved Valuer" has the meaning ascribed to such term in the Charter.

"Builder" has the meaning ascribed to such term in the Charter.

"Buyers' Nominated Flag State" means (a) Hong Kong or (b) such other flag state approved by the Buyers.

"Cancelling Date" means 27 July 2028 or such later date as the Sellers and the Buyers may agree.

"Charter" means the bareboat charterparty in respect of the Vessel to be entered into on or about the date of this Agreement, between the Buyers as owners and the Charterers as charterers, as the same may be amended, supplemented or otherwise modified from time to time.

"Charterers" means JINMING MARINE INC., a corporation incorporated in the Republic of Panama with limited liability and a registered non-Hong Kong company under Part 16 of the Companies Ordinance (Cap. 622 of the Laws of Hong Kong) having a principal place of business in Hong Kong at 26th Floor, Yardley Commercial Building, 1-6 Connaught Road West, Hong Kong.

"Charter Delivery" means the actual delivery of the Vessel by the Buyers as owners to the Charterers as charterers under and in accordance with the provisions of the Charter, and **"Charter Delivery Date"** means the date of the Charter Delivery.

"Charterhire Principal" has the meaning ascribed to such term in the Charter.

"Classification Society" means the classification society referred to above.

"Conditional Payment Order" has the meaning ascribed to such term in paragraph (a) of Clause 3 (*Payment*).

"Emission Scheme" has the meaning ascribed to such term in the Charter.

"EU MRV" has the meaning ascribed to such term in the Charter.

"Finance Party" has the meaning ascribed to such term in the Charter.

"Fuel EU Maritime" has the meaning ascribed to such term in the Charter.

"Initial Market Value" means the arithmetic mean of the valuations of the Vessel shown by two (2) valuation reports and each prepared:

(a) at the cost of the Sellers and addressed to the Buyers;

(b) on a date no earlier than thirty (30) days prior to the MOA Delivery Date;

(c) by an Approved Valuer;

(d) without physical inspection of the Vessel; and

(e) on the basis of a sale for prompt delivery for cash on normal arm's length commercial terms as between a willing seller and a willing buyer, free of any existing charter or other contract of employment or such other basis as may be agreed by the Buyers,

and such valuations shall be prepared by one Approved Valuer nominated and appointed by the Buyers and one Approved Valuer nominated and appointed by the Sellers and further provided that if the difference in the two valuations obtained is more than ten per cent. (10%) of the lower valuation obtained, a third Approved Valuer shall be nominated and appointed by the Buyers and the third valuation shall be prepared on the same terms and conditions as set out in paragraphs (a) to (e) above and the Initial Market Value shall be the arithmetic mean of such three valuations and shall be binding to the Buyers and the Sellers.

"In writing" or **"written"** means a letter handed over from a Party to the other Party, a registered letter or email.

"Losses" has the meaning ascribed to such term in the Charter.

"MOA Delivery" means the actual delivery of the Vessel by the Sellers to and the actual acceptance of the Vessel by the Buyers under and in accordance with the provisions of this Agreement, and **"MOA Delivery Date"** means the date of MOA Delivery.

"MOA PDA" means the protocol of delivery and acceptance to be executed and delivered by the Sellers and the Buyers pursuant to this Agreement, being in the form set out in Schedule 2 (*Form of MOA PDA*).

"Parties" means the Sellers and the Buyers and each is a **"Party"**.

"Payment Notice" means the payment notice to be submitted by the Sellers to the Buyers to request for the Buyers' remittance of the Purchase Price on the Purchase Price Pre-positioning Date, which shall be in the form set out in Schedule 1 (*Form of Payment Notice*).

"Purchase Price" means the price for the Vessel as stated in Clause 2 (*Purchase Price*).

"Purchase Price Pre-positioning Date" has the meaning ascribed to such term in Paragraph (b) of Clause 3 (*Payment*).

"Sanctioned Country" has the meaning ascribed to such term in the Charter.

"Sanctioned Person" has the meaning ascribed to such term in the Charter.

"Sanctions" has the meaning ascribed to such term in the Charter.

"Sellers' Designated Account" means such account as nominated by the Builder under paragraph 4(b), article II of the Shipbuilding Contract and as notified by the Seller to the Buyer in writing prior to the Purchase Price Pre-positioning Date to which the Purchase Price shall be released on the MOA Delivery Date.

"Sellers' Designated Bank" means such financial institution as nominated by the Builder under paragraph 4(b), article II of the Shipbuilding Contract and as notified by the Seller to the Buyer in writing prior to the Purchase Price Pre-positioning Date.

"Shipbuilding Contract" means the shipbuilding contract dated 28 June 2024 made between the Builder as builder and the Sellers as buyer, as amended by addendum no.1 to shipbuilding contract dated 16 September 2024 made between the Builder as builder, Anhui Technology Imp. & Exp. Co., Ltd. as trading house and the Sellers as buyer and addendum no.2 to shipbuilding contract dated 28 October 2025 made between the Builder as builder and the Sellers as buyer, whereby the Builder agreed to build, launch, complete and deliver the Vessel to the Sellers, together with all further supplements and amendments to it.

"Shipbuilding Contract Delivery" means the actual delivery of the Vessel by the Builder as sellers to, and the actual acceptance of the Vessel by, the Sellers as buyers pursuant to the terms and conditions of the Shipbuilding Contract, and **"Shipbuilding Contract Delivery Date"** means the date of Shipbuilding Contract Delivery.

1.2 **Construction**

The provisions of clauses 32.2 to 32.5 of the Charter apply to this Agreement as though set out in full, except that references to the Charter are to be construed as references to this Agreement.

2. **AGREEMENT FOR SALE AND PURCHASE AND PURCHASE PRICE**

(a) Pursuant to the Shipbuilding Contract, the Builder has agreed to design, engineer, build, launch, equip, complete, deliver and sell, and the Sellers have agreed to purchase, the Vessel upon the terms and conditions set out in the Shipbuilding Contract.

(b) Subject to paragraph (c) below, the Sellers hereby agree to sell and the Buyers hereby agree to purchase the Vessel on the terms and conditions of this Agreement. The purchase price of the Vessel payable by the Buyers to the Sellers under this Agreement (the **"Purchase Price"**) shall be the lower of:

(i) US$17,000,000; and

(ii) 60% of the Initial Market Value.

(c) The Buyers have agreed to let the Vessel to the Charterers and the Charterers have agreed to hire the Vessel from the Buyers immediately upon the acceptance of the Vessel by the Buyers from the Sellers under this Agreement, pursuant to the terms and conditions set forth in the Charter.

3. PAYMENT

(a) The Purchase Price payable by the Buyers to the Sellers shall be remitted to and held by the Sellers' Designated Bank to the order of the Buyers, subject to the conditions set out in a conditional payment order to be sent together with each such remittance by way of authenticated MT199 SWIFT message (or in such other manner approved by the Buyers) to the Sellers' Designated Bank on terms acceptable to the Parties (the **"Conditional Payment Order"**) and may only be released to the Sellers' Designated Account in accordance with the terms of the Conditional Payment Order.

(b) The Buyers shall, on the intended remittance date of the Purchase Price set out in the Payment Notice and agreed by the Buyers or such other date determined by the Buyers in their sole discretion (the **"Purchase Price Pre-positioning Date"**), remit the Purchase Price to the Sellers' Designated Bank together with the Conditional Payment Order instructing the Sellers' Designated Bank to hold the Purchase Price to the order of the Buyers until satisfaction of the conditions set out in the Conditional Payment Order, whereupon the Purchase Price shall be released to the Sellers' Designated Account, provided that:

(i) the Sellers have, at least five (5) Business Days (or such shorter period as agreed between the Buyers and the Sellers) prior to the Purchase Price Pre-positioning Date, provided to the Buyers the Payment Notice duly signed by the Sellers advising the Buyers that the Purchase Price is due and payable;

(ii) the Buyers have, at least three (3) Business Days prior to the Purchase Price Pre-positioning Date, received the items set out in Clause 8 (*Documentation*), and part A of schedule 3 (*Conditions Precedent*) to, the Charter;

(iii) no Potential Termination Event or Termination Event (each as defined in the Charter) having occurred and is continuing on the Purchase Price Pre-positioning Date and no Potential Termination Event or Termination Event (each as defined in the Charter) shall occur or be continuing on the MOA Delivery Date; and

(iv) the Shipbuilding Contract Delivery shall take place on the Shipbuilding Contract Delivery Date, the MOA Delivery shall take place on the MOA Delivery Date and the Charter Delivery shall take place on the Charter Delivery Date.

4. INSPECTION

The Buyers have waived any rights to inspect the Vessel and the sale is outright and definite, subject only to the terms and conditions of this Agreement.

5. **TIME AND PLACE OF DELIVERY AND NOTICES**

(a) The Vessel shall be delivered by the Sellers and taken over by the Buyers on the MOA Delivery Date at a safe and accessible berth or anchorage or at sea in the Sellers' option.

(b) The Sellers shall, from the date of this Agreement, keep the Buyers informed of the delivery schedule of the Vessel under the Shipbuilding Contract and shall promptly inform the Buyers of any change in any milestone date (the intended delivery date) under the Shipbuilding Contract. The Sellers shall provide the Buyers with copies of all notices of the expected or estimated Shipbuilding Contract Delivery Date and MOA Delivery Date.

(c) Should the Vessel become a Total Loss before Shipbuilding Contract Delivery or MOA Delivery, any funds advanced by or on the Buyers' behalf in connection with this Agreement shall be returned immediately to the Buyers (along with any interest at the Interest Rate incurred) whereafter this Agreement shall be null and void.

6. **DIVERS INSPECTION/DRYDOCKING**

The Buyers have waived any rights to require divers' inspections of the Vessel and her classification records and the sale is outright and definite, subject only to the terms and conditions of this Agreement.

7. **SPARES, BUNKERS AND OTHER ITEMS**

To the extent owned by the Sellers, the Sellers shall deliver the Vessel to the Buyers with everything belonging to her on board and on shore.

All spare parts and spare equipment (if any) used or unused whether on board or not shall become the Buyers' property on delivery of the Vessel from the Sellers to the Buyers without extra payment.

The Sellers are not required to replace spare parts which are taken out of spare and used as replacement prior to MOA Delivery, but the replaced items shall be the property of the Buyers without extra payment.

Items on board which are on hire or owned by third parties are excluded from the sale without compensation. The Vessel's radio installation, communication and navigational equipment, loading program and computer equipment shall be included in the sale without extra payment if they are the property of the Sellers.

Any remaining and unused bunkers, lubricating and hydraulic oils and greases in storage tanks and unopened drums shall be excluded from the sale and shall become the Buyers' property without extra payment.

8. DOCUMENTATION

Unless otherwise agreed between the Parties, at the MOA Delivery the Parties will attend a closing meeting either virtually or at a place to be determined.

(a)

(i) In exchange for payment of the Purchase Price, the Sellers shall provide the Buyers with the documents within the time frames specified in part B of schedule 3 (*Conditions Precedent*) to the Charter in accordance with clause 35.1 of the Charter.

(ii) The Buyers shall provide the Sellers with the following documents on or before the MOA Delivery:

(aa) copies of the constitutional documents of the Buyers;

(bb) a copy of a resolution of the board of directors of the Buyers:

(1) approving the terms of, and the transactions contemplated by, the Transaction Documents to which they are a party (the **"Relevant Documents"**) and resolving that they execute, deliver and perform the Relevant Documents;

(2) authorising a specified person or persons to execute the Relevant Documents on their behalf; and

(3) authorising a specified person or persons, on their behalf, to sign and/or despatch all documents and notices to be signed and/or despatched by them under or in connection with the Relevant Documents.

(b) The Sellers and the Buyers shall sign and deliver to each other the MOA PDA confirming the date and time of delivery of the Vessel from the Sellers to the Buyers.

(c) If any of the documents referred to in paragraph (a) above (including any notarial statements) are not in the English language they shall be accompanied by an English translation by an authorised translator or certified by a lawyer qualified to practice in the country of the translated language.

9. ENCUMBRANCES AND INDEMNITIES

The Sellers warrant that the Vessel, at the time of MOA Delivery, is free and clear from all charters (other than the Charter), encumbrances (other than the Permitted Security Interests), mortgages and maritime liens or any other claims or debts whatsoever, and is not subject to port state or other administrative detentions.

The Sellers hereby undertake to indemnify the Buyers against:

(a) all consequences of claims made against the Vessel which have been incurred prior to the time of MOA Delivery; and

(b) all Losses suffered or incurred by the Buyers which arise, or are asserted, in connection with the Sellers' failure to comply with any applicable Emission Scheme, EU MRV and Fuel EU Maritime prior to the time of MOA Delivery.

10. TAXES, FEES AND EXPENSES

Any taxes (including withholding taxes or deductions), fees and expenses (including, without limitation, any tonnage taxes and stamp taxes) in connection with the purchase and registration of the Vessel which are in each case payable to the Buyers' Nominated Flag State and any similar charges in connection with the sale of the Vessel under this Agreement shall be for the Sellers' account.

11. CONDITION ON DELIVERY

The Vessel, together with everything belonging to or relating to the Vessel (including all spare parts, equipment and other inventory, all supplies and any other items required by the Charterers under the Charter), shall be at the Sellers' risk and expense until the Vessel is delivered to the Buyers in accordance with the terms and conditions of this Agreement and the Charter.

The Vessel shall be delivered on an "as is where is" basis with her class maintained without condition/recommendation, free of average damage affecting the Vessel's class, and with her classification certificates and national certificates, as well as all other certificates the Vessel had at the date of this Agreement, valid and unextended without condition/recommendation by the Classification Society or the relevant authorities at the time of delivery.

12. NAME/MARKINGS – INTENTIONALLY OMITTED

13. SELLERS' DEFAULT

(a) Should the Sellers fail to be ready to validly complete a legal transfer by the Cancelling Date, then the Buyers shall have the option of cancelling this Agreement by notice in writing to the Sellers. Should the Buyers not elect to cancel this Agreement notwithstanding the Sellers' failure to validly complete a legal transfer as aforesaid, the Sellers shall promptly compensate the Buyers for any losses and any costs and expenses incurred in each case resulting from such failure together with interest incurred at the Default Rate from the date of demand to the date on which the Sellers compensate the Buyers under this paragraph, both dates inclusive.

(b) The Buyers shall also have the option of cancelling this Agreement if any of the conditions to their obligation to purchase and accept delivery of the Vessel referred to in Clause 18 (*Representations and Undertakings*) have not been satisfied (and the same have not been waived by the Buyers) at the time when the Buyers would otherwise be required to complete the purchase and accept delivery of the Vessel. If the Buyers elect to cancel this Agreement for that reason, the Sellers shall make due compensation to the Buyers for their loss and for all costs and expenses incurred together with interest incurred at the Default Rate from the date of demand to the date on which the Sellers compensate the Buyers under this paragraph.

14. LAW AND ARBITRATION

(a) This Agreement and any non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with English law.

(b) Any dispute, controversy, difference or claim arising out of or in connection with this Agreement, including any dispute relating to any non-contractual obligation arising from or in connection with this Agreement and any question regarding its existence, validity, interpretation, performance, breach or termination thereof (a **"Dispute"**), shall be referred to and finally resolved by arbitration administered by the Hong Kong International Arbitration Centre (**"HKIAC"**) under the HKIAC Administered Arbitration Rules in force when the Notice of Arbitration is submitted.

(c) The governing law of these arbitration provisions is Hong Kong law. The seat of arbitration shall be Hong Kong. The number of arbitrators shall be three. Each Party shall designate in the Notice of Arbitration and the Answer to the Notice of Arbitration, respectively, one arbitrator. If either Party fails to designate an arbitrator, HKIAC shall appoint the arbitrator. The two arbitrators so appointed shall designate a third arbitrator, who shall act as the presiding arbitrator. Failing such designation within 30 days from the confirmation or appointment of the second arbitrator, HKIAC shall appoint the presiding arbitrator. The arbitration proceedings shall be conducted in English.

(d) The HKIAC Administered Arbitration Rules are deemed to be incorporated by reference into this Clause 14 and capitalised terms used in this Clause which are not otherwise defined in this Charter have the meaning given to them in the HKIAC Administered Arbitration Rules.

15. NOTICES

All notices to be provided under this Agreement shall be in writing.

Contact details for recipients of notices are as follows:

For the Buyers:

Address:	c/o No.1 Building, No.99 East Jialingjiang Street, Nanjing, Jiangsu Province, P.R. China
Attention:	Zhang Xinhang / He Siwei / Jiang Lu
Email:	xinhang.zhang@jsleasing.cn / siwei.he@jsleasing.cn / lu.jiang@jsleasing.cn

For the Sellers:

Address:	c/o 26th Floor, Yardley Commercial Building, 1-6 Connaught Road West, Hong Kong
Attention:	Shum Yee Hong / Teresa Chau
Email:	shumyh@jinhuishipping.com / teresa@jinhuiship.com

16. **ENTIRE AGREEMENT**

The written terms of this Agreement comprise the entire agreement between the Buyers and the Sellers in relation to the sale and purchase of the Vessel and supersede all previous agreements whether oral or written between the Parties in relation thereto.

Each of the Parties acknowledges that in entering into this Agreement it has not relied on and shall have no right or remedy in respect of any statement, representation, assurance or warranty (whether or not made negligently) other than as is expressly set out in this Agreement.

Any terms implied into this Agreement by any applicable status or law are hereby excluded to the extent that such exclusion can legally be made. Nothing in this Clause shall limit or exclude any liability for fraud.

17. **CONCURRENT DELIVERY OF THE VESSEL UNDER SHIPBUILDING CONTRACT AND CHARTER; ADDITIONAL CONDITIONS PRECEDENT**

17.1 Upon the delivery of the Vessel from the Builder to the Sellers under the Shipbuilding Contract and the simultaneous delivery of the Vessel from the Sellers to the Buyers under this Agreement, the Vessel shall simultaneously be delivered to and accepted by the Charterers pursuant to the Charter. This Agreement shall be effective only upon:

(a) the due execution of the Shipbuilding Contract by the authorised representatives of the Builder and the Sellers;

(b) the due execution of this Agreement by the authorised representatives of the Buyers and the Sellers;

(c) the due execution of the Charter by the authorised representatives of the Buyers (as owners) and the Charterers (as charterers) with provision for the delivery and acceptance of the Vessel under the Charter to take place automatically upon delivery and acceptance of the Vessel under the Shipbuilding Contract and this Agreement;

(d) the satisfaction or the waiver (as the case may be) by the Buyers of the conditions precedent set out in schedule 3 (*Conditions Precedent*) to the Charter; and

(e) the representations made by the Charterers under clause 48 (*Representations and Warranties*) of the Charter are true.

17.2 The obligation of the Buyers to purchase and accept delivery of the Vessel under this Agreement is further subject to and conditional upon:

(a) the Buyers having been satisfied (or having waived) all conditions set out in clause 35.1 of the Charter including (without limitation) in relation to the execution, delivery and (where appropriate and/or possible) registration and perfection in favour of the Buyers (in their capacity as owners under the Charter) of all Security Interests required to be granted under the Charter;

(b) the representations and warranties contained in clause 48 *(Representations and Warranties)* of the Charter being true and accurate on the date of the Payment Notice, the Purchase Price Pre-positioning Date and the date of release of the Purchase Price respectively by reference to the facts and circumstances then existing;

(c) no Potential Termination Event or Termination Event (each as defined in the Charter) having occurred;

(d) no event of default (however described) under the Shipbuilding Contract having occurred; and

(e) no Total Loss having occurred.

18. REPRESENTATIONS AND UNDERTAKINGS

18.1 Representations and warranties

The Sellers make the following representations and warranties to the Buyers on the date of this Agreement and each of which shall be deemed repeated by reference to the facts and circumstances prevailing at the time when the Sellers tender the Vessel for MOA Delivery:

(a) they are not aware of any modifications or changes required by the Classification Society or any regulatory body as at the date of this Agreement;

(b) all documents and information provided by or on their behalf to the Buyers are in all respects complete and accurate;

(c) subject to any qualification (if applicable) set out in such information or documents, any factual information or documents provided in writing by them to the Buyers was true and accurate in all material respects as at the date such information or documents were provided and there are no other material facts or considerations the omission of which would render such information or documents misleading;

(d) no litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency have been started in respect of themselves which, if adversely determined, are likely to result in a Material Adverse Effect; and

(e) they are not in breach of any applicable Sanctions or any applicable laws or regulations relating to the Vessel and her ownership, employment, operation, management and registration and in particular they have complied with all applicable Sanctions and all applicable Anti-Money Laundering Laws and confirm that the Group has instituted and maintained systems, controls, policies and procedures designed to:

(i) detect and prevent incidences of money laundering; and

(ii) promote and achieve compliance with all Sanctions and Anti-Money Laundering Laws.

18.2 **Undertakings**

The Sellers undertake that they shall comply or procure compliance with the following undertakings:

(a) they shall not use, permit or authorise any person not to directly or indirectly use the Purchase Price for any purpose that would breach any Sanctions or any Anti-Money Laundering Laws and they shall not lend, invest, contribute or otherwise make available the Purchase Price to or for any other person in a manner which would result in a violation of any Sanctions or any Anti-Money Laundering Laws;

(b) they shall not directly or indirectly use the proceeds of the sale of the Vessel or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or any other person to (i) fund any activities or business of or with any person, in any country or territory that at the time of such funding (ii) in any other manner or for a purpose that would result in a violation of Sanctions by any Security Party or the Buyers and any of their Affiliates;

(c) they shall not permit or authorise any other person to directly or indirectly use, lend, make payments of, contribute or otherwise make available, all or any part of the proceeds of the Purchase Price to any Subsidiary, joint venture partner or any other person to fund any trade, business or other activities:

(i) involving or for the benefit of any Sanctioned Person or Sanctioned Country; or

(ii) in any other manner that would reasonably be expected to result in any Security Party, the Buyers or any Finance Party (if applicable) being in breach of any Sanctions or become a Sanctioned Person; and

(d) they shall comply with the undertakings set out in clause 53 (*Emission Scheme, EU MRV and Fuel EU Maritime*) of the Charter, *mutatis mutandis*, as though set out in full herein.

19. **ANTI-CORRUPTION CLAUSE**

The Sellers undertake and warrant to the Buyers that neither they nor any member of their group of companies, nor any agent, consultant or other intermediary acting on behalf of them or their group of companies, shall, (directly or indirectly) in relation to this Agreement, give, promise or attempt to give, or approve or authorise the giving of, anything of value, including by transferring all or part of the remuneration payable under this Agreement to:

(a) any employee, officer or director of or any person representing the Buyers or their group of companies;

(b) any other person, including any public official;

(c) a political party or a labour union controlled by any government or political party; or

(d) a charitable or other organization, or an officer, director or employee thereof, or any person acting directly or indirectly on behalf of same,

for the purpose of (i) securing any improper advantage for them or their group of companies; (ii) inducing or influencing that public officials improperly take any action or refrain from taking any action in order for them or their group of companies to obtain or retain business, or to secure the direction of business to any Party or its group of companies; or (iii) inducing or influencing that public officials use their influence with any government or pubic international organisation, or any department, agency or other instrumentality thereof, for any such purpose.

20. **FOREIGN TRADE CONTROLS CLAUSE**

The Sellers warrant, represent and undertake to the Buyers on a continuing basis:

(a) that neither themselves, nor any person, entity or body on whose behalf or under whose direction they act, or who they assist, or who directly or indirectly owns or controls themselves; nor any person, entity or body who they may nominate to facilitate any aspect of this transaction are or will be individual(s) or entity(ies) designated pursuant to any national, international or supranational law or regulation imposing trade and economic sanctions, prohibitions or restrictions (a **"sanctioned entity"**);

(b) they are acting, and shall act, always in their own name and for their own account, and are not acting on behalf of any sanctioned entity;

(c) they shall notify the Buyers immediately if they, or any person, entity or body on whose behalf or under whose direction they act, or who they assist, or who owns or controls themselves, or any person who they nominate to facilitate any aspect of this transaction, become a sanctioned entity, or if the sale of the Vessel under this Agreement becomes a sanctioned transaction and will provide any information the Buyers reasonably request;

(d) that on the date of this Agreement and throughout up until delivery of the Vessel, the Vessel is not blacklisted by any national or international organization, sanctioned, or designated pursuant to any national, international or supranational law or regulation; and

(e) if at any time before the MOA Delivery the Buyers become aware of any actual or threatening breach of the warranty, representation and undertaking and condition contained in paragraphs (a) to (d)above, the Buyers may cancel this Agreement by written notice to them, without liability to them.

21. **DISCLOSURE**

The provisions of this Agreement, and all related documents and negotiations, are strictly private and confidential and each Party will use all reasonable efforts to ensure that no disclosure relating to any of the foregoing will be made or issued by or on behalf of any Party provided that:

(a) each Party may make disclosures with respect to this Agreement with the express prior written consent of the other Party;

(b) each Party may make appropriate disclosures on a need to know basis and subject to similar disclosure restrictions to their respective shareholders or prospective shareholders, bankers or other financiers, or professional advisors, or as necessary to rating agencies, or as required by the rules or regulations of any applicable stock exchange, in particular, the Sellers may make disclosures required to be made by Jinhui Shipping and Transportation Limited (**"Jinhui Shipping"**) and Jinhui Holdings Company Limited (**"Jinhui Holdings"**) pursuant to the rules and regulations of the Oslo Stock Exchange and the Hong Kong Stock Exchange respectively or similar body (whether or not having the force of law), or as required by any court order or applicable law, rule or regulation; and

(c) the Buyers may disclose the terms of this Agreement to any Finance Party in connection with any of their financing or refinancing arrangements for the purchase of the Vessel.

The Parties will agree in advance the terms and publication dates of any press announcements in relation to the transactions contemplated by this Agreement and otherwise no press announcements shall be made by neither Party.

22. **COUNTERPARTS**

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

23. **AMENDMENTS AND WAIVERS**

No amendment or variation of this Agreement will be valid unless it is made in writing and signed by or on behalf of each Party. No failure or delay on the part of any Party in exercising any right, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege under this Agreement.

24. **SEVERABILITY**

If any provision of this Agreement is held to be illegal or invalid such illegality or invalidity will not affect the other provisions of this Agreement which will remain in full force and effect.

25. **SUCCESSORS AND ASSIGNS**

This Agreement shall be binding upon and inure to the benefit of and be enforceable by the respective successors and permitted assigns of the Parties. Neither Party may assign or transfer any of its rights, obligations or interests hereunder without the prior written consent of the other (such consent not to be unreasonably withheld) save that the Buyers may assign their rights, at their own cost, hereunder as security in connection with any of their financing or refinancing arrangements for the purchase of the Vessel to the same extent as permitted pursuant to the terms of the Charter.

26. **NO THIRD PARTY RIGHTS**

No term of this Agreement is enforceable under the Contracts (Rights of Third Parties) Act 1999 by a person who is not party to this Agreement.

27. **CONFLICT WITH CHARTER**

This Agreement is subject to the terms and provisions of the Charter and to the extent there is any conflict between this Agreement and the Charter, the terms and provisions of the Charter shall prevail.

28. EXCLUSION OF CONSEQUENTIAL AND OTHER LOSSES

Neither Party shall be liable under or in connection with this Agreement for any form of consequential, exemplary, incidental, indirect or special losses or damages of any nature whatsoever, however caused and whenever arising.

29. SUBJECTS

The transactions contemplated under this Agreement are at all times subject to the Sellers obtaining approval from the majority shareholders of Jinhui Holdings. The Sellers hereby confirm that such approval has already been obtained.

IN WITNESS WHEREOF the Parties have caused this Agreement to be executed by the duly authorised representatives of the Parties on the day and year first above written.

Authorised Signatures

THE SELLERS

SIGNED by Shum Yee Hong ,)
duly authorised Director,)
for and on behalf of **JINMING MARINE INC.**)
in accordance with its articles of incorporation)
in the presence of:)

Name: Shum Yee Hong
Title: Director

Signature of witness:
Name: Kwok Wai Yu Rosanna
Title: Director

THE BUYERS

SIGNED by 張欣航 (Zhang Xinhang), duly authorised Legal Representative, for and on behalf of
汇文(天津)航运租赁有限公司
(HUIWEN (TIANJIN) SHIPPING LEASING CO., LTD.)
in accordance with its articles of association in the presence of:)))))

(affixed with company chop)

张欣航

Name: 張欣航 (Zhang Xinhang)
Title: Legal Representative

汇文(天津)航运租赁有限公司

1201100580710077

Signature of witness: 蒋露

Name: Jiang Lu

Title: Manager

Schedule 1: Form of Payment Notice

To: 汇文(天津)航运租赁有限公司
(HUIWENG (TIANJIN) SHIPPING LEASING CO., LTD.)
a company incorporated in the People's Republic of China with limited liability and unified social credit code 91120118MAD94AHF9Q

Date: [●]

Memorandum of agreement dated [●]
(as the same may be amended, supplemented
or otherwise modified from time to time, the "MOA")
in relation to one (1) bulk carrier named "JIN MING"
bearing Hull No. HT64-429 and IMO No. 1112006 (the "Vessel")

1. We refer to the MOA made between us in relation to the Vessel.

2. This is the Payment Notice.

3. Capitalised terms in this Payment Notice have the meanings set out in the MOA unless otherwise defined herein.

4. We hereby propose:

   (a) [●] as the Purchase Price Pre-positioning Date in respect of the Purchase Price; and

   (b) [●] as the MOA Delivery Date.

5. We hereby request that the Purchase Price of US$[●] be remitted to [●] on the Purchase Price Pre-positioning Date in accordance with payment details set out below, to be held to the order of 汇文(天津)航运租赁有限公司(HUIWEN (TIANJIN) SHIPPING LEASING CO., LTD.) in accordance with the instructions set out in the Conditional Payment Order to be sent to such bank, in the form set out in the Appendix:

SWIFT Code:	[●]
Sellers' Designated Bank:	[●]
Beneficiary:	[●]
Account No.:	[●]
Reference:	[●]

6. We confirm that the representations made in Clause 18 (*Representations and Undertakings*) of the MOA are true and correct as at the date of this notice.

7. We agree that the remittance and application of the Purchase Price in accordance with paragraph 5 above shall constitute a full discharge of the Buyers' obligations in respect

thereof under the MOA and we shall hold you harmless and keep you indemnified against all consequences of any inaccuracy of any details set out herein or any other payment instructions sent or purported to be sent to you by us.

Yours faithfully,

For and on behalf of
JINMING MARINE INC.

Name:
Title: Director

Appendix

Conditional Payment Order

Schedule 2: Form of MOA PDA

PROTOCOL OF DELIVERY AND ACCEPTANCE

JINMING MARINE INC., a corporation incorporated in the Republic of Panama with limited liability and a registered non-Hong Kong company under Part 16 of the Companies Ordinance (Cap. 622 of the Laws of Hong Kong) (the "**Sellers**") hereby sells, transfers and delivers to 汇文(天津)航运租赁有限公司 **(HUIWEN (TIANJIN) SHIPPING LEASING CO., LTD.)**, a company incorporated in the People's Republic of China with limited liability and unified social credit code 91120118MAD94AHF9Q (the "**Buyers**"), and the Buyers hereby accept delivery, title and risk of and in one (1) bulk carrier known as "JIN MING" bearing Hull No. HT64-429 and IMO No. 1112006 (the "**Vessel**") at [•] hours [Beijing] time in [•] on [•], and each of the Buyers and the Sellers confirm that the Vessel is delivered pursuant to and in accordance with the terms and conditions of a memorandum of agreement dated [•] (as the same may be amended, supplemented and varied from time to time) entered into between (1) the Sellers as sellers and (2) the Buyers as buyers.

Date: [•]

For and on behalf of **JINMING MARINE INC.** (*as Sellers*)	For and on behalf of **汇文(天津)航运租赁有限公司** **(HUIWEN (TIANJIN) SHIPPING LEASING CO., LTD.)** (*as Buyers*) *(company chop affixed)*
______________________ Name: Title: Director	______________________ Name: 張欣航 (Zhang Xinhang) Title: Legal Representative

BARECON 2001

BIMCO
STANDARD FORM

STANDARD BAREBOAT CHARTER

PART 1

1. Shipbroker **N/A** **Contract Number: JFLSPV2026L198-01**	2. Place and date 29 July 2026
3. Owners/Place of business (Cl. 1) **汇文航运租赁有限公司** **Huiwen (Tianjin) Shipping Leasing Co., Ltd.** **a company incorporated in the People's Republic of China with limited liability and unified social credit code 91120118MAD94AHF9Q**	4. Bareboat Charterers/Place of business (Cl. 1) **JINMING MARINE INC.** **a corporation incorporated in the Republic of Panama with limited liability and a registered non-Hong Kong company under Part 16 of the Companies Ordinance (Cap. 622 of the Laws of Hong Kong) having a principal place of business in Hong Kong at 26th Floor, Yardley Commercial Building, 1-6 Connaught Road West, Hong Kong**
5. Vessel's name, call sign and flag (Cl. 1 and 3) **Name: JIN MING** **Call Sign: VRXB7** **Flag: Hong Kong**	
6. Type of Vessel **Bulk Carrier**	7. GT/NT **GT: Above 35,600** **NT: Above 21,100**
8 When/Where built **2027** **Jiangsu Hantong Ship Heavy Industry Co., Ltd., P.R. China**	9. Total DWT (abt.) in metric tons on summer freeboard **About 63,500MT**
10. Classification Society (Cl. 3) **American Bureau of Shipping**	11. Date of last special survey by the Vessel's classification society **N/A**
12. Further particulars of Vessel (also indicate minimum number of months' validity of class certificates agreed acc. to Cl. 3) **Official No. HK-6115** **IMO No. 1112006**	

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13. Port or Place of delivery (Cl. 3) **As per MOA**	14. Time for delivery (Cl. 4) **See Additional Clause 36 (Delivery)**	15. Cancelling date (Cl. 5) **See Additional Clause 32.1 (Definitions)**

16. Port or Place of redelivery (Cl. 15) **See Additional Clause 41 (Termination and Redelivery; Total Loss)**	17. No. of months' validity of trading and class certificates upon redelivery (Cl. 15) **six (6) months**
18. Running days' notice if other than stated in Cl. 4 **N/A**	19. Frequency of dry-docking (Cl. 10(g)) **In accordance with Classification Society or flag state requirements**

20. Trading limits (Cl. 6)

Trading worldwide via safe ports/ safe berths/ safe anchorages within International Navigating Limits (INL) or otherwise with the prior written consent from the Owners, always afloat at any time of tide

21. Charter period (Cl. 2) **See Additional Clause 33 (Charter Period)**	22. Charter hire (Cl. 11) **See Additional Clause 38 (Charterhire)**

23. New class and other safety requirements (state percentage of Vessel's insurance value acc. to Box 29)(Cl. 10(a)(ii))

See Additional Clause 40 (Insurance)

24. Rate of interest payable acc. to Cl. 11 (f) and, if applicable, acc. to PART IV **See Additional Clause 38 (Charterhire)**	25. Currency and method of payment (Cl. 11) **RMB or any other currency designated by the Owners (see also Additional Clause 38 (Charterhire))**
26. Place of payment; also state beneficiary and bank account (Cl. 11) **See Additional Clause 38 (Charterhire)**	27. Bank guarantee/bond (sum and place) (Cl. 24) (optional) **Corporate Guarantee and Personal Guarantees (See Additional Clause 32.1 (Definitions))**
28. Mortgage(s), if any (state whether 12(a) or (b) applies; if 12(b) applies state date of Financial Instrument and name of Mortgagee(s)/Place of business) (Cl. 12) **12(b) applies; form of Financial Instrument and name of Mortgagee to be determined**	29. Insurance (hull and machinery and war risks) (state value acc. to Cl. 13(f) or, if applicable, acc. to Cl. 14(k)) (also state if Cl. 14 applies) **See Additional Clause 40 (Insurance)**
30. Additional insurance cover, if any, for Owners' account limited to (Cl. 13(b) or, if applicable, Cl. 14(g)) **See Additional Clause 40 (Insurance)**	31. Additional insurance cover, if any, for Charterers' account limited to (Cl. 13(b) or, if applicable, Cl. 14(g)) **See Additional Clause 40 (Insurance)**

32. Latent defects (only to be filled in if period other than stated in Cl. 3) **N/A**	33. Brokerage commission and to whom payable (Cl. 27) **N/A**
34. Grace period (state number of clear banking days) (Cl. 28) **See Additional Clause 47 (Termination Events)**	35. Dispute Resolution (state 30(a), 30(b) or 30(c); if 30(c) agreed Place of Arbitration must be stated (Cl. 30) **(c) See Additional Clause 57 (Governing Law and Arbitration)**
36. War cancellation (indicate countries agreed) (Cl. 26(f)) **N/A**	
37. Newbuilding Vessel (indicate with "yes" or "no" whether PART III applies) (optional) **Yes; Part III does not apply.**	38. Name and place of Builders (only to be filled in if PART III applies) **N/A**
39. Vessel's Yard Building No. (only to be filled in if PART III applies) **N/A**	40. Date of Building Contract (only to be filled in if PART III applies) **N/A**
41. Liquidated damages and costs shall accrue to (state party acc. to Cl. 1) (a) **N/A** (b) **N/A** (c) **N/A**	
42. Hire/Purchase agreement (indicate with "yes" or "no" whether PART IV applies) (optional) **No; Part IV does not apply.**	43. Bareboat Charter Registry (indicate with "yes" or "no" whether PART V applies) (optional) **Yes; Part V does not apply**
44. Flag and Country of the Bareboat Charter Registry (only to be filled in if PART V applies) **Hong Kong**	45. Country of the Underlying Registry (only to be filled in if PART V applies) **N/A**
46. Number of additional clauses covering special provisions, if agreed **Clause 32 (Definitions) to Clause 58 (Miscellaneous)**	

PREAMBLE - It is mutually agreed that this Contract shall be performed subject to the conditions contained in this Charter which shall include PART I and PART II. In the event of a conflict of conditions, the provisions of PART I shall prevail over those of PART II to the extent of such conflict but no further. It is further mutually agreed that PART III and/or PART IV and/or PART V shall only apply and only form part of this Charter if expressly agreed and stated in Boxes 37, 42 and 43. If PART III and/or PART IV and/or PART V apply, it is further agreed that in the event of a conflict of conditions, the provisions of PART I and PART II shall prevail over those of PART III and/or PART IV and/or PART V to the extent of such conflict but no further.

Signature (Owners) **For and on behalf of** **汇文航运租赁有限公司** **HUIWEN SHIPPING LEASING CO., LTD.** **(company chop affixed)** **Name: 張欣航(Zhang Xinhang)** **Title: Legal Representative**	Signature (Charterers) **For and on behalf of** **JINMING MARINE INC.** **Name:** **Title: Director**

Signature (Owners) **For and on behalf of** **汇文航运租赁有限公司** **HUIWEN SHIPPING LEASING CO., LTD.** **(company chop affixed)** **Name: 張欣航(Zhang Xinhang)** **Title: Legal Representative**	Signature (Charterers) **For and on behalf of** **JINMING MARINE INC.** **Name: Shum Yee Hong** **Title: Director**

PART II

1. Definitions

In this Charter, the following terms shall have the meanings hereby assigned to them:

"The Owners" shall mean the party identified in Box 3;

"The Charterers" shall mean the party identified in Box 4;

"The Vessel" shall mean the vessel named in Box 5 and with particulars as stated in Boxes 6 to 12.

"Financial Instrument" means the mortgage, deed of covenant or other such financial security instrument as ~~annexed to this Charter and stated in Box 28.~~ may at a later date be granted by the Owners to any bank or financial institution as permitted under and in accordance with the terms of this Charter. See also Additional Clause 32 (Definitions).

2. Charter Period

In consideration of the hire detailed in Box 22, the Owners have agreed to let and the Charterers have agreed to hire the Vessel for the period stated in Box 21 ("The Charter Period").

3. Delivery
See Additional Clause 36 (Delivery)

~~(not applicable when Part III applies, as indicated in Box 37)~~

~~(a) The Owners shall before and at the time of delivery exercise due diligence to make the Vessel seaworthy and in every respect ready in hull, machinery and equipment for service under this Charter.~~

~~The Vessel shall be delivered by the Owners and taken over by the Charterers at the port or place indicated in Box 13 in such ready safe berth as the Charterers may direct.~~

~~(b) The Vessel shall be properly documented on delivery in accordance with the laws of the flag state indicated in Box 5 and the requirements of the classification society stated in Box 10. The Vessel upon delivery shall have her survey cycles up to date and trading and class certificates valid for at least the number of months agreed in Box 12.~~

~~(c) The delivery of the Vessel by the Owners and the taking over of the Vessel by the Charterers shall constitute a full performance by the Owners of all the Owners' obligations under this Clause 3, and thereafter the Charterers shall not be entitled to make or assert any claim against the Owners on account of any conditions, representations or warranties expressed or implied with respect to the Vessel but the Owners shall be liable for the cost of but not the time for repairs or renewals occasioned by latent defects in the Vessel, her machinery or appurtenances, existing at the time of delivery under this Charter, provided such defects have manifested themselves within twelve (12) months after delivery unless otherwise provided in Box 32.~~

4. Time for Delivery
See Additional Clause 36 (Delivery)

~~(not applicable when Part III applies, as indicated in Box 37)~~

~~The Vessel shall not be delivered before the date indicated in Box 14 without the Charterers' consent and the Owners shall exercise due diligence to deliver the Vessel not later than the date indicated in Box 15.~~

~~Unless otherwise agreed in Box 18, the Owners shall give the Charterers not less than thirty (30) running days' preliminary and not less than fourteen (14) running days' definite notice of the date on which the Vessel is expected to be ready for delivery. The Owners shall keep the Charterers closely advised of possible changes in the Vessel's position.~~

5. Cancelling
See Additional Clause 34 (Effectiveness)

~~(not applicable when Part III applies, as indicated in Box 37)~~

~~(a) Should the Vessel not be delivered latest by the cancelling date indicated in Box 15, the Charterers shall have the option of cancelling this Charter by giving the Owners notice of cancellation within thirty six (36) running hours after the cancelling date stated in Box 15, failing which this Charter shall remain in full force and effect.~~

~~(b) If it appears that the Vessel will be delayed beyond the cancelling date, the Owners may, as soon as they are in a position to state with reasonable certainty the day on which the Vessel should be ready, give notice thereof to the Charterers asking whether they will exercise their option of cancelling, and the option must then be declared within one hundred and sixty-eight (168) running hours of the receipt by the Charterers of such notice or within thirty-six (36) running hours after the cancelling date, whichever is the earlier. If the Charterers do not then exercise their option of cancelling, the seventh day after the readiness date stated in the Owners' notice shall be substituted for the cancelling date indicated in Box 15 for the purpose of this Clause 5.~~

~~(c) Cancellation under this Clause 5 shall be without prejudice to any claim the Charterers may otherwise have on the Owners under this Charter.~~

6. Trading Restrictions

The Vessel shall be employed in lawful trades for the carriage of suitable lawful merchandise within the trading limits indicated in Box 20.

The Charterers undertake not to employ the Vessel or suffer the Vessel to be employed otherwise than in conformity with the terms of the contracts of insurance (including any warranties expressed or implied therein) without first obtaining the consent of the insurers to such employment and complying with such requirements as to extra premium (which shall be at the Charterers' expense) or otherwise as the insurers may prescribe.

The Charterers also undertake not to employ the Vessel or suffer her employment in any trade or business which is forbidden by the law of any country to which the Vessel may sail or is otherwise illicit or in carrying illicit or prohibited goods or in any manner whatsoever which may render her liable to condemnation, destruction, seizure or confiscation.

Notwithstanding any other provisions contained in this Charter it is agreed that nuclear fuels or radioactive products or waste are specifically excluded from the cargo permitted to be loaded or carried under this Charter. This exclusion does not apply to radio-isotopes used or intended to be used for any industrial, commercial, agricultural, medical or scientific purposes provided the Owners' prior approval has been obtained to loading thereof.

7. Surveys on Delivery and Redelivery (Intentionally omitted)

~~(not applicable when Part III applies, as indicated in Box 37)~~

~~The Owners and Charterers shall each appoint surveyors for the purpose of determining and agreeing in writing the condition of the Vessel at the time of delivery and redelivery hereunder. The Owners shall bear all expenses of the On-hire Survey including loss of time, if any, and the Charterers shall bear all expenses of the Off-hire Survey including loss of time, if any, at the daily equivalent to the rate of hire or pro rata thereof.~~

8. Inspection See also Additional Clause 49.3(d)

~~The Owners shall have the right at any time after giving reasonable notice to the Charterers to inspect or survey the Vessel or instruct a duly authorised surveyor to carry out such survey on their behalf:~~

~~(a) to ascertain the condition of the Vessel and satisfy themselves that the Vessel is being properly repaired and maintained. The costs and fees for such inspection or survey shall be paid by the Owners unless the Vessel is found to require repairs or maintenance in order to achieve the condition so provided;~~

~~(b) in dry-dock if the Charterers have not dry-docked Her in accordance with Clause 10(g). The costs and fees for such inspection or survey shall be paid by the Charterers; and~~

~~(c) for any other commercial reason they consider necessary (provided it does not unduly interfere with the commercial operation of the Vessel). The costs and fees for such inspection and survey shall be paid by the Owners.~~

All time used in respect of any inspection, survey or repairs shall be for the Charterers' account and form part of the Charter Period.

The Charterers shall also permit the Owners to inspect the Vessel's log books whenever requested and shall whenever required by the Owners furnish them with full information regarding any casualties or other accidents or damage to the Vessel.

9. Inventories, Oil and Stores

A complete inventory of the Vessel's entire equipment, outfit including spare parts, appliances and of all consumable stores on board the Vessel shall be made by the Charterers ~~in conjunction with the Owners on delivery and again~~ on redelivery of the Vessel. Without limiting the foregoing~~. The~~, the Charterers shall also provide~~and~~ the Owners (at no cost to the Owners), with a complete inventory of~~respectively, shall at the time of delivery and redelivery take over and pay for~~ all bunkers, lubricating oil, unbroached provisions, paints, ropes and other consumable stores ~~(excluding spare parts) in the said Vessel at the then current market prices at the ports of delivery and redelivery, respectively. The Charterers shall ensure that all spare parts listed in the inventory and used during the Charter Period are replaced at their expense prior to redelivery of the~~in the Vessel on redelivery of the Vessel.

10. Maintenance and Operation

(a) (i) Maintenance and Repairs - During the Charter Period the Vessel shall be in the full possession and at the absolute disposal for all purposes of the Charterers and under their complete control in every respect. The Charterers shall maintain the Vessel, her machinery, boilers, appurtenances and spare parts in a good state of repair, in efficient operating condition and in accordance with good commercial maintenance practice and, except as provided for in Clause 14(l), if applicable, at their own expense they shall at all times keep the Vessel's Class fully up to date with the Classification Society indicated in Box 10 and maintain all other necessary certificates in force at all times.

(ii) New Class and Other Safety Requirements - In the event of any improvement, structural changes or new equipment becoming necessary for the continued operation of the Vessel by reason of new class requirements or by compulsory legislation costing (excluding the Charterers' loss of time) more than the percentage stated in Box 23, or if Box 23 is left blank, 5 per cent of the Vessel's insurance value as stated in Box 29, then the extent, if any, to which the rate of hire shall be varied and the ratio in which the cost of compliance shall be shared between the parties concerned in order to achieve a reasonable distribution thereof as between the Owners and the Charterers having regard, inter alia, to the length of the period remaining under this Charter shall, in the absence of agreement, be referred to the dispute resolution method agreed in Clause 30.

(iii) Financial Security - The Charterers shall maintain financial security or responsibility in respect of third party liabilities as required by any government, including federal, state or municipal or other division or authority thereof, to enable the Vessel, without penalty or charge, lawfully to enter, remain at, or leave any port, place, territorial or contiguous waters of any country, state or municipality in performance of this Charter without any delay. This obligation shall apply whether or not such requirements have been lawfully imposed by such government or division or authority thereof.

The Charterers shall make and maintain all arrangements by bond or otherwise as may be necessary to satisfy such requirements at the Charterers' sole expense and the Charterers shall indemnify the Owners against all consequences whatsoever (including loss of time) for any failure or inability to do so.

(b) Operation of the Vessel - The Charterers shall at their own expense and by their own procurement man, victual, navigate, operate, supply, fuel and, whenever required, repair the Vessel during the Charter Period and they shall pay all charges and expenses of every kind and nature whatsoever incidental to their use and operation of the Vessel under this Charter, including annual flag state fees and any foreign general municipality and/or state taxes. The Master, officers and crew of the Vessel shall be the servants of the Charterers for all purposes whatsoever, even if for any reason appointed by the Owners.

Charterers shall comply with the regulations regarding officers and crew in force in the country of the Vessel's flag or any other applicable law.

(c) The Charterers shall keep the Owners and the mortgagee(s) advised of the intended employment, planned dry-docking and major repairs of the Vessel, as reasonably required.

(d) Flag and Name of Vessel – During the Charter Period, the Charterers shall have the liberty to paint the Vessel in their own colours, install and display their funnel insignia and fly their own house flag. The Charterers shall also have the liberty, with the Owners' consent, which shall not be unreasonably withheld, to change ~~the flag and/or~~ the name of the Vessel during the Charter Period. However, the Charterers shall not change the flag of the Vessel during the Charter Period without the Owners' prior consent. Painting and re-painting, instalment and re-instalment, registration and re-registration, if required by the Owners, shall be at the Charterers' expense and time.

(e) Changes to the Vessel – Subject to Clause 10(a)(ii), the Charterers shall make no structural changes in the Vessel or changes in the machinery, boilers, appurtenances or spare parts thereof without in each instance first securing the Owners' approval thereof. If the Owners so agree, the Charterers shall, if the Owners so require, restore the Vessel to its former condition before the termination of this Charter.

(f) Use of the Vessel's Outfit, Equipment and Appliances - The Charterers shall have the use of all outfit, equipment, and appliances on board the Vessel at the time of delivery, provided the same or their substantial equivalent shall be returned to the Owners on redelivery in the same good order and condition as when received, ordinary wear and tear excepted. The Charterers shall from time to time during the Charter Period replace such items of equipment as shall be so damaged or worn as to be unfit for use and shall ensure that title to any part replaced, renewed or substituted remains with the Owners. The Charterers are to procure that all repairs to or replacement of any damaged, worn or lost parts or equipment be effected in such manner (both as regards workmanship and quality of materials) as not to diminish the value of the Vessel. The Charterers have the right to fit additional equipment at their expense and risk but the Charterers shall remove such equipment at the end of the period if requested by the Owners. Any equipment including radio equipment on hire on the Vessel at time of delivery shall be kept and maintained by the Charterers and the Charterers shall assume the obligations and liabilities of the Owners under any lease contracts in connection therewith and shall reimburse the Owners for all expenses incurred in connection therewith, also for any new equipment required in order to comply with radio regulations.

(g) Periodical Dry-Docking - The Charterers shall (at their cost and expense) dry-dock the Vessel and clean and paint her underwater parts whenever the same may be necessary, but not less than once during the period stated in Box 19 or, if Box 19 has been left blank, every sixty (60) calendar months after delivery or such other period as may be required by the

Classification Society or flag state.

11. Hire

See Additional Clause 38 (Charterhire)

~~(a) The Charterers shall pay hire due to the Owners punctually in accordance with the terms of this Charter in respect of which time shall be of the essence.~~

~~(b) The Charterers shall pay to the Owners for the hire of the Vessel a lump sum in the amount indicated in Box 22 which shall be payable not later than every thirty (30) running days in advance, the first lump sum being payable on the date and hour of the Vessel's delivery to the Charterers. Hire shall be paid continuously throughout the Charter Period.~~

~~(c) Payment of hire shall be made in cash without discount in the currency and in the manner indicated in Box 25 and at the place mentioned in Box 26.~~

~~(d) Final payment of hire, if for a period of less than thirty (30) running days, shall be calculated proportionally according to the number of days and hours remaining before redelivery and advance payment to be effected accordingly.~~

~~(e) Should the Vessel be lost or missing, hire shall cease from the date and time when she was lost or last heard of. The date upon which the Vessel is to be treated as lost or missing shall be ten (10) days after the Vessel was last reported or when the Vessel is posted as missing by Lloyd's, whichever occurs first. Any hire paid in advance to be adjusted accordingly.~~

~~(f) Any delay in payment of hire shall entitle the Owners to interest at the rate per annum as agreed in Box 24. If Box 24 has not been filled in, the three months Interbank offered rate in London (LIBOR or its successor) for the currency stated in Box 25, as quoted by the British Bankers' Association (BBA) on the date when the hire fell due, increased by 2 per cent, shall apply.~~

~~(g) Payment of interest due under sub-clause 11(f) shall be made within seven (7) running days of the date of the Owners' invoice specifying the amount payable or, in the absence of an invoice, at the time of the next hire payment date.~~

12. Mortgage

~~(only to apply if Box 28 has been appropriately filled in)~~

~~(a)* The Owners warrant that they have not effected any mortgage(s) of the Vessel and that they shall not effect any mortgage(s) without the prior consent of the Charterers, which shall not be unreasonably withheld.~~

(b)* The Vessel chartered under this Charter may be ~~is~~ financed by a mortgage according to the Financial Instrument.

The Charterers undertake to comply, and provide such information and documents to enable the Owners to comply, with all such instructions or directions in regard to the employment, insurances, operation, repairs and maintenance of the Vessel as laid down in the Financial Instrument or as may be directed from time to time during the currency of the Charter by the mortgagee(s) in conformity with each the Financial Instrument in each case insofar as consistent with the terms of this Charter. The Charterers confirm that, for this purpose, they will once such Financial Instrument is available~~have~~ acquainted themselves with all relevant terms, conditions and provisions of the Financial Instrument and agree to acknowledge this in writing in any form that may be required by the mortgagee(s). ~~The Owners warrant that they have not effected any mortgage(s) other than stated in Box 28 and that they shall not agree to any amendment of the mortgage(s) referred to in Box 28 or effect any~~

~~other mortgage(s) without the prior consent of the Charterers, which shall not be unreasonably withheld.~~

*(Optional, Clauses 12(a) and 12(b) are alternatives; indicate alternative agreed in Box 28).

13. Insurance and Repairs See Additional Clause 40 (Insurance)

~~(a) During the Charter Period the Vessel shall be kept insured by the Charterers at their expense against hull and machinery, war and Protection and Indemnity risks (and any risks against which it is compulsory to insure for the operation of the Vessel, including maintaining financial security in accordance with sub-clause 10(a)(iii)) in such form as the Owners shall in writing approve, which approval shall not be unreasonably withheld. Such insurances shall be arranged by the Charterers to protect the interests of both the Owners and the Charterers and the mortgagee(s) (if any), and the Charterers shall be at liberty to protect under such insurances the interests of any managers they may appoint. Insurance policies shall cover the Owners and the Charterers according to their respective interests.~~

~~Subject to the provisions of the Financial Instrument, if any, and the approval of the Owners and the insurers, the Charterers shall effect all insured repairs and shall undertake settlement and reimbursement from the insurers of all costs in connection with such repairs as well as insured charges, expenses and liabilities to the extent of coverage under the insurances herein provided for.~~

~~The Charterers also to remain responsible for and to effect repairs and settlement of costs and expenses incurred thereby in respect of all other repairs not covered by the insurances and/or not exceeding any possible franchise(s) or deductibles provided for in the insurances.~~

~~All time used for repairs under the provisions of sub-clause 13(a) and for repairs of latent defects according to Clause 3(c) above, including any deviation, shall be for the Charterers' account.~~

~~(b) If the conditions of the above insurances permit additional insurance to be placed by the parties, such cover shall be limited to the amount for each party set out in Box 30 and Box 31, respectively. The Owners or the Charterers as the case may be shall immediately furnish the other party with particulars of any additional insurance effected, including copies of any cover notes or policies and the written consent of the insurers of any such required insurance in any case where the consent of such insurers is necessary.~~

~~(c) The Charterers shall upon the request of the Owners, provide information and promptly execute such documents as may be required to enable the Owners to comply with the insurance provisions of the Financial Instrument.~~

~~(d) Subject to the provisions of the Financial Instrument, if any, should the Vessel become an actual, constructive, compromised or agreed total loss under the insurances required under sub-clause 13(a), all insurance payments for such loss shall be paid to the Owners who shall distribute the moneys between the Owners and the Charterers according to their respective interests. The Charterers undertake to notify the Owners and the mortgagee(s), if any, of any occurrences in consequence of which the Vessel is likely to become a total loss as defined in this Clause.~~

~~(e) The Owners shall upon the request of the Charterers, promptly execute such documents as may be required to enable the Charterers to abandon the Vessel to insurers and claim a constructive total loss.~~

~~(f) For the purpose of insurance coverage against hull and machinery and war risks under the provisions of sub-clause 13(a), the value of the Vessel is the sum indicated in Box 29.~~

14. Insurance, Repairs and Classification (Intentionally omitted)

~~(Optional, only to apply if expressly agreed and stated in Box 29, in which event Clause 13 shall be considered deleted).~~

~~(a)~~ ~~During the Charter Period the Vessel shall be kept insured by the Owners at their expense against hull and machinery and war risks under the form of policy or policies attached hereto. The Owners and/or insurers shall not have any right of recovery or subrogation against the Charterers on account of loss of or any damage to the Vessel or her machinery or appurtenances covered by such insurance, or on account of payments made to discharge claims against or liabilities of the Vessel or the Owners covered by such insurance. Insurance policies shall cover the Owners and the Charterers according to their respective interests.~~

~~(b)~~ ~~During the Charter Period the Vessel shall be kept insured by the Charterers at their expense against Protection and Indemnity risks (and any risks against which it is compulsory to insure for the operation of the Vessel, including maintaining financial security in accordance with sub-clause 10(a)(iii)) in such form as the Owners shall in writing approve which approval shall not be unreasonably withheld.~~

~~(c)~~ ~~In the event that any act or negligence of the Charterers shall vitiate any of the insurance herein provided, the Charterers shall pay to the Owners all losses and indemnify the Owners against all claims and demands which would otherwise have been covered by such insurance.~~

~~(d)~~ ~~The Charterers shall, subject to the approval of the Owners or Owners' Underwriters, effect all insured repairs, and the Charterers shall undertake settlement of all miscellaneous expenses in connection with such repairs as well as all insured charges, expenses and liabilities, to the extent of coverage under the insurances provided for under the provisions of sub-clause 14(a).~~

~~The Charterers to be secured reimbursement through the Owners' Underwriters for such expenditures upon presentation of accounts.~~

~~(e)~~ ~~The Charterers to remain responsible for and to effect repairs and settlement of costs and expenses incurred thereby in respect of all other repairs not covered by the insurances and/or not exceeding any possible franchise(s) or deductibles provided for in the insurances.~~

~~(f)~~ ~~All time used for repairs under the provisions of sub-clauses 14(d) and 14(e) and for repairs of latent defects according to Clause 3 above, including any deviation, shall be for the Charterers' account and shall form part of the Charter Period.~~

~~The Owners shall not be responsible for any expenses as are incident to the use and operation of the Vessel for such time as may be required to make such repairs.~~

~~(g)~~ ~~If the conditions of the above insurances permit additional insurance to be placed by the parties such cover shall be limited to the amount for each party set out in Box 30 and Box 31, respectively. The Owners or the Charterers as the case may be shall immediately furnish the other party with particulars of any additional insurance effected, including copies of any cover notes or policies and the written consent of the insurers of any such required insurance in any case where the consent of such insurers is necessary.~~

~~(h)~~ ~~Should the Vessel become an actual, constructive, compromised or agreed total loss under the insurances required under sub-clause 14(a), all insurance payments for such loss shall be paid to the Owners, who shall distribute the moneys between themselves and the Charterers according to their respective interests.~~

~~(i)~~ ~~If the Vessel becomes an actual, constructive, compromised or agreed total loss under the insurances arranged by the Owners in accordance with sub-clause 14(a), this Charter shall terminate as of the date of such loss.~~

~~(j)~~ ~~The Charterers shall upon the request of the Owners, promptly execute such documents as may be required to enable the Owners to abandon the Vessel to the insurers and claim a constructive total loss.~~

~~(k)~~ ~~For the purpose of insurance coverage against hull and machinery and war risks under the provisions of sub-~~

~~clause 14(a), the value of the Vessel is the sum indicated in Box 29.~~

~~(l) Notwithstanding anything contained in sub-clause 10(a), it is agreed that under the provisions of Clause 14, if applicable, the Owners shall keep the Vessel's Class fully up to date with the Classification Society indicated in Box 10 and maintain all other necessary certificates in force at all times.~~

15. Redelivery
See Additional Clause 41 (Termination and Redelivery; Total Loss)

~~At the expiration of the Charter Period the Vessel shall be redelivered by the Charterers to the Owners at a safe and ice-free port or place as indicated in Box 16, in such ready safe berth as the Owners may direct. The Charterers shall give the Owners not less than thirty (30) running days' preliminary notice of expected date, range of ports of redelivery or port or place of redelivery and not less than fourteen (14) running days' definite notice of expected date and port or place of redelivery.~~

~~Any changes thereafter in the Vessel's position shall be notified immediately to the Owners.~~

~~The Charterers warrant that they will not permit the Vessel to commence a voyage (including any preceding ballast voyage) which cannot reasonably be expected to be completed in time to allow redelivery of the Vessel within the Charter Period. Notwithstanding the above, should the Charterers fail to redeliver the Vessel within the Charter Period, the Charterers shall pay the daily equivalent to the rate of hire stated in Box 22 plus 10 per cent or to the market rate, whichever is the higher, for the number of days by which the Charter Period is exceeded. All other terms, conditions and provisions of this Charter shall continue to apply.~~

~~Subject to the provisions of Clause 10, the Vessel shall be redelivered to the Owners in the same or as good structure, state, condition and class as that in which she was delivered, fair wear and tear not affecting class excepted.~~

~~The Vessel upon redelivery shall have her survey cycles up to date and trading and class certificates valid for at least the number of months agreed in Box 17.~~

16. Non-Lien See also Additional Clauses 39.1 and 49.1(b)

The Charterers will not suffer, nor permit to be continued, any lien or encumbrance incurred by them or their agents, which might have priority over the title and interest of the Owners in the Vessel. The Charterers further agree to fasten to the Vessel in a conspicuous place and to keep so fastened during the Charter Period a notice reading as follows:

"This Vessel is the property of (name of Owners). It is under charter to (name of Charterers) and by the terms of the Charter Party neither the Charterers nor the Master have any right, power or authority to create, incur or permit to be imposed on the Vessel any lien whatsoever."

17. Indemnity **See also Additional Clause 43 (Indemnities)**

(a) The Charterers shall indemnify the Owners against any loss, damage or expense (including legal expenses) incurred by the Owners arising out of or in relation to a breach of this Charter by the Charterers and/or the operation of the Vessel by the Charterers, and against any lien of whatsoever nature arising out of an event occurring during the Charter Period. If the Vessel be arrested or otherwise detained by reason of claims or liens arising out of her operation hereunder by the Charterers, the Charterers shall at their own expense take all reasonable steps to secure that within a reasonable time the Vessel is released, including the provision of bail.

Without prejudice to the generality of the foregoing, the Charterers agree to indemnify the Owners against all consequences or liabilities arising from the Master, officers or agents signing Bills of Lading or other documents.

~~(b) If the Vessel be arrested or otherwise detained by reason of a claim or claims against the Owners, the Owners~~

~~shall at their own expense take all reasonable steps to secure that within a reasonable time the Vessel is released, including the provision of bail.~~

~~In such circumstances the Owners shall indemnify the Charterers against any loss, damage or expense incurred by the Charterers (including hire paid under this Charter) as a direct consequence of such arrest or detention.~~

18. Lien

The Owners to have a lien upon all cargoes, sub-hires and sub-freights belonging or due to the Charterers or any sub-charterers and any Bill of Lading freight for all claims under this Charter.~~, and the Charterers to have a lien on the Vessel for all moneys paid in advance and not earned.~~

19. Salvage

Subject to the provisions of the Security Documents, ~~A~~all salvage and towage performed by the Vessel shall be for the Charterers' benefit and the cost of repairing damage occasioned thereby shall be borne by the Charterers.

20. Wreck Removal

In the event of the Vessel becoming a wreck or obstruction to navigation the Charterers shall indemnify the Owners against any sums whatsoever which the Owners shall become liable to pay and shall pay in consequence of the Vessel becoming a wreck or obstruction to navigation.

21. General Average

The Owners shall not contribute to General Average.

22. Assignment, Sub-Charter and Sale
See also Additional Clause 45 (Mortgage, Assignment and Transfer)

(a) The Charterers shall not assign this Charter nor sub-charter the Vessel on a bareboat basis except with the prior consent in writing of the Owners.~~, which shall not be unreasonably withheld, and subject to such terms and conditions as the Owners shall approve.~~

~~(b) The Owners shall not sell the Vessel during the currency of this Charter except with the prior written consent of the Charterers, which shall not be unreasonably withheld, and subject to the buyer accepting an assignment of this Charter.~~

23. Contracts of Carriage

(a)* The Charterers are to procure that all documents issued during the Charter Period evidencing the terms and conditions agreed in respect of carriage of goods shall contain a paramount clause incorporating any legislation relating to carrier's liability for cargo compulsorily applicable in the trade; if no such legislation exists, the documents shall incorporate the Hague-Visby Rules. The documents shall also contain the New Jason Clause and the Both-to-Blame Collision Clause.

~~(b)* The Charterers are to procure that all passenger tickets issued during the Charter Period for the carriage of passengers and their luggage under this Charter shall contain a paramount clause incorporating any legislation relating to carrier's liability for passengers and their luggage compulsorily applicable in the trade; if no such legislation exists, the passenger tickets shall incorporate the Athens Convention Relating to the Carriage of Passengers and their Luggage by Sea, 1974, and any protocol thereto.~~

~~*Delete as applicable.~~

PART II

24. Bank Guarantee

~~(Optional, only to apply if Box 27 filled in)~~

~~The Charterers undertake to furnish, before delivery of the Vessel, a first class bank guarantee or bond in the sum and at the place as indicated in Box 27 as guarantee for full performance of their obligations under this Charter.~~

25. Requisition/Acquisition

(a) In the event of the Requisition for Hire of the Vessel by any governmental or other competent authority (hereinafter referred to as "Requisition for Hire") irrespective of the date during the Charter Period when "Requisition for Hire" may occur and irrespective of the length thereof and whether or not it be for an indefinite or a limited period of time, and irrespective of whether it may or will remain in force for the remainder of the Charter Period, this Charter shall not be deemed thereby or thereupon to be frustrated or otherwise terminated and the Charterers shall continue to pay the stipulated hire in the manner provided by this Charter until the time when the Charter would have terminated pursuant to any of the provisions hereof.~~, always provided however that in the event of "Requisition for Hire" any Requisition Hire or compensation received or receivable by the Owners shall be payable to the Charterers during the remainder of the Charter Period or the period of the "Requisition for Hire" whichever be the shorter.~~

~~(b) In the event of the Owners being deprived of their ownership in the Vessel by any Compulsory Acquisition of the Vessel or requisition for title by any governmental or other competent authority (hereinafter referred to as "Compulsory Acquisition"), then, irrespective of the date during the Charter Period when "Compulsory Acquisition" may occur, this Charter shall be deemed terminated as of the date of such "Compulsory Acquisition". In such event Charter Hire to be considered as earned and to be paid up to the date and time of such "Compulsory Acquisition".~~

26. War

(a) For the purpose of this Clause, the words "War Risks" shall include any war (whether actual or threatened), act of war, civil war, hostilities, revolution, rebellion, civil commotion, warlike operations, the laying of mines (whether actual or reported), acts of piracy, acts of terrorists, acts of hostility or malicious damage, blockades (whether imposed against all vessels or imposed selectively against vessels of certain flags or ownership, or against certain cargoes or crews or otherwise howsoever), by any person, body, terrorist or political group, or the Government of any state whatsoever, which may be dangerous or are likely to be or to become dangerous to the Vessel, her cargo, crew or other persons on board the Vessel.

(b) The Vessel, unless the written consent of the Owners be first obtained, and the applicable additional insurance cover has been placed with copies of the same provided to the Owners in advance, shall not continue to or go through any port, place, area or zone (whether of land or sea), or any waterway or canal, where it reasonably appears that the Vessel, her cargo, crew or other persons on board the Vessel, in the reasonable judgement of the Owners, may be, or are likely to be, exposed to War Risks. Should the Vessel be within any such place as aforesaid, which only becomes dangerous, or is likely to be or to become dangerous, after her entry into it, the Owners shall have the right to require the Vessel to leave such area.

(c) The Vessel shall not load contraband cargo, or to pass through any blockade, whether such blockade be imposed on all vessels, or is imposed selectively in any way whatsoever against vessels of certain flags or ownership, or against certain cargoes or crews or otherwise howsoever, or to proceed to an area where she shall be subject, or is likely to be subject to a belligerent's right of search and/or confiscation.

~~(d) If the insurers of the war risks insurance, when Clause 14 is applicable, should require payment of premiums and/or calls because, pursuant to the Charterers' orders, the Vessel is within, or is due to enter and remain within, any area or areas which are specified by such insurers as being subject to additional premiums because of War Risks, then such premiums and/or calls shall be reimbursed by the Charterers to the Owners at the same time as the next payment of hire is due.~~

(e) The Charterers shall have the liberty:

(i) to comply with all orders, directions, recommendations or advice as to departure, arrival, routes, sailing in convoy, ports of call, stoppages, destinations, discharge of cargo, delivery, or in any other way whatsoever, which are given by the Government of the Nation under whose flag the Vessel sails, or any other Government, body or group whatsoever acting with the power to compel compliance with their orders or directions;

(ii) to comply with the orders, directions or recommendations of any war risks underwriters who have the authority to give the same under the terms of the war risks insurance;

(iii) to comply with the terms of any resolution of the Security Council of the United Nations, any directives of the European Community, the effective orders of any other Supranational body which has the right to issue and give the same, and with national laws aimed at enforcing the same to which the Owners are subject, and to obey the orders and directions of those who are charged with their enforcement.

(f) In the event of outbreak of war (whether there be a declaration of war or not)

~~(i) between any two or more of the following countries: the United States of America; Russia; the United Kingdom; France; and the People's Republic of China,~~

~~(ii) between any two or more of the countries stated in Box 36, both the Owners and the Charterers shall have the right to cancel this Charter, whereupon the Charterers shall redeliver the Vessel to the Owners in accordance with Clause 15, if the Vessel has cargo on board after discharge thereof at destination, or if debarred under this Clause from reaching or entering it at a near, open and safe port as directed by the Owners, or if the Vessel has no cargo on board, at the port at which the Vessel then is or if at sea at a near, open and safe port as directed by the Owners. In all cases~~ hire shall continue to be paid in accordance with Clause 11 and Additional Clause 38 (Charterhire)~~except as aforesaid all other provisions of this Charter shall apply until redelivery~~.

27. Commission

~~The Owners to pay a commission at the rate indicated in Box 33 to the Brokers named in Box 33 on any hire paid under the Charter. If no rate is indicated in Box 33, the commission to be paid by the Owners shall cover the actual expenses of the Brokers and a reasonable fee for their work.~~

~~If the full hire is not paid owing to breach of the Charter by either of the parties the party liable therefor shall indemnify the Brokers against their loss of commission.~~

~~Should the parties agree to cancel the Charter, the Owners shall indemnify the Brokers against any loss of commission but in such case the commission shall not exceed the brokerage on one year's hire.~~

28. Termination

See Additional Clauses 47 (Termination Events) and 41 (Termination and Redelivery; Total Loss)

~~(a) Charterers' Default~~

~~The Owners shall be entitled to withdraw the Vessel from the service of the Charterers and terminate the Charter with immediate effect by written notice to the Charterers if:~~

~~(i) the Charterers fail to pay hire in accordance with Clause 11. However, where there is a failure to make punctual payment of hire due to oversight, negligence, errors or omissions on the part of the Charterers or their bankers, the Owners shall give the Charterers written notice of the number of clear banking days stated in Box 34 (as recognised at the agreed place of payment) in which to rectify the failure, and when so rectified within such number of days following the Owners' notice, the payment shall stand as regular and punctual.~~

~~Failure by the Charterers to pay hire within the number of days stated in Box 34 of their receiving the Owners' notice as provided herein, shall entitle the Owners to withdraw the Vessel from the service of the Charterers and terminate the Charter without further notice;~~

~~(ii) the Charterers fail to comply with the requirements of:~~

~~(1) Clause 6 (Trading Restrictions)~~

~~(2) Clause 13(a) (Insurance and Repairs)~~

~~provided that the Owners shall have the option, by written notice to the Charterers, to give the Charterers a specified number of days grace within which to rectify the failure without prejudice to the Owners' right to withdraw and terminate under this Clause if the Charterers fail to comply with such notice;~~

~~(iii) the Charterers fail to rectify any failure to comply with the requirements of sub-clause 10(a)(i) (Maintenance and Repairs) as soon as practically possible after the Owners have requested them in writing so to do and in any event so that the Vessel's insurance cover is not prejudiced.~~

~~(b) Owners' Default~~

~~If the Owners shall by any act or omission be in breach of their obligations under this Charter to the extent that the Charterers are deprived of the use of the Vessel and such breach continues for a period of fourteen (14) running days after written notice thereof has been given by the Charterers to the Owners, the Charterers shall be entitled to terminate this Charter with immediate effect by written notice to the Owners.~~

~~(c) Loss of Vessel~~

~~This Charter shall be deemed to be terminated if the Vessel becomes a total loss or is declared as a constructive or compromised or arranged total loss. For the purpose of this sub-clause, the Vessel shall not be deemed to be lost unless she has either become an actual total loss or agreement has been reached with her underwriters in respect of her constructive, compromised or arranged total loss or if such agreement with her underwriters is not reached it is adjudged by a competent tribunal that a constructive loss of the Vessel has occurred.~~

~~(d) Either party shall be entitled to terminate this Charter with immediate effect by written notice to the other party in the event of an order being made or resolution passed for the winding up, dissolution, liquidation or bankruptcy of the other party (otherwise than for the purpose of reconstruction or amalgamation) or if a receiver is appointed, or if it suspends payment, ceases to carry on business or makes any special arrangement or~~

~~composition with its creditors.~~

~~(c) The termination of this Charter shall be without prejudice to all rights accrued due between the parties prior to the date of termination and to any claim that either party might have.~~

29. Repossession

In the event of the termination of this Charter in accordance with the applicable provisions of Clause 28, the Owners shall have the right to repossess the Vessel from the Charterers at her current or next port of call, such port or place as the Owners may designate in their sole discretion or at a port or place convenient to them without hindrance or interference by the Charterers, courts or local authorities. Pending physical repossession of the Vessel in accordance with this Clause 29, the Charterers shall hold the Vessel as gratuitous bailee only to the Owners. The Owners shall arrange for an authorised representative to board the Vessel as soon as reasonably practicable following the termination of the Charter. The Vessel shall be deemed to be repossessed by the Owners from the Charterers upon the boarding of the Vessel by the Owners' representative. All arrangements and expenses relating to the settling of wages, disembarkation and repatriation of the Charterers' Master, officers and crew shall be the sole responsibility of the Charterers.

30. Dispute Resolution
See Additional Clause 57 (Governing Law and Arbitration)

~~(a)* This Contract shall be governed by and construed in accordance with English law and any dispute arising out of or in connection with this Contract shall be referred to arbitration in London in accordance with the Arbitration Act 1996 or any statutory modification or re-enactment thereof save to the extent necessary to give effect to the provisions of this Clause.~~

~~The arbitration shall be conducted in accordance with the London Maritime Arbitrators Association (LMAA) Terms current at the time when the arbitration proceedings are commenced.~~

~~The reference shall be to three arbitrators. A party wishing to refer a dispute to arbitration shall appoint its arbitrator and send notice of such appointment in writing to the other party requiring the other party to appoint its own arbitrator within 14 calendar days of that notice and stating that it will appoint its arbitrator as sole arbitrator unless the other party appoints its own arbitrator and gives notice that it has done so within the 14 days specified. If the other party does not appoint its own arbitrator and give notice that it has done so within the 14 days specified, the party referring a dispute to arbitration may, without the requirement of any further prior notice to the other party, appoint its arbitrator as sole arbitrator and shall advise the other party accordingly.~~
~~The award of a sole arbitrator shall be binding on both parties as if he had been appointed by agreement.~~

~~Nothing herein shall prevent the parties agreeing in writing to vary these provisions to provide for the appointment of a sole arbitrator.~~

~~In cases where neither the claim nor any counterclaim exceeds the sum of US$50,000 (or such other sum as the parties may agree) the arbitration shall be conducted in accordance with the LMAA Small Claims Procedure current at the time when the arbitration proceedings are commenced.~~

~~(b)* This Contract shall be governed by and construed in accordance with Title 9 of the United States Code and the Maritime Law of the United States and any dispute arising out of or in connection with this Contract shall be referred to three persons at New York, one to be appointed by each of the parties hereto, and the third by the two so chosen; their decision or that of any two of them shall be final, and for the purposes of enforcing any award, judgement may be entered on an award by any court of competent jurisdiction. The proceedings shall be conducted in accordance with the rules of the Society of Maritime Arbitrators, Inc.~~

~~In cases where neither the claim nor any counterclaim exceeds the sum of US$50,000 (or such other sum as the~~

~~parties may agree) the arbitration shall be conducted in accordance with the Shortened Arbitration Procedure of the Society of Maritime Arbitrators, Inc. current at the time when the arbitration proceedings are commenced.~~

~~(c)* This Contract shall be governed by and construed in accordance with the laws of the place mutually agreed by the parties and any dispute arising out of or in connection with this Contract shall be referred to arbitration at a mutually agreed place, subject to the procedures applicable there.~~

~~(d) Notwithstanding (a), (b) or (c) above, the parties may agree at any time to refer to mediation any difference and/or dispute arising out of or in connection with this Contract.~~

~~In the case of a dispute in respect of which arbitration has been commenced under (a), (b) or (c) above, the following shall apply:~~

~~(i) Either party may at any time and from time to time elect to refer the dispute or part of the dispute to mediation by service on the other party of a written notice (the "Mediation Notice") calling on the other party to agree to mediation.~~

~~(ii) The other party shall thereupon within 14 calendar days of receipt of the Mediation Notice confirm that they agree to mediation, in which case the parties shall thereafter agree a mediator within a further 14 calendar days, failing which on the application of either party a mediator will be appointed promptly by the Arbitration Tribunal ("the Tribunal") or such person as the Tribunal may designate for that purpose. The mediation shall be conducted in such place and in accordance with such procedure and on such terms as the parties may agree or, in the event of disagreement, as may be set by the mediator.~~

~~(iii) If the other party does not agree to mediate, that fact may be brought to the attention of the Tribunal and may be taken into account by the Tribunal when allocating the costs of the arbitration as between the parties.~~

~~(iv) The mediation shall not affect the right of either party to seek such relief or take such steps as it considers necessary to protect its interest.~~

~~(v) Either party may advise the Tribunal that they have agreed to mediation. The arbitration procedure shall continue during the conduct of the mediation but the Tribunal may take the mediation timetable into account when setting the timetable for steps in the arbitration.~~

~~(vi) Unless otherwise agreed or specified in the mediation terms, each party shall bear its own costs incurred in the mediation and the parties shall share equally the mediator's costs and expenses.~~

~~(vii) The mediation process shall be without prejudice and confidential and no information or documents disclosed during it shall be revealed to the Tribunal except to the extent that they are disclosable under the law and procedure governing the arbitration.~~

~~(Note: The parties should be aware that the mediation process may not necessarily interrupt time limits.)~~

~~(e) If Box 35 in Part I is not appropriately filled in, sub-clause 30(a) of this Clause shall apply. Sub-clause 30(d) shall apply in all cases.~~

~~*Sub-clauses 30(a), 30(b) and 30(c) are alternatives; indicate alternative agreed in Box 35.~~

31. **Notices**
<u>**See Additional Clause 46 (Notices)**</u>

~~(a) Any notice to be given by either party to the other party shall be in writing and may be sent by fax, telex, registered or recorded mail or by personal service.~~

537 ~~(b) The address of the Parties for service of such communication shall be as stated in Boxes 3 and 4 respectively.~~

PART III

~~**1. Specifications and Building Contract**~~

~~(a) The Vessel shall be constructed in accordance with the Building Contract (hereafter called "the Building Contract") as annexed to this Charter, made between the Builders and the Owners and in accordance with the specifications and plans annexed thereto, such Building Contract, specifications and plans having been counter-signed as approved by the Charterers.~~

~~(b) No change shall be made in the Building Contract or in the specifications or plans of the Vessel as approved by the Charterers as aforesaid, without the Charterers' consent.~~

~~(c) The Charterers shall have the right to send their representative to the Builders' Yard to inspect the Vessel during the course of her construction to satisfy themselves that construction is in accordance with such approved specifications and plans as referred to under sub-clause (a) of this Clause.~~

~~(d) The Vessel shall be built in accordance with the Building Contract and shall be of the description set out therein. Subject to the provisions of sub-clause 2(c)(ii) hereunder, the Charterers shall be bound to accept the Vessel from the Owners, completed and constructed in accordance with the Building Contract, on the date of delivery by the Builders. The Charterers undertake that having accepted the Vessel they will not thereafter raise any claims against the Owners in respect of the Vessel's performance or specification or defects, if any.~~

~~Nevertheless, in respect of any repairs, replacements or defects which appear within the first 12 months from delivery by the Builders, the Owners shall endeavour to compel the Builders to repair, replace or remedy any defects or to recover from the Builders any expenditure incurred in carrying out such repairs, replacements or remedies.~~

~~However, the Owners' liability to the Charterers shall be limited to the extent the Owners have a valid claim against the Builders under the guarantee clause of the Building Contract (a copy whereof has been supplied to the Charterers). The Charterers shall be bound to accept such sums as the Owners are reasonably able to recover under this Clause and shall make no further claim on the Owners for the difference between the amount(s) so recovered and the actual expenditure on repairs, replacement or remedying defects or for any loss of time incurred.~~

~~Any liquidated damages for physical defects or deficiencies shall accrue to the account of the party stated in Box 41(a) or if not filled in shall be shared equally between the parties.~~

~~The costs of pursuing a claim or claims against the Builders under this Clause (including any liability to the Builders) shall be borne by the party stated in Box 41(b) or if not filled in shall be shared equally between the parties.~~

~~**2. Time and Place of Delivery**~~

~~(a) Subject to the Vessel having completed her acceptance trials including trials of cargo equipment in accordance with the Building Contract and specifications to the satisfaction of the Charterers, the Owners shall give and the Charterers shall take delivery of the Vessel afloat when ready for delivery and properly documented at the Builders' Yard or some other safe and readily accessible dock, wharf or place as may be agreed between the parties hereto and the Builders. Under the Building Contract the Builders have estimated that the Vessel will be ready for delivery to the Owners as therein provided but the delivery date for the purpose of this Charter shall be the date when the Vessel is in fact ready for delivery by the Builders after completion of trials whether that be before or after as indicated in the Building Contract. The Charterers shall not be entitled to refuse acceptance~~

PART III

~~of delivery of the Vessel and upon and after such acceptance, subject to Clause 1(d), the Charterers shall not be entitled to make any claim against the Owners in respect of any conditions, representations or warranties, whether express or implied, as to the seaworthiness of the Vessel or in respect of delay in delivery.~~

~~(b) If for any reason other than a default by the Owners under the Building Contract, the Builders become entitled under that Contract not to deliver the Vessel to the Owners, the Owners shall upon giving to the Charterers written notice of Builders becoming so entitled, be excused from giving delivery of the Vessel to the Charterers and upon receipt of such notice by the Charterers this Charter shall cease to have effect.~~

~~(c) If for any reason the Owners become entitled under the Building Contract to reject the Vessel the Owners shall, before exercising such right of rejection, consult the Charterers and thereupon~~

~~(i) if the Charterers do not wish to take delivery of the Vessel they shall inform the Owners within seven (7) running days by notice in writing and upon receipt by the Owners of such notice this Charter shall cease to have effect; or~~

~~(ii) if the Charterers wish to take delivery of the Vessel they may by notice in writing within seven (7) running days require the Owners to negotiate with the Builders as to the terms on which delivery should be taken and/or refrain from exercising their right to rejection and upon receipt of such notice the Owners shall commence such negotiations and/or take delivery of the Vessel from the Builders and deliver her to the Charterers;~~

~~(iii) in no circumstances shall the Charterers be entitled to reject the Vessel unless the Owners are able to reject the Vessel from the Builders;~~

~~(iv) if this Charter terminates under sub-clause (b) or (c) of this Clause, the Owners shall thereafter not be liable to the Charterers for any claim under or arising out of this Charter or its termination.~~

~~(d) Any liquidated damages for delay in delivery under the Building Contract and any costs incurred in pursuing a claim therefor shall accrue to the account of the party stated in Box 41(c) or if not filled in shall be shared equally between the parties.~~

~~3. Guarantee Works~~

~~If not otherwise agreed, the Owners authorise the Charterers to arrange for the guarantee works to be performed in accordance with the building contract terms, and hire to continue during the period of guarantee works. The Charterers have to advise the Owners about the performance to the extent the Owners may request.~~

~~4. Name of Vessel~~

~~The name of the Vessel shall be mutually agreed between the Owners and the Charterers and the Vessel shall be painted in the colours, display the funnel insignia and fly the house flag as required by the Charterers.~~

~~5. Survey on Redelivery~~

~~The Owners and the Charterers shall appoint surveyors for the purpose of determining and agreeing in writing the condition of the Vessel at the time of redelivery.~~

~~Without prejudice to Clause 15 (Part II), the Charterers shall bear all survey expenses and all other costs, if any, including the cost of docking and undocking, if required, as well as all repair costs incurred. The Charterers shall also bear all loss of time spent in connection with any docking and undocking as well as repairs, which shall be paid at the rate of hire per day or pro rata.~~

PART IV

~~On expiration of this Charter and provided the Charterers have fulfilled their obligations according to Part I and II as well as Part III, if applicable, it is agreed, that on payment of the final payment of hire as per Clause 11 the Charterers have purchased the Vessel with everything belonging to her and the Vessel is fully paid for.~~

~~In the following paragraphs the Owners are referred to as the Sellers and the Charterers as the Buyers.~~

~~The Vessel shall be delivered by the Sellers and taken over by the Buyers on expiration of the Charter.~~

~~The Sellers guarantee that the Vessel, at the time of delivery, is free from all encumbrances and maritime liens or any debts whatsoever other than those arising from anything done or not done by the Buyers or any existing mortgage agreed not to be paid off by the time of delivery. Should any claims, which have been incurred prior to the time of delivery be made against the Vessel, the Sellers hereby undertake to indemnify the Buyers against all consequences of such claims to the extent it can be proved that the Sellers are responsible for such claims. Any taxes, notarial, consular and other charges and expenses connected with the purchase and registration under Buyers' flag, shall be for Buyers' account. Any taxes, consular and other charges and expenses connected with closing of the Sellers' register, shall be for Sellers' account.~~

~~In exchange for payment of the last month's hire instalment the Sellers shall furnish the Buyers with a Bill of Sale duly attested and legalized, together with a certificate setting out the registered encumbrances, if any. On delivery of the Vessel the Sellers shall provide for deletion of the Vessel from the Ship's Register and deliver a certificate of deletion to the Buyers.~~

~~The Sellers shall, at the time of delivery, hand to the Buyers all classification certificates (for hull, engines, anchors, chains, etc.), as well as all plans which may be in Sellers' possession.~~

~~The Wireless Installation and Nautical Instruments, unless on hire, shall be included in the sale without any extra payment.~~

~~The Vessel with everything belonging to her shall be at Sellers' risk and expense until she is delivered to the Buyers, subject to the conditions of this Contract and the Vessel with everything belonging to her shall be delivered and taken over as she is at the time of delivery, after which the Sellers shall have no responsibility for possible faults or deficiencies of any description.~~

~~The Buyers undertake to pay for the repatriation of the Master, officers and other personnel if appointed by the Sellers to the port where the Vessel entered the Bareboat Charter as per Clause 3 (Part II) or to pay the equivalent cost for their journey to any other place.~~

PART V

~~1. Definitions~~

~~For the purpose of this PART V, the following terms shall have the meanings hereby assigned to them:~~

~~"The Bareboat Charter Registry" shall mean the registry of the State whose flag the Vessel will fly and in which the Charterers are registered as the bareboat charterers during the period of the Bareboat Charter.~~

~~"The Underlying Registry" shall mean the registry of the state in which the Owners of the Vessel are registered as Owners and to which jurisdiction and control of the Vessel will revert upon termination of the Bareboat Charter Registration.~~

~~2.~~ Mortgage

~~The Vessel chartered under this Charter is financed by a mortgage and the provisions of Clause 12(b) (Part II) shall apply.~~

~~3. Termination of Charter by Default~~

~~If the Vessel chartered under this Charter is registered in a Bareboat Charter Registry as stated in Box 44, and if the Owners shall default in the payment of any amounts due under the mortgage(s) specified in Box 28, the Charterers shall, if so required by the mortgagee, direct the Owners to re-register the Vessel in the Underlying Registry as shown in Box 45.~~

~~In the event of the Vessel being deleted from the Bareboat Charter Registry as stated in Box 44, due to a default by the Owners in the payment of any amounts due under the mortgage(s), the Charterers shall have the right to terminate this Charter forthwith and without prejudice to any other claim they may have against the Owners under this Charter.~~

Additional Clauses to
Standard Bareboat Charter

between

汇文(天津)航运租赁有限公司
(HUIWEN (TIANJIN) SHIPPING LEASING CO., LTD.)
as Owners

and

JINMING MARINE INC.
as Charterers

in respect of

one (1) bulk carrier bearing hull no. HT64-429 and
IMO no. 1112006 and named or to be named "JIN MING"

Contract no.: JFLSPV2026L198-01

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Contents

32. DEFINITIONS

32.1 In this Charter the following terms shall have the meanings ascribed to them below:

"Account Bank" means The Hongkong and Shanghai Banking Corporation Limited acting through its office at 1 Queen's Road Central, Hong Kong or any other bank or financial institution mutually agreed by the Owners and the Charterers with which the Earnings Account is at any time held.

"Affiliate" means, in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company.

"Anti-Money Laundering Laws" means all applicable financial record-keeping and reporting requirements, anti-money laundering statutes (including all applicable rules and regulations thereunder) FATF recommendations and all applicable related or similar laws, rules, regulations, guidelines of all jurisdictions including and without limitation, the US, the European Union, the United Kingdom, PRC, Hong Kong, Singapore and the Republic of Panama (including, without limitation, Anti-Money Laundering Law of the PRC (中华人民共和国反洗钱法), Rules of the People's Bank of China on Anti-Money Laundering by Financial Institutions (中国人民银行金融机构反洗钱规定) and Measures of the People's Bank of China on Administration of Reporting of High Value Transactions and Suspicious Transactions by Financial Institutions (金融机构大额交易和可疑交易报告管理办法)) and which in each case are (a) issued, administered or enforced by any governmental agency having jurisdiction over any Security Party or the Owners; (b) of any jurisdiction in which any Security Party or the Owners conduct business or (c) to which any Security Party or the Owners is subjected or subject to.

"Approved Manager" means Goldbeam International Limited (華珠國際有限公司), a company incorporated in Hong Kong with limited liability and business registration number 14667101, as technical and commercial manager and/or any other first class reputable ship management company designated by the Charterers and approved by the Owners who may be appointed as commercial/technical manager of the Vessel.

"Approved Valuer" means Arrow Valuations, Barry Rogliano Salles, Braemar ACM Shipbroking, Clarksons Platou, Fearnleys As, Greig Shipbrokers, Howe Robinson Partners, MB Shipbrokers, Simpsons, Spencer and Young or any other shipbroker nominated by a Party and approved by the Owners.

"Assigned Property" has the meaning ascribed to such term in the Charterers Assignment.

"Authorisation" means:

(a) an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation, lodgement or registration; or

(b) in relation to anything which will be fully or partly prohibited or restricted by law if a Governmental Agency intervenes or acts in any way within a specified period after lodgement, filing, registration or notification, the expiry of that period without intervention or action.

"Break Costs" means the amount (if any) by which:

(a) the Variable Charterhire which the Owners should have received pursuant to the terms of this Charter for the period from the date of receipt of all or any part of the Charterhire Principal or Unpaid Sum to the last day of the current Interest Period, had the Charterhire Principal or Unpaid Sum received been paid on the last day of that Interest Period;

exceeds:

(b) the amount which the Owners would be able to obtain by placing an amount equal to the Charterhire Principal or Unpaid Sum received by it on deposit with a leading bank for a period starting on the Business Day following receipt or recovery and ending on the last day of the current Interest Period,

as confirmed by a certificate issued by the Owners confirming the amount of such Break Costs.

"Builder" means 江苏韩通船舶重工有限公司 (Jiangsu Hantong Ship Heavy Industry Co., Ltd.), a company incorporated in the People's Republic of China and unified social credit code 91320612749408542M, having its registered office at Wujie Town, Tongzhou City, Jiangsu Province, the People's Republic of China 225327.

"Business Day" means a day (other than a Saturday or Sunday):

(a) in relation to any date for payment of amounts under the Transaction Documents, on which banks and the relevant financial markets are open for general business in Shanghai, Hong Kong and the principal financial centre of the country of the currency of payment;

(b) in relation to the fixing of an interest rate, which is a US Government Securities Business Day; and

(c) in relation to any other matter, on which banks (including the Account Bank) are open for general business in Shanghai and Hong Kong.

"Cancelling Date" has the meaning ascribed to such term in the MOA.

"Central Bank Rate" means the percentage rate per annum which is the aggregate of:

(a) the short-term interest rate target set by the US Federal Open Market Committee as published by the Federal Reserve Bank of New York from time to time or if that target is not a single figure, the arithmetic mean of:

(i) the upper bound of the short-term interest rate target range set by the US Federal Open Market Committee and published by the Federal Reserve Bank of New York; and

(ii) the lower bound of that target range; and

(b) the applicable Central Bank Rate Adjustment.

"Central Bank Rate Adjustment" means, in relation to the Central Bank Rate prevailing at close of business on any US Government Securities Banking Day, the 20% trimmed arithmetic mean (calculated by the Owners) of the Central Bank Rate Spreads for the five (5) immediately preceding US Government Securities Banking Days for which Overnight SOFR is available.

"Central Bank Rate Spread" means, in relation to any US Government Securities Banking Day, the difference (expressed as a percentage rate per annum) calculated by the Owners of:

(c) the Overnight SOFR for that US Government Securities Banking Day; and

(d) the Central Bank Rate prevailing at close of business on that US Government Securities Banking Day.

"Certificate of Delivery and Acceptance" means a certificate substantially in the form set out in Schedule 1 (*Certificate of Delivery and Acceptance*) to be signed by the Charterers upon Delivery.

"Change of Control" means at any time, without the prior written consent of the Owners, any change in control (including any material change in the composition of their board of directors of the Charterers) or ownership of (i) the Charterers from that set out in Clause 48.1(t) or (ii) the Corporate Guarantor from that set out in Clause 48.1(v). For the purpose of this definition, **"control"** has the meaning ascribed to such term in Clause 32.2(h).

"Charge Over Account" means the charge over the Earnings Account executed or to be executed by the Charterers and the Owners in the agreed form.

"Charter Period" means the period commencing on the Commencement Date up to and including the Expiry Date, unless terminated earlier in accordance with the provisions of this Charter.

"Charterers Assignment" means the assignment executed or to be executed by the Charterers and the Owners in respect of the Vessel, pursuant to which the Charterers shall assign the Assigned Property in favour of the Owners in the agreed form.

"Charterhire" means, in respect of each Payment Date, the aggregate of the amount of:

(a) the Fixed Charterhire; and

(b) the Variable Charterhire,

payable under this Charter on that Payment Date, as determined and payable in accordance with Clause 38 (*Charterhire*).

"Charterhire Principal" means the amount, at any point in time, calculated as the aggregate outstanding amount of the Fixed Charterhire and the Purchase Obligation Price, as more particularly set out in the column entitled "Charterhire Principal" in the Charterhire Schedule, as the same may from time to time be adjusted in accordance with this Charter.

"Charterhire Schedule" means the charterhire schedule set out in Schedule 2 (*Charterhire Schedule*) (as the same may from time to time be amended or replaced in accordance with the terms of this Charter).

"Classification Society" means American Bureau of Shipping or such other first class international classification society being a member of the International Association of Classification Societies approved in writing by the Owners (acting reasonably).

"Code" means the US Internal Revenue Code of 1986.

"Collateral Charter" means the bareboat charter in respect of the Collateral Vessel dated on or about the same date as this Charter made between the Collateral Owners and the Collateral Charterers.

"Collateral Charterers" means JINHAN MARINE INC., a corporation incorporated in the Republic of Panama with limited liability and a registered non-Hong Kong company under Part 16 of the Companies Ordinance (Cap. 622 of the Laws of Hong Kong).

"Collateral Owners" means **汇弘(天津)航运租赁有限公司 (HUI HONG (TIANJIN) SHIPPING LEASING CO., LTD.)**, a company incorporated in the People's Republic of China with limited liability and unified social credit code 91120118MABYN79E4A.

"Collateral Termination Event" in respect of the Collateral Charter has the meaning ascribed to the term "Termination Event" in the Collateral Charter.

"Collateral Vessel" means one (1) bulk carrier known bearing Hull No. HT64-428 and IMO No. 1111997 and named or to be named as "JIN HAN".

"Commencement Date" means the date on which Delivery occurs, which shall be the same date as the MOA Delivery Date.

"Compliance Certificate" has the meaning ascribed to such term in the Corporate Guarantee.

"Corporate Guarantee" means the unconditional and irrevocable guarantee and indemnity dated on or about the date of this Charter executed by the Corporate Guarantor in favour of the Owners guaranteeing *inter alia* the obligations of the Charterers under this Charter and the other Transaction Documents.

"Corporate Guarantor" means Jinhui Shipping and Transportation Limited, an exempted company incorporated in Bermuda and listed on the Oslo Stock Exchange with stock code JIN.

"Deed of Charge" means the deed of charge in respect of the entire issued shares of the Charterers executed or to be executed by the Shareholder and the Owners in the agreed form.

"Default Rate" means two per cent. (2%) per annum above the Interest Rate.

"Delivery" means the time when:

(a) the Charterers obtain title to and accept delivery of the Vessel under the Shipbuilding Contract;

(b) the Owners obtain title to and accept delivery of the Vessel under the Memorandum of Agreement; and

(c) the Charterers accept delivery of the Vessel pursuant to this Charter.

"Dollars", **"$"** and **"US$"** mean the lawful currency for the time being of the US.

"Earnings" means all moneys whatsoever which are now, or later become, due or payable to the Charterers (actually or contingently) and which arise out of the use or operation of the Vessel, including (without limiting the generality of the foregoing):

(a) all freight, hire and passage moneys, compensation payable in the event of requisition of the Vessel for hire, remuneration for salvage and towage services, demurrage and detention moneys and damages for breach (or payments for variation or termination) of any charterparty or other contract for the employment of the Vessel;

(b) if and whenever the Vessel is employed on terms whereby any moneys falling within paragraph (a) are pooled or shared with any other person, that proportion of the net receipts of the relevant pooling or sharing arrangement which is attributable to the Vessel;

(c) all moneys payable under any Insurances in respect of loss of hire or earnings; and

(d) all other payments or proceeds of any kind whatsoever relating to the Vessel as would be deemed as "earnings" under GAAP or other applicable accounting principles.

"Earnings Account" means an account in the name of the Charterers maintained with the relevant Account Bank or any other account with the relevant Account Bank which is designated by the Owners as the Earnings Account into which all Earnings shall be paid for the purpose of this Charter and the Charterers Assignment, including any renewal or redesignation of such account from time to time or any replacement for such account by the relevant Account Bank, or such other account as the Owners may from time to time agree.

"Emission Allowances" means an allowance, credit, quota, permit or equivalent, representing a right of a vessel to emit a specified quantity of greenhouse gas emissions recognised by the Emission Scheme.

"Emissions Data" means the Vessel's compliance with Emission Scheme, EU MRV and Fuel EU Maritime.

"Emission Scheme" means a greenhouse gas emissions trading scheme which for the purposes of this Charter shall include EU ETS and any other similar systems imposed by applicable lawful authorities that regulate the issuance, allocation, trading or surrendering of Emission Allowances.

"Emission Scheme Authority" means in relation to an Emission Scheme, the relevant authority administering or otherwise implementing such Emissions Scheme.

"Emission Scheme Participant" means in relation to an Emission Scheme, any person which is responsible for complying with the requirements of such Emissions Scheme.

"Environmental Claim" means:

(a) any claim which relates to the Vessel or its passengers or cargo from time to time by any governmental, judicial or regulatory authority which arises out of an Environmental Incident or which relates to any Environmental Law; or

(b) any claim by any other person in relation to the Vessel or its passengers or cargo from time to time which relates to an Environmental Incident or an alleged Environmental Incident,

and **"claim"** means a claim for damages, compensation, fines, penalties or any other payment; an order or direction to take, or not to take, certain action or to desist from or suspend certain action; and any form of enforcement or regulatory action, including the arrest or attachment of any asset.

"Environmental Incident" means:

(a) any release of Environmentally Sensitive Material from the Vessel;

(b) any incident in which Environmentally Sensitive Material is released from a vessel other than the Vessel and which involves a collision between the Vessel and such other vessel or some other incident of navigation or operation, in either case, in connection with which the Vessel is actually liable to be arrested, attached, detained or injuncted and/or the Vessel and/or the Owners, the Charterers and/or any other operator or manager of the Vessel is at fault or otherwise liable to any legal or administrative action; or

(c) any other incident involving the Vessel in which Environmentally Sensitive Material is released otherwise than from the Vessel and in connection with which the Vessel is actually arrested and/or where the Owners, the Charterers, and/or any other operator or manager of the Vessel is at fault or otherwise liable to any legal or administrative action.

"Environmental Law" means any law relating to pollution or protection of the environment, to the carriage or actual or threatened releases of Environmentally Sensitive Material.

"Environmentally Sensitive Material" means oil, oil products and any other substance (including any chemical, gas or other hazardous or noxious substance) which is (or is capable of being or becoming) polluting, toxic or hazardous.

"Expiry Date" means the date falling eighty-four (84) months after the Commencement Date.

"ETS and Fuel EU Maritime Letter" shall have the meaning as defined under Clause 53 (*Emission Scheme, EU ETS, EU MRV and Fuel EU Maritime*).

"EU ETS" means the European Union Emissions Trading System specifically applicable to shipping pursuant to the European Directive 2023/959 amending European Directive 2003/87/EC and Commission Implementing Regulation (EU) 2023/2599 of 22 November 2023 laying down rules for the application of Directive 2003/87/EC of the European Parliament and of the Council as regards the administration of shipping companies by administering authorities in respect of a shipping company, together with any of its amendments, re-enactments, supplements, addenda, or any applicable law or regulation implementing the aforementioned directives.

"EU MRV" means the European Regulation 2023/957 of the European Parliament and of the Council of 10 May 2023 amending Regulation (EU) 2015/757 in order to provide for the inclusion of maritime transport activities in the EU ETS and for the monitoring, reporting and verification of emissions of additional greenhouse gases and emissions from additional ship types.

"**Fallback Interest Payment**" means the aggregate amount of interest that:

(a) is, or is scheduled to become, payable under paragraphs (b), (c) or (d) of Clause 38.9; and

(b) relates to the Charterhire Principal.

"FATCA" means:

(a) sections 1471 to 1474 of the Code or any associated regulations;

(b) any treaty, law or regulation of any other jurisdiction, or relating to an intergovernmental agreement between the US and any other jurisdiction, which (in either case) facilitates the implementation of any law or regulation referred to in paragraph (a) above; or

(c) any agreement pursuant to the implementation of any treaty, law or regulation referred to in paragraph (a) or (b) above with the US Internal Revenue Service, the US government or any governmental or taxation authority in any other jurisdiction.

"FATCA Deduction" means a deduction or withholding from a payment under a Transaction Document required by FATCA.

"FATCA Exempt Party" means a Party that is entitled to receive payments free from any FATCA Deduction.

"FATF" means the Financial Action Task Force, an inter-governmental body whose purpose is the development and promotion of national and international policies to combat money laundering and terrorist financing.

"Final Contract Price" has the meaning ascribed to such term in the MOA.

"Finance Parties" means any of the Owners' financiers (or agent or trustee of the Owners' financiers) or any Affiliate of the Owners or any other reputable bank or financial institution which is or will be a party to a Financing Document (other than the Owners and other entities which may have agreed or be intended as debtors and/or obligors thereunder).

"Financial Indebtedness" means, in relation to a person (the **"debtor"**), a liability of the debtor (whether present or future, actual or contingent):

(a) moneys borrowed;

(b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;

(c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;

(d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with GAAP as at the date of this Charter, be treated as a balance sheet liability;

(e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);

(f) any amount raised under any other transaction (including any forward sale or purchase agreement) of a type not referred to in any other paragraph of this definition having the commercial effect of a borrowing;

(g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that derivative transaction, that amount) shall be taken into account);

(h) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and

(i) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (h) above.

"Financial Instruments" means any mortgage, deed of covenants, general assignment or such other financial security instruments granted to any Finance Party as security for the obligations of the Owners in relation to financing and/or refinancing the acquisition of the Vessel.

"Financing Documents" means a facility, loan or credit agreement (howsoever described) entered into or to be entered into by the Owners and any Finance Party (howsoever described) for financing the purchase and/or acquisition of the Vessel and the Financial Instruments referred to in such facility or credit agreement.

"Fixed Charterhire" means, on each Payment Date, the corresponding quarterly instalment for that Payment Date as set out in the column entitled "Fixed Charterhire" in Schedule 2 (*Charterhire Schedule*), as the same may from time to time be adjusted in accordance with the terms of this Charter.

"Fuel EU Maritime" means Fuel EU Maritime Regulation 2023/1805 dated 13 September 2023 on the use of renewable and low-carbon fuels in maritime transport, and amending Directive 2009/16/EC.

"Funding Rate" means any individual rate notified by the Owners to the Charterers pursuant to Paragraph (a)(ii) of Clause 38.12.

"GAAP" means generally accepted accounting principles in Hong Kong.

"Governmental Agency" means any government or any governmental agency, semi-governmental or judicial entity or authority (including any stock exchange or any self-regulatory organisation established under statute).

"Group" means the Corporate Guarantor and its Subsidiaries from time to time, and a **"member of the Group"** means any one of them.

"Historic Term SOFR" means, in relation to the Charterhire Principal, the most recent Term SOFR for a period equal in length to the Interest Period and which is as of a US Government Securities Business Day which is no more than three US Government Securities Business Days before the Quotation Day.

"Holding Company" means, in relation to a company or corporation, any other company or corporation in respect of which it is a Subsidiary.

"Hong Kong" means the Hong Kong Special Administrative Region of the PRC.

"Indirect Tax" means any goods and services tax, consumption tax, value added tax or any Tax of a similar nature.

"Initial Charterhire Principal" means the Charterhire Principal as of the Purchase Price Pre-positioning Date.

"Initial Market Value" has the meaning ascribed to such term in the MOA.

"Insurances" means:

(a) all policies and contracts of insurance, including entries of the Vessel in any protection and indemnity or war risks association, which are effected in respect of the Vessel, the Earnings or otherwise in relation to it whether before, on or after the date of this Charter; and

(b) all rights, proceeds and other assets relating to, or derived from, any of the foregoing, including any rights to a return of a premium and any rights in respect of any claim whether or not the relevant policy, contract of insurance or entry has expired on or before the date of this Charter.

"Interest Period" means, in relation to any Variable Charterhire or any Unpaid Sum, each period of a duration of three (3) months provided that:

(a) the first Interest Period shall commence on (and include) the Purchase Price Pre-positioning Date and end on (but exclude) the Second Payment Date;

(b) each subsequent Interest Period shall commence on (and include) the last day of the immediately preceding Interest Period and end on (but exclude) the next immediate Payment Date; and

(c) an Interest Period shall not extend beyond the date falling eighty-four (84) months after the Purchase Price Pre-positioning Date or the Expiry Date, whichever is earlier.

"Interest Rate" means the percentage per annum which is the aggregate of the Reference Rate plus the Margin.

"Interpolated Historic Term SOFR" means, in relation to the Charterhire Principal, the rate (rounded to the same number of decimal places as the Term SOFR) which results from interpolating on a linear basis between:

(a) the most recent Term SOFR (as of a day which is not more than three US Government Securities Business Days before the Quotation Day) for the longest period (for which Term SOFR is available) which is less than the Interest Period; and

(b) the most recent Term SOFR (as of a day which is not more than three US Government Securities Business Days before the Quotation Day) for the shortest period (for which Term SOFR is available) which exceeds the Interest Period.

"Interpolated Term SOFR" means, in relation to the Charterhire Principal, the rate (rounded to the same number of decimal places as Term SOFR) which results from interpolating on a linear basis between:

(a) either:

(i) Term SOFR (as of the Quotation Day prior to 5:00 p.m. (New York time)) for the longest period (for which Term SOFR is available) which is less than the Interest Period; or

(ii) if no such Term SOFR is available for a period which is less than the Interest Period, Overnight SOFR for the day that is two US Government Securities Business Days before the Quotation Day; and

(b) Term SOFR (as the Quotation Day prior to 5:00 p.m. (New York time)) for the shortest period (for which Term SOFR is available) which exceeds the Interest Period.

"ISM Code" means the International Safety Management Code (including the guidelines on its implementation), adopted by the International Maritime Organisation Assembly as Resolutions A.741 (18) and A.788 (19), as the same may be amended or supplemented from time to time (and the terms **safety management system**, **Safety Management Certificate** and **Document of Compliance** have the same meanings as are given to them in the ISM Code).

"ISPS Code" means the International Ship and Port Security Code as adopted by the Conference of Contracting Governments to the Safety of Life at Sea Convention 1974 on 13 December 2002 and incorporated as Chapter XI-2 of the Safety of Life at Sea Convention 1974, as the same may be supplemented or amended from time to time.

"JHCL" means Jinhui Holdings Company Limited, a company incorporated in Hong Kong with limited liability and listed on The Hong Kong Stock Exchange Limited with stock code 137.

"Legal Reservations" means:

(a) the principle that equitable remedies may be granted or refused at the discretion of a court and the limitation of enforcement by laws relating to insolvency, reorganisation and other laws generally affecting the rights of creditors;

(b) the time barring of claims under the Limitation Acts, and defences of set-off or counterclaim;

(c) similar principles, rights and defences under the laws of any Relevant Jurisdiction; and

(d) any other matters which are set out as qualifications or reservations as to matters of law of general application in the legal opinions delivered to the Owners under Clause 35 (*Conditions Precedent and Subsequent*).

"Limitation Acts" means the Limitation Act 1980 and the Foreign Limitation Periods Act 1984 or any similar statutes or laws in any other relevant jurisdiction.

"Major Casualty" means any casualty to the Vessel in respect of which the claim or the aggregate of the claims against all insurers, before adjustment for any relevant franchise or deductible, exceeds US$500,000 or the equivalent in any other currency.

"Management Agreement" means, at any relevant time, the ship management agreement executed or to be executed between the Charterers and the relevant Approved Manager, together with all supplements and amendments to it.

"Manager's Undertaking" means the letter of undertaking from each Approved Manager *inter alia* subordinating the rights of each Approved Manager against the Vessel to the rights of the Owners and (if required by the Owners) any Finance Party in such form and substance as shall be acceptable to the Owners and (if applicable) the relevant Finance Party and **"Manager's Undertakings"** means two or more of them.

"Margin" means 1.6% per annum.

"Maritime Labour Convention" means the Maritime Labour Convention, 2006 (entered into force on 20 August 2013) and includes the Articles, Regulations and Code of the Maritime Labour Convention as amended or extended.

"Market Disruption Rate" means the percentage rate per annum which is the Reference Rate.

"Market Value" means, in relation to the Vessel, the arithmetic mean of the valuations of the Vessel shown by two (2) valuation reports and each prepared:

(a) at the cost of the Charterers and addressed to the Owners;

(b) on a date no earlier than thirty (30) days prior to the relevant date of determination;

(c) by an Approved Valuer;

(d) without physical inspection of the Vessel; and

(e) on the basis of a sale for prompt delivery for cash on normal arm's length commercial terms as between a willing seller and a willing buyer, free of any existing charter or other contract of employment or such other basis as may be agreed by the Owners,

and such valuations shall be prepared by one Approved Valuer nominated and appointed by the Owners and one Approved Valuer nominated and appointed by the Charterers and further provided that if the difference in the two valuations obtained is more than ten per cent. (10%) of the lower valuation obtained, a third Approved Valuer shall be nominated and appointed by the Owners and the third valuation shall be prepared on the same terms and conditions as set out in paragraphs (a) to (e) above and the Market Value shall be the arithmetic mean of such three valuations and shall be binding to the Owners and the Charterers.

"MARPOL" means the International Convention for the Prevention of Pollution from Ships 1973 (as modified in 1978 and 1997) and includes any extensions of it and any regulation issued pursuant to it as the same may be supplemented or superseded from time to time.

"MARPOL Protocol" means Annex VI (Regulations for the Prevention of Air Pollution from Ships) to the International Convention for the Prevention of Pollution from Ships 1973 (as amended in 1978 and 1997).

"MARPOL Carbon Intensity Regulations" means the regulations contained in Chapters 1, 2 and 4 of Revised MARPOL Annex VI which relate to "Regulations on the Carbon Intensity of International Shipping" and Resolution MEPC.328(76) implementing the CII and any associated guidelines and/or subsequent amendments, including the Ship Energy Efficiency Management Plan (SEEMP).

"Material Adverse Effect" means, in the reasonable opinion of the Owners, a material adverse effect on:

(a) the business, operations, property or financial condition of any Security Party or of the Group taken as a whole;

(b) the ability of any Security Party to perform its obligations under any Transaction Document to which it is a party;

(c) the validity, legality or enforceability of any Transaction Document or the rights or remedies of the Owners under, the Transaction Documents; or

(d) the validity, legality or enforceability of any Security Interests expressed to be created under any Security Document or the priority and ranking of any of such Security Interests.

"MOA" means the memorandum of agreement dated on or about the date of this Charter between the Charterers as sellers and the Owners as buyers in relation to the sale and purchase of the Vessel.

"MOA Delivery" means the actual delivery of the Vessel by the Charterers as sellers to, and the actual acceptance of the Vessel by, the Owners as buyers under and in accordance with the provisions of the MOA.

"MOA Delivery Date" means the date of MOA Delivery.

"MOA PDA" has the meaning ascribed to such term in the MOA.

"Mortgage" has the meaning ascribed to such term in Clause 45 (*Mortgage, assignment and transfer*).

"Mortgagee" has the meaning ascribed to such term in Clause 45 (*Mortgage, assignment and transfer*).

"OFAC" means the US Office of Foreign Assets Control of the Department of the Treasury or its successor.

"Original Financial Statements" means:

(a) in relation to the Corporate Guarantor, its audited financial statements for the financial year ended 31 December 2024; and

(b) in relation to the Charterers, their first audited financial statements to be delivered to the Owners after the date of this Charter.

"Original Jurisdiction" means, in relation to a Security Party, the jurisdiction under whose laws it is incorporated or domiciled as at the date of this Charter.

"Overnight SOFR" means the secured overnight financing rate (SOFR) administered by the Federal Reserve Bank of New York (or any other person which takes over the administration of that rate) published (before any correction, recalculation or republication by the administrator) by the Federal Reserve Bank of New York (or any other person which takes over the publication of that rate).

"Owners Account" means such bank account as the Owners may from time to time designate and into which all Charterhire and all other sums payable under this Charter by the Charterers to the Owners shall be paid in accordance with this Charter.

"Parties" means together, the Owners and the Charterers and each is a **"Party"**.

"Payment Date" means:

(a) in respect of any Fixed Charterhire or any Variable Charterhire:

(i) if the Purchase Price Pre-positioning Date falls on or before the 25th day in a calendar month, the Purchase Price Pre-positioning Date and each of the dates falling at three monthly intervals thereafter up to and including the last Payment Date or the date falling eighty-one (81) months after the Purchase Price Pre-positioning Date, whichever is earlier; or

(ii) if the Purchase Price Pre-positioning Date falls after the 25th day in a calendar month, the Purchase Price Pre-positioning Date, the date falling on the 25th day in the third calendar month immediately following the calendar month in which the Purchase Price Pre-positioning Date occurs and each of the dates falling at three monthly intervals thereafter up to and including the last Payment Date or the date falling eighty-one (81) months after the Purchase Price Pre-positioning Date, whichever is earlier,

provided that the instalment of the Charterhire payable on the Purchase Price Pre-positioning Date shall be paid by the Charterers to the Owners on the next immediate Payment Date (the **"Second Payment Date"**), together with the instalment of the Charterhire payable by the Charterers to the Owners on the Second Payment Date;

(b) in respect of the Purchase Option Price, the Purchase Option Date; and

(c) in respect of the Purchase Obligation Price, the Purchase Obligation Payment Date.

"Permitted Security Interests" means:

(a) Security Interests created by a Transaction Document or a Financial Instrument;

(b) liens for salvage;

(c) liens arising by operation of law or otherwise in the ordinary course of the operation, repair or maintenance of the Vessel provided such liens do not secure amounts more than thirty (30) days overdue;

(d) any Security Interest (other than a Security Interest over any assets subject to security granted under a Security Document) created in favour of a plaintiff or defendant in any action of the court or tribunal before whom such action is brought as security for costs and expenses where the Charterers are prosecuting or defending such action in good faith by appropriate steps;

(e) Security Interests arising by operation of law in respect of taxes which are not overdue or for payment of taxes which are overdue for payment but which are being contested by the Charterers in good faith by appropriate steps and in respect of which adequate reserves have been made; and

(f) such other Security Interests as permitted in writing by the Owners.

"Potential Termination Event" means, an event or circumstance which would, with the giving of any notice, the lapse of time, a determination of the Owners or any combination of the foregoing, be a Termination Event.

"PRC" means the People's Republic of China.

"Purchase Obligation" means the purchase obligation of the Charterers pursuant to Clause 52 (*Purchase Obligation*).

"Purchase Obligation Date" means the last day of the Charter Period, being the date on which (if the Charter Period has not previously been terminated) the Owners shall sell and transfer the legal and beneficial interest in the Vessel to the Charterers, and the Charterers may purchase and accept the same in accordance with Clause 52 (*Purchase Obligation*).

"Purchase Obligation Payment Date" means the date falling eighty-four (84) months after the Purchase Price Pre-positioning Date, being the date on which the Charterers shall be obliged to pay the Purchase Obligation Price to the Owners for the purchase of the Vessel.

"Purchase Obligation Price" means US$5,000,000.

"Purchase Option" means the purchase option granted by the Owners to the Charterers pursuant to Clause 51 (*Purchase Option*).

"Purchase Option Date" means any date on which the Owners shall sell and transfer the legal and beneficial interest in the Vessel to the Charterers in accordance with Clause 51 (*Purchase Option*).

"Purchase Option Period" means the period commencing from (and excluding) twenty-four (24) months after the Commencement Date and ending on (and excluding) the Expiry Date.

"Purchase Option Price" means, in respect of any Purchase Option Date, the aggregate of (without double counting):

(a) all Charterhire, due and payable, but unpaid under this Charter up to (and including) such Purchase Option Date together with interest accrued thereon up to the date of receipt by the Owners of Purchase Option Price;

(b) in relation to any date falling during the relevant period (subject to Clause 51 (*Purchase Option*)) set out in column A of the table below, the corresponding amount set out in column B of the table below (without double-counting any amount under paragraph (a) above):

Column A	**Column B**
from (but excluding) the last day of the 2nd year of the Charter Period up to (and including) the last day of the 3rd year of the Charter Period	101% of the Charterhire Principal as of such date
from (but excluding) the last day of the 3rd year of the Charter Period up to (and including) the last day of the 5th year of the Charter Period	100.5% of the Charterhire Principal as of such date
from (but excluding) the last day of the 5th year of the Charter Period up to (but excluding) the Expiry Date	100% of the Charterhire Principal as of such date

(c) (if applicable) any Break Costs;

(d) breakage costs reasonably incurred by the Owners under the Financing Documents, solely as a direct result of early prepayment or termination of the relevant financing in connection with the exercise of the Purchase Option provided that such costs shall be documented and the Owners shall have used all reasonable endeavours to mitigate such costs;

(e) any other Unpaid Sum, other than the Charterhire, together with interest accrued thereon up to the date of receipt by the Owners of the Purchase Option Price; and

(f) (without double counting) all liabilities, costs and expenses (including, without limitation, any legal fees) so incurred in recovering possession of, and in repositioning, berthing, insuring and maintaining the Vessel for carrying out any works or modifications required to cause the Vessel to conform with the provisions of Clause 41.8.

"Purchase Price" has the meaning ascribed to such term in the MOA.

"Purchase Price Pre-positioning Date" has the meaning ascribed to such term in the MOA.

"Quotation Day" means in relation to any period for which an Interest Rate is to be determined, seven (7) Business Days before the first day of that period unless market practice differs in the relevant syndicated loans market, in which case the Quotation Day for that Interest Period will be determined by the Owners in accordance with market practice in that market practice.

"Quoted Tenor" means any period for which Term SOFR is customarily displayed on the relevant page or screen of an information service.

"Reference Rate" means:

(a) Term SOFR as of the Quotation Day prior to 5:00 p.m. (New York time) and for a period equal in length to three months; or

(b) as otherwise determined pursuant to Clause 38.9,

and if, in either case, that rate is less than zero, the Reference Rate shall be deemed to be such a rate that the Reference Rate is zero.

"Relevant Jurisdictions" means, in relation to a Security Party:

(a) its Original Jurisdiction;

(b) any jurisdiction where any asset subject to or intended to be subject to the Transaction Security to be created by it is situated;

(c) any jurisdiction where it conducts its business; and

(d) any jurisdiction whose laws govern the perfection of any of the Security Documents entered into by it,

and a **"Relevant Jurisdiction"** means each or any of them, as the context may require.

"Relevant Market" means the market for overnight cash borrowing collateralised by US Government securities.

"Requisition Compensation" means all moneys or other compensation from time to time payable during the Charter Period by reason of expropriation, confiscation, requisition or acquisition of the Vessel of any kind and to any extent whatsoever, effected by any governmental or official authority.

"Sanctioned Country" means any country or territory that is or whose government is, the subject of Sanctions broadly prohibiting dealings with such government, country or territory.

"Sanctioned Person" means any person (whether designated by name or by reason of being included in a class of persons) against whom Sanctions are directed, including without limitation as a result of being (a) owned or controlled directly or indirectly by any person which is a designated target of Sanctions, or (b) organised under the laws of, or a citizen or resident of, any Sanctioned Country, or otherwise a target of Sanctions.

"Sanctions" means any sanctions, embargoes, freezing provisions, prohibitions or other restrictions relating to trading, doing business, investment, exporting, financing or making assets available (or other activities similar to or connected with any of the foregoing):

(a) imposed by law or regulation of the United Kingdom, the Council of the European Union, the PRC, the United Nations or its Security Council, the US, Hong Kong, the Republic of Panama or any government, official institution or agency of any of the foregoing, whether or not any Security Party is legally bound to comply with the foregoing; or

(b) otherwise imposed by any law or regulation by which any Security Party is bound or as regards a regulation, compliance with which is reasonable in the ordinary course of the Charterers' business.

"Security Documents" means the Corporate Guarantee, the Deed of Charge, the Charge Over Account, the Charterers Assignment, any Manager's Undertaking, any Subordination Deed and any other document granted as security or quasi-security for the obligations of the Charterers and/or any other Security Party under or in connection with the Transaction Documents and **"Security Document"** means each or any of them as the context may require.

"Security Interest" means:

(a) a mortgage, charge (whether fixed or floating) or pledge, any maritime or other lien or any other security interest of any kind;

(b) the security rights of a plaintiff under an action *in rem*; or

(c) any other right which confers on a creditor or potential creditor a right or privilege to receive the amount actually or contingently due to it ahead of the general unsecured creditors of the debtor concerned; however this paragraph (c) does not apply to a right of set off or combination of accounts conferred by the standard terms of business of a bank or financial institution.

"Security Parties" means collectively, the Charterers, the Collateral Charterers, the Corporate Guarantor, the Shareholder, any Approved Manager and any other party which is a member of the Group providing Security Interests to the Owners for the obligations of the Charterers and/or any other Security Party under or in connection with the Transaction Documents pursuant to a Security Document and **"Security Party"** means each or any of them as the context may require.

"Senior Finance Package" has the meaning ascribed to such term in Clause 45 (*Mortgage, assignment and transfer*).

"Shareholder" means Jin Hui Shipping Inc., a BVI business company incorporated in the British Virgin Islands with limited liability and company number 46107.

"Shipbuilding Contract" means the shipbuilding contract dated 28 June 2024 made between the Builder as builder and the Charterers as buyer, as amended by addendum no.1 to shipbuilding contract dated 16 September 2024 made between the Builder as builder, Anhui Technology Imp. & Exp. Co., Ltd. as trading house and the Charterers as buyer and addendum no.2 to shipbuilding contract dated 28 October 2025 made between the Builder as builder and the Charterers as buyer, whereby the Builder agreed to build, launch, complete and deliver the Vessel to the Charterers, together with all further supplements and amendments to it.

"Shipbuilding Contract Delivery" means the actual delivery of the Vessel by the Builder as sellers to, and the actual acceptance of the Vessel by, the Charterers as buyers pursuant to the terms and conditions of the Shipbuilding Contract.

"Shipbuilding Contract Delivery Date" means the date of Shipbuilding Contract Delivery.

"Sub-Charterers" means any person which is party to any contract of affreightment or (subject always to the prior written consent of the Owners and any condition that the Owners may in their discretion impose, including assignment of insurances by the relevant Sub-Charterer to the Owners) any time charterparty or any voyage charterparty exceeding 12 months' duration (whether by virtue of any optional extensions or otherwise) made between the Charterers and such person for the chartering of the Vessel and **"Sub-Charterer"** means each or any of them as the context may require.

"Sub-Charters" means any contract of affreightment or (subject always to the prior written consent of the Owners and any condition that the Owners may in their discretion impose, including assignment of insurances by the relevant Sub-Charterer to the Owners) any other demise charterparty, any time charterparty or any voyage charterparty exceeding 12 months' duration (whether by virtue of any optional extensions or otherwise) made between the Charterers and another person for the employment of the Vessel, as the same may be amended, supplemented or otherwise modified from time to time and **"Sub-Charter"** means each or any of them, as the context may require.

"Subordination Deed" means, if required by the Owners, any subordination deed to be granted by the Charterers as company and the Corporate Guarantor as subordinated lender in favour of the Owners in such form as may be acceptable to the Owners.

"Subsidiary" means in relation to any company or corporation, a company or corporation:

(a) which is controlled, directly or indirectly, by the first mentioned company or corporation;

(b) more than half the issued equity share capital of which is beneficially owned, directly or indirectly, by the first mentioned company or corporation; or

(c) which is a Subsidiary of another Subsidiary of the first mentioned company or corporation,

and for this purpose, a company or corporation shall be treated as being controlled by another if that other company or corporation is able to direct its affairs and/or to control the composition of its board of directors or equivalent body.

"Tax" means any present or future income, tonnage, freight, stamp or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same) and **"Taxation"** shall be construed accordingly.

"Term SOFR" means the term SOFR reference rate administered by CME Group Benchmark Administration Limited (or any other person which takes over the administration of that rate) for the relevant period published (before any correction, recalculation or republication by the administrator) by CME Group Benchmark Administration Limited (or any other person which takes over the publication of that rate).

"Termination Event" means any event described in Clause 47 (*Termination Events*).

"Termination Sum" means, in respect of any date, the aggregate of (without double counting):

(a) (i) all Charterhire, due and payable, but unpaid under this Charter up to (and including) such date together with interest accrued thereon up to the date of receipt by the Owners of the Termination Sum;

(ii) 100% of the Charterhire Principal as of the date of receipt by the Owners of the Termination Sum;

(iii) If this Charter is terminated following the occurrence of a Termination Event which is continuing under Clause 41 (*Termination and Redelivery; Total Loss*), an early termination fee in an amount equal to 1.5% of the Charterhire Principal referred to in sub-paragraph (ii) above and payment of such early termination fee shall not be construed as a penalty but shall represent an agreed estimate of the loss and damage suffered by the Owners in entering into the MOA and this Charter, amount of which is acknowledged by the Charterers as being proportionate having regard to the legitimate interests of the Owners in protecting against their risks of the Charterers failing to perform their obligations under this Charter; and

(iv) any other costs, losses, liabilities and expenses (including, without limitation, any legal fees) incurred or suffered by the Owners as a result of the early termination of this Charter;

(b) breakage costs reasonably incurred by the Owners under the Financing Documents, provided that such costs shall be documented and the Owners shall have used all reasonable endeavours to mitigate such costs;

(c) any Unpaid Sum, other than the Charterhire, due and payable, but unpaid, under this Charter and any other Transaction Document, together with interest accrued thereon up to the date of receipt by the Owners of the Termination Sum; and

(d) (without double counting) all liabilities, costs and expenses (including, without limitation, any legal fees) so incurred in recovering possession of, and in repositioning, berthing, insuring and maintaining the Vessel for carrying out any works or modifications required to cause the Vessel to conform with the provisions of Clause 41.8.

"Test Date" means each date on which a valuation report is provided to the Owners in accordance with Clause 49.3(h).

"Third Parties Act" means the Contracts (Rights of Third Parties) Act 1999.

"Total Loss" means:

(a) the actual, constructive, compromised, agreed or arranged total loss of the Vessel;

(b) any expropriation, confiscation, requisition or acquisition of the Vessel, whether for full consideration, a consideration less than its proper value, a nominal consideration or without any consideration, which is effected by any Governmental Agency or by any person or persons claiming to be or to represent a Governmental Agency (excluding a requisition for hire) unless it is redelivered within ninety (90) days to the full control of the Owners or the Charterers; or

(c) any arrest, capture, seizure or detention of the Vessel (including any hijacking or theft but excluding any event specified in paragraph (b) of this definition) unless it is redelivered within ninety (90) days to the full control of the Owners or the Charterers.

"Transaction Documents" means collectively, this Charter, the MOA and the Security Documents and **"Transaction Document"** means each or any of them, as the context may require.

"Transaction Security" means the Security Interests created or evidenced or expressed to be created or evidenced under the Security Documents.

"Unpaid Sum" means any sum due and payable but unpaid by any Security Party under the Transaction Documents.

"US" means the United States of America.

"US Government Securities Business Day" means any day other than:

(a) a Saturday or a Sunday; and

(b) a day on which the Securities Industry and Financial Markets Association (or any successor organisation) recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in US Government securities.

"**US Tax Obligor**" means:

(a) the Charterers if they are resident for tax purposes in the US; or

(b) a Security Party some or all of whose payments under the Transaction Documents are from sources within the US for the purposes of US federal income tax.

"Value Maintenance Ratio" means the ratio (expressed as a percentage) of:

(a) the Market Value of the Vessel and any additional cash already provided to restore the Value Maintenance Threshold; to

(b) the Charterhire Principal then outstanding.

"Value Maintenance Threshold" means the ratio (expressed as a percentage) of one hundred and ten per cent. (110%) during the Charter Period.

"Variable Charterhire" means, on each Payment Date, an amount calculated by multiplying (a) the Charterhire Principal immediately prior to that Payment Date (or in respect of the first Payment Date, the Initial Charterhire Principal) by (b) the Interest Rate and (c) a fraction whose denominator is 360 and whose numerator is the number of days which will elapse from, in respect of the Payment Date of the first Interest Period during the Charter Period, the Purchase Price Pre-positioning Date, and, in respect of each other Payment Date, the immediately preceding Payment Date (including that date) until, in respect of the Payment Date of the final Interest Period during the Charter Period, the last day of such Interest Period (not including that day), and, in respect of all other Payment Dates, that Payment Date (not including that date).

"Vessel" means one (1) bulk carrier currently under construction by the Builder and bearing hull no. HT64-429 and IMO no. 1112006 named or to be named "JIN MING" which upon Delivery (a) (with title passing) from the Builder to the Charterers under the Shipbuilding Contract, (b) (with title passing) from the Charterers to the Owners under the MOA and, simultaneously, (c) from the Owners to the Charterers under this Charter will be registered in the name of the Owners as owner and the Charterers as demise charterer under the laws and flag of the flag state stated in Box 5 by way of demise charter registration and includes any share or interest in that vessel and her engines, scrubber, machinery, boats, tackle, outfit, spare gear, fuel, consumables or other stores, belongings and appurtenances whether on board or ashore and whether now owned or after the date of this Charter acquired and also any and all additions, improvements and replacements after the date of this Charter made in or to that vessel or any part of that vessel or in or to her equipment and appurtenances referred to above.

32.2 In this Charter:

(a) **"agreed form"** means, in relation to a document, such document in a form agreed in writing between the Owners and the Charterers;

(b) **"asset"** includes present and future properties, revenues and rights of every description;

(c) **"company"** includes any partnership, joint venture and unincorporated association;

(d) **"consent"** includes an Authorisation, consent, approval, resolution, licence, exemption, filing, registration, notarisation and legalisation;

(e) **"contingent liability"** means a liability which is not certain to arise and/or the amount of which remains unascertained;

(f) **"continuing"** means, in relation to any Potential Termination Event, a Potential Termination Event which has not been waived by the Owners or remedied to the satisfaction of the Owners;

(g) **"continuing"** means:

(i) in relation to any Termination Event, a Termination Event which has not been waived by the Owners; and

(ii) in relation to any Collateral Termination Event, a Collateral Termination Event which has not been waived by the Collateral Owners;

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(h) **"control"** over a particular company means the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to:

(i) cast, or control the casting of, more than 51 per cent, of the maximum number of votes that might be cast at a general meeting of such company; or

(ii) appoint or remove all, or the majority, of the directors or other equivalent officers of such company; or

(iii) give directions with respect to the operating and financial policies of such company with which the directors or other equivalent officers of such company are obliged to comply;

(i) **"document"** includes a deed; also a letter, email, fax or telex;

(j) **"expense"** means any kind of cost, charge or expense (including all legal costs, charges and expenses) and any applicable value added or other tax;

(k) **"including"** shall be construed as **"including without limitation"** (and cognate expressions shall be construed similarly);

(l) **"indebtedness"** includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;

(m) **"law"** includes any order or decree, any form of delegated legislation, any treaty or international convention and any regulation or resolution of the Council of the European Union, the European Commission, the United Nations or its Security Council;

(n) **"legal or administrative action"** means any legal proceeding or arbitration and any administrative or regulatory action or investigation;

(o) **"liability"** includes every kind of debt or liability (present or future, certain or contingent), whether incurred as principal or surety or otherwise;

(p) **"months"** shall be construed in accordance with Clause 32.3 (*Meaning of month*);

(q) **"person"** includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium, partnership or other entity (whether or not having separate legal personality);

(r) **"policy"** in relation to any insurance, includes a slip, cover note, certificate of entry or other document evidencing the contract of insurance or its terms;

(s) **"protection and indemnity risks"** means the usual risks covered by a protection and indemnity association which is a member of the International Group of P&I Clubs acceptable to the Owners or China Shipowners Mutual Assurance Association including pollution risks, extended passenger cover and the proportion (if any) of any sums payable to any other person or persons in case of collision which are not recoverable under the hull and machinery policies by reason of the incorporation in them of Clause 6 of the International Hull Clauses (1/11/02 or 1/11/03), Clause 8 of the Institute Time Clauses (Hulls) (1/10/83) or Clause 8 of the Institute Time clauses (Hulls) (1/11/1995) or the Institute Amended Running Down clause (1/10/71) or any equivalent provision;

(t) **"regulation"** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;

(u) **"tax"** includes any present or future tax, duty, impost, levy or charge of any kind which is imposed by any state, any political sub-division of a state or any local or municipal authority (including any such imposed in connection with exchange controls), and any connected penalty, interest or fine but excludes any tax on the Owners' overall net income under the laws of the jurisdiction of the Owners' incorporation;

(v) a provision of law is a reference to that provision as amended or re-enacted; and

(w) a time of day is a reference to Beijing time unless the time of another jurisdiction is stated or implied.

32.3 Meaning of month

A period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month, except that:

(a) (subject to paragraph (b) below) if the numerically corresponding day is not a Business Day, that period shall end on the immediately preceding Business Day; and

(b) if there is no numerically corresponding day in the calendar month in which that period is to end, that period shall end on the last Business Day in that calendar month.

The above rules will only apply to the last month of any period.

32.4 In this Charter:

(a) references to a Transaction Document or any other document being in the form of a particular appendix or to any document referred to in the recitals include references to that form with any modifications to that form which the Owners may approve;

(b) references to, or to a provision of, a Transaction Document or any other document are references to it as amended or supplemented, whether before the date of this Charter or otherwise;

(c) references to, or to a provision of, any law include any amendment, extension, re-enactment or replacement, whether made before the date of this Charter or otherwise;

(d) references to Clauses, paragraphs and Schedules are to be construed as references to clauses and paragraphs of, and schedules to, this Charter;

(e) references to the **"Owners"**, the **"Collateral Owners"**, the **"Charterers"**, the **"Collateral Charterers"**, any **"Approved Manager"**, any **"Classification Society"**, the **"Corporate Guarantor"**, the **"Shareholder"**, any **"Security Party"** or any **"Party"** shall be construed so as to include its successors in title, permitted assigns and permitted transferees to, or of, its rights and/or obligations under the Transaction Documents;

(f) a reference in this Charter to a Central Bank Rate shall include any successor rate to, or replacement rate for, that rate; and

(g) unless a contrary indication appears, words importing the plural include the singular and vice versa, and words importing a gender include every gender.

32.5 **Headings.** In interpreting a Transaction Document or any provision of a Transaction Document, all clauses, paragraphs and other headings in that and any other Transaction Document shall be entirely disregarded.

32.6 Third party rights

A person who is not a Party has no right under the Third Parties Act to enforce or to enjoy the benefit of any term of this Charter.

33. CHARTER PERIOD

33.1 The Charter Period shall commence on the Commencement Date.

33.2 Notwithstanding the foregoing and subject to the terms herein, this Charter shall be in full force and effect and valid, binding and enforceable against the Parties with effect from the date hereof.

33.3 The Charter Period shall, subject to the terms of this Charter, continue for a period of eighty-four (84) months from the Commencement Date.

34. EFFECTIVENESS

34.1 Unless otherwise agreed in writing by the Parties, if:

(a) a Potential Termination Event or a Termination Event has occurred and is continuing;

(b) the Shipbuilding Contract is terminated or is otherwise no longer in full force and effect for any reason whatsoever prior to the Shipbuilding Contract Delivery Date;

(c) the MOA is terminated or is otherwise no longer in full force and effect for any reason whatsoever prior to the MOA Delivery Date;

(d) title to the Vessel is not transferred to the Charterers under the Shipbuilding Contract in accordance with its terms; or

(e) title to the Vessel is not transferred from the Charterers to the Owners under the MOA in accordance with its terms,

then this Charter shall immediately terminate and be cancelled without the need for either of the Owners or the Charterers to take any action whatsoever provided that the Owners shall be entitled to retain all fees paid by the Charterers pursuant to Clause 42 (*Fees and Expenses*) (and, without prejudice to Clause 42 (*Fees and Expenses*), if such fees have not been paid but are due and payable, the Charterers shall forthwith pay such fees to the Owners in accordance with Clause 42 (*Fees and Expenses*)). Such payment shall not be construed as a penalty but shall represent an agreed estimate of the loss and damage suffered by the Owners in entering into the MOA and this Charter, amount of which is acknowledged by the Charterers as being proportionate having regard to the legitimate interests of the Owners in protecting against their risks of the Charterers failing to perform their obligations under this Charter.

35. CONDITIONS PRECEDENT AND SUBSEQUENT

35.1 The Owners shall be obliged to charter the Vessel to the Charterers in accordance with the terms of this Charter only subject to and conditional upon:

(a) no Potential Termination Event or Termination Event having occurred which is continuing on the Commencement Date;

(b) the representations and warranties contained in Clause 48 (*Representations and warranties*) being true and correct in all aspects on the date hereof by reference to the facts and circumstances then existing;

(c) the Charterers as sellers and the Owners as buyers having duly executed and entered into the MOA;

(d) the Shipbuilding Contract Delivery and the MOA Delivery occurring on or before the Cancelling Date; and

(e) the Owners having received from the Charterers:

(i) on or before the date falling three (3) Business Days (or such other period as the Owners may agree in their sole discretion or as otherwise specified in Part A of Schedule 3) prior to the Purchase Price Pre-positioning Date, the documents or evidence set out in Part A of Schedule 3 (*Conditions Precedent*) in form and substance satisfactory to them; and

(ii) on the Commencement Date and prior to or simultaneously with the Owners executing a dated and timed copy of the protocol of delivery and acceptance evidencing delivery of the Vessel under the MOA, the documents or evidence set out in Part B of Schedule 3 (*Conditions Precedent*) in form and substance satisfactory to them,

and if any of the above documents is not in the English, and if so required by the Owners, 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.

35.2 The Charterers shall deliver to the Owners the conditions subsequent set out in Schedule 4 (*Conditions Subsequent*) in a form and substance satisfactory to the Owners within the time periods permitted therein (or such later date as the Owners may agree).

35.3 The conditions precedent and subsequent set out in Clause 35.1 are for the sole benefit of the Owners and may be waived in whole or in part, with or without conditions, on or before the relevant due date without prejudicing the right of the Owners to require fulfilment of such conditions in whole or in part at any time thereafter.

36. DELIVERY

36.1 Subject to the requirements of Clause 35.1 being fulfilled or otherwise waived to the satisfaction of the Owners, on delivery to and acceptance by the Charterers as buyers of the Vessel from the Builder as sellers of the Vessel under the Shipbuilding Contract and simultaneous delivery to and acceptance by the Owners as buyers of the Vessel from the Charterers as sellers of the Vessel under the MOA and subject to the provisions of this Clause 36, the Vessel shall be deemed to have been delivered to, and accepted (without reservation) by, the Charterers under this Charter (irrespective of whether the Charterers shall become and be entitled to the possession and use of the Vessel).

36.2 On Delivery, as evidence of the commencement of the Charter Period, the Charterers shall sign and deliver to the Owners the Certificate of Delivery and Acceptance. Without prejudice to this Clause, the Charterers shall be deemed to have accepted the Vessel under this Charter, and the commencement of the Charter Period having started, on Delivery even if, for whatever reason, the Certificate of Delivery and Acceptance is not signed.

36.3 Without prejudice and notwithstanding the provisions of this Clause, the Charterers shall not be entitled for any reason whatsoever to refuse to accept delivery of the Vessel under this Charter once the Vessel has been delivered to and accepted by the Charterers as buyers from the Builder as sellers under the Shipbuilding Contract and simultaneously delivered to and accepted by the Owners as buyers from the Charterers as sellers under the MOA, and the Owners shall not be liable for any losses, cost or expenses whatsoever or howsoever arising including any loss of profit or any loss or otherwise and whether before or after Delivery:

(a) resulting directly or indirectly from any defect or alleged defect in the Vessel or any failure of the Vessel; or

(b) arising from any delay in the commencement of the Charter Period or any failure of the Charter Period to commence.

36.4 The Owners shall not be obliged to deliver the Vessel to the Charterers with any bunkers and unused lubricating oils and greases in storage tanks and unopened drums of the Vessel.

36.5 The Charterers hereby acknowledge and agree that the Owners are not the manufacturer or original supplier of the Vessel and that the Owners make no condition, term, representation or warranty, express or implied (and whether statutory or otherwise) as to:

(a) the Owners' title to the Vessel; or

(b) the seaworthiness, merchantability, condition, design, operation, performance, quality, capacity or fitness for use or as to the eligibility of the Vessel for any particular trade or operation or any other condition, term, representation or warranty whatsoever, express or implied, with respect to the Vessel.

36.6 Acceptance of delivery by the Charterers or (as the case may be) deemed delivery of the Vessel to the Charterers under this Charter shall be conclusive proof evidencing that, for the purposes of the obligations and liabilities of the Owners hereunder or in connection herewith, the Vessel is at that time seaworthy, in accordance with the provisions of this Charter, in good working order and repair and without defect or inherent vice whether or not discoverable by the Charterers and free and clear of all liens, Security Interests and debts of whatsoever nature.

36.7 The Charterers hereby waive all of their rights in respect of any condition, term, representation or warranty express or implied (and whether statutory or otherwise) on the part of the Owners and all of their claims against the Owners howsoever and whatsoever that may arise in respect of the Vessel or the Owners' title thereto, or all of their rights therein or arising out of the operation of the Vessel or the chartering thereof under this Charter (including in respect of the seaworthiness or otherwise of the Vessel).

36.8 The Charterers agree that the Owners shall be under no liability to supply any replacement ship or any piece or part thereof during any period when the Vessel is unusable and shall not be liable to the Charterers or any other person as a result of the Vessel being unusable.

37. CHARTERERS' RISK

37.1 As between the Owners and the Charterers, the Charterers shall, from the Commencement Date and throughout the period during which the Charterers have physical possession of the Vessel, at all times bear all risk of loss, theft, confiscation, seizure, damage or destruction to (and loss, damage and destruction caused by) the Vessel from any cause of any kind (including any loss or damage due to the operation of the Vessel (including the technical and commercial management of the Vessel) or pollution (including oil pollution)) and the Vessel will be in every respect at the sole risk of the Charterers.

37.2 The Charterers acknowledge that the ownership of the Vessel shall at all times remain with the Owners and that the payment of the Charterhire and any other amounts due under this Charter or any other Transaction Document shall not, and do not, confer any right of ownership or any purchase option on the Charterers (other than as may be expressly conferred by this Charter).

38. CHARTERHIRE

38.1 In consideration of the Owners agreeing to charter the Vessel to the Charterers under this Charter at the request of the Charterers, the Charterers hereby irrevocably and unconditionally agree to pay to the Owners the Charterhire in respect of the chartering of the Vessel during the Charter Period and all other amounts that are due and payable under the other Transaction Documents.

38.2 An indicative Charterhire Schedule setting out the amount of the Fixed Charterhire payable during the Charter Period is set out in Schedule 2 (*Charterhire Schedule*). The Charterers hereby agree with the Owners and acknowledge that the Charterhire as set out in Schedule 2 (*Charterhire Schedule*) has been calculated on the basis that the Initial Charterhire Principal is in the amount of US$17,000,000.

38.3 Subject to the other terms of this Clause, each instalment of the Charterhire shall be paid in advance on each Payment Date on the following basis (unless otherwise stipulated):

(a) the relevant first Payment Date, shall be the Purchase Price Pre-positioning Date;

(b) each subsequent instalment of the Charterhire shall be paid in quarterly intervals during the Charter Period; and

(c) the final instalment of the Charterhire shall be paid on the last Payment Date or the date falling eighty-one (81) months after the Purchase Price Pre-positioning Date, whichever is earlier,

provided that the instalment of the Charterhire payable on the Purchase Price Pre-positioning Date shall be paid by the Charterers to the Owners on the Second Payment Date together with the instalment of the Charterhire payable by the Charterers to the Owners on the Second Payment Date and in each case, each such Charterhire shall be paid in same day available funds by not later than 4:00 p.m. (Beijing time).

38.4 This Charter is on a "hell or high water basis" so that, as a result, the Vessel shall not at any time be deemed off-hire and the Charterers' obligation to pay all Charterhire and other amounts payable in this Charter and any other Transaction Document shall be absolute and unconditional under any and all circumstances and shall not be affected by any circumstances of any nature whatsoever including:

(a) any set off, counterclaim, recoupment, defence, claim or other right which any Security Party may at any time have against the Owners or any other person for any reason whatsoever including any act, omission or breach on the part of the Owners under this Charter or any other agreement at any time existing between the Owners and such Security Party;

(b) any change, extension, indulgence or other act or omission in respect of any indebtedness or obligation of any Security Party, or any sale, exchange, release or surrender of, or other dealing in, any security for any such indebtedness or obligation;

(c) any title defect or Security Interest or any dispossession of the Vessel by title paramount or otherwise;

(d) any defect in the seaworthiness, condition, value, design, merchantability, operation or fitness for use of the Vessel or the ineligibility of the Vessel for any particular trade;

(e) any damage (other than damage resulting in a Total Loss) to or forfeiture or court marshal's or other sale of the Vessel;

(f) any libel, attachment, levy, detention, sequestration or taking into custody of the Vessel or any restriction or prevention of or interference with or interruption or cessation in, the use or possession thereof by the Charterers or any Sub-Charterer;

(g) any insolvency, bankruptcy, reorganization, arrangement, readjustment, dissolution, liquidation or similar proceedings by or against any Security Party;

(h) any invalidity, unenforceability, lack of due authorization or other defect, or any failure or delay in performing or employing with any of the terms and provisions of any Transaction Document by any Security Party or any other person;

(i) any enforcement or attempted enforcement by the Owners of their rights under any Transaction Document; or

(j) any loss of use of the Vessel due to deficiency or default or strike of officers or crew, fire, breakdown, damage, accident, defective cargo or any other cause which would or might but for this provision have the effect of terminating or in any way affecting any obligation of any Security Party under any Transaction Document.

38.5 Without prejudice to any grace periods contained in this Charter, the time stipulated in this Charter for all payments by the Charterers, and for the performance of the Charterers' obligations under this Charter, will be of the essence of this Charter.

38.6 All payments of Charterhire and any other moneys payable under the Transaction Documents shall be made in Dollars or any other currency designated by the Owners.

38.7 All Charterhire and any other moneys payable under the Transaction Documents shall be payable by the Charterers to the Owners Account.

38.8 Payment of Charterhire and any other moneys payable under the Transaction Documents shall be at the Charterers' risk until receipt by the Owners of the payment into the Owners Account.

38.9

(a) Interpolated *Term SOFR:* If Term SOFR is not available for the Interest Period, the Reference Rate for such period shall be Interpolated Term SOFR for a period equal in length to the Interest Period.

(b) *Historic Term SOFR:* If paragraph (a) above applies but Interpolated Term SOFR is not available for the Interest Period, the Reference Rate for such Interest Period shall be Historic Term SOFR for a period equal in length to the Interest Period.

(c) *Interpolated Historic Term SOFR*: If paragraph (b) above applies but Historic Term SOFR is not available for the Interest Period, the Reference Rate for such Interest Period shall be Interpolated Historic Term SOFR for a period equal in length to the Interest Period.

(d) *Central Bank Rate*: If paragraph (c) above applies but Interpolated Historic Term SOFR is not available for the Interest Period, the Reference Rate for such Interest Period shall be the percentage rate per annum which is the arithmetic mean of the applicable Central Bank Rates for the days in the Interest Period, provided that the Central Bank Rate applicable to the day falling five (5) days prior to the last day of the relevant Interest Period shall be deemed to be the Central Bank Rate for the final five days of such the Interest Period.

(e) *Cost of funds:* If paragraph (d) above applies but the Central Bank Rate is not available for the Interest Period, there shall be no Reference Rate and Clause 38.11 shall apply to the Charterhire Principal for that Interest Period.

38.10 If before 5.00 p.m. in Beijing on the Business Day immediately following the Quotation Day for the relevant Interest Period, the Owners notify the Charterers that the cost to them of funding the Charterhire Principal from whatever source they may reasonably select would be in excess of the Market Disruption Rate then Clause 38.11 shall apply to the Charterhire Principal for the relevant Interest Period.

38.11

(a) If this Clause 38.11 applies, the Interest Rate for the relevant period shall be the rate per annum which is the sum of:

(i) the Margin; and

(ii) the rate notified to the Charterers by the Owners as soon as practicable and in any event by 5 p.m. on the date falling five (5) Business Days after the Quotation Day (or, if earlier, on the date falling five (5) Business Days before the date on which interest is due to be paid in respect of that Interest Period), to be that which expresses as a percentage rate per annum their cost of funding relating to the Charterhire Principal from whatever source that the Owners (or, if any Financing Documents are entered into, the Owners' financiers) may select.

(b) If this Clause 38.11 applies and the Owners or the Charterers so require, the Owners and the Charterers shall enter into negotiations (for a period of not more than thirty (30) days) with a view to agreeing a substitute basis for determining the rate of interest.

(c) For the avoidance of doubt, in the event that no substitute basis is agreed at the end of the thirty (30) day period, the rate of interest shall continue to be determined in accordance with the terms of this Charter.

(d) Any alternative basis agreed pursuant to paragraph (b) above shall be binding on both the Owners and the Charterers.

38.12

(a) The Owners shall promptly notify the Charterers of the determination of the rate of interest under this Charter.

(b) In respect of any Fallback Interest Payment, the Owners shall promptly upon a Fallback Interest Payment being determinable notify the Charterers of that Fallback Interest Payment.

(c) The Owners shall promptly notify the Charterers of each Funding Rate relating to the Charterhire Principal.

(d) This Clause 38.12 shall not require the Owners to make any notification to any Party on a day which is not a Business Day.

38.13 All stamp duty, value added tax, withholding or other taxes and import and export duties and all other similar types of charges which may be levied or assessed on or in connection with:

(a) the operation of this Charter or any other Transaction Document in respect of the hire and all other payments to be made pursuant to this Charter or any other Transaction Document and the remittance thereof to the Owners; and

(b) the import, export, purchase, delivery and re-delivery of the Vessel in all applicable jurisdictions,

shall be borne by the Charterers. The Charterers shall pay, if applicable, value added tax and other similar tax levied on any Charterhire and other payments payable under this Charter (including any relevant late penalties, charges or interest (if any) in relation to tax reporting or otherwise) or any other Transaction Document by addition to, and at the time of payment of, such amounts.

38.14 Any payment of the Termination Sum shall be made together with any other amount payable under the Transaction Documents.

38.15 If the Charterers or any other Security Party fail to make any payment due under this Charter or any other Transaction Document on the due date, they shall pay interest on such late payment at the Default Rate from the date on which such payment became due until the date of payment thereof. All default interest and any other payments under this Charter or any other Transaction Document which are of an annual or periodic nature shall accrue from day to day and shall be calculated on the basis of the actual number of days elapsed and a 360 day year. The period between the due date for payment of any sum due and payable hereunder or thereunder and the date upon which the obligation to pay such sum is discharged shall be divided into successive periods, the duration of which shall be selected by the Owners. During each such period (as well after as before judgment) the outstanding balance of the Unpaid Sum shall bear interest which shall accrue from day to day and on the basis of actual days elapsed and shall be calculated at a rate which is equal to the Default Rate calculated on the basis of actual days elapsed. Any such interest shall be due and payable when the relevant Unpaid Sum is paid or, if earlier, at the end of each period by reference to which it is calculated.

38.16 Any payment, which is due to be made on a day which is not a Business Day, shall be made on the preceding Business Day.

38.17 If the Purchase Price is not US$17,000,000, the indicative Charterhire Schedule shall be revised to reflect the actual Purchase Price, in which case the Owners shall provide the Charterers with a revised Schedule 2 (*Charterhire Schedule*) based on the actual Commencement Date and Purchase Price Pre-positioning Date and the actual Purchase Price (any such revised Schedule 2 (*Charterhire Schedule*) referred to in this Clause 38.17 being a **"Revised Charterhire Schedule"**).

38.18 Any Revised Charterhire Schedule issued pursuant to Clause 38.17 shall:

(a) be deemed incorporated into this Charter in substitution for the then current Schedule 2 (*Charterhire Schedule*) and a copy of this Charter incorporating such Revised Charterhire Schedule shall be circulated between the Parties;

(b) save for manifest error, be conclusive and binding on the Owners and the Charterers; and

(c) for the purposes of this Charter, be conclusive evidence of the rate of the Charterhire and Charterhire Principal payable under this Charter and shall for all purposes be treated as if it had been attached as the Charterhire Schedule *ab initio*.

39. POSSESSION OF VESSEL

39.1 The Charterers shall not, without the prior written consent of the Owners, assign, mortgage or pledge the Vessel or any interest therein and shall not permit the creation of any Security Interest thereon other than Permitted Security Interests.

39.2 The Charterers shall promptly notify any party (as the Owners may request) in writing that the Vessel is the property of the Owners and the Charterers shall provide the Owners with a copy of such written notification and satisfactory evidence of that such party has received such written notification.

39.3 If the Vessel is arrested, seized, impounded, forfeited, detained or taken out of their possession or control (whether or not pursuant to any distress, execution or other legal process), the Charterers shall immediately take necessary steps to procure the release of the Vessel (whether by providing bail or procuring the provision of security or otherwise do such lawful things as the circumstances may require) and shall immediately notify the Owners of such event and shall indemnify the Owners against all losses, costs or charges incurred by the Owners by reason thereof in re-taking possession or otherwise in re-acquiring the Vessel.

39.4 The Charterers shall pay and discharge all obligations and liabilities whatsoever which have given or may give rise to liens on or claims enforceable against the Vessel and take all reasonable steps to prevent a threatened arrest of the Vessel.

39.5 The Owners undertake that, provided that no Termination Event has occurred and is continuing, they shall not, and shall use reasonable efforts to procure that the Owners' financiers (if any) do not, disturb or interfere with the Charterers' quiet possession and enjoyment of the Vessel during the Charter Period.

40. INSURANCE

40.1 The Charterers shall procure that such insurances are effected in form and substance satisfactory to the Owners and their financiers (if any) throughout the Charter Period:

(a) in Dollars or any other currency acceptable to the Owners;

(b) in the case of hull and machinery, fire and usual marine risks (including excess risks and terrorism cover) and war risks, on an agreed value basis, in such amounts but not less than the higher of (i) the Market Value of the Vessel, and (ii) one hundred and twenty per cent. (120%) of the amount of the Charterhire Principal then outstanding;

(c) in the case of oil pollution liability risks for the Vessel, for an aggregate amount equal to the highest level of cover from time to time available under protection and indemnity club entry and in the international marine insurance market and for an amount of not less than US$ 1,000,000,000 (or such other amount of cover against pollution risks as shall at any time be comprised in the basic entry of the Vessel with, and including pollution risks for the highest amount in respect of which cover is or may be available for ships similar to the Vessel);

(d) in relation to protection and indemnity risks (including freight, demurrage and defence cover) in respect of the full tonnage of the Vessel and with an independent and reputable protection and indemnity club member acceptable to the Owners and their financiers (if any);

(e) in relation to a lessor's interest insurance and a mortgagee's interest insurance, in an amount equal to at least one hundred and ten per cent. (110%) of the amount of the Charterhire Principal then outstanding;

(f) in relation to a lessor's additional perils (pollution) and mortgagees' additional perils (pollution), in an amount equal to at least one hundred and ten per cent. (110%) of the amount of the Charterhire Principal then outstanding;

(g) contingent liability insurance for oil pollution in relation to the Owners;

(h) in relation to such other insurances reasonably required by the Owners and/or their financiers (if any);

(i) through approved brokers or with first class international insurers and/or underwriters (having a Standard & Poor's rating of BBB+ or above, a Moody's rating of A or above or an AM Best rating of A- or above) notified to the Owners or, in the case of war risks and protection and indemnity risks, in approved war risks and protection and indemnity risks associations which is a member of the International Group of P&I Clubs acceptable to the Owners; and

(j) upon such terms as shall comply with this Clause 40 or be otherwise from time to time approved in writing by the Owners.

40.2 To the extent required and acceptable to the relevant insurers and protection and indemnity club, the Charterers shall procure that the obligatory insurances shall:

(a) subject always to paragraph (a)(ii) below, name the Owners (or any party designated by the Owners), the Charterers (subject to execution of the Charterers Assignment) and the relevant Approved Manager(s) (subject to execution of a Manager's Undertaking) as the only named assureds (and, in relation to the Owners (or any party designated by the Owners), as named beneficiaries), unless the interest of every other named assured or co-assured is limited:

(i) in respect of any obligatory insurances for hull and machinery and war risks;

(A) to any provable out-of-pocket expenses that they have incurred and which form part of any recoverable claim on underwriters; and

(B) to any third party liability claims where cover for such claims is provided by the policy (and then only in respect of discharge of any claims made against them); and

(ii) in respect of any obligatory insurances for protection and indemnity risks, to any recoveries they are entitled to make by way of reimbursement following discharge of any third party liability claims made specifically against them,

and every other named assured or co-assured has undertaken in writing to the Owners or their financiers (in such form as they reasonably require) that they shall do all things necessary and provide all documents, evidence and information to enable the Owners and their financiers (if any) in accordance with the terms of the loss payable clause, to collect or recover any moneys which at any time become payable in respect of the obligatory insurances;

(b) whenever a financier of the Owners requires:

(i) in respect of fire and other usual marine risks and war risks name (or be amended to name) the same as additional named assured(s) for their rights and interests, warranted no operational interest and with full waiver of rights of subrogation against such financiers, but without such financiers thereby being liable to pay (but having the right to pay) premiums, calls or other assessments in respect of such insurance;

(ii) in relation to protection and indemnity risks, name (or be amended to name) the same as additional insured(s) or co-assured(s) for their rights and interests to the extent permissible under the relevant protection and indemnity club rules; and

(iii) name the Owners' financiers (as applicable) and the Owners (as applicable) as respectively the first ranking loss payee and the second ranking loss payee (and in the absence of any financiers, as first ranking loss payee) in accordance with the terms of the relevant loss payable clauses approved by the Owners' financiers and the Owners with such directions for payment in accordance with the terms of such relevant loss payable clause, as the Owners and their financiers (if any) may specify;

(c) provide that such obligatory insurances shall be primary without right of contribution from other insurances which may be carried by the Owners or their financiers (if any);

(d) provide that the Owners and/or their financiers (if any) may make proof of loss if the Charterers fail to do so; and

(e) provide that if any obligatory insurance is cancelled, or if any substantial change is made in the coverage which adversely affects the interest of the Owners and/or their financiers (if any), or if any obligatory insurance is allowed to lapse for non-payment of premium, such cancellation, change or lapse shall not be effective with respect to the Owners and/or their financiers (if any) for seven (7) days after receipt by the Owners and/or their financiers (if any) of prior written notice from the insurers of such cancellation, change or lapse.

40.3 The Charterers shall:

(a) at least five (5) days prior to Delivery (or such shorter period as may be approved by the Owners), notify in writing the Owners (copied to their financiers (if any)) of the terms and conditions of all Insurances;

(b) at least five (5) days before the expiry of any obligatory insurance (or such shorter period as may be approved by the Owners) notify the Owners (copied to their financiers (if any)) of the brokers (or other insurers) and any protection and indemnity or war risks association through or with whom the Charterers propose to renew that obligatory insurance and of the proposed terms of renewal and obtain the Owners' approval to such matters;

(c) at least five (5) days before the expiry of any obligatory insurance (or such shorter period as may be approved by the Owners), procure that such obligatory insurance is renewed or to be renewed on its expiry date in accordance with the provisions of this Charter;

(d) procure that the approved brokers and/or the war risks and protection and indemnity associations with which such a renewal is effected shall promptly after the renewal or the effective date of the new insurance and protection and indemnity cover notify the Owners (copied to their financiers (if any)) in writing of the terms and conditions of the renewal; and

(e) within seven (7) days after the renewal of any obligatory insurance (or such longer period as may be approved by the Owners), deliver to the Owners a letter of undertaking as required by this Charter in respect of such Insurances for the Vessel as renewed pursuant to paragraph (c) above, together with copies of the relevant policies or cover notes or entry certificates duly endorsed with the interest of the Owners and/or their financiers (if any).

40.4 The Charterers shall, ensure that all insurance companies, underwriters, and (if any) insurance brokers provide the Owners with all policies, cover notes and certificates of entry relating to the obligatory insurances which they are to effect or renew and of a letter or letters or undertaking in a form required by the Owners and their financiers (if any) and including undertakings by the insurance companies and/or underwriters that:

(a) they will have endorsed on each policy, immediately upon issue, a loss payable clause and a notice of assignment complying with the provisions of this Charter, the other Transaction Documents and the Financial Instruments;

(b) they will hold the benefit of such policies and such insurances, to the order of the Owners and/or their financiers (if any) and/or such other party in accordance with the said loss payable clause;

(c) they will advise the Owners and their financiers (if any) promptly of any material change to the terms of the obligatory insurances of which they are aware;

(d) not later than one (1) month before the expiry of the obligatory insurances, they will notify the Owners and their financiers (if any) not less than fourteen (14) days before the expiry of the obligatory insurances, in the event of their not having received notice of renewal instructions from the Charterers and, in the event of their receiving instructions to renew, they will promptly notify the Owners and their financiers (if any) of the terms of the instructions; and

(e) if any of the obligatory insurances form part of any fleet cover, the Charterers shall procure that the insurance broker(s), or leading insurer, as the case may be, undertakes to the Owners and their financiers (if any) that (i) they will not set off against any sum recoverable in respect of a claim relating to the Vessel under such obligatory insurances any premiums due in respect of any other vessel under any fleet cover of which the Vessel forms a part or any premium due for other insurances, (ii) they waive any lien on the policies, or any sums received under them, which they might have in respect of such premiums, (iii) they will not cancel such obligatory insurances by reason of non-payment of such premiums or other amounts and (iv) they will arrange for a separate policy to be issued in respect of the Vessel forthwith upon being so requested by the Owners and/or their financiers (if any) and where practicable.

40.5 The Charterers shall ensure that any protection and indemnity and/or war risks associations in which the Vessel is entered provides the Owners and their financiers (if any) with:

(a) a copy of the certificate of entry for the Vessel as soon as such certificate of entry is issued;

(b) a letter or letters of undertaking in such form as may be required by the Owners and their financiers (if any) or in such association's standard form; and

(c) a copy of each certificate of financial responsibility for pollution by oil or other Environmentally Sensitive Material issued by the relevant certifying authority in relation to the Vessel.

40.6 The Charterers shall ensure that all policies relating to obligatory insurances are deposited with the approved brokers through which the insurances are effected or renewed.

40.7 The Charterers shall procure that all premiums or other sums payable in respect of the obligatory insurances are punctually paid and produce all relevant receipts when so required by the Owners.

40.8 The Charterers shall ensure that any guarantees required by a protection and indemnity or war risks association are promptly issued and remain in full force and effect.

40.9 The Charterers shall neither do nor omit to do (nor permit to be done or not to be done) any act or thing which would or might render any obligatory insurance invalid, void, voidable or unenforceable or render any sum payable under an obligatory insurance repayable in whole or in part; and, in particular:

(a) the Charterers shall procure that all necessary action is taken and all requirements are complied with which may from time to time be applicable to the obligatory insurances, and (without limiting the obligations contained in this Clause) ensure that the obligatory insurances are not made subject to any exclusions or qualifications to which the Owners have not given their prior written approval (unless such exclusions or qualifications are made in accordance with the rules of a protection and indemnity association which is a member of the International Group of P&I Clubs acceptable to the Owners);

(b) the Charterers shall not make or permit any changes relating to the classification or classification society or manager or operator of the Vessel unless such changes have first been approved by the underwriters of the obligatory insurances or the Owners;

(c) the Charterers shall not employ the Vessel, nor allow her to be employed, otherwise than in conformity with the terms and conditions of the obligatory insurances, without first obtaining the consent of the insurers and complying with any requirements (as to extra premium or otherwise) which the insurers specify; and

(d) the Charterers shall procure that all quarterly or other voyage declarations which may be required by the protection and indemnity risks association in which the Vessel is entered to maintain cover for trading to the US and Exclusive Economic Zone (as defined in the US Oil Pollution Act 1990 or any other applicable legislation) are made and the Charterers shall promptly provide the Owners with copies of such declarations and evidence of a valid certificate of financial responsibility.

40.10 The Charterers shall not make or agree to any material alteration to the terms of any obligatory insurance nor waive any right relating to any obligatory insurance without the prior written consent of the Owners and their financiers (if any).

40.11 (a) The Charterers shall not settle, compromise or abandon any claim under any obligatory insurance for Total Loss or for a Major Casualty without the prior written consent of the Owners and their financiers (if any).

(b) The Charterers shall do all things necessary and provide all documents, evidence and information to enable the Owners and/or their financiers (if any) to collect or recover any moneys which at any time become payable in respect of the obligatory insurances.

40.12 The Charterers shall provide the Owners upon written request, copies of:

(a) all communications between the Charterers and:

(i) the approved brokers (if applicable);

(ii) the approved protection and indemnity and/or war risks associations; and/or

(iii) any of the Vessel's insurers and/or underwriters, which relate directly or indirectly to:

(A) the obligations of the Charterers relating to the obligatory insurances including all requisite declarations and payments of additional premiums or calls; and

(B) any credit arrangements made between the Charterers and any of the persons referred to in paragraphs (a)(i) or (a)(ii) above relating wholly or partly to the effecting or maintenance of the obligatory insurances; and

(b) any material communication with all parties involved in case of a claim under any of the Vessel's insurances.

40.13 The Charterers shall promptly provide the Owners (or any persons which they may designate) with:

(a) any information which the Owners or their financiers (if any) (or any such designated person) request for the purpose of:

(i) obtaining or preparing any report from an independent marine insurance broker as to the adequacy of the obligatory insurances effected or proposed to be effected; and/or

(ii) effecting, maintaining or renewing any such insurances as are referred to in Clause 40.1 or dealing with or considering any matters relating to any such insurances;

(b) copies of any communication between all parties involved in case of a claim under any of the Vessel's insurances exceeding the Major Casualty amount; and

(c) prior to the occurrence of a Termination Event which is continuing, a yearly report of any claim under any of the Vessel's insurances which does not exceed the Major Casualty amount and after the occurrence of a Termination Event which is continuing, copies of all communications between all parties in case of a claim under any of the Vessel's insurances.

40.14 If one or more of the obligatory insurances are not effected and maintained with first class international insurers or are effected with an insurance company or captive which is a member of the Group, then the Charterers shall, and will procure, at their own expense, that the relevant insurers maintain in full force and effect facultative reinsurances with reinsurers and through brokers, in each case, of recognised standing and acceptable in all respects to the Owners. Any reinsurance policy shall include, if and when permitted by law, a cut-through clause in a form acceptable to the Owners. The Charterers shall procure that underwriters of the primary insurances assign each reinsurance to the relevant financiers in full, if required.

40.15 The Charterers shall be solely responsible for and indemnify the Owners in respect of all loss or damage to the Vessel (insofar as the Owners shall not be reimbursed by the proceeds of any insurance in respect thereof) however caused occurring at any time or times before physical possession thereof is retaken by the Owners, reasonable wear and tear to the Vessel only excepted.

40.16 The Charterers shall:

(a) if so requested by the Owners, but at the expense of the Charterers, furnish the Owners on or around the Commencement Date (or, after a material change in the terms of the obligatory insurances during the Chater Period, as many times per year as the Owners may reasonably require) with a detailed report signed by an independent firm of marine insurance brokers appointed by the Owners dealing with the Insurances and stating the opinion of such firm as to the adequacy of the Insurances;

(b) reimburse the Owners any reasonable and documented expenses incurred by the Owners in obtaining the reports described in paragraph (a) above; and

(c) procure that there is delivered to the insurance brokers described in paragraph (a) above such information in relation to the Insurances as such brokers may require.

40.17 (a) The Owners and the Charterers shall discuss in good faith the requirements of this Clause 40 (taking into account the type, age and route of the Vessel and prevailing international market practice for a vessel of similar type, age and route as the Vessel) if there are material changes in market circumstances after the date of this Charter (including changes in the availability or the cost of insurance coverage).

(b) Any proposed modification to the requirements of this Clause 40 which the Owners acting reasonably deem appropriate to address material changes in market circumstances and if such a cover is available and it is common market practice to have it in place shall be notified by the Owners to the Charterers and shall be implemented by the Charterers as soon as possible thereafter. All such modifications shall take effect as an amendment to such clauses and shall bind the Charterers accordingly.

41. TERMINATION AND REDELIVERY; TOTAL LOSS

41.1 (a) Upon the occurrence of a Termination Event, the Charterers shall immediately notify the Owners in writing of occurrence of the same.

(b) Provided the Termination Event is continuing, the Owners shall be entitled, by notice to the Charterers to terminate this Charter at any time, and the Charterers shall within two (2) Business Days upon receipt of such notice from the Owners pay to the Owners the Termination Sum, whereupon the Owners shall (save in the event of Total Loss) sell, transfer and redeliver, at the cost and expense of the Charterers, the Vessel to the Charterers on an "as is where is" basis.

41.2 It is hereby agreed by the Parties that payment of the Termination Sum pursuant to Clause 41.1 shall not be construed as a penalty but is acknowledged by the Charterers as being proportionate as to amount, having regard to the legitimate interest of the Owners, in protecting against the risk the Owners bear of the failure of the Charterers to perform their obligations under this Charter and the other Transaction Documents and shall therefore be paid as compensation to the Owners for early termination of this Charter and acquisition of the Vessel by the Charterers.

41.3 Each Termination Event shall either be a breach of condition by the Charterers or any other Security Party of this Charter or any other Transaction Document by the Charterers or any other Security Party or otherwise an agreed event of termination, the occurrence of which provides the Owners the right to terminate this Charter and to exercise all their rights under this Charter and the other Transaction Documents.

41.4 Concurrently with the irrevocable payment of the Termination Sum in full pursuant to the terms of this Charter, this Charter shall terminate and the Owners shall (save in the event of Total Loss) transfer the legal and beneficial ownership of the Vessel to the Charterers free from any registered mortgages incurred or permitted by the Owners (save for those liens, Security Interests and debts incurred by the Charterers or arising out of or in connection with this Charter) and shall execute a bill of sale and a protocol of delivery and acceptance evidencing the same.

41.5 If the Charterers fail to make any payment or make only a partial payment of the Termination Sum on the due date, Clause 38.15 shall apply. In addition, the Charterers agree that upon the occurrence of a Termination Event:

(a) the Charterers' right to possess and operate the Vessel shall immediately cease and the Charterers shall, upon the Owners' request (in their sole discretion), be obliged to immediately (and at the Charterers' own cost) redeliver the

Vessel to the Owners at such ready and nearest safe port as the Owners may require;

(b) the Owners shall be entitled to operate the Vessel as they may determine (in their sole discretion) and may create any encumbrances and maritime liens or any other debts whatsoever or enter into any charters over the Vessel, including, without limitation, any charterparty or other contract for the employment of the Vessel. Earnings arising out of such operation of the Vessel less operational expenses of the Vessel (including, without limitation, any maintenance costs of, and costs for bunkering or oils for, the Vessel) shall be applied against the Termination Sum, any other amounts payable under the Transaction Documents and any amounts payable by the Charterers, the Collateral Charterers or any of their Affiliates to the Collateral Owners under the Transaction Documents (as defined in the Collateral Charter) provided that:

(i) any Losses suffered or incurred by the Owners arising out of such operation of the Vessel shall be indemnified by the Charterers pursuant to Clause 43 (*Indemnities*) by way of being calculated as part of the Termination Sum; and

(ii) this Charter shall be terminated upon redelivery of the Vessel save for the provisions set out in this Clause 41, Clause 43 (*Indemnities*) and any other provisions under the Transaction Documents which are expressed to survive such termination; and

(c) without limiting the generality of the foregoing or any other rights of the Owners, the Owners shall have the sole and exclusive right and power to do any of the following:

(i) at the Owners' option, sell the Vessel free of any charter, lease or other engagement concerning the Vessel for such price and on such terms and conditions as they may, in their absolute discretion, think fit;

(ii) from the gross proceeds of the sale of the Vessel deduct an amount equal to the aggregate of the expenses, disbursements, taxes, costs and losses whatsoever as may have been incurred by the Owners in respect of the sale of the Vessel (for purposes of this Clause, the amount of proceeds after such deduction being the **"Net Sale Proceeds"**), an amount equal to the Termination Sum shall be deducted from the Net Sale Proceeds provided that:

(A) (in the event that the Charterers fail to make any payment or make only a partial payment of the Termination Sum) if the Net Sale Proceeds are insufficient to satisfy the Termination Sum, the Charterers shall pay the shortfall to the Owners within ten (10) days after the sale of the Vessel is concluded; and

(B) if there is any amount remaining from the Net Sale Proceeds after the deduction of the Termination Sum, it shall be:

(1) held by the Owners on trust for the Collateral Owners towards satisfying any amount outstanding and owing by the Charterers, the Collateral Charterers or any of their Affiliates to the Collateral Owners under the Transaction Documents (as defined in the Collateral Charter); and

(2) if no such amount is outstanding and owing, then the Owners shall pay any remaining amount to the Charterers; and

(iii) notwithstanding any provisions to the contrary contained in the foregoing, the Owners may, at their option, retain the Vessel and if the Market Value of the Vessel (after offsetting all costs incidental to such valuation of the Vessel and taking into account all expenses, disbursements, taxes, costs and losses whatsoever which would have been incurred by the Owners in respect of the sale of the Vessel and for purposes of this paragraph, the Market Value of the Vessel after such deduction being the **"Net Market Value"**) is less than the Termination Sum, the Charterers shall immediately pay the difference to the Owners upon demand by the Owners **provided** that any surplus of the Net Market Value after the deduction of the Termination Sum, any other fees and expenses payable to the Owners under Clause 42 (*Fees and Expenses*) and any amounts payable by the Charterers, the Collateral Charterers or any of their Affiliates to the Collateral Owners under the Transaction Documents (as defined in the Collateral Charter) shall be returned by the Owners to the Charterers.

41.6 Without limiting the generality of the foregoing or any other rights of the Owners, upon the occurrence of a Termination Event which is continuing, the Owners shall have the sole and exclusive right and power to do any of the following:

(a) settle, compromise, compound, adjust or defend any actions, suits or proceedings relating to or pertaining to the Vessel and this Charter;

(b) make proof of loss, appear in and prosecute any action arising from any policy or policies of insurance maintained pursuant to this Charter, and settle, adjust or compromise any claims for loss, damage or destruction under, or take any other action in respect of, any such policy or policies; and

(c) terminate any management agreement with any manager (including any Approved Manager) of the Vessel and appoint a substitute manager in their sole discretion.

41.7 The Charterers hereby undertake to indemnify the Owners against any claims incurred in relation to the Vessel as a result of the Charterers' action or performance prior to such transfer of ownership. Any taxes, notarial, consular and other costs, charges and expenses connected with closing of the Owners' register shall be for the Charterers' account.

41.8 Without prejudice to Clause 15, if the Charterers are required to redeliver the Vessel to the Owners pursuant to the terms of this Charter, the Charterers shall ensure that the Vessel shall, at the time of redelivery to the Owners:

(a) be in an equivalent class as she was as at the Commencement Date without any recommendation or condition, and with valid, unextended certificates for not less than six (6) months;

(b) if applicable, have passed her 5-year and if applicable, 10-year special surveys, and subsequent second intermediate survey and dry-dock at the Charterers' time and expense without any condition or outstanding issue and to the satisfaction of the Classification Society;

(c) have her survey cycles up to date and trading and class certificate valid for at least the number of months agreed in Box 17;

(d) be redelivered to the Owners together with all spare parts and spare equipment as were on board at the time of Delivery, and any such spare parts and spare equipment on board at the time of re-delivery shall be taken over by the Owners free of charge;

(e) be free of any cargo and Security Interest (save for the Security Interests granted pursuant to the Financial Instruments); and

(f) be free of any charter (unless the Owners wish to retain the continuance of any then existing charter).

41.9 The Owners shall, at the time of the redelivery of the Vessel:

(a) following the occurrence of a Termination Event, take over all bunkers, lubricating oil, unused provisions, paints, ropes and other consumable stores in the Vessel at no cost to the Owners; and

(b) in the absence of any Termination Event, take over all bunkers, lubricating oil, unused provisions, paints, ropes and other consumable stores in the Vessel at such price(s) that is mutually agreed by the Parties.

41.10 If the Vessel, for any reason, becomes a Total Loss, in consideration of:

(a) the Owners agreeing to enter into this Charter at the request of the Charterers and purchasing the Vessel from the Charterers as sellers under the MOA; and

(b) without prejudice to the rest of this Clause, the Owners agreeing to assign their interest in the Insurances to the Charterers upon receiving irrevocable payment of the Termination Sum in full, the Charterers shall pay the Termination Sum to the Owners on the earlier of:

(i) the date falling sixty (60) days after such Total Loss has occurred; and

(ii) the date of receipt by the Owners and/or their financers (if any), in accordance with the terms of the relevant loss payable clause, of the proceeds of insurance relating to such Total Loss,

provided that it is hereby agreed that any insurance proceeds in respect of the Vessel received by the Owners shall be applied in or towards discharging the Charterers' obligation to pay the Termination Sum and any interest accrued thereon (and such application shall be deemed satisfaction of the Charterers' obligation to pay the Termination Sum to the extent satisfied) and in the event that the insurance proceeds received from the insurers exceeds the Termination Sum due and any interest accrued thereon, the excess shall:

(i) be paid to the Charterers by way of rebate of hire if no Collateral Termination Event has occurred and is continuing; and

(ii) in the event that a Collateral Termination Event has occurred and is continuing, be held by the Owners on trust for the Collateral Owners towards satisfying any amounts outstanding and owing by the Charterers, the Collateral Charterers or any of their Affiliates to the Collateral Owners under the Transaction Documents (as defined in the Collateral Charter).

41.11 For the avoidance of doubt, in the event that the Vessel becomes a Total Loss:

(a) payment of Charterhire, and all other sums payable hereunder during such period shall continue to be made by the Charterers in accordance with the terms of this Charter unless and until the Owners have irrevocably received the Termination Sum together with any interest accrued thereon in full; and

(b) should insurance proceeds be irrevocably received by the Owners from the insurers, the Charterers' obligations to pay the Termination Sum shall be accordingly reduced by such insurance proceeds but in the event that such insurance proceeds is less than the amount of the Termination Sum together with any interest accrued thereon, the Charterers remain obliged to pay to the Owners the balance so that the full amount of the Termination Sum due together with any interest accrued thereon are received by the Owners;

(c) the Vessel continues to be insured in accordance with the terms of this Charter and as may be required by any other agreements relating to the ownership, operation, management, chartering or financing of the Vessel; and

(d) the obligation of the Charterers to pay the Termination Sum shall remain unaffected and exist regardless of whether any of the insurers have agreed or refused to meet or has disputed in good faith, the claim for Total Loss.

41.12 For the purpose of this Charter, a Total Loss shall be deemed to have occurred:

(a) in the case of an actual loss of the Vessel, the date on which it occurred or, if that is unknown, the date when the Vessel was last reported;

(b) in the case of a constructive total loss of the Vessel, upon the date and time request for condemnation of the Vessel is given to the then insurers of the Vessel or, if such insurers do not immediately admit such a clam, on the date and at the time at which either a total loss is subsequently admitted by such insurers or a total loss is subsequently adjudged by a competent court of law or arbitration tribunal to have occurred; and

(c) in the case of a compromised, agreed or arranged total loss of the Vessel, on the date upon which a binding agreement as to such compromised, agreed or arranged total loss has been entered into by the ten insurers of the Vessel.

42. FEES AND EXPENSES

42.1 Without prejudice to any other rights of the Owners hereunder, the Charterers shall promptly pay to the Owners on written demand on a full indemnity basis all and costs, charges and expenses incurred by the Owners in collecting any Charterhire or other payments not paid on the due date under this Charter or any other Transaction Document and in remedying any other failure of the Charterers or any other Security Party to observe the terms and conditions of this Charter or any other Transaction Document.

42.2 All reasonable and documented costs (including legal costs, fees for insurance opinions, valuation, registration and inspection) and expenses incurred by the Owners in the preparation, negotiation, documentation, printing and execution of all documentation in relation to this Charter, the other Transaction Documents and all legal costs, expenses and other disbursements incurred by the Owners' legal counsels in connection with the same, shall be presented in advance to the Charterers for their review and shall be for the account of the Charterers and the Charterers shall pay such costs and expenses promptly on demand.

42.3 All costs and expenses incurred by the Owners in relation to the acquisition and registration of the Vessel by the Owners in the Owners' name in the flag state stated in Box 5 together with any and all fees (including but not limited to any vessel registration and tonnage fees) payable by the Owners to such flag state to maintain and/or renew such registration shall be for the account of the Charterers and the Charterers shall pay such costs and expenses promptly on demand.

43. INDEMNITIES

43.1 In addition to the obligations of the Charterers under Clause 42 (*Fees and Expenses*) and to the extent not already addressed by the foregoing, the Charterers agree at all times during this Charter to indemnify and keep indemnified the Owners against:

(a) all costs and expenses whatsoever incurred by the Owners as a result of their entering into of this Charter, the MOA and the other Transaction Documents, including the costs, expenses, fees, charges for legal services, registration of relevant charges, perfection of any securities and others of whatsoever nature arising out of or in connection with this Charter;

(b) all costs and expenses whatsoever incurred in connection with this Charter and any other Transaction Document or the Vessel, and any costs, charges, or expenses incurred which the Charterers have agreed to pay under this Charter and any other Transaction Document;

(c) if (i) the Charterers or any other Security Party requests an amendment, waiver or consent under any Transaction Document or (ii) an amendment or waiver is required, contemplated or agreed pursuant to this Charter, all fees, costs and expenses (including legal fees) incurred by the Owners in responding to, evaluating, negotiating or complying with or implementing that request, requirement or actual or contemplated agreement;

(d) any Tax (except income tax in its jurisdiction of incorporation) imposed on, or suffered by, the Owners;

(e) all losses, costs, charges, expenses, fees, payments, liabilities, penalties, fines, damages or other sanctions of a monetary nature (collectively, for the purposes of this Clause 43, "**Losses**") suffered or incurred by the Owners and arising directly or indirectly in any manner out of the design, manufacture, delivery, non-delivery, purchase, importation, registration, ownership, chartering, sub-chartering, possession, performance, survey, control, use, operation, condition, maintenance, repair, replacement, refurbishment, modification, overhaul, insurance, sale or other disposal, return or storage of or loss of or damage to the Vessel or otherwise in connection with the Vessel (whether or not in the control or possession of the Charterers), any and all claims in tort or in contract by any party from the Charterers, any Sub-Charterer or any other party contracting with the Charterers or any Sub-Charterer;

(f) all Losses suffered or incurred by the Owners which arise, or are asserted, under or in connection with any law relating to safety at sea, the ISM Code, the ISPS Code, the MARPOL Protocol, any Environmental Law, Emission Scheme, EU MRV, Fuel EU Maritime or any Sanctions;

(g) all Losses suffered or incurred by the Owners which result directly or indirectly from claims which may at any time be made on the ground that any design, article or material of or in the Vessel or the operation or use thereof constitutes or is alleged to constitute an infringement of patent or copyright or registered design or other intellectual property right or any other right whatsoever;

(h) all Losses suffered or incurred by the Owners in preventing or attempting to prevent the arrest, confiscation, seizure, taking in execution, impounding, forfeiture or detention of the Vessel, or in securing the release of the Vessel therefrom;

(i) all Losses suffered or incurred by the Owners with respect to or as a direct result of the presence, escape, seepage, spillage, leaking, discharge or migration from the Vessel of oil or any other hazardous substance, including any claims asserted or arising under the US Oil Pollution Act of 1990 (as same may be amended and/or re-enacted from time to time hereafter) or similar legislation, regardless of whether or not caused by or within the control of the Charterers;

(j) any Losses incurred or suffered by the Owners in liquidating, employing or prepaying funds acquired or borrowed to purchase or finance or refinance the Vessel (including any costs incurred in unwinding any associated interest rate or currency swaps or currency futures) following any default in payment hereunder or the occurrence of any Termination Event;

(k) any Losses incurred or suffered by the Owners in connection with the enforcement of, or the preservation of any rights under any Transaction Document and the Transaction Security and any proceedings instituted by or against the Owners as a consequence of it entering into a Transaction Document, taking or holding the Transaction Security, or enforcing those rights;

(l) any Losses incurred or suffered by the Owners as a result of any information produced, provided or approved by or on behalf of the Charterers in respect of any Transaction Document being or being alleged to be misleading or deceptive in any respect;

(m) any Losses incurred or suffered by the Owners as a result of acting or relying on any notice, request or instruction given by the Charterers under any Transaction Document which the Owners reasonably believe to be genuine, correct and appropriately authorised; and

(n) any Losses incurred or suffered by the Owners in connection with the administration or release of any Transaction Security.

43.2 If, under any applicable law, whether as a result of judgment against the Charterers or the liquidation of the Charterers or for any other reason, any payment to be made by the Charterers under or in connection with this Charter and any other Transaction Document is made or is recovered in a currency other than the currency (the **"currency of obligation"**) in which it is payable pursuant to this Charter and any other Transaction Document then, to the extent that the payment (when converted into the currency of obligation at the rate of exchange on the date for the determination of liabilities permitted by the applicable law) falls short of the amount unpaid under this Charter and any other Transaction Document, the Charterers shall as a separate and independent obligation, fully indemnify the Owners against the amount of the shortfall; and for the purposes of this Clause **"rate of exchange"** means the best rate at which the Owners are able on the relevant date to purchase the currency of obligation with the other currency.

43.3 The indemnities contained in this Clause 43, and each other indemnity contained in this Charter, shall survive any termination or other ending of this Charter and any breach by, or repudiation by, the Charterers of this Charter.

44. NO WAIVER OF RIGHTS

44.1 No neglect, delay or indulgence on the part of either Party in enforcing the terms and conditions of, or exercising any right or remedy under, this Charter shall prejudice the strict rights of that Party or be construed as a waiver thereof nor shall any single or partial exercise of any right of either Party preclude any other or further exercise thereof.

44.2 No right or remedy conferred upon either Party by this Charter shall be exclusive of any other right or remedy provided for herein or by law and all such rights and remedies shall be cumulative.

45. MORTGAGE, ASSIGNMENT AND TRANSFER

45.1 Subject to Clause 45.2, the Charterers agree that the Owners shall be entitled, at the Owners' sole cost and expense, at any time after the signing of this Charter and without requiring consent of the Charterers but by notice to the Charterers, to grant to any of the Owners' financiers (or agent or trustee of the Owners' financiers) or an Affiliate of the Owners or any other reputable bank or financial institution (each, a **"Mortgagee"**):

(a) any mortgage(s) on the Vessel (each, a **"Mortgage"**); and/or

(b) any assignment(s) of the Owners' interest in the Vessel's earnings, the Insurances and Requisition Compensation thereof; and/or

(c) any assignment(s) of this Charter and of the rights of the Owners hereunder; and/or

(d) any assignment(s) of the Security Documents and of the rights of the Owners thereunder (including in any property of the Charterers or any other Security Party which have been assigned to the Owners thereunder); and/or

(e) any other security which the relevant Mortgagee may require from the Owners or any of their Affiliates or any other person (other than the Charterers or any other member of the Group),

all as security for any loan or other facilities arranged by the Owners to finance or re-finance the purchase and/or acquisition of the Vessel and/or the Collateral Vessel (the **"Senior Finance Package"**).

45.2 Notwithstanding the provisions of Clause 45.1, the Owners shall in any case use reasonable endeavours to procure that any Mortgagee who takes a Mortgage and is a recorded mortgagee of the Vessel will issue in favour of the Charterers, on or before the date of such Mortgage, a quiet enjoyment letter in form and substance acceptable to the Owners, the Charterers and that Mortgagee (each acting reasonably and in good faith) or other mutually acceptable alternative.

45.3 For the avoidance of doubt, provided the Owners have complied with Clause 45.2 above, any failure to obtain a quiet enjoyment letter from any Mortgagee shall not preclude the Owners granting a Mortgage to that Mortgagee as part of the Senior Finance Package.

45.4 The Charterers agree with the Owners to:

(a) acknowledge any notice of an assignment of this Charter and any other Transaction Document by way of security related to the Senior Finance Package; and

(b) (i) procure that any Sub-Charterer is sent a notice of any on-assignment of the rights of the Owners under the Charterers Assignment related to the Senior Finance Package executed in favour of the relevant Mortgagee; and

(ii) use best endeavours to procure that such Sub-Charterer signs any acknowledgement (in form and substance acceptable to that Sub-Charterer, the Owners and that Mortgagee).

45.5 The Charterers shall procure that each Approved Manager shall enter into a Manager's Undertaking (if required by the Owners and/or any Mortgagee) on substantially similar terms. Should any Approved Manager breach any of its obligations under the relevant Manager's Undertaking (and the same not be remedied within ten (10) Business Days of such breach), then the Charterers shall be obliged to terminate or procure the termination of the appointment of that Approved Manager and shall within a further ten (10) Business Days appoint a replacement Approved Manager. Upon the appointment of any replacement Approved Manager, the Charterers shall procure that such replacement Approved Manager shall enter into a Manager's Undertaking (if required by the Owners and/or any Mortgagee) on substantially similar terms to the Manager's Undertaking (save for logical amendments).

45.6 Subject to the Charterers' rights of quiet enjoyment under any quiet enjoyment letter and there being no additional costs to the Charterers, during the Charter Period the Owners may, subject to at least ten (10) Business Days' (or such shorter period as the Charterers may agree) prior written notice to the Charterers, procure:

(a) a change in their shareholding (including without limitation a sale of all their shares to another financial institution or leasing company engaged in a similar line of business); and/or

(b) a change in the registered ownership of the Vessel; and/or

(c) a transfer by novation by any of their rights and obligations under any of the Transaction Documents,

provided always that the Security Parties shall have no greater obligation or liability under the Transaction Documents as a result of such change in the registered ownership of the Vessel or transfer by novation, based on current laws in effect at the time of such change in the registered ownership of the Vessel or transfer by novation, than it would have had if such change in the registered ownership of the Vessel or transfer by novation had not taken place.

45.7 The Charterers agree and undertake, subject to there being no additional costs imposed on them, to enter into such usual documents and provide all necessary assistance as the Owners shall require to complete any change or transfer set out in Clause 45.6.

46. NOTICES

46.1 Communications in writing and addresses

Any notice, certificate, demand or other communication to be served, given made or sent under or in relation to this Charter shall be in English and in writing and (without prejudice to any other valid method or giving making or sending the same) shall be deemed sufficiently given or made or sent if sent by registered post or by email to the following respective addresses:

(a) in the case of the Owners:

Address:	c/o No.1 Building, No.99 East Jialingjiang Street, Nanjing, Jiangsu Province, P.R. China
Attention:	Zhang Xinhang / He Siwei / Jiang Lu
Email:	xinhang.zhang@jsleasing.cn / siwei.he@jsleasing.cn / lu.jiang@jsleasing.cn

(b) in the case of the Charterers:

Address:	c/o 26th Floor, Yardley Commercial Building, 1-6 Connaught Road West, Hong Kong
Attention:	Philip Tsoi / Teresa Chau
Email:	philip@jinhuiship.com / teresa@jinhuiship.com

or, if a Party changes their address, to such other address as that Party may notify to the other.

46.2 Delivery

(a) Any communication or document made or delivered by one person to another under or in connection with the Transaction Documents will be effective if by way of letter, only 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, and if a particular department or officer is specified as part of its address details provided under this Clause, if addressed to that department or officer.

(b) Notwithstanding paragraph (a) above, any communication or document to be made or delivered to the Owners will be effective only when actually received by them and then only if it is expressly marked for the attention of the department or officer identified with its signature below (or any substitute department or officer as it shall specify for this purpose).

(c) Any communication or document made or delivered to the Charterers in accordance with this Clause will be deemed to have been made or delivered to each of the Security Parties.

(d) Any communication or document which becomes effective, in accordance with paragraphs (a) to (c) above, after 5.00 p.m. in the place of receipt shall be deemed only to become effective on the following Business Day in the place of receipt.

46.3 Electronic communication

(a) Any communication to be made between any two Parties under or in connection with the Transaction Documents may be made by electronic mail or other electronic means (including by way of posting to a secure website) if those two Parties:

(i) notify each other in writing of their electronic mail address and/or any other information required to enable the transmission of information by that means; and

(ii) notify each other of any change to their address or any other such information supplied by them by not less than five (5) Business Days' notice.

(b) Any such electronic communication as specified in paragraph (a) above to be made between a Security Party and the Owners may only be made in that way to the extent that those two Parties agree that, unless and until notified to the contrary, this is to be an accepted form of communication.

(c) Any such electronic communication as specified in paragraph (a) above made between any two Parties will be effective only when actually received (or made available) in readable form and in the case of any electronic communication made by a Party to the Owners only if it is addressed in such a manner as the Owners shall specify for this purpose.

(d) Any electronic communication which becomes effective, in accordance with paragraph (c) above, after 5.00 p.m. in the place in which the Party to whom the relevant communication is sent or made available has its address for the purpose of this Charter shall be deemed only to become effective on the following Business Day in the place of receipt.

(e) Any reference in a Transaction Document to a communication being sent or received shall be construed to include that communication being made available in accordance with this Clause.

46.4 English language

(a) Any notice given under or in connection with any Transaction Document must be in English.

(b) All other documents provided under or in connection with any Transaction Document must be:

(i) in English; or

(ii) if not in English, and if so required by the Owners, 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.

46.5 Notice by the Charterers

The Owners may assume (unless they have received notice to the contrary) that any notice or request made by the Charterers is made on behalf of and with the consent and knowledge of all the Security Parties.

47. TERMINATION EVENTS

Each of the following shall constitute a Termination Event for purposes of this Charter:

(a) the Charterers or any other Security Party fails to make any payment on its due date under a Transaction Document to which it is a party;

(b) the Charterers fail to obtain and/or maintain the Insurances required under Clause 40 (*Insurance*) in accordance with the provisions thereof or any insurer in respect of such Insurances cancels the Insurances or disclaims liability with respect thereto;

(c) there is a Change of Control in breach of Clause 49.1(h);

(d) any requirement of clause 5 (*Financial covenants*) of the Corporate Guarantee is not satisfied;

(e) a Security Party or any of its Subsidiaries, directors, officers or Affiliates becomes a Sanctioned Person or is owned or controlled by, or acting directly or indirectly on behalf of or for the benefit of a Sanctioned Person or any Security Party is in breach of any of Clauses 49.1(i), 49.1(j) and 49.1(k);

(f) the Charterers or any other Security Party commits any other breach of, or omits to observe or perform, any of their other obligations or undertakings in this Charter or any other Transaction Document (other than a breach referred to in paragraph (a), (b), (c) or (d) above) unless such breach or omission is in the opinion of the Owners, remediable and the Charterers and/or the relevant Security Party remedy such breach or omission to the satisfaction of the Owners within ten (10) Business Days of the earlier of (i) the Owners giving notice to the Charterers and (ii) any Security Party becoming aware of the failure to comply;

(g) any representation or warranty or statement made or deemed to be made by the Charterers or any other Security Party in or pursuant to any Transaction Document to which it is a party or in any document or certificate furnished to the Owners in connection therewith or if applicable, in the case of the Charterers only, the Certificate of Delivery and Acceptance, proves to be incorrect or misleading in any material respect when it is made or deemed to be made unless such incorrect or misleading representation, warranty or statement is, in the opinion of the Owners, remediable and the Charterers and/or the relevant Security Party procure that it ceases to be incorrect or misleading in any material respect within ten (10) Business Days of the earlier of (i) the Owners giving notice to the Charterers and (ii) any Security Party becoming aware of the breach of representation or warranty or statement;

(h) any of the following occurs in relation to any Financial Indebtedness of the Charterers or any other Security Party:

(i) any Financial Indebtedness of the Charterers or any other Security Party is not paid when due nor within any originally applicable grace period; or

(ii) any Financial Indebtedness of the Charterers or any other Security Party is declared to be or otherwise becomes due and payable, prior to its specified maturity date as a result of any event of default (howsoever described); or

(iii) any commitment for any Financial Indebtedness of the Charterers or any other Security Party is cancelled or suspended by a creditor of the Charterers or such other Security Party (as the case may be) as a result of an event of default (however described); or

(iv) any creditor of the Charterers or any other Security Party becomes entitled to declare any Financial Indebtedness of the Charterers or any other Security Party (as the case may be) due and payable prior to its specified maturity as a result of an event of default (howsoever defined);

(i) any of the following events (or any analogous procedure or step is taken in any jurisdiction) occurs in relation to the Charterers or any other Security Party:

(i) the Charterers or any other Security Party is or is presumed or deemed to be unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness;

(ii) the value of the assets of the Charterers or any other Security Party (other than the Shareholder) is less than their liabilities (taking into account contingent and prospective liabilities);

(iii) a moratorium is declared in respect of any indebtedness of the Charterers or any other Security Party;

(iv) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration, provisional supervision or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Charterers or any other Security Party or any analogous procedure or step is taken in any jurisdiction;

(v) a composition or arrangement with any creditor of the Charterers or any other Security Party, or any assignment for the benefit of creditors generally of the Charterers or any other Security Party or a class of such creditors or any analogous procedure or step is taken in any jurisdiction;

(vi) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager, provisional supervisor or other similar officer in respect of the Charterers or any other Security Party or any of its assets or any analogous procedure or step is taken in any jurisdiction;

(vii) enforcement of any Security Interest over any assets of the Charterers or any other Security Party or any analogous procedure or step is taken in any jurisdiction; or

(viii) any expropriation, attachment, sequestration, distress or execution (or any analogous process in any jurisdiction) affects any asset or assets of the Charterers or any other Security Party; or

(j) the Charterers or any other Security Party suspends or ceases or threatens to suspend or cease carrying on all or a material part of its business; or

(k) any consent, approval, Authorisation, license or permit necessary to enable the Charterers to operate, charter or sell the Vessel or to enable the Charterers or any other Security Party to comply with any provision of this Charter or any other Transaction Document, as the case may be, to ensure that the obligations of the Charterers or any other Security Parties are legal, valid, binding or enforceable is not granted, expires without being renewed, is revoked or becomes liable to revocation or any material condition of such a consent, approval, Authorisation, license or permit is not fulfilled;

(l) any event or circumstance occurs which has or, in the opinion of the Owners, is likely to have a Material Adverse Effect;

(m) this Charter or any other Transaction Document or any Security Interest created by a Transaction Document:

(i) is cancelled, terminated, rescinded or suspended or otherwise ceases to remain in full force and effect for any reason or no longer constitutes legal, valid, binding and enforceable obligations of any party to that document for any reason whatsoever; or

(ii) is amended or varied without the prior written consent of the Owners, except for any amendment or variation which is expressly permitted by this Charter or any other relevant Transaction Document;

(n) a Security Party rescinds or purports to rescind or repudiates or purports to repudiate a Transaction Document to which it is a party or any other party of any of those Transaction Documents evinces an intention to repudiate or rescind any of those Transaction Documents;

(o) it is or has become unlawful for the Charterers or any other Security Party to perform any of their obligations under the Transaction Documents to which they are a party or any Security Interest created or expressed to be created or evidenced by the Security Documents to which they are a party ceases to be effective with the ranking and priority it is expressed to have; or

(p) the Vessel is not delivered by the Cancelling Date;

(q) the Charterers fail to deliver to the Owners any condition subsequent set out in Schedule 4 (*Conditions Subsequent*) in a form and substance satisfactory to the Owners within the time periods permitted therein (or such later date as the Owners may agree); or

(r) the occurrence of any of the following:

(i) any Collateral Termination Event; or

(ii) any default under the MOA which is not unconditionally waived by the Owners.

48. REPRESENTATIONS AND WARRANTIES

48.1 The Charterers represent and warrant to the Owners as of the date hereof, and (in respect of the Repeating Representations only) on each day henceforth until the last day of Charter Period, as follows:

(a) each Security Party is duly incorporated and validly existing and, where applicable, in good standing under the laws of its jurisdiction of its incorporation;

(b) each Security Party has the corporate capacity, and has taken all corporate action and obtained all material consents, approvals, Authorisations, licenses or permits necessary for it:

(i) to execute and exercise its rights in each of the Transaction Documents to which it is a party;

(ii) to comply with and perform its obligations under each of the Transaction Documents to which it is a party;

(iii) to make the Transaction Documents to which it is a party admissible in evidence in its Relevant Jurisdiction;

(iv) for each Security Party to carry on its business, and which are material; and

(v) to enable each Security Party to create the Security Interest to be created by it under any Security Document to which it is a party and to ensure that such Security Interest has the priority and ranking it is expressed to have;

(c) all the consents, approvals, Authorisations, licenses or permits referred to in paragraph (b) above remain in force and nothing has occurred which makes any of them liable to revocation;

(d) subject to the Legal Reservations, each of the Transaction Documents to which a Security Party is a party constitutes such Security Party's legal, valid and binding obligations enforceable against such Security Party in accordance with its respective terms;

(e) other than the Permitted Security Interests, no third party has any Security Interest or any other interest, right or claim over, in or in relation to the Vessel, this Charter or any moneys payable hereunder and/or any of the other Transaction Documents;

(f) all payments which a Security Party is liable to make under any Transaction Document to which such Security Party is a party may be made by such Security Party without deduction or withholding for or on account of any Tax;

(g) no legal or administrative action of any kind whatsoever involving a Security Party has been commenced or taken;

(h) each Security Party has paid all taxes applicable to, or imposed on or in relation to it, its business or if applicable, the Vessel, except for those being contested in good faith with adequate reserves;

(i) the choice of governing law as stated in each Transaction Document to which a Security Party is party to and the agreement by such Security Party to refer disputes to the relevant courts or tribunal as stated in such Transaction Document will be recognised and enforced in the Relevant Jurisdictions of such Security Party;

(j) no Security Party nor any of its assets are entitled to immunity on the grounds of sovereignty or otherwise from any legal action or proceeding (which shall include suit, attachment prior to judgment, execution or other enforcement);

(k) the obligations of each Security Party under each Transaction Document to which it is a party, are the direct, general and unconditional obligations of such Security Party and rank at least *pari passu* with all other present and future unsecured and unsubordinated creditors of such Security Party save for any obligation which is mandatorily preferred by law and not by virtue of any contract;

(l) no Security Party has established a place of business in the United Kingdom and no Security Party (other than the Charterers and the Collateral Charterers) is registered as a non-Hong Kong company under the Companies Ordinance (Cap. 622 of the Laws of Hong Kong);

(m) no Security Party nor any of its Subsidiaries, directors, officers or Affiliates is a Sanctioned Person or are owned or controlled by, or acting directly or indirectly on behalf of or for the benefit of a Sanctioned Person and none of such persons owns or controls a Sanctioned Person;

(n) neither the Charterers nor any other Security Party is insolvent or in liquidation or administration or subject to any other formal or informal insolvency procedure, and no receiver, administrative receiver, administrator, liquidator, trustee or analogous officer has been appointed in respect of the Charterers or any other Security Party or all or material part of their respective assets;

(o) no Termination Event is continuing or might reasonably be expected to result from the entry into and performance of this Charter or any other Transaction Document;

(p) subject to any qualification (if applicable) set out in such information, any information provided by the Charterers or any other Security Party (or on their behalf) to the Owners was true and accurate in all material respects as at the date it was provided or as the date at which such information was stated;

(q) (i) the financial statements of the Charterers and the Corporate Guarantor most recently supplied to the Owners (which, in the case of the Corporate Guarantor and at the date of this Charter, are their Original Financial Statements) were prepared in accordance with GAAP consistently applied save to the extent expressly disclosed in such financial statements;

(ii) the financial statements of the Charterers and the Corporate Guarantor most recently supplied to the Owners (which, in the case of the Corporate Guarantor and at the date of this Charter, are their Original Financial Statements) give a true and fair view of (if audited) or fairly represent (if unaudited) their financial condition and operations (consolidated in the case of the Corporate Guarantor) for the period to which they relate, save to the extent expressly disclosed in such financial statements; and

(iii) there has been no material adverse change in the business or financial condition of the Charterers (or the business or consolidated financial condition of the Group, in the case of the Corporate Guarantor) since the date of their Original Financial Statements;

(r) no Security Party is in breach of any Sanctions or any laws or regulations (including the operation, management and registration of the Vessel) and in particular it has complied with all Sanctions and Anti-Money Laundering Laws and each of the Security Parties has instituted and maintains systems, controls, policies and procedures designed to detect and prevent incidences of money laundering and promote and achieve compliance with Sanctions and Anti-Money Laundering Laws; and for the purpose of complying with Anti-Money Laundering Law of the PRC (中华人民共和国反洗钱法), Rules of the People's Bank of China on Anti-Money Laundering by Financial Institutions (中国人民银行金融机构反洗钱规定) and Measures of the People's Bank of China on Administration of Reporting of High Value Transactions and Suspicious Transactions by Financial Institutions (金融机构大额交易和可疑交易报告管理办法) and other relevant laws and regulations of the PRC:

(i) all the identity documents provided by the Charterers are true and valid in all respects;

(ii) there is no possibility for the Charterers, the Shareholder, the controller and the beneficiary owner of the Charterers or any counterparty involved in any of the Charterers' business activities to participate in any anti-money laundering activities; and

(iii) sources of all the funds utilised by the Charterers or the Collateral Charterers for payments to the Owners are legitimate and lawful and in compliance with the Anti-Money Laundering Law of the PRC and other relevant laws and regulations of the PRC;

(s) no Security Party is a US Tax Obligor;

(t) the Charterers are (i) wholly legally and beneficially owned and (ii) controlled by the Shareholder;

(u) the Shareholder is (i) wholly legally and beneficially owned and (ii) controlled by the Corporate Guarantor; and

(v) the Corporate Guarantor is controlled by JHCL.

48.2 For the purpose of Clause 48.1, **"Repeating Representations"** means each of the representations set out in Clause 48.1 (except paragraph (f)).

49. CHARTERERS' UNDERTAKINGS

The Charterers undertake that they shall comply or procure compliance with the following undertakings commencing from the date hereof and up to the last day of the Charter Period:

49.1 General Covenants

(a) they will, and will procure that each other Security Party will obtain and promptly renew or procure the obtainment or renewal of and provide copies of, from time to time, any necessary consents, approvals, Authorisations, licenses or permits of any regulatory body or authority required under any law or regulation of a Relevant Jurisdiction of the Charterers or such other Security Party (i) to enable the Charterers or such other Security Party to perform its obligations under each Transaction Document to which it is a party (including to sell, charter and operate the Vessel) and (ii) to ensure the legality, validity, enforceability or admissibility in evidence of any Transaction Document to which the Charterers or such other Security Party is subject;

(b) they will not, and will procure that each other Security Party will not, create, assume or permit to exist any Security Interest of any kind upon any Transaction Document to which they or such other Security Party is a party, and if applicable, the Vessel, in each case other than Permitted Security Interests;

(c) they will at their own cost, and will procure that each other Security Party will:

(i) do all that they or such other Security Party reasonably can to ensure that any Transaction Document to which they or such other Security Party is a party validly creates the obligations and the Security Interests which they or such other Security Party purports to create; and

(ii) without limiting the generality of paragraph (c)(i) above, promptly register, file, record or enrol any Transaction Document to which they or such other Security Party is a party with any court or authority in all their or such other Security Party's Relevant Jurisdictions, pay any stamp, registration or similar tax in all their or such other Security Party's Relevant Jurisdictions in respect of any Transaction Document to which they or such other Security Party is a party, give any notice or take any other step which, is or has become necessary or desirable for any such Transaction Document to be valid, enforceable or admissible in evidence or to ensure or protect the priority of any Security Interest which they or such other Security Party creates;

(d) they shall ensure that no Security Party will enter or be permitted to enter, into any form of merger, sub-division, amalgamation or other reorganisation or change of ownership;

(e) they shall not appoint or permit to be appointed any manager of the Vessel unless it is an Approved Manager and appointed on terms acceptable to the Owners and their financiers (if any) and such Approved Manager has (prior to or immediately upon accepting its appointment) entered into a Manager's Undertaking;

(f) they shall not create, incur, assume, suffer to exist or in any manner become or remain liable for any Financial Indebtedness, other than:

(i) Financial Indebtedness normally associated with the day to day operation of the Vessel, or otherwise in the normal course of business (including any credit granted by an Approved Manager under any of the Management Agreements);

(ii) Financial Indebtedness under the Transaction Documents; and

(iii) Financial Indebtedness, including all shareholders' and intercompany loans or advances, which by its terms is subordinate and subject in right of payment to the prior payment in full of the Financial Indebtedness under or pursuant to the Transaction Documents, as provided in paragraph (g) below or as otherwise evidenced by a subordination deed in form and substance satisfactory to the Owners;

(g) they shall ensure that all shareholder's and intercompany loans and advances to the Charterers from time to time made by the Corporate Guarantor or any other member of the Group to the Charterers:

(i) are and shall be subordinated in all respects to all amounts owing and which may in future become owing by the Charterers under this Charter and the other Transaction Documents;

(ii) shall not be repaid or be subject to payment of interest (although interest may accrue) unless there remains a cash surplus after payment of an instalment of Charterhire;

(iii) are and shall remain unsecured by any Security Interest over the whole or any part of the assets of the Charterers; and

(iv) are not and shall not be capable of becoming subject to any right of set-off or counterclaim;

(h) they shall ensure that no Change of Control occurs unless with the prior written consent of the Owners;

(i) they shall, and shall procure that each other Security Party (including to procure the respective officers, directors of the relevant entity to do the same) shall:

(i) comply with all Sanctions and Anti-Money Laundering Laws;

(ii) maintain systems, controls, policies and procedures designed to promote and achieve ongoing compliance with Sanctions and Anti-Money Laundering Laws;

(iii) in respect of the Sellers, not use, or permit or authorise any person to directly or indirectly use the Purchase Price for any purpose that would breach any Sanctions or Anti-Money Laundering Laws; and

(iv) provide to the Owners all the identity documents, transaction records and receipts and documents in respect of high value and suspicious transactions which are required by the Owners for the purpose of complying with the Anti-Money Laundering Law of the PRC (中华人民共和国反洗钱法) and other relevant laws and regulations of the PRC and cooperate with the Owners in any anti-money laundering due diligence;

(j) they shall procure the Sellers not lend, invest, contribute or otherwise make available any part of the Purchase Price to or for any other person in a manner which would result in a violation of any Sanctions or Anti-Money Laundering Laws;

(k) they shall, and shall procure that each other Security Party will, promptly notify the Owners of any non-compliance, by the Charterers or any other Security Party or their respective officers and directors with all laws and regulations relating to Sanctions or Anti-Money Laundering Laws and provide all information (once available) in relation to their respective business and operations which may be relevant for the purposes of ascertaining whether they or any other Security Party are in compliance with such laws;

(l) they shall not declare or pay any dividends, charges, fees and other distributions following the occurrence of a Termination Event which is continuing; and

(m) they shall procure that all Earnings are paid directly to the Earnings Account and shall provide the Owners with bank statements of the Earnings Account and all such information or as the Owners shall from time to time reasonably require in respect of the Earnings Account.

49.2 Information covenants

(a) they will, and shall procure that each other Security Party will, notify the Owners as soon as any of them becomes aware of the occurrence of any Potential Termination Event or Termination Event and will keep the Owners fully up-to-date with all developments and the Charterers will, if so requested by the Owners, provide any such certificate signed by their director, confirming that there exists no Potential Termination Event or Termination Event;

(b) they will, and shall procure that each other Security Party will, as soon as practicable after receiving the request, provide the Owners with any additional financial or other information relating:

(i) to themselves, any other Security Party and/or the Vessel (including, but not limited to the condition, location, earnings and insurances of the Vessel); or

(ii) to any other matter relevant to, or to any provision of any Transaction Document to which they are respectively a party;

which may be reasonably requested by the Owners (or their financiers (if any)) at any time;

(c) they will provide the Owners with all such information or as the Owners shall from time to time reasonably require regarding employment, and engagements, particulars of all towages and salvages of the Vessel, voyage records, and copies of all charters and other contracts of her employment or otherwise howsoever concerning her;

(d) they will notify the Owners immediately of:

(i) any Environmental Claim made against the Charterers or any Sub-Charterer in connection with the Vessel, or any Environmental Incident, arrest or detention of the Vessel, any exercise or purported exercise of any lien on the Vessel, the Earnings or any requisition of the Vessel for hire; and

(ii) any casualty or occurrence as a result of which the Vessel has become or is, by the passing of time or otherwise, likely to become, a Major Casualty;

(e) they shall, and shall procure that each other Security Party will, comply with all laws and regulations (including all laws and regulations in respect of Taxes);

(f) they shall not, and shall procure that no other Security Party will, directly or indirectly, use the proceeds of the Purchase Price or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner, Affiliate or any other person, to (i) fund any activities or business of or with any person, in any country or territory that at the time of such funding is a Sanctioned Person or Sanctioned Country, or (ii) in any other manner or for a purpose that would result in a violation of Sanctions by any Security Party or the Owners and any of their Affiliates;

(g) without prejudice to paragraph (f) above, they shall, and shall procure that each Security Party (to procure the respective officers, directors to do the same) will, comply with all laws and regulations in respect of Sanctions, and in particular, they shall effect and maintain a sanctions compliance policy and appropriate safeguards designed to prevent any action that would be contrary to Clause 48.1(m) and to ensure compliance with all such laws and regulations implemented from time to time;

(h) they shall not permit or authorise any other person to utilise or employ the Vessel to any Subsidiary, joint venture partner, any Affiliate or any other person to fund any trade, business or other activities:

(i) involving or for the benefit of any Sanctioned Person or Sanctioned Country; or

(ii) in any other manner that would reasonably be expected to result in any Security Party, the Owners or any financier of the Owners being in breach of any Sanctions or become a Sanctioned Person;

(i) they shall, and shall procure that each other Security Party will, upon the Owners' reasonable request, promptly notify the Owners and provide all information in relation to their respective business and operations which may be relevant for the purposes of ascertaining whether they are in compliance with all laws and regulations (including all laws and regulations relating to Sanctions and Taxes), and in particular, they shall notify the Owners in writing immediately upon being aware that any of its shareholders or directors, officers of employees is a Sanctioned Person or has otherwise become a target of Sanctions;

(j) they shall, or shall procure that each other Security Party will provide the Owners with details of any legal or administrative action or litigation or arbitration involving any Security Party or the Vessel or any detention or arrest of the Vessel or any damage to or alteration of the Vessel in excess of the Major Casualty amount as soon as such action is instituted or it becomes apparent to the Charterers or such other Security Party that it is likely to be instituted and is likely to have a Material Adverse Effect on the ability of any Security Party to perform its obligations under each Transaction Document to which it is a party;

(k) they shall supply to the Owners:

(i) as soon as the same become available, but in any event within one hundred and eighty (180) days after the end of each of their financial years:

(A) the audited consolidated financial statements of the Corporate Guarantor for that financial year; and

(B) the unaudited financial statements of the Charterers for that financial year; and

(ii) as soon as the same become available, but in any event within ninety (90) days after the end of each of their financial half years:

(A) the unaudited consolidated financial statements of the Corporate Guarantor for that financial half year; and

(B) the unaudited financial statements of the Charterers for that financial half year;

(l) (i) they shall supply to the Owners, with each set of financial statements delivered pursuant to paragraphs (k) above, a Compliance Certificate setting out (in reasonable detail) computations as to compliance with clause 5 (Financial covenants) of the Corporate Guarantee as at the date as at which those financial statements were drawn up.

(ii) each Compliance Certificate delivered pursuant to paragraph (l)(i) above shall be in the form agreed by the Corporate Guarantor and the Owners before the date of this Charter;

(m) (i) each set of financial statements delivered by the Charterers pursuant to paragraph (k) above shall be certified by an auditor (in the case of paragraph (k)(i)) above, or a director or officer of the relevant company (in the case of paragraph (k)(ii) above), as giving a true and fair view of (in the case of any such financial statements which are audited) or fairly representing (in the case of any such financial statements which are unaudited) their financial condition and operations (or, in the case of the Corporate Guarantor, its consolidated financial condition and operations) as at the date of and for the period in relation to which those financial statements were drawn up; and

(ii) the Charterers shall procure that each set of financial statements delivered pursuant to sub-paragraph (i) above is prepared using GAAP, the accounting practices and financial reference periods consistent with those applied in the preparation of the relevant Original Financial Statements unless, in relation to any set of financial statements, they notify the Owners that there has been a change in GAAP, the accounting practices or financial reference periods and the auditors of the Charterers or the Corporate Guarantor (as the case may be) deliver to the Owners:

(A) a description of any change necessary for those financial statements to reflect GAAP, the accounting practices and financial reference periods upon which the relevant Original Financial Statements were prepared; and

(B) sufficient information, in form and substance as may be reasonably required by the Owners, to enable the Owners to determine whether clause 5 (*Financial covenants*) of the Corporate Guarantee has been complied with and make an accurate comparison between the financial position indicated in those financial statements and the relevant Original Financial Statements;

(n) they shall supply to the Owners a quarterly vessel operation report covering details including, but not limited to, the Vessel's status and conditions, maintenance and repair status, income and operating cost and an annual operating budget or forecast of the Vessel;

(o) they will supply to the Owners any additional financial or other information relating to themselves and the other Security Parties and/or the Vessel (including, but not limited to the condition and location of the Vessel and its earnings and insurances) reasonably requested by the Owners; and

(p) they shall supply to the Owners all information relating to any "know your customer" or other regulatory checks required to be carried out by the Owners.

49.3 Vessel covenants

(a) they shall keep the Vessel registered under the laws and flag of the flag state stated in Box 5 on demise charter registration basis in the name of the Owners as legal and beneficial owner of the Vessel and themselves as demise charterer of the Vessel, and shall not do or permit to be done anything, or omit to do anything which could or might result in:

(i) such registration being forfeited or imperilled; or

(ii) the Vessel being required to be registered under any other law or flag,

and save with the prior written consent of the Owners (such consent not to be unreasonably withheld or delayed), the Charterers shall not register the Vessel or permit her registration under any other law or flag;

(b) they shall not:

(i) permit any chartering of the Vessel on a bareboat charter basis without the prior written consent of the Owners (except as may be expressly permitted under this Charter); or

(ii) enter into any time, voyage or consecutive voyage charter in respect of the Vessel for a period exceeding twelve (12) months (including any optional extensions thereto), other than under a Sub-Charter and provided that as a condition precedent to the execution of any such Sub-Charter, the Charterers shall:

(A) provide the Owners with prior written notice of such Sub-Charter together with information about the intended Sub-Charterer of such Sub-Charter and proposed terms of the Sub-Charter and any further information which the Owners may reasonably request; and

(B) assign all their rights and interests under such Sub-Charter under the Charterers Assignment and shall procure that the relevant Sub-Charterer gives a written acknowledgment of such assignment, each in form and substance acceptable to the Owners and provide such documents as the Owners may reasonably require regarding the due execution of such Sub-Charter and any pertinent ancillary document;

(c) they shall ensure that the Vessel shall be classed and maintained in the highest class with the Classification Society and shall be free of all overdue recommendations, requirements and qualifications affecting class and they shall promptly provide class records of the Vessel upon request to the Owners;

(d) they shall:

(i) permit the Owners (at the reasonable expense of the Charterers) by surveyors or other persons appointed by them for such purpose to board the Vessel at all reasonable times for the purpose of inspecting her once every twelve (12) months during the Charter Period at the cost of the Charterers provided that if a Termination Event has occurred and is continuing the Owners shall be entitled to carry out such inspection at any time as they shall think fit;

(ii) provide all proper facilities for such inspections; and

(iii) give the Owners reasonable advance notice of any intended dry-docking of the Vessel (whether for the purpose of classification, survey or otherwise);

(e) they shall comply, or procure compliance, and shall procure that each other Security Party and any manager of the Vessel will, comply or procure compliance, with all laws or regulations relating to the Vessel and her ownership, employment, operation, management and registration, including the ISM Code, the ISPS Code, the Maritime Labour Convention, all Environmental Laws and the laws of the Vessel's registry;

(f) they shall ensure that the Vessel will not be employed, operated or managed in any manner which:

(i) is contrary to any Sanctions and in particular, the Vessel shall not be used by or for the benefit for any party which is a target of Sanctions, or be used directly or indirectly in trading or otherwise going to, or calling at, any port or other facility in any Sanctioned Country; or

(ii) would trigger the operation of any sanctions limitation or exclusion clause in any insurance documentation;

(g) they shall (at their own expense) replace or renew any equipment of the Vessel as shall be so damaged or worn as to be unfit for use and which needs to be replaced or renewed for the Vessel to maintain its class, if applicable and title to any part replaced or renewed shall remain with the Owners, to the extent that it belonged to it in the first place;

(h) they shall deliver or procure the delivery to the Owners of one (1) valuation report:

(i) once every twelve (12) months during the Charter Period (each such valuation report to be provided at the Charterers' cost); and

(ii) at such other times as the Owners may require in their absolute discretion (provided that each such additional valuation report to be at the costs of the Charterers or their nominee(s) if a Termination Event has occurred);

(i) they shall ensure that:

(i) in order to determine the Market Value on a Test Date for the purposes of testing the Value Maintenance Ratio, the Market Value shall be determined by the Owners to be the valuation from the latest valuation report obtained in accordance with Clause 49.3(h);

(ii) if, after conducting the Value Maintenance Ratio test on the relevant Test Date, the Owners determine that the Value Maintenance Ratio is less than the Value Maintenance Threshold, then the Owners shall notify the Charterers and the Charterers shall, within thirty (30) days of such notification, provide cash collateral in the amount of the shortfall (the **"Cash Collateral"**) and deposit the same in the account designated by the Owners in order to restore the Value Maintenance Ratio to comply with the Value Maintenance Threshold; and

(iii) any Cash Collateral paid to the Owners in accordance with paragraph (ii) above is non-refundable and shall be utilised by the Owners to set off the Charterhire due on the next immediate Payment Date and (in case of surplus remaining) each subsequent Payment Date provided that nothing in this sub-paragraph (iii) shall excuse the Charterers from their obligation to make all payment due to the Owners on the due dates; and

(j) they will ensure that the Purchase Price will be utilised solely for enabling the Sellers to finance the leasing and/or purchase of other vessels in relation to their business and operation.

50. SALE OF THE VESSEL

50.1 Completion of the Purchase Option or, as the case may be, the Purchase Obligation shall take place on the Purchase Option Date or, as the case may be, the Purchase Obligation Date, whereupon the Owners will sell to the Charterers, and the Charterers will purchase from the Owners, all the legal and beneficial interest and title in the Vessel for the Purchase Option Price or, as the case may be, the Purchase Obligation Price, on an "as is where is" basis and on the following terms and conditions:

(a) the Charterers expressly agree and acknowledge that, no condition, warranty or representation of any kind is or has been given by or on behalf of the Owners in respect of the Vessel or any part thereof, and accordingly the Charterers confirm that that they have not, in entering into this Charter, relied on any condition, warranty or representation by the Owners or any person on the Owners' behalf, express or implied, whether arising by law or otherwise in relation to the Vessel or any part thereof, including, warranties or representations as to the description, suitability, quality, merchantability, fitness for any purpose, value, state, condition, appearance, safety, durability, design or operation of any kind or nature of the Vessel or any part thereof, and the benefit of any such condition, warranty or representation by the Owners is hereby irrevocably and unconditionally waived by the Charterers to the extent permissible under applicable law, the Charterers hereby also waive any rights which they may have in tort in respect of any of the matters referred to above and irrevocably agree that the Owners shall have no greater liability in tort in respect of any such matter than they would have in contract after taking account of all of the foregoing exclusions. No third party making any representation or warranty relating to the Vessel or any part thereof are the agents of the Owners nor has any such third party authority to bind the Owners thereby. Notwithstanding anything contained above, nothing contained herein is intended to obviate, remove or waive any rights or warranty or other claims relating thereto which the Charterers or the Owners may have against the manufacturer or supplier of the Vessel or any third party;

(b) the Vessel shall be free from any registered mortgage incurred by the Owners (save for those mortgages, liens, Security Interests and debts incurred by the Charterers arising out of or in connection with the Charter or the Transaction Documents);

(c) the Purchase Option Price or, as the case may be, the Purchase Obligation Price shall be paid by (or on behalf of) the Charterers to the Owners on the Purchase Option Date or, as the case may be, the Purchase Obligation Payment Date together with unpaid amounts of Charterhire but only up to and including the Purchase Option Price or, as the case may be, the Purchase Obligation Payment

Date, and other moneys owing by or accrued or due from the Charterers or any other Security Party under this Charter or any other Transaction Document on or prior to such Purchase option Date or, as the case may be, the Purchase Obligation Payment Date which remains unpaid; and

(d) upon the Purchase Option Price or, as the case may be, the Purchase Obligation Price being irrevocably paid to the Owners in full on, and in accordance with, the terms set forth in this Charter, the Owners agree (at the cost of the Charterers) to, on the Purchase Option Price or, as the case may be, the Purchase Obligation Date, (i) execute a bill of sale in favour of the Charterers in a form registrable with the ship registry of Hong Kong (or such other flag state as the Charterers shall reasonably request) and (ii) enter into a protocol of delivery and acceptance for the sale and delivery of the Vessel to the Charterers in such form as may reasonably be determined by the Owners.

51. PURCHASE OPTION

51.1 The Owners hereby grant to the Charterers a purchase option to require the Owners to sell all of the Owners' beneficial and legal right, title and interest in the Vessel to the Charterers on the Purchase Option Date and at the applicable Purchase Option Price upon the terms and conditions of this Charter.

51.2 Subject to the other terms and conditions of this Charter, the Purchase Option shall only be exercisable by the Charterers if:

(a) the Purchase Option Date falls within the Purchase Option Period;

(b) no Potential Termination Event or Termination Event has occurred and is continuing; and

(c) no Total Loss has occurred.

51.3 The Purchase Option may be exercised by the Charterers by giving the Owners at least sixty (60) days' prior written notice of their intention to exercise the Purchase Option unless otherwise agreed by the Owners in their absolute discretion (the **"Purchase Option Notice"**).

51.4 The Purchase Option Notice shall be signed by a duly authorised officer or attorney of the Charterers and specify the proposed Purchase Option Date. The Charterers may serve the Purchase Option Notice at any time throughout the Purchase Option Period and is irrevocable once given.

51.5 Upon the exercise of the Purchase Option, the Owners and the Charterers shall thereupon perform their respective obligations referred to in Clause 50 (*Sale of the Vessel*) and the applicable Purchase Option Price and other costs and expenses reasonably incurred for the sale of the Vessel shall be paid by the Charterers on the Purchase Option Date.

52. PURCHASE OBLIGATION

52.1 The Charterers hereby agree that they are obliged and required to purchase all of the Owners' beneficial and legal right, title and interest in the Vessel and all belonging to her on the Purchase Obligation Date whereupon the Owners and the Charterers shall perform their obligations referred to in Clause 50 (*Sale of the Vessel*) and the Charterers shall be obliged to pay the Purchase Obligation Price on the Purchase Obligation Payment Date unless this Charter is terminated before the natural expiration or the Owners and the Charterers agree otherwise.

53. EMISSION SCHEME, EU ETS, EU MRV AND FUEL EU MARITIME

(a) The Charterers agree and acknowledge that the Owners are not operating the Vessel and the liability to surrender any Emission Allowances in respect of the Vessel under any applicable Emission Scheme shall lie with the Charterers and/or any other organisation or person whom the Charterers have contractually agreed to take over all duties and responsibilities (including any Manager or any Sub-Charterer) imposed by the ISM Code.

(b) Accordingly, the Charterers:

(i) shall or shall procure that any other organisation or person whom the Charterers have contractually agreed to take over all duties and responsibilities imposed by the ISM Code (including any Manager or any Sub-Charterer) will:

(A) surrender any Emission Allowances in respect of the Vessel under any applicable Emission Scheme;

(B) promptly upon the Owners' request, provide and submit such signed mandate letter in the form required by the Owners and the relevant authority and provide any other information and documents as required by the Owners and/or the relevant authority in relation to any applicable Emission Scheme; and

(C) fulfil all obligations which may be imposed on the Owners as registered owner of the Vessel by the MARPOL Carbon Intensity Regulations;

(ii) without prejudice to the foregoing paragraph, in relation to EU ETS:

(A) if the Vessel sails into any European Union ports, shall or shall procure that any other organisation or person whom the Charterers have contractually agreed to take over all duties and responsibilities imposed by the ISM Code (including any Manager or any Sub-Charterer) register the Vessel as part of a

"Shipping Company" as required under EU ETS and shall comply in all respects with EU ETS and Fuel EU Maritime;

(B) if required by the Owners, provide a letter in a format to be acceptable to the Owners confirming that they have assumed responsibility for the operation of the Vessel and have indemnified the Owners of all liabilities under EU ETS and Fuel EU Maritime (the **"ETS and Fuel EU Maritime Letter"**);

(C) if required by the Owners, shall enter and shall procure that any other organisation or person whom the Charterers have contractually agreed to take over all duties and responsibilities imposed by the ISM Code (including any Manager or any Sub-Charterer) enters an agreement with the Owners setting out how the parties will co-operate to exchange, review and analyze all relevant Emissions Data and information relating to the ETS and Fuel EU Maritime as required to enable the parties to ensure compliance with the EU ETS and Fuel EU Maritime in accordance with the parties' obligations under this Clause 53 (the "**ETS and Fuel EU Maritime Agreement**"); and

(D) shall submit the ETS and Fuel EU Maritime Letter to the relevant administering authority upon registration of the Vessel pursuant to EU ETS and shall promptly provide the Owners (which shall be no later than five (5) days of the Owners' demand) with evidence of such submission and registration; and

(iii) shall (and it shall procure that each Manager and each Sub-Charterer shall):

(A) co-operate and exchange all relevant Emissions Data and information with each other in a timely manner to:

(1) facilitate compliance by the Charterers and any other Emission Scheme Participant with any applicable Emission Scheme; and

(2) enable the Charterers and any other Emission Scheme Participant to calculate the amount of Emission Allowances in respect of the Vessel which are required to be surrendered to the relevant Emission Scheme Authority for that Emission Scheme during the Charter Period; and

(B) promptly supply to the relevant Emission Scheme Authority relating to any applicable Emission Scheme with all relevant documents (including without limitation, any relevant mandating documents required in connection with surrendering the relevant Emission Allowances to the relevant Emission Scheme Authority relating to the relevant Emission Scheme) required to be provided to such Emission Scheme Authority relating to such Emission Scheme,

and to do all such things necessary or advisable to ensure that the Owners, the Charterers, each Emission Scheme Participant and the Vessel will be in compliance with all Environmental Laws.

54. TAX GROSS-UP AND INDEMNITIES

54.1 Tax definitions

(a) In this Clause 51:

"Tax Credit" means a credit against, relief or remission for, or repayment of any Tax.

"Tax Deduction" means a deduction or withholding for or on account of Tax from a payment under a Transaction Document, other than a FATCA Deduction.

"Tax Payment" means an increased payment made by a Security Party to the Owners under Clause 54.2 (*Tax gross-up*) or a payment under Clause 54.3 (*Tax indemnity*).

(b) Unless a contrary indication appears, in this Clause 51 a reference to **"determines"** or **"determined"** means a determination made in the absolute discretion of the person making the determination.

54.2 Tax gross-up

(a) All payments to be made by a Security Party to the Owners under the Transaction Documents shall be made free and clear of and without any Tax Deduction unless such Security Party is required to make a Tax Deduction, in which case the sum payable by such Security Party (in respect of which such Tax Deduction is required to be made) shall be increased to the extent necessary to ensure that the Owners receive a sum net of any deduction or withholding equal to the sum which they would have received had no such Tax Deduction been made or required to be made.

(b) The Charterers shall promptly upon becoming aware that a Security Party must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Owners accordingly. Similarly, the Owners shall notify the Charterers on becoming so aware in respect of a payment payable to the Owners.

(c) If a Security Party is required to make a Tax Deduction, that Security Party shall, and the Charterers shall ensure that Security Party will, make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by law.

(d) Within fifteen (15) days of making either a Tax Deduction or any payment required in connection with that Tax Deduction, the Charterers shall deliver to the Owners evidence reasonably satisfactory to the Owners that the Tax Deduction has been made or (as applicable) any appropriate payment has been paid to the relevant taxing authority.

54.3 Tax indemnity

(a) Without prejudice to Clause 54.2 (*Tax gross-up*), if the Owners are required to make any payment of or on account of Tax on or in relation to any sum received or receivable under the Transaction Documents (including any sum deemed for the purposes of Tax to be received or receivable by the Owners whether or not actually received or receivable) or if any liability in respect of any such payment is asserted, imposed, levied or assessed against the Owners, the Charterers shall, within three (3) Business Days of demand by the Owners, promptly indemnify the Owners against such payment or liability, together with any interest, penalties, costs and expenses payable or incurred in connection therewith, provided that this Clause 54.3 shall not apply to:

(i) any Tax imposed on and calculated by reference to the net income actually received or receivable by the Owners (but, for the avoidance of doubt, not including any sum deemed for the purposes of Tax to be received or receivable by the Owners but not actually receivable) by the jurisdiction in which the Owners are incorporated; or

(ii) a FATCA Deduction required to be made by a Party; or

(iii) any amount that is compensated for by an increased payment made pursuant to Clause 54.2 above.

(b) If the Owners intend to make a claim under paragraph (a) above, they shall notify the Charterers of the event giving rise to the claim.

54.4 Tax credit

If a Security Party makes a Tax Payment and the Owners determine that:

(a) a Tax Credit is attributable to an increased payment of which that Tax Payment forms part, to that Tax Payment or to a Tax Deduction in consequence of which that Tax Payment was required; and

(b) the Owners have obtained and utilised that Tax Credit,

the Owners shall pay an amount to the Security Party which the Owners determine will leave it (after that payment) in the same after-Tax position as it would have been in had the Tax Payment not been made by the Security Party. Such reimbursement shall be made forthwith upon the relevant Security Party certifying that the amount of such credit or remission has been received by it.

54.5 Stamp taxes

The Charterers shall:

(a) pay all stamp duty, registration and other similar Taxes payable in respect of any Transaction Document; and

(b) within three (3) Business Days of demand, indemnify the Owners against any documented cost, loss or liability the Owners incur in relation to any stamp duty, registration or other similar Tax paid or payable in respect of any Transaction Document.

54.6 Indirect Tax

(a) All amounts set out or expressed in a Transaction Document to be payable by any Security Party to the Owners shall be deemed to be exclusive of any Indirect Tax. If any Indirect Tax is chargeable on any supply made by the Owners to any Security Party in connection with a Transaction Document, that Security Party shall, and the Charterers shall ensure that Security Party will, pay to the Owners (in addition to and at the same time as paying the consideration) an amount equal to the amount of the Indirect Tax.

(b) Where a Transaction Document requires any Security Party to reimburse the Owners for any costs or expenses, that Security Party shall, and the Charterers shall ensure that Security Party will, also at the same time pay and indemnify the Owners against all Indirect Tax incurred by the Owners in respect of the costs or expenses to the extent that the Owners reasonably determine that it is not entitled to credit or repayment in respect of the Indirect Tax.

54.7 FATCA information

(a) Subject to paragraph (c) below, a Party shall, within ten (10) Business Days of a reasonable request by the other Party:

(i) confirm to that other Party whether it is:

(A) a FATCA Exempt Party; or

(B) not a FATCA Exempt Party;

(ii) supply to that other Party such forms, documentation and other information relating to its status under FATCA as that other Party reasonably requests for the purposes of that other Party's compliance with FATCA; and

(iii) supply to that other Party such forms, documentation and other information relating to its status as that other Party reasonably requests for the purposes of that other Party's compliance with any other law, regulation, or exchange of information regime.

(b) If a Party confirms to the other Party under paragraph (a)(i) above that it is a FATCA Exempt Party and it subsequently becomes aware that it is not or has ceased to be a FATCA Exempt Party, that Party shall notify that other Party reasonably promptly.

(c) Paragraph (a) above shall not oblige the Owners to do anything, and paragraph (a)(iii) above shall not oblige the Charterers to do anything, which would or might in their reasonable opinion constitute a breach of:

(i) any law or regulation;

(ii) any fiduciary duty; or

(iii) any duty of confidentiality.

(d) If a Party fails to confirm whether or not it is a FATCA Exempt Party or to supply forms, documentation or other information requested in accordance with paragraph (a)(i) or (a)(ii) above (including, for the avoidance of doubt, where paragraph (c) above applies), then such Party shall be treated for the purposes of the Transaction Documents (and payments under them) as if it is not a FATCA Exempt Party until such time as the Party in question provides the requested confirmation, forms, documentation or other information.

54.8 FATCA Deduction

(a) Each Party may make any FATCA Deduction it is required to make by FATCA, and any payment required in connection with that FATCA Deduction, and neither Party shall be required to increase any payment in respect of which it makes such a FATCA Deduction or otherwise compensate the recipient of the payment for that FATCA Deduction.

(b) Each Party shall promptly, upon becoming aware that it must make a FATCA Deduction (or that there is any change in the rate or the basis of such FATCA Deduction), notify the other Party.

55. INCREASED COSTS

55.1 This Clause 55 applies if the Owners notify the Charterers that they consider that as a result of:

(a) the introduction or alteration after the date of this Charter of a law or an alteration after the date of this Charter in the manner in which a law is interpreted or applied (disregarding any effect which relates to the application to payments under this Charter of a tax on the Owners' overall net income under the laws of the jurisdiction of the Owners' incorporation); or

(b) complying with any regulation (including any which relates to capital adequacy or liquidity controls or which affects the manner in which the Owners allocates capital resources to their obligations under this Charter) which is introduced, or altered, or the interpretation or application of which is altered, after the date of this Charter,

the Owners (or their parent company) has incurred or will incur an **"increased cost"**.

55.2 In this Clause 55, **"increased cost"** means, in relation to the Owners:

(a) an additional or increased cost incurred as a result of, or in connection with, the Owners having entered into, or being a party to, this Charter, of funding the acquisition of the Vessel pursuant to the MOA or performing their obligations under this Charter;

(b) a reduction in the amount of any payment to the Owners under this Charter or in the effective return which such a payment represents to the Owners on their capital;

(c) a liability to make a payment, or a return foregone, which is calculated by reference to any amounts received or receivable by the Owners under this Charter,

and for the purposes of this Clause 55.2 the Owners may in good faith allocate or spread costs and/or losses among their assets and liabilities (or any class of their assets and liabilities) on such basis as they consider appropriate.

55.3 Clause 55.1 does not apply to the extent any increased cost is:

(a) attributable to a Tax Deduction (as defined in Clause 54.1 (*Tax definitions*)) required by law to be made by a Security Party;

(b) attributable to a FATCA Deduction required to be made by a Security Party;

(c) compensated for by Clause 54.3 (*Tax indemnity*) (or would have been compensated for under Clause 54.3 (*Tax indemnity*) but was not so compensated solely because any of the exclusions in paragraph (a) of Clause 54.3 (*Tax indemnity*) applied); or

(d) attributable to the wilful breach by the Owners of any law or regulation.

55.4 Subject to the terms of Clause 55.1, the Charterers shall pay to the Owners, on the Owners' demand, the amounts which the Owners from time to time notify the Charterers to be necessary to compensate the Owners for any increased cost incurred by them (or their parent company).

56. AMENDMENTS AND WAIVERS

56.1 Any term of a Transaction Document may be amended or waived only with the consent of the Owners and each Security Party which is a party to such Transaction Document.

56.2 **Published Rate Replacement Event**

(a) If a Published Rate Replacement Event has occurred in relation to any Published Rate for Dollars, any amendment or waiver which relates to:

(i) providing for the use of a Replacement Reference Rate in place of that Published Rate; and

(ii) (A) aligning any provision of any Transaction Document to the use of that Replacement Reference Rate;

(B) enabling that Replacement Reference Rate to be used for the calculation of interest under this Charter (including any consequential changes required to enable that Reference Rate to be used for the purposes of this Charter);

(C) implementing market conventions applicable to that Reference Rate;

(D) providing for appropriate fallback (and market disruption) provisions for that Replacement Reference Rate; or

(E) adjusting the pricing to reduce or eliminate, to the extent reasonably practicable, any transfer of economic value from one Party to another as a result of the application of that Replacement Reference Rate (and if any adjustment or method for calculating any adjustment has been formally designated, nominated or recommended by the Relevant Nominating Body, the adjustment shall be determined on the basis of that designation, nomination or recommendation),

may be made with the consent of the Owners and the Charterers.

(b) In this Clause 56.2:

"Published Rate" means:

(a) Overnight SOFR; or

(b) Term SOFR for any Quoted Tenor.

"Published Rate Replacement Event" means, in relation to a Published Rate:

(a) the methodology, formula or other means of determining that Published Rate has, in the opinion of the Owners and the Charterers, materially changed;

(b) (i) (A) the administrator of that Published Rate or its supervisor publicly announces that such administrator is insolvent; or

(B) information is published in any order, decree, notice, petition or filing, however described, of or filed with a court, tribunal, exchange, regulatory authority or similar administrative, regulatory or judicial body which reasonably confirms that the administrator of that Published Rate is insolvent,

provided that, in each case, at that time, there is no successor administrator to continue to provide that Published Rate;

(ii) the administrator of that Published Rate publicly announces that it has ceased or will cease to provide that Published Rate permanently or indefinitely and, at that time, there is no successor administrator to continue to provide that Published Rate;

(iii) the supervisor of the administrator of that Published Rate publicly announces that such Published Rate has been or will be permanently or indefinitely discontinued; or

(iv) the administrator of that Published Rate or its supervisor announces that that Published Rate may no longer be used; or

(c) the administrator of that Published Rate (or the administrator of an interest rate which is a constituent element of that Published Rate) determines that that Published Rate should be calculated in accordance with its reduced submissions or other contingency or fallback policies or arrangements and either:

(i) the circumstance(s) or event(s) leading to such determination are not (in the opinion of the Owners and the Charterers) temporary; or

(ii) that Published Rate is calculated in accordance with any such policy or arrangement for a period no less than the Reference Rate Contingency Period; or

(d) in the opinion of the Owners and the Charterers, that Published Rate is otherwise no longer appropriate for the purposes of calculating interest under this Charter.

"Reference Rate Contingency Period" means a period of twenty (20) days.

"Relevant Nominating Body" means any applicable central bank, regulator or other supervisory authority or a group of them, or any working group or committee sponsored or chaired by, or constituted at the request of, any of them or the Financial Stability Board.

"Replacement Reference Rate" means a reference rate which is:

(a) formally designated, nominated or recommended as the replacement for a Published Rate by:

(i) the administrator of that Published Rate (provided that the market or economic reality that such reference rate measures is the same as that measured by that Published Rate); or

(ii) any Relevant Nominating Body,

and if replacements have, at the relevant time, been formally designated, nominated or recommended under both paragraphs, the "Replacement Reference Rate" will be the replacement under paragraph (ii) above;

(b) in the opinion of the Owners and the Charterers, generally accepted in the international or any relevant domestic syndicated loan markets as the appropriate successor to a Published Rate; or

(c) in the opinion of the Owners and the Charterers, an appropriate successor to a Published Rate.

57. GOVERNING LAW AND ARBITRATION

57.1 This Charter and any non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with English law.

57.2 Any dispute, controversy, difference or claim arising out of or in connection with this Charter, including any dispute relating to any non-contractual obligation arising from or in connection with this Charter and any question regarding its existence, validity, interpretation, performance, breach or termination thereof (a "**Dispute**"), shall be referred to and finally resolved by arbitration administered by the Hong Kong International Arbitration Centre ("**HKIAC**") under the HKIAC Administered Arbitration Rules in force when the Notice of Arbitration is submitted.

57.3 The governing law of these arbitration provisions is Hong Kong law. The seat of arbitration shall be Hong Kong. The number of arbitrators shall be three. Each Party shall designate in the Notice of Arbitration and the Answer to the Notice of Arbitration, respectively, one arbitrator. If either Party fails to designate an arbitrator, HKIAC shall appoint the arbitrator. The two arbitrators so appointed shall designate a third arbitrator, who shall act as the presiding arbitrator. Failing such designation within 30 days from the confirmation or appointment of the second arbitrator, HKIAC shall appoint the presiding arbitrator. The arbitration proceedings shall be conducted in English.

57.4 The HKIAC Administered Arbitration Rules are deemed to be incorporated by reference into this Clause 56 and capitalised terms used in this Clause which are not otherwise defined in this Charter have the meaning given to them in the HKIAC Administered Arbitration Rules.

58. MISCELLANEOUS

58.1 At any time after the date of this Charter and during the Charter Period, each of the Owners and the Charterers shall keep confidential and shall not, without the prior written consent of the other, disclose to any person:

(a) the financial details of, or the transactions contemplated by, the Transaction Documents; or

(b) any information provided pursuant to any of the Transaction Documents,

provided that the Parties may disclose any such information without consent:

(i) to any person to the extent required for the purpose of any litigation, arbitration or regulatory proceedings or procedure;

(ii) to any person to whom, and to the extent that, information is required to be disclosed by any applicable law or regulation;

(iii) to any Governmental Agency;

(iv) to any Finance Party or any other party to any of the Transaction Documents;

(v) to the auditors, legal or insurance advisors, underwriters or brokers of the Owners, the Charterers or of any of the persons listed in paragraph (iv) above who shall be instructed to maintain the confidentiality of any information supplied to them;

(vi) (if necessary) to rating agencies, or as required by the rules or regulations of any applicable stock exchange or similar body (whether or not having the force of law); or

(vii) in any manner contemplated by any of the Transaction Documents.

58.2 The Charterers waive any rights of sovereign immunity which they or any of their properties may enjoy in any jurisdiction and subjects itself to civil and commercial law with respect to their obligations under this Charter.

58.3 This Charter and each Transaction Document may be executed in any number of counterparts and by the different Parties or thereto on separate counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Charter or that Transaction Document, as the case may be.

Execution page

This Charter has been entered into on the date stated at the beginning of this Charter.

THE OWNERS

SIGNED by 張欣航 (Zhang Xinhang), duly authorised Legal Representative, for and on behalf of 汇文(天津)航运租赁有限公司 **(HUIWEN (TIANJIN) SHIPPING LEASING CO., LTD.)** in accordance with its articles of association in the presence of:	)))))	(affixed with company chop) 張欣航 Name: 張欣航 (Zhang Xinhang) Title: Legal Representative

汇文(天津)航运租赁有限公司 1201160...077

Signature of witness: 蒋露

Name: Jiang Lu

Title: Manager

THE CHARTERERS

SIGNED by Shum Yee Hong ,)
duly authorised Director,)
for and on behalf of **JINHAN MARINE INC.**)
in accordance with its articles of incorporation)
in the presence of:)

Name: Shum Yee Hong
Title: Director

Signature of witness:
Name: Kwok Wai Yu Rosanna
Title: Director

SCHEDULE 1
CERTIFICATE OF DELIVERY AND ACCEPTANCE

JINMING MARINE INC., a corporation incorporated in the Republic of Panama with limited liability and a registered non-Hong Kong company under Part 16 of the Companies Ordinance (Cap. 622 of the Laws of Hong Kong) (the **"Charterers"**) hereby acknowledge that at [●] hours on [●] (Beijing time) in [●], there was delivered to, and accepted by, the Charterers the Vessel known as "JIN MING" with IMO No. 1112006, registered under the laws and flag of Hong Kong in the name of **汇文(天津)航运租赁有限公司 (HUIWEN (TIANJIN) SHIPPING LEASING CO., LTD.)**, a company incorporated in the People's Republic of China with limited liability and unified social credit code 91120118MAD94AHF9Q (the **"Owners"**) as owners, under a bareboat charter dated [●] (as the same may be amended, supplemented or otherwise modified from time to time, the **"Charter"**) and made between the Owners and the Charterers and that Delivery (as defined in the Charter) thereupon took place and that, accordingly, the Vessel is and will be subject to all the terms and conditions contained in the Charter from such time and date.

The Charterers warrant that the representations and warranties made by them in clause 48 (*Representations and warranties*) of the Charter remain correct and that no Potential Termination Event or Termination Event (as defined in the Charter) has occurred and is continuing at the date of this Certificate of Delivery and Acceptance.

THE OWNERS

SIGNED by 張欣航 (Zhang Xinhang), duly authorised Legal Representative, for and on behalf of **汇文(天津)航运租赁有限公司 (HUIWEN (TIANJIN) SHIPPING LEASING CO., LTD.)** in accordance with its articles of association in the presence of:	)))))	(affixed with company chop) ____________________ Name: 張欣航 (Zhang Xinhang) Title: Legal Representative

Signature of witness: ____________________

Name:

Title:

THE CHARTERERS

SIGNED by ,)
duly authorised Director,)
for and on behalf of **JINMING MARINE INC.**)
in accordance with its articles of incorporation)
in the presence of:)

Name:
Title: Director

Signature of witness:

Name:

Title:

SCHEDULE 2
CHARTERHIRE SCHEDULE

Payment Dates		Fixed Charterhire (US$)	Charterhire Principal (US$)
1st Payment Date	the Purchase Price Pre-positioning Date	540,000	17,000,000
2nd Payment Date	the applicable Second Payment Date	540,000	15,920,000
3rd Payment Date	the date falling three (3) months from the applicable Second Payment Date	540,000	15,380,000
4th Payment Date	the date falling six (6) months from the applicable Second Payment Date	540,000	14,840,000
5th Payment Date	the date falling nine (9) months from the applicable Second Payment Date	540,000	14,300,000
6th Payment Date	the date falling twelve (12) months from the applicable Second Payment Date	540,000	13,760,000
7th Payment Date	the date falling fifteen (15) months from the applicable Second Payment Date	540,000	13,220,000
8th Payment Date	the date falling eighteen (18) months from the applicable Second Payment Date	540,000	12,680,000
9th Payment Date	the date falling twenty-one (21) months from the applicable Second Payment Date	540,000	12,140,000
10th Payment Date	the date falling twenty-four (24) months from the applicable Second Payment Date	540,000	11,600,000
11th Payment Date	the date falling twenty-seven (27) months from the applicable Second Payment Date	540,000	11,060,000
12th Payment Date	the date falling thirty (30) months from the applicable Second Payment Date	540,000	10,520,000
13th Payment Date	the date falling thirty-three (33) months from the	345,000	10,175,000

Payment Dates		Fixed Charterhire (US$)	Charterhire Principal (US$)
	applicable Second Payment Date		
14th Payment Date	the date falling thirty-six (36) months from the applicable Second Payment Date	345,000	9,830,000
15th Payment Date	the date falling thirty-nine (39) months from the applicable Second Payment Date	345,000	9,485,000
16th Payment Date	the date falling forty-two (42) months from the applicable Second Payment Date	345,000	9,140,000
17th Payment Date	the date falling forty-five (45) months from the applicable Second Payment Date	345,000	8,795,000
18th Payment Date	the date falling forty-eight (48) months from the applicable Second Payment Date	345,000	8,450,000
19th Payment Date	the date falling fifty-one (51) months from the applicable Second Payment Date	345,000	8,105,000
20th Payment Date	the date falling fifty-four (54) months from the applicable Second Payment Date	345,000	7,760,000
21st Payment Date	the date falling fifty-seven (57) months from the applicable Second Payment Date	345,000	7,415,000
22nd Payment Date	the date falling sixty (60) months from the applicable Second Payment Date	345,000	7,070,000
23rd Payment Date	the date falling sixty-three (63) months from the applicable Second Payment Date	345,000	6,725,000
24th Payment Date	the date falling sixty-six (66) months from the applicable Second Payment Date	345,000	6,380,000
25th Payment Date	the date falling sixty-nine (69) months from the applicable Second Payment Date	345,000	6,035,000
26th Payment Date	the date falling seventy-two (72) months from the applicable Second Payment Date	345,000	5,690,000

Payment Dates		Fixed Charterhire (US$)	Charterhire Principal (US$)
27th Payment Date	the date falling seventy-five (75) months from the applicable Second Payment Date	345,000	5,345,000
28th Payment Date	the date falling seventy-eight (78) months from the applicable Second Payment Date	345,000	5,000,000
Purchase Obligation Date			5,000,000 (being the Purchase Obligation Price)

SCHEDULE 3
CONDITIONS PRECEDENT

Part A

The following are the documents referred to in paragraph (e)(i) of Clause 35.1:

1. **The Security Parties**

(a) Copies of the constitutional documents and statutory registers (as applicable) of each of the Security Parties.

(b) A copy of a resolution of the board of directors of each of the Security Parties:

(i) approving the terms of, and the transactions contemplated by, the Transaction Documents to which it is a party (the **"Relevant Documents"**) and resolving that it execute, deliver and perform the Relevant Documents;

(ii) authorising a specified person or persons to execute the Relevant Documents on its behalf; and

(iii) authorising a specified person or persons, on its behalf, to sign and/or dispatch all documents and notices to be signed and/or dispatched by it under or in connection with the Relevant Documents.

(c) A passport copy of the directors and persons who have signed (or will sign) any resolution, certificate or Transaction Document required to be provided under this Charter.

(d) (If required) a copy of a resolution signed by all the holders of the issued shares in each of the Security Parties, approving the terms of, and the transactions contemplated by, the Relevant Documents to which it is a party.

(e) A certificate of each of the Security Parties (signed by an officer or director) confirming that entering into and performing the obligations under the Transaction Documents to which it is a party would not cause any financing, guaranteeing, granting of Security Interests or similar limit binding on it to be exceeded.

(f) Certified copies of power of attorney of each of the Security Parties under which any person named therein may execute any of the Relevant Documents on its behalf.

(g) A certificate of an authorised signatory of each of the Security Parties certifying that each copy document relating to it specified in this Schedule is correct, complete and in full force and effect and has not been amended or superseded as at a date no earlier than the date of this Charter and that any such resolutions or power of attorney have not been revoked.

(h) A copy of the certificate of compliance in respect of the Corporate Guarantor issued by the Bermuda Companies Registry dated within one (1) month of the Bermuda legal opinion referred to in paragraph 8 below.

(i) A copy of the certificate of good standing in respect of the Shareholder issued by the BVI Registry of Corporate Affairs dated within 1 month of the BVI legal opinion referred to in paragraph 8 below.

(j) A recent copy of the certificate of incumbency in respect of the Shareholder issued by the registered agent of the Shareholder.

2. Transaction Documents

2.1 Each of the following documents, duly executed by the parties to it, together with all ancillary documents to be delivered pursuant to it (including but not limited to, the original share certificate(s) of the Charterers) (except for any relevant consent and agreement to notice to be provided to the Owners under Schedule 4 (*Conditions Subsequent*)):

(a) this Charter;

(b) the MOA;

(c) the Corporate Guarantee;

(d) the Deed of Charge;

(e) the Charge Over Account;

(f) if applicable, the Subordination Deed; and

(g) the Collateral Charter.

2.2 Each of the following documents, duly executed by the parties to it but undated, together with all ancillary documents to be delivered pursuant to it:

(a) the Charterers Assignment; and

(b) any Manager's Undertaking.

3. MOA

The Charterers have provided to the Owners:

(a) a duly completed payment notice in the form set out in schedule 1 to the MOA, duly signed by the Charterers advising the Owners that the Purchase Price is due and payable;

(b) a commercial invoice for the Vessel issued by the Charterers to the Owners under the MOA; and

(c) a letter of confirmation of no blacklist by any other organisation or country, duly signed by the Charterers under the MOA.

4. Shipbuilding Contract

The Charterers have provided to the Owners:

(a) a copy of the Shipbuilding Contract;

(b) evidence that all necessary corporate, shareholder and other action have been taken by the Builder to authorise the sale and delivery of the Vessel by the Builder to the Charterers under the Shipbuilding Contract;

(c) evidence that all necessary corporate, shareholder and other action have been taken by the Charterers to authorise the purchase and delivery of the Vessel from the Builder under the Shipbuilding Contract;

(d) declaration of warranty, commercial invoice, non-registration certificate, non-mortgage certificate and other delivery documents executed by the Builder as sellers and/or the Charterers as buyers under the Shipbuilding Contract;

(e) evidence that all the pre-delivery instalments (including the first, second, third and fourth instalments) of the Final Contract Price have been remitted by the Charterers and received by the Builder; and

(f) evidence that the delivery instalment of the Final Contract Price is due and payable under the Shipbuilding Contract, including copies of the payment notice and if applicable, the commercial invoice issued by the Builder as sellers to the Charterers as buyers.

5. Valuation report

Two (2) valuation reports of the Vessel evidencing the Initial Market Value, acceptable in all respects to the Owners.

6. Vessel documents

6.1 A copy of each Management Agreement pertaining to the Vessel.

6.2 A copy of the Document of Compliance of the Approved Manager issued pursuant to the ISM Code.

7. Documents required for the demise charter registration of Vessel

7.1 Evidence satisfactory to the Owners that the documents required for the demise charter registration of the Vessel in the name of the Owners as owner and the Charterers as demise charterer have been pre-cleared by the Charterers and/or the Owners (as applicable) with the flag state stated in Box 5, and that the Vessel can be registered in the name of the Owners as owner and the Charterers as demise charterer under such flag state.

7.2 Confirmation that all registration fees due and payable at the time of the Commencement Date to the Vessel's registry's government agencies, authorities and departments with respect to the Vessel will be or have been paid in full.

8. Legal opinions

Agreed forms of the legal opinions to be issued by the English, Hong Kong, Panamanian, British Virgin Islands and Bermudan legal advisors and any other relevant legal advisors to the Owners on such matters on the relevant laws in relation to the Transaction Documents.

9. Insurance report

An agreed form of the insurance report to be issued by an insurance advisor appointed by the Owners (but at the cost of the Charterers) in the form and substance acceptable to the Owners, together with the insurances or evidence that the Vessel is covered under the insurances as required under Clause 40 (*Insurance*) as from the

Commencement Date and evidence that letter(s) of undertaking have been or will be issued in the manner required by the Transaction Documents.

10. Other information

10.1 Evidence that the Earnings Account has been or will be opened.

10.2 Copies of the Original Financial Statements of the Corporate Guarantor and the Charterers.

10.3 Evidence that any fees, costs and expenses then due from the Charterers to the Owners under the Transaction Documents have been paid and received by, or will be paid and received by, the Owners, on Delivery of the Vessel.

10.4 All "know your customer" requirements as the Owners may require.

10.5 A copy of any other consents, approvals, authorization or other document, opinion or assurance which the Owners consider to be necessary or desirable in connection with the entry into and performance of the transactions contemplated by any of the documents listed in paragraph 2 of Part A of Schedule 3 or for the validity and enforceability of such documents.

10.6 Such other information and documents as the Owners may reasonably require by giving prior written notice to the Charterers.

10.7 If the Owners so require, in relation to any of the documents referred to in this Part A, an English translation of that document (with such cost to be borne by the Charterers).

Part B

The following are the documents referred to in paragraph (e)(ii) of Clause 35.1:

1. Bringdown certificates

If required, a certificate of an authorised signatory of each of the Security Parties, certifying that each document which they are required to provide under Part A of Schedule 3, is correct, complete and in full force and effect as at the Delivery Date.

2. Security Documents

Each of the following documents, duly executed by the parties to it, together with all ancillary documents to be delivered pursuant to it (except for any relevant consent and agreement to notice to be provided to the Owners under Schedule 4 (*Conditions Subsequent*)):

(a) the Charterers Assignment; and

(b) any Manager's Undertaking.

3. Documents required for the demise charter registration of Vessel

3.1 Before execution of the original MOA PDA by the Charterers as sellers and the Owners as buyers:

(a) an original builder's certificate executed by the Builder as sellers in favour of the Charterers as buyers under the Shipbuilding Contract recordable in the flag state stated in Box 5 (duly notarised and if applicable, legalised) and where executed by an attorney of the Builder as sellers, together with an original power of attorney of the Builder (duly notarised and if applicable, legalised);

(b) an original bill of sale executed by the Builder as sellers in favour of the Charterers as buyers in respect of the Vessel (duly notarised and if applicable, legalised) and where executed by an attorney of the Builder as sellers, together with an original power of attorney of the Builder (duly notarised and if applicable, legalised);

(c) an original bill of sale executed by the Charterers as sellers in favour of the Owners as buyers (duly notarised and if applicable, legalised) and where executed by an attorney of the Charterers as sellers, together with an original power of attorney of the Charterers (duly notarised and if applicable, legalised); and

(d) if required, email confirmation from the Hong Kong Shipping Registry of its receipt of all documents required to effect the demise charter registration of the Vessel in the name of the Owners as owner and the Charterers as demise charterer.

3.2 Documentary evidence that the Vessel:

(a) has been unconditionally delivered by the Builder as sellers to the Charterers as buyers pursuant to the terms of the Shipbuilding Contract, where such documents shall include, in particular, the original protocol of delivery and acceptance duly executed by the Builder as sellers and the Charterers as buyers;

(b) has been unconditionally delivered by the Charterers as sellers to the Owners as buyers pursuant to the terms of the MOA, where such documents shall include, in particular, the original MOA PDA duly executed by the Charterers as sellers and the Owners as buyers; and

(c) has been unconditionally delivered by the Owners to, and accepted by, the Charterers pursuant to this Charter, where such documents shall include, in particular, the Certificate of Delivery and Acceptance.

3.3 Documentary evidence issued by the Hong Kong Shipping Registry evidencing that the Vessel is registered in the name of the Owners as owner and the Charterers as demise charterer under the laws and flag of Hong Kong by way of demise charter registration with no registered encumbrance.

4. Vessel certificates

4.1 Evidence that the Vessel:

(a) is in possession of a valid Safety Management Certificate under the ISM Code;

(b) is in possession of a valid maritime labour certificate and declaration of maritime labour compliance under the Code to the Maritime Labour Convention;

(c) is in possession of a valid International Ship Security (ISS) Certificate, a valid International Air Pollution Prevention Certificate (IAPPC) and a valid International Oil Pollution Prevention Certificate (IOPPC); and

(d) is in possession of a certificate issued pursuant to Article VII International Convention on Civil Liability for Bunker Oil Pollution Damage 2001, a certificate issued pursuant to Article VII International Convention on Civil Liability for Oil Pollution Damage 1992 and (if the Vessel enters or trades through US waters) a certificate issued pursuant to section 1016(a) Oil Pollution Act 1990 and section 108(a) Comprehensive Environmental Response, Compensation and Liability Act 1980, as amended, in accordance with US Coast Guard Regulations, 33 CFR Part 138.

4.2 A copy of the Vessel's class certificate evidencing that the Vessel maintains its classification as set out in the MOA free of all recommendations and conditions.

5. Other information

5.1 Evidence that 10% of the Final Contract Price, being the surplus of the delivery instalment of the Final Contract Price over the Initial Charterhire Principal, has been remitted by the Charterers as buyers to the Builder as sellers under the Shipbuilding Contract.

5.2 If the Owners so require, in relation to any of the documents referred to in this Part B of Schedule 3, an English translation of that document (with such cost to be borne by the Charterers).

5.3 Such other information and documents as the Owners may reasonably require by giving prior written notice to the Charterers.

SCHEDULE 4
CONDITIONS SUBSEQUENT

The following are the documents referred to in Clause 35.2:

1. **Within one (1) Business Day after the Commencement Date:**

   (a) Letters of undertaking in respect of the Insurance as required by the Transaction Documents, together with copies of the relevant policies or cover notes or entry certificates in respect of the Insurances duly endorsed with the interest of the Owners.

   (b) A satisfactory insurance report issued by an insurance advisor appointed by the Owners (but at the costs of the Charterers) on the insurances effected on the Vessel pursuant to the provisions of this Charter.

   (c) Legal opinions issued by the English, Hong Kong, Panamanian, British Virgin Islands and Bermudan legal advisors and any other relevant legal advisors to the Owners on such matters on the relevant laws in relation to the Transaction Documents.

2. **Within the stipulated timelines set out in the Charterers Assignment:**

   The relevant consent(s) and agreement(s) to the notices delivered under the Charterers Assignment.

3. **Within the stipulated timelines set out in the Charge Over Account:**

   The relevant consent(s) and agreement(s) to the notice(s) delivered under the Charge Over Account.

4. **Within one (1) month of the Commencement Date (or such later date as the Owners may in their discretion agree on request of the Charterers):**

   Evidence that all registrations, filings or other actions (including without limitation the filings with the Hong Kong Companies Registry) necessary or prudent to give effect to or perfect in the Relevant Jurisdictions, the Security Interests created by the relevant Security Documents have been taken or made and completed.

Dated 29 July 2026

GUARANTEE AND INDEMNITY

in respect of

one (1) bulk carrier bearing hull no. HT64-429 and IMO no.1112006 named or to be named "JIN MING"

between

JINHUI SHIPPING AND TRANSPORTATION LIMITED
(as Guarantor)

and

汇文(天津)航运租赁有限公司
(HUIWEN (TIANJIN) SHIPPING LEASING CO., LTD.)
(as Owner)

Contract no.: JFLSPV2026G198-01

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Contents

THIS GUARANTEE AND INDEMNITY is dated 29 July 2026 (this **"Guarantee"**) and made between:

(1) **JINHUI SHIPPING AND TRANSPORTATION LIMITED**, an exempted company incorporated in Bermuda and listed on the Oslo Stock Exchange with stock code JIN, as guarantor (the **"Guarantor"**); and

(2) 汇文(天津)航运租赁有限公司 **(HUIWEN (TIANJIN) SHIPPING LEASING CO., LTD.)**, a company incorporated in the People's Republic of China with limited liability and unified social credit code 91120118MAD94AHF9Q with its registered address at Room 202, No. 6262, Aozhou Road, (Dongjiang Comprehensive Free Trade Zone), Tianjin Pilot Free Trade Zone (No. 9665 Dongjiang Business Secretary Service Co., Ltd. Free Trade Zone), as owner (the **"Owner"**).

BACKGROUND:

(A) By a bareboat charterparty dated 29 July 2026 (together with all amendments and supplements to it, the **"Charter"**) made between the Owner, as owners, and JINMING MARINE INC., a corporation incorporated in the Republic of Panama with limited liability and a registered non-Hong Kong company under Part 16 of the Companies Ordinance (Cap. 622 of the Laws of Hong Kong), as charterers (the **"Charterer"**), the Owner has agreed to charter the Vessel to the Charterer upon the terms of the Charter.

(B) As a condition precedent to the obligations of the Owner under the Charter, the Guarantor shall execute this Guarantee in favour of the Owner for the purpose of guaranteeing, amongst others, all obligations of the Security Parties under the Charter and the other Transaction Documents upon the terms of this Guarantee.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Unless the context otherwise requires, words or expressions defined in the Charter (whether specifically or by reference) shall have the same meanings in this Guarantee and this construction shall survive the termination of the Charter. Where a word or phrase is defined in the Charter and this Guarantee, the definition in this Guarantee shall prevail.

1.2 In this Guarantee, the following words and expressions shall, except where the context otherwise requires, have the following respective meanings:

"Bankruptcy" includes a liquidation, receivership or administration and any form of suspension of payments, arrangement with creditors or reorganisation under any corporate or insolvency law of any country.

"Builder" has the meaning ascribed to such term in the Charter.

"Compliance Certificate" means a certificate delivered pursuant to paragraph (b) of Clause 4 (*Representations and Warranties*) and signed by a director of the Guarantor substantially in the form set out in the Schedule (*Form of Compliance Certificate*).

"Guarantor Group" means the Guarantor and its Subsidiaries from time to time, and a **"member of the Guarantor Group"** means any one of them.

"Guaranteed Obligations" means all present and future payment and performance obligations of the Security Parties due, owing or incurred under any Transaction Document to the Owner, in each case:

(a) which are (or which are expressed to be) now or at any time hereafter due to be performed; and

(b) including as a consequence of any breach, non-performance, disclaimer or repudiation by any Security Party (or by a liquidator, receiver, administrative receiver, administrator or any similar officer in respect of that Security Party) of any of such obligations of any Security Party, in each case together with:

(i) all costs, charges and expenses incurred by the Owner in connection with the protection, preservation or enforcement of its rights under any Transaction Document; and

(ii) all indebtedness, monies, obligations and liabilities due, owing or incurred in respect of any variations of the Transaction Documents or the obligations and liabilities imposed under such documents.

"Parties" means collectively, the parties to this Guarantee and **"Party"** means each or either of them, as the context may require.

"PRC Anti-Money Laundering Laws" has the meaning ascribed to such term in Clause 7 (*Anti-Money Laundering Clause*).

"PRC National Financial Credit Information Database" has the meaning ascribed to such term in Clause 6 (*Information Collection*).

"Vessel" means one (1) bulk carrier currently under construction by the Builder and bearing hull no. HT64-429 and IMO no. 1112006 named or to be named "JIN MING".

1.3 Unless otherwise specified and except where the context otherwise requires, any reference in this Guarantee to:

(a) the singular includes the plural and vice versa;

(b) any person shall be construed so as to include its successors and permitted assigns and permitted transferees in accordance with their respective interests;

(c) any document (including the Charter, this Guarantee and each other Transaction Document) shall be construed as a reference to such document as amended, restated, supplemented, varied or novated from time to time in accordance with its terms (to the extent that such document is at the relevant time in effect);

(d) any provision of law shall be construed as a reference to that provision as amended, supplemented, varied, re-enacted, replaced or restated from time to time;

(e) any **"applicable law"** includes, without limitation, (i) applicable laws, acts, codes, conventions, decrees, decree-laws, legislation, statutes, treaties and similar instruments, (ii) applicable final judgments, orders, determinations or awards of any court from which there is no right of appeal (or, if there is a right of appeal, such appeal is not prosecuted within the allowable time) and (iii) applicable directives, guidance, guidelines, notices, orders, regulations and rules of any governmental, judicial or regulatory authority (whether or not having the force of law but with which, if not having the force of law, compliance is customary);

(f) a **"Clause"** shall be construed as a reference to a clause of this Guarantee;

(g) **"continuing"** shall, in relation to a Termination Event, be construed as a reference to a Termination Event which has not been waived by the Owner;

(h) a **"person"** means any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium, partnership or other entity (whether or not having separate legal personality);

(i) a **"successor"** shall be construed so as to mean a successor in title of a person and any person who under the applicable laws of its jurisdiction of incorporation or domicile has assumed the rights and obligations of such person or to which, under such laws or by agreement or otherwise, such rights and obligations have been transferred; and

(j) the **"winding-up"**, **"dissolution"**, **"administration"** or **"re-organisation"** of a person shall be construed so as to include any equivalent or analogous proceedings under the applicable law of the jurisdiction in which such person is incorporated or formed or any jurisdiction in which such person carries on business including the seeking of liquidation, winding-up, reorganisation, dissolution, administration, arrangement, adjustment, protection or relief of debtors.

1.4 Clause headings shall be ignored in the interpretation of this Guarantee.

2. GUARANTEE AND INDEMNITY

(a) In consideration of the Owner entering into the Charter, the Guarantor irrevocably and unconditionally guarantees to the Owner the due payment and prompt performance by the Security Parties of the Guaranteed Obligations when due in accordance with the Charter and the other Transaction Documents.

(b) The Guarantor further irrevocably and unconditionally undertakes to pay to the Owner, on the Owner's demand, any such amount which is not paid by any Security Party when due and payable under the Charter or any other Transaction Document.

(c) The Guarantor as principal obligor and as a separate and independent obligation and liability from its obligations and liabilities under paragraphs (a) and (b) above agrees to indemnify and keep indemnified the Owner, in full and on demand, from and against all and any losses, costs, claims, liabilities, damages, demands and expenses suffered or incurred by the Owner arising out of, or in connection with, any failure of any Security Party to perform or discharge any of the Guaranteed Obligations.

(d) The Owner may serve more than one demand under this Clause 2.

3. PRESERVATION OF RIGHTS

(a) The obligations of the Guarantor contained in this Guarantee shall be in addition to and independent of every other security which the Owner may at any time hold in respect of any Security Party's obligations under any Transaction Document.

(b) The Guarantor shall be liable under this Guarantee as a principal and independent debtor and not merely a surety. Accordingly it shall not have, as regards this Guarantee, any of the rights or defences of a surety. Neither the obligations of the Guarantor contained in this Guarantee nor the rights, powers and remedies conferred upon the Owner by this Guarantee or by law shall be discharged, impaired or otherwise affected by:

   (i) the winding-up, dissolution, administration or reorganisation of any Security Party or any other person or any change in its status, function, control or ownership;

   (ii) any of the obligations of any Security Party or any other person under any Transaction Document being or becoming illegal, invalid, void, voidable, unenforceable, ineffective or of limited force and effect in any respect;

   (iii) any time or other indulgence being granted or agreed to be granted to any Security Party or any other person in respect of any of its obligations under any Transaction Document;

(iv) any amendment to, or any variation, waiver or release of, any Transaction Document or any obligation of any Security Party or any other person under any Transaction Document;

(v) any failure to take, or fully to take, any security contemplated by any Transaction Document or otherwise agreed to be taken in respect of any Security Party's obligations under any Transaction Document;

(vi) any failure to realise or fully to realise the value of, or any release, discharge, exchange or substitution of, any security taken in respect of any Security Party's obligations under any Transaction Document;

(vii) any purported obligation of any Security Party or any other person to the Owner (or any security for that obligation) becoming wholly or in part void, invalid, illegal or unenforceable for any reason, including negligence; and

(viii) any other act, event or omission which, but for this paragraph (b), might operate to discharge, impair or otherwise affect any of the obligations of the Guarantor contained in this Guarantee or any of the rights, powers or remedies conferred upon the Owner by this Guarantee, the Charter or any other Transaction Document or by law.

(c) Any settlement, discharge or release between the Guarantor and the Owner in relation to this Guarantee shall be conditional upon no right, security, disposition or payment to or in favour of the Owner by any Security Party or any other person being avoided, set aside, reduced or ordered to be refunded as a result of the operation of any applicable law and if any such right, security, disposition or payment is so avoided, set aside, reduced or ordered to be refunded, the liability of the Guarantor shall continue and the Owner shall be entitled to recover under this Guarantee the value or amount of that right, security, disposition or payment, in each case as if any such settlement, discharge or release had not occurred.

(d) The Owner shall not be obliged before exercising any of the rights, powers or remedies conferred upon it by this Guarantee or by law:

(i) to make any demand on the Security Parties;

(ii) to take any action or obtain judgment in any court against the Security Parties;

(iii) to make or file any claim or proof in a winding-up or dissolution of the Security Parties; or

(iv) to enforce or seek to enforce any security taken in respect of any Security Party's obligations under any Transaction Document.

(e) The Guarantor agrees that, for so long as any Security Party is under any actual or contingent obligation under the Charter or any other Transaction Document, the Guarantor shall not exercise any right which the Guarantor may at any time have by reason of this Guarantee or the performance by it of its obligations under this Guarantee:

(i) to be indemnified by the Security Parties or to receive any collateral from the Security Parties in respect of the Guarantor's obligations under this Guarantee;

(ii) to claim any contribution from any other guarantor of any Security Party's obligations under any Transaction Document;

(iii) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any of the Owner's rights under the Charter or any other Transaction Document or of any other guarantee or security taken pursuant to, or in connection with, the Charter or any other Transaction Document;

(iv) to claim or prove in a liquidation or other insolvency proceeding of the Security Parties or any co-surety in competition with the Owner; and/or

(v) receive, claim or have the benefit of any payment, distribution or security from or on account of the Security Parties, or exercise any right of set-off against the Security Parties.

4. REPRESENTATIONS AND WARRANTIES

The Guarantor confirms that each of the representations and warranties set forth in clause 48 (*Representations and Warranties*) of the Charter given by the Charterer in so far as they relate to the Guarantor is (subject to the terms of each representation) true and accurate and is deemed repeated in accordance with the terms of the Charter.

5. FINANCIAL COVENANTS

5.1 Financial covenants

The Guarantor shall ensure that:

(a) *Debt-to-asset ratio*

Total Liabilities shall not be greater than 80% of Total Assets.

(b) *Minimum corporate liquidity covenant*

Cash and Cash Equivalents of the Guarantor shall be at least US$345,000 for each of its owned or beneficially controlled vessel.

(c) Consolidated market adjusted tangible net worth

Consolidated Market Adjusted Tangible Net Worth of the Guarantor shall be greater than US$100,000,000.

5.2 **Financial testing**

The financial covenants set out in Clause 5.1 (*Financial covenants*) shall be tested by reference to the financial statements delivered pursuant to clause 49.2(k) of the Charter and Compliance Certificates delivered pursuant to 49.2(l) of the Charter in respect of the Relevant Period.

5.3 **Financial definitions**

In this Clause 5:

(a) *Debt-to-asset ratio*

"Total Assets" means the aggregate value of all assets of the Guarantor.

"Total Liabilities" means the aggregate amount of all obligations of the Guarantor in respect of borrowings.

(b) *Minimum corporate liquidity covenant*

"Cash" means, at any time, cash at bank credited to an account in the name of the Charterers with a reputable financial institution and to which the Charterers are alone beneficially entitled and for so long as (a) that cash is repayable on demand; (b) repayment of that cash is not contingent on the prior discharge of any other indebtedness of any Guarantor Group member or of any other person whatsoever or on the satisfaction of any other condition; (c) there is no Security Interest over that cash; and (d) such cash is freely and immediately available to be applied in payment of the Charterhire.

"Cash Equivalents" means, with respect to any person, investments that are short term investments held by that person (excluding equity investments) which are readily convertible into cash without incurring any significant premium or penalty.

"Relevant Period" means each period of twelve (12) months ending on the last day of the Guarantor Group's financial year and each period of twelve (12) months ending on the last day of the first half of the Group's financial years.

(c) *Consolidated market adjusted tangible net worth*

Consolidated Market Adjusted Tangible Net Worth means, at any time, Total Assets less Total Liabilities.

5.4 **Financial statements**

The Guarantor shall supply to the Owner:

(a) as soon as the same become available, but in any event within one hundred and eighty (180) days after the end of each of its financial years, the audited financial statements of the Guarantor for that financial year;

(b) (i) with each set of financial statements delivered pursuant to paragraph (a)(i) above, a Compliance Certificate setting out (in reasonable detail) computations as to compliance with this Clause 5 as at the date as at which those financial statements were drawn up; and

(ii) each Compliance Certificate delivered pursuant to paragraph (b)(i) above shall be in the form agreed by the Guarantor and the Owner before the date of this Guarantee.

6. INFORMATION COLLECTION

For the purpose of compliance with the requirements of national financial credit information database of the PRC (including, without limitation, the credit information centre of the People's Bank of China) (the **"PRC National Financial Credit Information Database"**):

(a) the Guarantor hereby irrevocably authorises the Owner to provide all the contracts, agreements, commitments and any other documents signed by the Guarantor in relation to the Transaction Documents and the transactions contemplated therein to the PRC National Financial Credit Information Database for the inquiry and/or utilisation by any eligible applicants, including, without limitation, information on the performance of this Guarantee and any information and data provided by the Guarantor; and

(b) the Guarantor acknowledges and agrees that the Owner is entitled to inquire and/or utilise any corporate or financial information regarding the Guarantor which has been recorded in the PRC National Financial Credit Information Database.

7. ANTI-MONEY LAUNDERING CLAUSE

For the purpose of compliance with the Anti-Money Laundering Law of the PRC, the Anti-Money Laundering Regulation for Banking and Financial Institution and the Measures on the Administration of Reporting by Financial Institutions of Large Value and Suspicious Transactions issued by the People's Bank of China and all other relevant laws, regulations, rules, guidelines of the PRC (collectively, the **"PRC Anti-Money Laundering Laws"**):

(a) the Guarantor represents and warrants to the Owner that as of the date of this Guarantee, and on each day henceforth until the last day of Charter Period:

(i) all the identity documents provided by the Guarantor are true and valid in all respects;

(ii) there is no possibility for the Guarantor, the Shareholder, the controller and the beneficiary owner of the Guarantor or any counterparty involved in any of the Guarantor' business activities to participate in any anti-money laundering activities; and

(iii) all funds paid by the Guarantor to the Owner are from legitimate sources and in compliance with the PRC Anti-Money Laundering Laws; and

(b) the Guarantor undertakes that it shall comply or procure compliance with the following undertakings commencing from the date hereof and up to the last day of the Charter Period:

(i) upon the Owner's reasonable request, the Guarantor shall, to the extent such information and data is available, provide all relevant information and data to the Owner in accordance with the PRC Anti-Money Laundering Laws, including, without limitation, the Guarantor's identification documents, transaction records, receipts, certificates and documents, information on large value and suspicious transactions and any other relevant information and data; and

(ii) to the extent relevant to the Transaction Documents and the transaction contemplated therein, the Guarantor shall cooperate with the Owner in any due diligence investigations conducted in accordance with the PRC Anti-Money Laundering Laws.

8. CONTINUING GUARANTEE

The obligations of the Guarantor contained in this Guarantee shall constitute and be continuing obligations notwithstanding any settlement of account or other matter or thing whatsoever, and shall not be considered as satisfied or discharged by any intermediate payment, satisfaction or settlement of any part of the Guaranteed Obligations and shall continue in full force and effect until all of the Guaranteed Obligations (whether actual or contingent) have been irrevocably and unconditionally paid and discharged in full. The Guarantor confirms that it shall remain liable under this Guarantee to guarantee and indemnify the Owner in respect of all obligations and liabilities of the Charterer under clause 43 (*Indemnities*) of the Charter and other indemnity provisions contained in the Charter and any other Leasing Documents that will survive the termination of the Charter.

9. PAYMENTS

(a) All payments to be made by the Guarantor under this Guarantee shall be made in the currency in which the corresponding payment obligation of the Charterer is due and payable under the Charter or each other applicable Transaction Document (as the case may be) and in immediately available, freely transferable, cleared funds to such account of the Owner with such bank as the Owner shall from time to time have specified for this purpose.

(b) All payments to be made by the Guarantor under this Guarantee shall be made without set-off or counterclaim and without any deduction or withholding whatsoever. If the Guarantor is obliged by law to make any deduction or withholding from any such payment, the amount due from the Guarantor in respect of such payment shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, the Owner receives a net amount equal to the amount that the Owner would have received had no such deduction or withholding been required to be made.

(c) The Guarantor agrees that:

(i) if any payment received by the Owner in respect of monies owing or due and payable by the Guarantor is avoided on the subsequent insolvency or liquidation of the Guarantor, under any laws relating to insolvency or liquidation, that payment does not discharge or diminish the liability of the Guarantor under this Guarantee, which continues to apply as if that payment at all times remained owing; and

(ii) if the Guarantor has not paid to the Owner the full amount of all sums due under this Guarantee, the Owner may (for the purpose of enabling the Owner to sue the Guarantor and/or any other guarantor of the liabilities which are hereby guaranteed or to prove in its or their liquidation or in any similar proceedings for any monies due and unpaid by the Guarantor to the Owner) at any time place and keep for such time as it may think fit any monies received under this Guarantee, or under such other guarantees or from any other person, to the credit of an account or accounts (bearing interest at a commercial rate) without any obligation on the part of the Owner to apply the same or any part thereof in or towards the discharge of the indebtedness and liabilities of the Guarantor to the Owner.

10. SUBORDINATION

All rights which the Guarantor at any time has (whether in respect of this Guarantee or any other Transaction Document) against the Charterer or its assets shall be fully subordinated to the rights of the Owner under the Transaction Documents. The Guarantor shall not:

(a) claim or prove in a Bankruptcy of the Charterer for any amount payable to the Guarantor by the Charterer, whether in respect of this Guarantee or any other Transaction Document;

(b) take or enforce any Security Interest for any such amount;

(c) claim to set-off any such amount against any amount payable by the Guarantor to the Charterer; or

(d) claim any subrogation or other right in respect of any Transaction Document or any sum received or recovered by the Charterer,

until such time as the Guaranteed Obligations have been irrevocably repaid in full.

11. CURRENCY CONVERSION

The Owner may convert any money received or realised by it under or pursuant to this Guarantee which is not in the currency in which the relevant sum is due and payable under each applicable Transaction Document from that currency into the currency in which such sum is due at the spot rate of exchange reasonably determined by the Owner at or about 11.00 a.m. (Shanghai time) on the relevant date of the conversion.

12. SUSPENSE ACCOUNT

All moneys received, recovered or realised by the Owner under or pursuant to this Guarantee (including the proceeds of any conversion of currency) may in its discretion (for *inter alia* the purpose of claiming or proving in a Bankruptcy of the Charterer) be credited to and held in any suspense or impersonal account pending their application from time to time in or towards the discharge of the Guarantor's obligations under this Guarantee.

13. SET-OFF

The Owner may (but shall not be obliged to) set-off any obligation in respect of Guaranteed Obligations which are due and payable by the Guarantor against any obligation (contingent or otherwise) owed by the Owner to the Guarantor (regardless of the place of payment, or currency of either obligation) and apply any credit balance to which the Guarantor is entitled on any account with the Owner in payment of the Guaranteed Obligations. The Owner may, at the cost of the Guarantor, effect such currency exchanges as it considers are appropriate to implement such set-off.

14. MISCELLANEOUS

(a) This Guarantee may be executed in any number of counterparts and on separate counterparts, each of which when executed shall constitute an original, but all counterparts shall together constitute one and the same instrument.

(b) Any amendment, supplement or variation to this Guarantee must be in writing and executed by each Party.

(c) The Guarantor may not terminate this Guarantee by notice to the Owner or otherwise.

(d) Neither the failure to exercise, nor the delay in any exercise of, nor the single or partial exercise of, any right, power or remedy by the Owner under or in relation to this Guarantee shall (i) operate as a waiver of such right, power or remedy, (ii) prevent any further or other exercise of such right, power or remedy or (iii) prevent the exercise of any other right, power or remedy. The rights, powers and remedies of the Owner provided in this Guarantee are cumulative and not exclusive of any rights, powers or remedies provided by law.

(e) Any waiver or consent given by a Party under or in relation to this Guarantee must, in order to be effective, be in writing and shall only be effective in the specific circumstances in which it is given.

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

(g) Any certificate or determination by the Owner as to any rate of interest or as to any other amount payable under this Guarantee shall, in the absence of manifest error or on any question of law, be conclusive and binding on Guarantor as to that amount.

(h) If any sum paid to the Owner or recovered by the Owner in respect of the liabilities of Guarantor under this Guarantee is less than the amount then due, the Owner may apply that sum to amounts due under this Guarantee in such proportions and order and generally in such manner as Owner may determine.

(i) A person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Guarantee.

(j) The Guarantor shall pay to the Owner on demand all documented fees, costs and expenses (including legal and other costs) payable or incurred by the Owner in connection with the enforcement of or preservation of the Owner's rights under this Guarantee. All amounts payable pursuant to this Clause 14 (*Miscellaneous*) shall be paid in the currency in which they are incurred to the Owner.

(k) It is intended that this Guarantee takes effect as a deed even though the Owner may only execute it under hand.

15. ASSIGNMENTS AND TRANSFERS

(a) This Guarantee shall be binding upon and enure to the benefit of each Party and its respective successors, permitted assigns and permitted transferees.

(b) The Guarantor shall not assign, transfer (whether voluntarily or involuntarily, by operation of law or otherwise) or create or permit to exist any Security Interest over, any of its rights or obligations under this Guarantee.

(c) The Owner may assign its rights under this Guarantee to any person to whom it assigns its rights under the Charter in accordance with the terms of the Charter.

16. NOTICES

16.1 Communications in writing

Any communication to be made under or in connection with this Guarantee shall be made in writing and, unless otherwise stated, may be made by email or letter.

16.2 Addresses

Any communication or document to be made or delivered under or in connection with this Guarantee shall be made or delivered to the following respective addresses:

(a) in the case of the Owner:

Address:	c/o No.1 Building, No.99 East Jialingjiang Street, Nanjing, Jiangsu Province, P.R. China
Attention:	Zhang Xinhang / He Siwei / Jiang Lu
Email:	xinhang.zhang@jsleasing.cn / siwei.he@jsleasing.cn / lu.jiang@jsleasing.cn

(b) in the case of the Guarantor:

Address:	c/o 26th Floor, Yardley Commercial Building, 1-6 Connaught Road West, Hong Kong
Attention:	Teresa Chau
Email:	teresa@jinhuiship.com

or any substitute address or officer as the relevant Party may notify to the other Party by not less than five (5) Business Days' notice.

16.3 Delivery

Any notice shall be deemed to have reached the party to whom it was delivered, when dispatched and acknowledged received (in case of an email) or when delivered (in case of a registered letter). A notice or other such communication received on a non-working day or after business hours in the place of receipt shall be deemed to be served on the next following working day in such place.

16.4 **Validity of demands**

A demand under this Guarantee shall be valid notwithstanding that it is served:

(a) on the date on which the amount to which it relates is due and payable by the Charterer under the applicable Transaction Document (as the case may be); or

(b) at the same time as the service of a notice under the applicable Transaction Document,

and a demand under this Guarantee may refer to all amounts payable under or in connection with the Transaction Documents without specifying a particular sum or aggregate sum.

17. GOVERNING LAW AND ARBITRATION

17.1 **Arbitration**

(a) This Guarantee and any non-contractual obligations arising from or in connection with it are in all respects governed by and shall be interpreted in accordance with English law.

(b) Any dispute, controversy, difference or claim arising out of or in connection with this Guarantee, including any dispute relating to any non-contractual obligation arising from or in connection with this Guarantee and any question regarding its existence, validity, interpretation, performance, breach or termination thereof (a **"Dispute"**), shall be referred to and finally resolved by arbitration administered by the Hong Kong International Arbitration Centre (**"HKIAC"**) under the HKIAC Administered Arbitration Rules in force when the Notice of Arbitration is submitted.

(c) The governing law of these arbitration provisions is Hong Kong law. The seat of arbitration shall be Hong Kong. The number of arbitrators shall be three. Each Party shall designate in the Notice of Arbitration and the Answer to the Notice of Arbitration, respectively, one arbitrator. If either Party fails to designate an arbitrator, HKIAC shall appoint the arbitrator. The two arbitrators so appointed shall designate a third arbitrator, who shall act as the presiding arbitrator. Failing such designation within 30 days from the confirmation or appointment of the second arbitrator, HKIAC shall appoint the presiding arbitrator. The arbitration proceedings shall be conducted in English.

(d) The HKIAC Administered Arbitration Rules are deemed to be incorporated by reference into this Clause 17.1 and capitalised terms used in this Clause which are not otherwise defined in this Guarantee have the meaning given to them in the HKIAC Administered Arbitration Rules.

17.2 **Waiver of immunities**

The Guarantor irrevocably waives, to the extent permitted by applicable law, with respect to itself and its revenues and assets (irrespective of their use or intended use), all immunity on the grounds of sovereignty or other similar grounds from:

(a) proceedings;

(b) suit;

(c) jurisdiction of any court;

(d) relief by way of injunction or order for specific performance or recovery of property;

(e) attachment of its assets (whether before or after judgment);

(f) execution or enforcement of any judgment to which it or its revenues or assets might otherwise be entitled in any proceedings in the courts of any jurisdiction (and irrevocably agrees, to the extent permitted by applicable law, that it will not claim any immunity in any such proceedings); and

(g) other legal process.

SCHEDULE
FORM OF COMPLIANCE CERTIFICATE

From: **JINHUI SHIPPING AND TRANSPORTATION LIMITED**, an exempted company incorporated in Bermuda and listed on the Oslo Stock Exchange with stock code JIN

With copy to: **JINMING MARINE INC.**, a corporation incorporated in the Republic of Panama with limited liability and a registered non-Hong Kong company under Part 16 of the Companies Ordinance (Cap. 622 of the Laws of Hong Kong)

To: 汇文(天津)航运租赁有限公司 **(HUIWEN (TIANJIN) SHIPPING LEASING CO., LTD.)**, a company incorporated in the People's Republic of China with limited liability, as owners (the **"Owner"**)

Dated: [●]

1. We refer to the unconditional and irrevocable guarantee and indemnity dated [●] (together with all supplements and amendments to it, the **"Corporate Guarantee"**) made by us in favour of the Owner. This is a Compliance Certificate.

2. Terms defined in the Corporate Guarantee shall have the same meaning in this Compliance Certificate.

3. We confirm that as at the date of this Certificate:

   (a) *Debt-to-asset ratio*

   Total Liabilities is [not] greater than [80% of Total Assets].

   (b) *Minimum corporate liquidity covenant*

   Cash and Cash Equivalents is [not] at least [US$345,000] for each of our owned or beneficially controlled vessel.

   (c) *Consolidated market adjusted tangible net worth*

   Consolidated Market Adjusted Tangible Net Worth is [not] greater than [US$100,000,000].

4. We provide details of computation to support our confirmation of compliance as follows:

   (a) [Total Liabilities:

   (b) Total Assets:

(c) Cash:

(d) Cash Equivalents:

(e) Consolidated Market Adjusted Tangible Net Worth:]

For and on behalf of
JINHUI SHIPPING AND TRANSPORTATION LIMITED

Name:
Title: Director

EXECUTION:

This Guarantee has been entered into on the date stated at the beginning of this Guarantee. This Guarantee has been executed and entered into by the Guarantor as a deed and is intended to be and is delivered by it as a deed.

The Guarantor

SIGNED by Ng Siu Fai , duly authorised Director, for and on behalf of **JINHUI SHIPPING AND TRANSPORTATION LIMITED** in accordance with its articles of incorporation in the presence of:	))))))	Name: Ng Siu Fai Title: Director

Signature of witness:

Name: Ho Suk Lin

Title: Director

The Owner

SIGNED by 張欣航 (Zhang Xinhang), duly authorised Legal Representative, for and on behalf of 汇文(天津)航运租赁有限公司 **(HUIWEN (TIANJIN) SHIPPING LEASING CO., LTD.)** in accordance with its articles of association in the presence of:	)))))	(affixed with company chop) Name: 張欣航 (Zhang Xinhang) Title: Legal Representative

Signature of witness:

Name: Jiang Lu

Title: manager

The Board of Directors
Jinhui Holdings Company Limited
26th Floor, Yardley Commercial Building
1-6 Connaught Road West
Hong Kong

Date: 27 July 2026

Dear Sirs,

Major Transaction of Jinhui Holdings Company Limited (the "Company")

FAIRLINE CONSULTANTS LIMITED, incorporated in the British Virgin Islands, being the shareholder of the Company who holds 205,325,568 issued shares (approximately 38.72% of the total issued shares of the Company) and 409,099 issued shares of Jinhui Shipping and Transportation Limited ("Jinhui Shipping") (approximately 0.37% of the total issued shares of Jinhui Shipping) as at date of this letter. Mr. Ng Siu Fai, Chairman and executive director of the Company, is the beneficial owner holding 51% of FAIRLINE CONSULTANTS LIMITED.

TIMBERFIELD LIMITED, incorporated in the British Virgin Islands, being the shareholder of the Company who holds 136,883,712 issued shares (approximately 25.81% of the total issued shares of the Company) and 260,000 issued shares of Jinhui Shipping (approximately 0.24% of the total issued shares of Jinhui Shipping) as at date of this letter. Mr. Ng Kam Wah, Managing Director and executive director of the Company, is the beneficial owner of TIMBERFIELD LIMITED.

Mr. Ng Siu Fai and Mr. Ng Kam Wah are brothers and the two founders of the Group. FAIRLINE CONSULTANTS LIMITED and TIMBERFIELD LIMITED, being a closely allied group of shareholders, together hold 342,209,280 shares which represent a controlling interests of approximately 64.53% of the total issued shares of the Company and voting rights in general meetings of the Company and 669,099 issued shares of Jinhui Shipping (approximately 0.61% of the total issued shares of Jinhui Shipping) as at date of this letter.

Under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as one or more of the applicable percentage ratios defined under the Listing Rules in respect of the Sale and Leaseback Arrangements, in aggregate, exceed 25% but less than 75%, the Sale and Leaseback Arrangements constitute a major transaction of the Company under Chapter 14 of the Listing Rules

FAIRLINE CONSULTANTS LIMITED and TIMBERFIELD LIMITED are not interested in the Sale and Leaseback Arrangements on Two Vessels, other than through its shareholding interest in the Company and Jinhui Shipping as aforesaid.

FAIRLINE CONSULTANTS LIMITED and TIMBERFIELD LIMITED, hereby irrevocably and unconditionally approve the Sale and Leaseback Arrangements on Two Vessels on the respective terms of Memoranda and the Charter Agreements, copies of which are attached thereto.

You are hereby authorised to provide a copy of this approval to The Stock Exchange of Hong Kong Limited and to any other persons to whom disclosure of this approval is deemed appropriate by the Board of Directors of the Company.

Yours faithfully
For and on behalf of
Fairline Consultants Limited

Ng Siu Fai
Authorized Signature

For and on behalf of
Timberfield Limited

Ng Kam Wah
Authorized Signature