

EXECUTION VERSION

Date _____

SEACON SHIPPING GROUP HOLDINGS LIMITED
as Guarantor

– and –

OCEAN BULK 2306 LIMITED
as Owner

GUARANTEE

relating to Hull Number HCY-298

INDEX

Clause	Page
1 INTERPRETATION	1
2 GUARANTEE	2
3 LIABILITY AS PRINCIPAL AND INDEPENDENT DEBTOR	3
4 EXPENSES	3
5 ADJUSTMENT OF TRANSACTIONS	3
6 PAYMENTS	3
7 INTEREST	4
8 SUBORDINATION	4
9 ENFORCEMENT	4
10 REPRESENTATIONS AND WARRANTIES	5
11 UNDERTAKINGS	6
12 JUDGMENTS AND CURRENCY INDEMNITY	9
13 SET-OFF	10
14 SUPPLEMENTAL	10
15 ASSIGNMENT	12
16 NOTICES	12
17 INVALIDITY OF LEASING DOCUMENTS	13
18 CONFIDENTIALITY	13
19 INCORPORATION OF BAREBOAT CHARTER PROVISIONS	14
20 GOVERNING LAW AND JURISDICTION	14
SCHEDULE 1	16
FORM OF COMPLIANCE CERTIFICATE	16
EXECUTION PAGE	17

THIS GUARANTEE is made on _____.

BETWEEN

- (1) **SEACON SHIPPING GROUP HOLDINGS LIMITED**, an exempted company incorporated and existing under the laws of the Cayman Islands with registration number 382465 and whose registered office is at Tricor Services (Cayman Islands) Limited, Third Floor, Century Yard, Cricket Square, P.O. Box 902, Grand Cayman, KY1-1103, Cayman Islands (the “**Guarantor**”); and
- (2) **OCEAN BULK 2306 LIMITED**, a company incorporated under the laws of Hong Kong with registration number 3332184 whose registered office is at 5/F, Manulife Place, 348 Kwun Tong Road, Kowloon, Hong Kong (the “**Owner**”, which expression includes its successors and assigns).

BACKGROUND

- (A) By a bareboat charter dated _____ (the “**Bareboat Charter**”) and made between (i) the Owner as owner and (ii) SEACON GUANGZHOU LTD. as charterer (the “**Bareboat Charterer**”), the Owner has agreed to bareboat charter the Vessel to the Bareboat Charterer pursuant to the terms and conditions contained therein.
- (B) The execution and delivery to the Owner of this Guarantee is one of the conditions to the purchase of the Vessel by the Owner from the Bareboat Charterer in accordance with the MOA and the chartering of the Vessel by the Owner to the Bareboat Charterer under the Bareboat Charter.
- (C) This Guarantee is the Guarantee referred to in the Bareboat Charter.

IT IS AGREED as follows:

1 INTERPRETATION

1.1 Defined expressions. Words and expressions defined in the Bareboat Charter shall have the same meanings when used in this Guarantee unless the context otherwise requires.

1.2 Construction of certain terms. In this Guarantee:

“**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.

“**Code**” means the United States Internal Revenue Code of 1986, as amended.

“**Compliance Certificate**” means a certificate in the form set out in Schedule 1 (*Form of Compliance Certificate*) or in any other form agreed between the Guarantor and the Owner.

“**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 paragraphs (a) or (b) above with the IRS, the US government or any governmental or taxation authority in any other jurisdiction.

“FATCA Deduction” means a deduction or withholding from a payment under the Bareboat Charter or the Leasing Documents required by or under FATCA.

“FATCA Exempt Party” means a Relevant Party that is entitled under FATCA to receive payments free from any FATCA Deduction.

“Party” means a party to this Guarantee.

“US Tax Obligor” means:

- (a) a Party which is resident for tax purposes in the United States of America; or
- (b) a Party some or all of whose payments under this Guarantee, the Bareboat Charter are from sources within the United States for US federal income tax purposes.

1.3 References to “Bareboat Charterer”. References to the Bareboat Charterer under this Guarantee shall, for the avoidance of doubt, include reference to the Bareboat Charterer in its various capacities under the Leasing Documents.

1.4 Application of construction and interpretation provisions of Bareboat Charter

Clauses 69.2 to 69.5 of the Bareboat Charter apply, with any necessary modifications, to this Guarantee.

2 GUARANTEE

2.1 Guarantee and indemnity. The Guarantor unconditionally and irrevocably:

- (a) guarantees the due payment of all amounts payable by the Bareboat Charterer under or in connection with the Leasing Documents;
- (b) guarantees the punctual performance by the Bareboat Charterer of all the Bareboat Charterer’s obligations under or in connection with the Leasing Documents;
- (c) undertakes to pay to the Owner, immediately on the Owner’s demand as if it was the principal obligor, any such amount which is not paid by the Bareboat Charterer when due and payable under or in connection with the Leasing Documents; and
- (d) undertakes to fully indemnify, as an independent and primary obligation, the Owner immediately on its demand in respect of all claims, expenses, liabilities, costs and losses which are made or brought against or incurred by the Owner as a result of or in connection with any obligation or liability of the Bareboat Charterer under the Leasing Documents and/or any obligation or liability guaranteed by the Guarantor being or becoming unenforceable, invalid, void or illegal; and the amount recoverable under this indemnity shall be equal to the amount which the Owner would otherwise have been entitled to recover under the applicable Leasing Documents.

2.2 No limit on number of demands. The Owner may serve more than one (1) demand under Clause 2.1.

2.3 Guarantee of whole amount.

This Guarantee shall be construed and take effect as a guarantee of all amounts due to the Owner under the Leasing Documents (or any of them).

3 LIABILITY AS PRINCIPAL AND INDEPENDENT DEBTOR

3.1 Principal and independent debtor. The Guarantor shall be liable under this Guarantee as a principal and independent debtor and accordingly it shall not have, as regards this Guarantee, any of the rights or defences of a surety.

3.2 Waiver of rights and defences. Without limiting the generality of Clause 3.1, the Guarantor shall neither be discharged by, nor have any claim against the Owner in respect of:

- (a) 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;
- (b) any amendment or supplement being made to any Leasing Document (however fundamental and whether or not more onerous);
- (c) any arrangement or concession (including a rescheduling or acceptance of partial payments) relating to, or affecting, any Leasing Document;
- (d) any release or loss (even though negligent) of any right or Security Interest created by any Leasing Document;
- (e) any failure (even though negligent) promptly or properly to exercise or enforce any such right or Security Interest, including a failure to realise for its full market value an asset covered by such a Security Interest;
- (f) any Leasing Document being or later becoming void, unenforceable, illegal or invalid or otherwise defective in whole or in part for any reason, including a neglect to register it or
- (g) any insolvency or similar proceedings.

4 EXPENSES

4.1 Costs of preservation of rights, enforcement etc. The Guarantor shall pay to the Owner on its demand the amount of all documented expenses (including, without limitation, out of pocket expenses and legal fees) incurred by the Owner in connection with the enforcement of, or the preservation of any rights under this Guarantee or any Leasing Document, including any advice, claim or proceedings relating to this Guarantee or any Leasing Document.

4.2 Fees and expenses payable under Leasing Documents. Clause 4.1 is without prejudice to the Guarantor's liabilities in respect of the Bareboat Charterer's obligations under any Leasing Document to which it is a party.

5 ADJUSTMENT OF TRANSACTIONS

5.1 Reinstatement of obligation to pay. The Guarantor shall pay to the Owner on its demand any amount which the Owner is required, or agrees, to pay pursuant to any claim by, or settlement with, a trustee in bankruptcy of any other Obligor on the ground that any Leasing Documents to which that Obligor is a party, or a payment by the Bareboat Charterer or other Obligor, was invalid or on any similar ground.

6 PAYMENTS

6.1 Method of payments. Any amount due under this Guarantee shall be paid:

- (a) in immediately available funds;
- (b) to such account as the Owner may from time to time notify to the Guarantor;
- (c) without any form of set-off, cross-claim or condition; and
- (d) free and clear of any tax deduction or withholding for or on account of any tax payable except a tax deduction or withholding which the Guarantor is required by law to make.

6.2 Grossing-up for taxes. If the Guarantor is required by law to make a tax deduction, the amount due to the Owner shall be increased by the amount necessary to ensure that the Owner receives and retains a net amount which, after the tax deduction, is equal to the full amount that it would otherwise have received.

7 INTEREST

7.1 Accrual of interest. Any amount due under this Guarantee shall carry interest after the date on which the Owner demands payment of it until it is actually paid, unless interest on that same amount also accrues under the relevant Leasing Document.

7.2 Calculation of interest. Interest under this Guarantee shall be calculated and accrue in the same way as interest under clause 37 of the Bareboat Charter, as applicable.

7.3 Guarantee extends to interest payable under Leasing Documents. For the avoidance of doubt, it is confirmed that this Guarantee covers all interest payable under the Leasing Documents.

8 SUBORDINATION

8.1 Subordination of rights of Guarantor. All rights which the Guarantor at any time has (whether in respect of this Guarantee or any other transaction) against the Bareboat Charterer or any other Obligor or their respective assets shall be fully subordinated to the rights of the Owner under the Leasing Documents (or any of them) and, in particular, the Guarantor shall not:

- (a) claim, or in a bankruptcy of the Bareboat Charterer or any other Obligor prove for, any amount payable to the Guarantor by the Bareboat Charterer or any other Obligor, whether in respect of this Guarantee or any other transaction;
- (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 Bareboat Charterer or any Obligor; or
- (d) claim any subrogation or other right in respect of any Leasing Document or any sum received or recovered by the Owner under the Leasing Documents.

9 ENFORCEMENT

9.1 No requirement to commence proceedings against any other Obligor. The Owner will not need to commence any proceedings under, or enforce any Security Interest created by the Bareboat Charter or any other Leasing Document before claiming or commencing proceedings under this Guarantee.

9.2 Conclusive evidence of certain matters. However, as against the Guarantor:

(a) any awards of an arbitral tribunal constituted under the Administered Arbitration Rules of the London Maritime Arbitrators Association (LMAA) and any judgment or order of a court in any Relevant Jurisdiction in connection with any Leasing Document; and/or

(b) any statement or admission of the Bareboat Charterer in connection with any Leasing Document,

shall be binding and conclusive as to all matters of fact and law to which it relates.

10 REPRESENTATIONS AND WARRANTIES

10.1 General. The Guarantor represents and warrants to the Owner, as at the date of this Guarantee and throughout the Charter Period, as follows.

10.2 Status.

(a) The Guarantor is an exempted company with limited liability, duly incorporated, validly existing and in good standing under the laws of the Cayman Islands.

(b) The Guarantor is not a US Tax Obligor.

10.3 Corporate power. The Guarantor has the corporate capacity, and has taken all corporate action and obtained all consents necessary for it:

(a) to execute this Guarantee or any other Security Document to which it is a party; and

(b) to make all the payments contemplated by, and to comply with, this Guarantee or any other Security Document to which it is a party.

10.4 Consents in force. All the consents referred to in Clause 10.3 remain in force and nothing has occurred which makes any of them liable to revocation.

10.5 Legal validity. This Guarantee and the Security Documents to which it is a party constitute the Guarantor's legal, valid and binding obligations enforceable against the Guarantor in accordance with their terms subject to any relevant insolvency laws affecting creditors' rights generally.

10.6 No third party Security Interests. Without limiting the generality of Clause 10.5, at the time of the execution and delivery of this Guarantee and any other Security Document to which the Guarantor is a party:

(a) the Guarantor will have the right to create all the Security Interests which that Security Document purports to create; and

(b) no third party will have any Security Interest (except for Permitted Security Interests) or any other interest, right or claim over, in or in relation to any asset to which any such Security Interest, by its terms, relates.

10.7 No conflicts. The execution by the Guarantor of this Guarantee and any other Security Document to which it is a party and its compliance with this Guarantee and such Security Documents will not involve or lead to a contravention of:

(a) any law or regulation; or

(b) the constitutional documents of the Guarantor; or

(c) any contractual or other obligation or restriction which is binding on the Guarantor or any of its assets.

10.8 No withholding taxes. All payments which the Guarantor is liable to make under this Guarantee and the Security Documents to which it is a party may be made without deduction or withholding for or on account of any tax payable under the laws of its jurisdiction of incorporation.

10.9 No default. No Termination Event or Potential Termination Event has occurred.

10.10 Information. All information which has been provided in writing by or on behalf of the Guarantor to the Owner in connection with any Security Document satisfies the requirements of Clause 11.2; all audited and unaudited accounts which have been so provided satisfies the requirements of Clause 11.4; and there has been no Material Adverse Effect in the financial position or state of affairs of the Guarantor from that disclosed in the latest of those accounts.

10.11 No litigation. No legal or administrative action involving the Guarantor has been commenced or taken which has or is reasonably likely to have a Material Adverse Effect.

10.12 Restricted Persons. Neither the Guarantor, nor any of its directors, officers or employees or any person acting on its behalf is a Restricted Person or otherwise a target of applicable Sanctions.

10.13 Sanctions. None of the Guarantor nor its directors, members officers or employees are in breach of applicable Sanctions laws, have been or are currently being investigated on compliance with Sanctions, have received notice of or are aware of any claim, action, suit, proceeding or investigation against them with respect of Sanctions and none of them have taken any action to evade the application of Sanctions.

10.14 Anti-Money Laundering Laws. The Guarantor is not in breach of any Anti-Money Laundering Laws and has instituted and maintained systems, controls, policies and procedures designed to:

(i) prevent and detect incidences of bribery and corruption, money laundering and terrorism financing; and

(ii) promote and achieve compliance with Anti-Money Laundering Laws including, but not limited to, ensuring thorough and accurate books and records, and utilization of best efforts to ensure that Affiliates acting on behalf of the Guarantor shall act in compliance with Anti-Money Laundering Laws.

10.15 Taxes paid. The Guarantor has paid all taxes applicable to, or imposed on or in relation to the Guarantor or its business.

10.16 Provisions of Leasing Documents. The Guarantor is fully familiar with and agrees with all provisions of the Leasing Documents to which the Bareboat Charterer is a party.

10.17 No waiver. No oral or written statement has been made to the Guarantor by or on behalf of the Owner or any other person which could be construed as a waiver of any provisions of this Guarantee or a statement of intention not to enforce this Guarantee in accordance with its terms.

11 UNDERTAKINGS

11.1 General. The Guarantor undertakes with the Owner to comply with the following provisions of this Clause 11 at all times during the Charter Period, except as the Owner may otherwise permit.

11.2 Information provided to be accurate. All financial and other information which is provided in writing by or on behalf of the Guarantor under or in connection with this Guarantee will be true and not misleading and will not omit any material fact or consideration.

11.3 Provision of financial statements. The Guarantor will send to the Owner:

- (a) as soon as possible, but in no event later than one hundred and eighty (180) days after the end of each financial year of the Guarantor, the audited annual combined financial reports of the Guarantor for that financial year;
- (b) as soon as possible, but in no event later than ninety (90) days after the end of the first half of each financial year, the unaudited consolidated semi-annual accounts of the Guarantor certified as to their correctness by a duly authorised officer of the Guarantor; and
- (c) such financial and other information as the Owner or its financiers may reasonably request.

11.4 Form of financial statements. All accounts (audited and unaudited) delivered under Clause 11.3 will:

- (a) be prepared in accordance with all applicable laws, IFSR and other generally accepted accounting principles consistently applied;
- (b) give a true and fair view of (if audited) or fairly represent (if unaudited) the financial condition of the Guarantor and the Group at the date of those accounts and of their profit for the period to which those accounts relate;
- (c) since the date of the Original Financial Statements or as the case may be, the date of any more recent financial statements delivered pursuant to Clause 11.3, there has been no material adverse change in the Guarantor or the Group's business, assets or financial condition;
- (d) fully disclose or provide for all significant liabilities of the Guarantor and the Group; and
- (e) if not in the English language, be accompanied by an English translation duly certified as to its correctness.

11.5 Shareholder and creditor notices. The Guarantor will send the Owner, at the same time as they are despatched, copies of all material communications in relation to any Leasing Document.

11.6 Consents. The Guarantor will maintain in force and promptly obtain or renew, and will, upon the request of the Owner, promptly send certified copies to the Owner of, all consents required:

- (a) for the Guarantor to perform its obligations under this Guarantee and any other Security Document to which it is a party; and
- (b) for the validity or enforceability of this Guarantee and any other Security Document to which it is a party,

and the Guarantor will comply with the terms of all such consents.

11.7 Maintenance of Security Interests. The Guarantor will:

- (a) at its own cost, do all that it reasonably can to ensure that any Security Document to which it is a party validly creates the obligations and the Security Interests which it purports to create; and

(b) without limiting the generality of paragraph (a) above, at its own cost, promptly register, file, record or enrol any Security Document to which it is a party with any court or authority in all Relevant Jurisdictions, pay any stamp, registration or similar tax in all Relevant Jurisdictions in respect of any Security Document to which it is a party, give any notice or take any other step which may be or become necessary or desirable for any Security Document to which it is a party to be valid, enforceable or admissible in evidence or to ensure or protect the priority of any Security Interest which it creates.

11.8 Notification of litigation. The Guarantor will provide the Owner with details of any legal, arbitral or administrative action which are current, threatened or pending against the Guarantor as soon as such action is instituted.

11.9 Notification of default. The Guarantor will notify the Owner as soon as the Guarantor becomes aware of:

(a) the occurrence of a Termination Event or a Potential Termination Event; or

(b) any matter which indicates that a Termination Event or a Potential Termination Event may have occurred,

and will thereafter keep the Owner fully up-to-date with all developments.

11.10 Maintenance of status. The Guarantor will maintain its separate corporate existence as a corporation and remain in good standing under the laws of the Cayman Islands.

11.11 Negative Pledge. The Guarantor shall procure that the Bareboat Charterer will not create or permit to arise any Security Interest over any asset present or future except for the Permitted Security Interests.

11.12 No disposal of assets, change of business.

(a) The Guarantor shall procure that the Bareboat Charterer will not transfer, lease or otherwise dispose of all or a substantial part of its assets, whether by one transaction or a number of transactions, whether related or not except in the usual course of its trading operations.

(b) The Guarantor will not transfer, lease or otherwise dispose of all or a substantial part of its assets which is reasonably likely to have a Material Adverse Effect, whether by one transaction or a number of transactions, whether related or not except in the usual course of its trading operations.

(c) The Guarantor will not, and shall procure that the Bareboat Charterer will not, make any substantial change to the nature of its business or its corporate structure from that existing at the date of this Guarantee.

11.13 No payment of dividend. The Guarantor shall not make or pay any dividend or other distribution of its share capital (including in relation to any preferred shares) following the occurrence of a Termination Event or where the payment of such dividend or distribution of such share capital will result in the occurrence of a Potential Termination Event or Termination Event.

11.14 No merger etc. The Guarantor shall procure that the Bareboat Charterer will not, enter into any form of merger, sub-division, amalgamation, demerger, reorganisation or corporate reconstruction.

11.15 Sanctions. The Guarantor shall comply with all applicable laws and regulations in respect of Sanctions, and in particular, the Guarantor shall effect and maintain a sanctions compliance

policy to ensure compliance with all such laws and regulations implemented from time to time.

11.16 Anti-Money Laundering Laws. The Guarantor shall conduct its business in compliance with Anti-Money Laundering Laws and maintain systems, controls, policies and procedures designed to promote and achieve ongoing compliance with Anti-Money Laundering Laws.

11.17 FATCA. The Guarantor shall not, and shall procure that the Bareboat Charterer will not become a US Tax Obligor.

11.18 Financial covenants. The Guarantor shall ensure that during the Charter Period the financial covenants set out in Clause 51 (*Financial Covenants*) of the Bareboat Charter are complied with.

11.19 Compliance Certificate.

(a) The Guarantor shall supply to the Owner, a Compliance Certificate setting out (in reasonable detail) computations as to compliance with Clause 11.18 (*financial covenants*) together with:

- (i) the annual consolidated financial reports of the Guarantor to be provided to the Owner in accordance with Clause 11.3(a); and
- (ii) semi-annual consolidated accounts of the Guarantor to be provided to the Owner in accordance with Clause 11.3(b).

(b) Each Compliance Certificate shall be signed by a director or officer of the Guarantor as appropriate.

12 JUDGMENTS AND CURRENCY INDEMNITY

12.1 Judgments relating to Bareboat Charter and other Leasing Documents. This Guarantee shall cover any amount payable by any other Obligor under or in connection with any judgment or award relating to the Bareboat Charter and any other Leasing Document.

12.2 Currency indemnity. If any sum due from the Guarantor to the Owner under this Guarantee or under any order or judgment relating to this Guarantee has to be converted from the currency in which this Guarantee provided for the sum to be paid (the “**Contractual Currency**”) into another currency (the “**Payment Currency**”) for the purpose of:

- (a) at the Owner’s request, in the event that there are any restrictions whatsoever preventing the remittance of payments in Dollars to the Owner or otherwise adversely affecting the ability of the Owner to receive payments in or deal in Dollars (including without limitation, any suspension of the SWIFT system in any jurisdiction where the Owner would have received payment or would customarily receive payments);
- (b) making or lodging any claim or proof against the Guarantor, whether in its liquidation, any arrangement involving it or otherwise; or
- (c) obtaining an order or judgment or award from any court or other tribunal; or
- (d) enforcing any such order or judgment or award;

the Guarantor shall indemnify the Owner against the loss arising when the amount of the payment actually received by the Owner is converted at the available rate of exchange into the Contractual Currency.

In this Clause 12.2, the “**available rate of exchange**” means the rate at which the Owner is able, at the opening of business (Beijing time) on the Business Day after it receives the sum concerned, to purchase the Contractual Currency with the Payment Currency.

13 SET-OFF

13.1 Application of credit balances. The Owner or any affiliate of the Owner may, following the occurrence of a Termination Event which is continuing, without prior notice:

- (a) apply any balance (whether or not then due) which at any time stands to the credit of any account in the name of the Guarantor at any office in any country of the Owner or its affiliate in or towards satisfaction of any sum then due from the Guarantor to the Owner or its affiliate under this Guarantee and any other Security Document; and
- (b) for that purpose:
 - (i) break, or alter the maturity of, all or any part of a deposit of the Guarantor;
 - (ii) convert or translate all or any part of a deposit or other credit balance into Dollars; and
 - (iii) enter into any other transaction or make any entry with regard to the credit balance which the Owner or its affiliate considers appropriate.

13.2 Existing rights unaffected. The Owner or its affiliate shall not be obliged to exercise any of its rights under Clause 13.1; and those rights shall be without prejudice and in addition to any right of set-off, combination of accounts, charge, lien or other right or remedy to which the Owner or its affiliate is entitled (whether under the general law or any document).

14 SUPPLEMENTAL

14.1 Continuing guarantee. This Guarantee shall remain in force as a continuing security at all times from the date of this Guarantee up to the last day of the Charter Period.

14.2 Rights cumulative, non-exclusive. The Owner’s rights under and in connection with this Guarantee are cumulative, may be exercised as often as appears expedient and shall not be taken to exclude or limit any right or remedy conferred by law.

14.3 No impairment of rights under Guarantee. If the Owner omits to exercise, delays in exercising or invalidly exercises any of its rights under this Guarantee, that shall not impair that or any other right of the Owner under this Guarantee.

14.4 Severability of provisions. If any provision of this Guarantee is or subsequently becomes void, illegal, unenforceable or otherwise invalid, that shall not affect the validity, legality or enforceability of its other provisions.

14.5 Guarantee not affected by other security. This Guarantee shall not impair, nor be impaired by, any other guarantee, any Security Interest or any right of set-off or netting or to combine accounts which the Owner may now or later hold in connection with the Leasing Documents.

14.6 Guarantor bound by Leasing Documents. The Guarantor agrees with the Owner to be bound by all provisions of each Leasing Document in the same way as if those provisions had been set out (with any necessary modifications) in this Guarantee.

14.7 Applicability of provisions of Guarantee to other Security Interests. Any Security Interest which the Guarantor creates (whether at the time at which it signs this Guarantee or at any later time) to secure any liability under this Guarantee shall be a principal and independent

security, and Clause 3.2 (*Waiver of Rights and Defences*), Clause 5.1 (*Reinstatement of obligation to pay*), Clause 8.1 (*Subordination of rights of Guarantor*) and Clause 14.1 (*Continuing guarantee*) shall, with any necessary modifications, apply to it, notwithstanding that the document creating the Security Interest neither describes it as a principal or independent security nor includes provisions similar to Clauses 3.2, 5.1, 8.1 and 14.1.

14.8 Applicability of provisions of Guarantee to other rights. Clause 3.2 (*Waiver of Rights and Defences*), Clause 5.1 (*Reinstatement of obligation to pay*), Clause 8.1 (*Subordination of rights of Guarantor*) and Clause 14.1 (*Continuing guarantee*) shall also apply to any right of set-off or netting or to combine accounts which the Guarantor creates by an agreement entered into at the time of this Guarantee or at any later time (notwithstanding that the agreement does not include provisions similar to Clauses 3.2, 5.1, 8.1 and 14.1), being an agreement referring to this Guarantee.

14.9 Third party rights. A person who is not a party to this Guarantee has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Guarantee.

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

14.11 FATCA Information.

(a) Subject to paragraph (c) below, each Party shall, within ten (10) Business Days of a reasonable request by the other Party:

(i) confirm to the other Party whether it is:

(A) a FATCA Exempt Party; or

(B) not a FATCA Exempt Party; and

(ii) supply to the requesting party (with a copy to all other Relevant Parties) such other form or forms (including IRS Form W-8 or Form W-9 or any successor or substitute form, as applicable) and any other documentation and other information relating to its status under FATCA (including its applicable “pass thru percentage” or other information required under FATCA or other official guidance including intergovernmental agreements) as the requesting party reasonably requests for the purposes of the requesting party’s compliance with FATCA.

(b) If a Relevant Party confirms to any other Relevant Party that it is a FATCA Exempt Party or provides an IRD Form W-8 or W-9 to showing 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, or that the said form provided has ceased to be correct or valid, that Party shall notify the other Party reasonably promptly.

(c) Nothing in this Clause shall oblige any Relevant Party to do anything which would or, in its reasonable opinion, might constitute a breach of any law or regulation, any policy of that party, any fiduciary duty or any duty of confidentiality, or to disclose any confidential information (including, without limitation, its tax returns and calculations); provided, however, that nothing in this paragraph shall excuse any Relevant Party from providing a true, complete and correct IRS Form W-8 or W-9 (or any successor or substitute form where applicable). Any information provided on such IRS Form W-8 or W-9 (or any successor or substitute forms) shall not be treated as confidential information of such party for purposes of this paragraph.

- (d) If a Relevant Party fails to confirm its status or to supply forms, documentation or other information requested in accordance with the provisions of this Guarantee or the provided information is insufficient under FATCA, then:
- (i) if that Party failed to confirm whether it is (and/or remains) a FATCA Exempt Party then such Party shall be treated for the purposes of this Guarantee and the Leasing Documents as if it is not a FATCA Exempt Party; and
 - (ii) if that Party failed to confirm its applicable passthru percentage then such Party shall be treated for the purposes of the Leasing Documents (and payments made thereunder) as if its applicable passthru percentage is 100%,

until (in each case) such time as the Party in question provides sufficient confirmation, forms, documentation or other information to establish the relevant facts.

15 ASSIGNMENT

15.1 Assignment by Charterer. The Charterer shall not assign or transfer (whether by novation or otherwise) its rights and/or obligations under this Guarantee except with the Owner's prior written consent.

15.2 Assignment by Owner. The Owner may assign any of its rights and transfer any of its obligations under this Guarantee to the same extent as it may transfer the same under the other Leasing Documents to which it is a party subject always to the provisions of the Bareboat Charter.

16 NOTICES

16.1 Notices. Any notice, certificate, demand or other communication to be served, given made or sent under or in relation to this Guarantee 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) to the Owner: c/o CHINA MERCHANTS FINANCIAL LEASING (HONG KONG) HOLDING CO. LIMITED
Unit 2507, 25/F COSCO Tower
Grand Millennium Plaza
No. 183 Queen's Road Central, Hong Kong

Attention: Ashley Xiao; Yu Hang
Email: xiaonan2@cmhk.com; yuhang3@cmhk.com
Tel: +86 133 7755 6682

(B) to the Guarantor: c/o SEACON SHIPPING GROUP HOLDINGS LIMITED
Room 4901 Sinar Mas Plaza, No.501 Dongdaming Road,
Hongkou District, Shanghai 200080
Attention: Man Xin
Email: X.man@seacon.com

or, if a party hereto changes its address, to such other address as that party may notify to the other.

16.2 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 payable by the Bareboat Charterer under a Leasing Document; and
- (b) at the same time as the service of the Termination Notice referred to under clause 47.2 of the Bareboat Charter;

and a demand under this Guarantee should specifically refer to each amount payable under or in connection with a Leasing Document.

17 INVALIDITY OF LEASING DOCUMENTS

17.1 Invalidity of Bareboat Charter or other Leasing Documents. In the event of:

- (a) the Bareboat Charter or any other Leasing Document now being or later becoming, with immediate or retrospective effect, void, illegal, unenforceable or otherwise invalid for any other reason whatsoever, whether of a similar kind or not; or
- (b) without limiting the scope of paragraph (a), a bankruptcy or insolvency of any Obligor, the introduction of any law or any other matter resulting in any Obligor being discharged from liability under any Leasing Document, or the Bareboat Charter ceasing to operate (for example, by interest ceasing to accrue),

this Guarantee shall cover any amount which would have been or become payable under or in connection with a Leasing Document if such Leasing Document had been and remained entirely valid, legal and enforceable, or the Bareboat Charterer had not suffered bankruptcy or insolvency, or any combination of such events or circumstances, as the case may be, and the Bareboat Charterer had remained fully liable under it for obligations whether invalidly incurred or validly incurred but subsequently retrospectively invalidated; and references in this Guarantee to amounts payable by the Bareboat Charterer under or in connection with a Leasing Document shall include references to any amount which would have so been or become payable as aforesaid.

18 INCORPORATION OF BAREBOAT CHARTER PROVISIONS

18.1 The following provisions of the Bareboat Charter apply to this Guarantee as if they were expressly incorporated therein with any necessary modifications:

Clause 45 (*No waiver of rights*);

Clause 60 (*No set-off or tax deduction*);

Clause 63 (*FATCA*); and

Clause 65 (*Confidentiality*).

18.2 Clause 18.1 is without prejudice to the application to this Guarantee of any provision of the Bareboat Charter which, by its terms, applies or relates to this Guarantee.

19 GOVERNING LAW AND JURISDICTION

19.1 This Guarantee and any non-contractual obligations arising out of or in connection with it are governed by English law.

19.2 Any dispute arising out of or in connection with this Guarantee 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 19. 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.

- 19.3** 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.
- 19.4** In cases where neither the claim nor any counterclaim exceeds the sum of US\$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. Where the reference is to three arbitrators the procedure for making appointments shall be in accordance with the procedure for full arbitration stated above.

THIS GUARANTEE has been executed and delivered as a deed on the date stated at the beginning of this Guarantee.

SCHEDULE 1

FORM OF COMPLIANCE CERTIFICATE

To:
OCEAN BULK 2306 LIMITED

From:
SEACON SHIPPING GROUP HOLDINGS LIMITED

Third Floor, Century Yard, Cricket Square,
P.O. Box 902, Grand Cayman,
KY1-1103, Cayman Islands

Date: [●]

Dear Sirs

1. We refer to 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, no Termination Event has occurred and is continuing which has not been waived or remedied at the date hereof or if that is not the case, specifying the same and the steps, if any, being taken to remedy the same.
3. We confirm that, at any time during the Charter Period, the ratio of our (i) Total Liabilities to (ii) Total Assets shall not be more than 85%.

Signed: _____

Director/Officer

SEACON SHIPPING GROUP HOLDINGS LIMITED

EXECUTION PAGE

GUARANTOR

EXECUTED AND DELIVERED AS A DEED)
by)
as an attorney-in-fact)
for and on behalf of)
SEACON SHIPPING GROUP HOLDINGS LIMITED)
In the presence of:)
)
Witness' signature:)
Witness' name:)
Witness' address:)

OWNER

SIGNED, SEALED AND DELIVERED AS A DEED)
for and on behalf of)
OCEAN BULK 2306 LIMITED)
by)
being an attorney-in-fact)
pursuant to a Power of Attorney dated)
in the presence of:)
)
Witness' signature:)
Witness' name:)
Witness' address:)

