

BARECON 2001



STANDARD BAREBOAT CHARTER

PART 1

1. Shipbroker N/A	2. Place and date 30 June 2025	
3. Owners/Place of business (Cl. 1) TIANJIN JINHAISHIWU LEASING CO., LTD. (天津津海十五租赁有限公司) Room 202, No. 6262, Australia Road, Dongjiang Free Trade Pilot Zone, Tianjin (DJBS Free Trade Zone Branch No. 11070), the People's Republic of China	4. Bareboat Charterers/Place of business (Cl. 1) JINHENG MARINE INC. with registered office at Floor 19, Banco General Tower, Aquilino de la Guardia Street, Marbella, Panama City, Republic of Panama and 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 HENG" (IMO number: 9707417) Call Sign: VRUZ7 Flag on Actual Delivery Date: Hong Kong		
6. Type of Vessel Bulk carrier	7. GT/NT 36,278/21,607	
8. When/Where built 2014 Jiangsu Hantong Ship Heavy Industry Co., Ltd.	9. Total DWT (abt.) in metric tons on summer freeboard 63,518	
10. Classification Society (Cl. 3) Bureau Veritas (BV)	11. Date of last special survey by the Vessel's classification society 8 May 2024	
12. Further particulars of Vessel (also indicate minimum number of months' validity of class certificates agreed acc. to Cl. 3) N/A		
13. Port or Place of delivery (Cl. 3) As per MOA	14. Time for delivery (Cl. 4) N/A	15. Cancelling date (Cl. 5) N/A

16. Port or Place of redelivery (Cl. 15) See Additional Clause 42 (Redelivery)	17. No. of months' validity of trading and class certificates upon redelivery (Cl. 15) N/A
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, always afloat at any time of tide.	
21. <u>Agreed</u> Charter <u>Period</u> (Cl. 2) Eighty-four (84) months commencing from the Actual Delivery Date	22. Charter hire (Cl. 11) See Additional Clause 40 (Hire)
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 39(b)	
24. Rate of interest payable acc. to Cl. 11 (f) and, if applicable, acc. to PART IV See Additional Clause 40 (Hire)	25. Currency and method of payment (Cl. 11) CNH (see also Additional Clause 40 (Hire))
26. Place of payment; also state beneficiary and bank account (Cl. 11) See Additional Clause 40 (Hire)	27. Bank guarantee/bond (sum and place) (Cl. 24) (optional) N/A
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) N/A	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 41 (Insurance)
30. Additional insurance cover, if any, for Owners' account limited to (Cl. 13(b) or, if applicable, Cl. 14(g)) N/A	31. Additional insurance cover, if any, for Charterers' account limited to (Cl. 13(b) or, if applicable, Cl. 14(g)) N/A
32. Latent defects (only to be filled in if period other than stated in Cl. 3)	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 49 (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) See Additional Clause 72 (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) No	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) Part IV does not apply	43. Bareboat Charter Registry (indicate with "yes" or "no" whether PART V applies) (optional) Part V does not apply
44. Flag and Country of the Bareboat Charter Registry (only to be filled in if PART V applies) N/A	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 See Additional Clause 32 (Definitions) to Additional Clause 75 (FATCA)	

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)	Signature (Charterers)
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1 **1. Definitions**

2 In this Charter, the following terms shall have the meanings hereby assigned to them:

3 “The Owners” shall mean the party identified in Box 3;

4 “The Charterers” shall mean the party identified in Box 4;

5 “The Vessel” shall mean the vessel named in Box 5 and with particulars as stated in Boxes 6 to 12.

6 ~~“Financial Instrument” means the mortgage, deed of covenant or other such financial security instrument as~~
 7 ~~annexed to this Charter and stated in Box 28~~ See also Additional Clauses 32 (Definitions) and 33 (Interpretations).

8 **2. Charter Period**

9 In consideration of the hire detailed in Box 22, the Owners have agreed to let and the Charterers have agreed to
 10 hire the Vessel for the Agreed Charter ~~Period~~ stated in Box 21 (“The Agreed Charter Period”).

11 **3. Delivery - See Additional Clause 35 (Delivery)**

12 ~~(not applicable when Part III applies, as indicated in Box 37)~~

13 ~~(a) The Owners shall before and at the time of delivery exercise due diligence to make the Vessel seaworthy and in~~
 14 ~~every respect ready in hull, machinery and equipment for service under this Charter.~~

15 ~~The Vessel shall be delivered by the Owners and taken over by the Charterers at the port or place indicated in~~
 16 ~~Box 13 in such ready safe berth as the Charterers may direct.~~

17 ~~(b) The Vessel shall be properly documented on delivery in accordance with the laws of the flag state indicated in~~
 18 ~~Box 5 and the requirements of the classification society stated in Box 10. The Vessel upon delivery shall have her~~
 19 ~~survey cycles up to date and trading and class certificates valid for at least the number of months agreed in Box~~
 20 ~~12.~~

21 ~~(c) The delivery of the Vessel by the Owners and the taking over of the Vessel by the Charterers shall constitute a~~
 22 ~~full performance by the Owners of all the Owners’ obligations under this Clause 3, and thereafter the Charterers~~
 23 ~~shall not be entitled to make or assert any claim against the Owners on account of any conditions,~~
 24 ~~representations or warranties expressed or implied with respect to the Vessel but the Owners shall be liable for~~
 25 ~~the cost of but not the time for repairs or renewals occasioned by latent defects in the Vessel, her machinery or~~
 26 ~~appurtenances, existing at the time of delivery under this Charter, provided such defects have manifested~~
 27 ~~themselves within twelve (12) months after delivery unless otherwise provided in Box 32.~~

28 **4. Time for Delivery - See Additional Clause 35 (Delivery)**

29 ~~(not applicable when Part III applies, as indicated in Box 37)~~

30 ~~The Vessel shall not be delivered before the date indicated in Box 14 without the Charterers’ consent and the~~
 31 ~~Owners shall exercise due diligence to deliver the Vessel not later than the date indicated in Box 15.~~

32 ~~Unless otherwise agreed in Box 18, the Owners shall give the Charterers not less than thirty (30) running days’~~
 33 ~~preliminary and not less than fourteen (14) running days’ definite notice of the date on which the Vessel is~~
 34 ~~expected to be ready for delivery. The Owners shall keep the Charterers closely advised of possible changes in~~
 35 ~~the Vessel’s position.~~

36 **5. Cancelling - See Additional Clause 34 (Background)**

37 ~~(not applicable when Part III applies, as indicated in Box 37)~~

38 ~~(a) Should the Vessel not be delivered latest by the cancelling date indicated in Box 15, the Charterers shall have the~~
 39 ~~option of cancelling this Charter by giving the Owners notice of cancellation within thirty six (36) running hours~~
 40 ~~after the cancelling date stated in Box 15, failing which this Charter shall remain in full force and effect.~~

41 ~~(b) If it appears that the Vessel will be delayed beyond the cancelling date, the Owners may, as soon as they are in~~

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~~42 a position to state with reasonable certainty the day on which the Vessel should be ready, give notice thereof to~~
~~43 the Charterers asking whether they will exercise their option of cancelling, and the option must then be declared~~
~~44 within one hundred and sixty eight (168) running hours of the receipt by the Charterers of such notice or within~~
~~45 thirty six (36) running hours after the cancelling date, whichever is the earlier. If the Charterers do not then~~
~~46 exercise their option of cancelling, the seventh day after the readiness date stated in the Owners' notice shall be~~
~~47 substituted for the cancelling date indicated in Box 15 for the purpose of this Clause 5.~~

~~48 (e) Cancellation under this Clause 5 shall be without prejudice to any claim the Charterers may otherwise have on~~
~~49 the Owners under this Charter.~~

50 6. Trading Restrictions

51 The Vessel shall be employed in lawful trades for the carriage of suitable lawful merchandise within the trading
52 limits indicated in Box 20.

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

57 The Charterers also undertake not to employ the Vessel or suffer her employment in any trade or business which
58 is forbidden by the law of any country to which the Vessel may sail or is otherwise illicit or in carrying illicit or
59 prohibited goods or in any manner whatsoever which may render her liable to condemnation, destruction,
60 seizure or confiscation.

61 Notwithstanding any other provisions contained in this Charter it is agreed that nuclear fuels or radioactive
62 products or waste are specifically excluded from the cargo permitted to be loaded or carried under this Charter.

~~63 This exclusion does not apply to radio isotopes used or intended to be used for any industrial, commercial,~~
~~64 agricultural, medical or scientific purposes provided the Owners' prior approval has been obtained to loading~~
~~65 thereof.~~

66 7. Surveys on Delivery and Redelivery

~~67 (not applicable when Part III applies, as indicated in Box 37)~~

~~68 The Owners and Charterers shall each appoint surveyors for the purpose of determining and agreeing in writing~~
~~69 the condition of the Vessel at the time of delivery and redelivery hereunder. The Owners shall bear all expenses~~
~~70 of the On hire Survey including loss of time, if any, and the Charterers shall bear all expenses of the Off hire~~
~~71 Survey including loss of time, if any, at the daily equivalent to the rate of hire or pro rata thereof.~~

72 8. Inspection

73 (I) In the absence of a Termination Event, the Owners shall have the right at any time after giving reasonable
74 notice to the Charterers, and (II) upon the occurrence of a Termination Event which is continuing, the Owners
75 shall have the right at any time (without limitation), to inspect or survey
76 the Vessel or instruct a duly authorised surveyor to carry out such survey on their behalf:

75 (a) to ascertain the condition of the Vessel and satisfy themselves that the Vessel is being properly repaired and
76 maintained. The costs and fees for one such inspection or survey per year shall be paid by the Owners unless the
Vessel is Charterers in the absence of a Termination Event which is continuing, and upon the occurrence of a
Termination Event which is continuing, all such inspections or surveys shall be paid for by the Charterers; and
77 found to require repairs or maintenance in order to achieve the condition so provided;

~~78 (b) in dry dock if the Charterers have not dry docked Her in accordance with Clause 10(g). The costs and fees for~~
~~79 such inspection or survey shall be paid by the Charterers; and~~

80 (c) for any other commercial reason they consider necessary (provided it does not unduly interfere with the
81 commercial operation of the Vessel). The costs and fees for such inspection and survey shall be paid by the

82 Owners in the absence of a Termination Event, and upon the occurrence of a Termination Event, all such
 83 inspections or surveys shall be paid for by the Charterers.

84 All time used in respect of inspection, survey or repairs shall be for the Charterers' account and form part of the
 85 Charter Period.

86 The Charterers shall also permit the Owners to inspect the Vessel's log books whenever reasonably requested
 87 and shall
 88 whenever required by the Owners furnish them with full information regarding any casualties or other accidents
 89 or damage to the Vessel.

88 9. Inventories, Oil and Stores

89 A complete inventory of the Vessel's entire equipment, outfit including spare parts, appliances and of all
 90 consumable stores on board the Vessel shall be made by the Charterers ~~in conjunction with the Owners~~ on
 91 delivery and again on redelivery of the Vessel. Without limiting the foregoing, - Tthe Charterers shall also
 92 provide ~~and~~ the Owners with a complete inventory of, respectively, shall at the time of
 93 delivery and redelivery take over and pay for all bunkers, lubricating oil, unbroached provisions, paints, ropes
 94 and other consumable stores ~~(excluding spare parts)~~ in the ~~said~~ Vessel ~~at the then current market prices at the~~
 95 ~~ports of delivery and redelivery, respectively. The Charterers shall ensure that all spare parts listed in the~~
 96 ~~inventory and used during the Charter Period are replaced at their expense prior to~~ on redelivery of the Vessel.
 97 See also Additional Clause 37 (Bunkers and Luboils).

96 10. Maintenance and Operation

97 (a) (i) Maintenance and Repairs - During the Charter Period the Vessel shall be in the full possession and at the
 98 absolute disposal for all purposes of the Charterers and under their complete control in every respect. The
 99 Charterers shall maintain the Vessel, her machinery, boilers, appurtenances and spare parts in a good state of
 100 repair, in efficient operating condition and in accordance with good commercial maintenance practice for vessels
 101 of this type ~~and,~~
 102 ~~except as provided for in Clause 14(i), if applicable,~~ at their own expense they shall at all times keep the Vessel's
 103 Class fully up to date with the Classification Society indicated in Box 10 and maintain all other necessary
 104 certificates in force at all times.

~~(ii) New Class and Other Safety Requirements - In the event of any improvement, structural changes or new
 105 equipment becoming necessary for the continued operation of the Vessel by reason of new class requirements
 106 or by compulsory legislation costing (excluding the Charterers' loss of time) more than the percentage stated in
 107 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
 108 any, to which the rate of hire shall be varied and the ratio in which the cost of compliance shall be shared
 109 between
 110 the parties concerned in order to achieve a reasonable distribution thereof as between the Owners and the
 111 Charterers having regard, inter alia, to the length of the period remaining under this Charter shall, in the absence
 112 of agreement, be referred to the dispute resolution method agreed in Clause 30.~~

112 (iii) Financial Security - The Charterers shall maintain financial security or responsibility in respect of third party
 113 liabilities as required by any government, including federal, state or municipal or other division or authority
 114 thereof, to enable the Vessel, without penalty or charge, lawfully to enter, remain at, or leave any port, place,
 115 territorial or contiguous waters of any country, state or municipality in performance of this Charter without any
 116 delay. This obligation shall apply whether or not such requirements have been lawfully imposed by such
 117 government or division or authority thereof.

118 The Charterers shall make and maintain all arrangements by bond or otherwise as may be necessary to satisfy
 119 such requirements at the Charterers' sole expense and the Charterers shall indemnify the Owners against all
 120 consequences whatsoever (including loss of time) for any failure or inability to do so.

121 (b) Operation of the Vessel - The Charterers shall at their own expense and by their own procurement man, victual,
 122 navigate, operate, supply, fuel and, whenever required, repair the Vessel during the Charter Period and they

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123 shall pay all charges and expenses of every kind and nature whatsoever incidental to their use and operation of
124 the Vessel under this Charter, including annual flag state fees and any foreign general municipality and/or state
125 taxes. The Master, officers and crew of the Vessel shall be the servants of the Charterers for all purposes
126 whatsoever, even if for any reason appointed by the Owners.

127 Charterers shall comply with the regulations regarding officers and crew in force in the country of the Vessel's
128 flag or any other applicable law.

129 (c) The Charterers shall keep the Owners and the mortgagee(s) advised of the intended employment, planned dry-
130 docking and major repairs of the Vessel, as reasonably required. See also Additional Clause 58 (Operational
notifiable events).

131 (d) Flag and Name of Vessel – During the Charter Period, the Charterers shall have the liberty to paint the Vessel in
132 their own colours, install and display their funnel insignia and fly their own house flag. The Charterers shall also
133 have the liberty, with the Owners' consent and the Finance Parties' consent, which shall not be unreasonably
withheld, to change the flag and/or
134 the name of the Vessel during the Charter Period. Painting and re-painting, instalment and re-instalment,
135 registration and re-registration, if required by the Owners, shall be at the Charterers' expense and time. See also
Additional Clauses 39 (Structural changes and alterations) and 51 (Name of Vessel).

~~136 (e) Changes to the Vessel— Subject to Clause 10(a)(ii), the Charterers shall make no structural changes in the Vessel
137 or changes in the machinery, boilers, appurtenances or spare parts thereof without in each instance first
securing
138 the Owners' approval thereof. If the Owners so agree, the Charterers shall, if the Owners so require, restore the
139 Vessel to its former condition before the termination of this Charter.~~

140 (f) Use of the Vessel's Outfit, Equipment and Appliances - The Charterers shall have the use of all outfit, equipment,
141 and appliances on board the Vessel at the time of delivery, provided the same or their substantial equivalent
142 shall be returned to the Owners on redelivery in the same good order and condition as when received, ordinary
143 wear and tear excepted. The Charterers shall from time to time during the Charter Period replace such items of
144 equipment as shall be so damaged or worn as to be unfit for use. The Charterers are to procure that all repairs
145 to or replacement of any damaged, worn or lost parts or equipment be effected in such manner (both as regards
146 workmanship and quality of materials) as not to diminish the value of the Vessel. The Charterers have the right
147 to fit additional equipment at their expense and risk but the Charterers shall remove such equipment at the end
148 of the period if requested by the Owners. Any equipment including radio equipment on hire on the Vessel at
149 time of delivery shall be kept and maintained by the Charterers and the Charterers shall assume the obligations
150 and liabilities of the Owners under any lease contracts in connection therewith and shall reimburse the Owners
151 for all expenses incurred in connection therewith, also for any new equipment required in order to comply with
152 radio regulations.

153 (g) Periodical Dry-Docking - The Charterers shall dry-dock the Vessel and clean and paint her underwater parts
154 whenever the same may be necessary, but not less than once during the period stated in Box 19 or, if Box 19 has
155 been left blank, every sixty (60) calendar months after delivery or such other period as may be required by the
156 Classification Society or flag state.

157 **11. Hire - See Additional Clause 40 (Hire)**

~~158 (a) The Charterers shall pay hire due to the Owners punctually in accordance with the terms of this Charter in
respect
159 of which time shall be of the essence.~~

~~160 (b) The Charterers shall pay to the Owners for the hire of the Vessel a lump sum in the amount indicated in Box 22
161 which shall be payable not later than every thirty (30) running days in advance, the first lump sum being payable
162 on the date and hour of the Vessel's delivery to the Charterers. Hire shall be paid continuously throughout the
163 Charter Period.~~

~~164 (c) Payment of hire shall be made in cash without discount in the currency and in the manner indicated in Box 25~~

~~165 and at the place mentioned in Box 26.~~

~~166 (d) Final payment of hire, if for a period of less than thirty (30) running days, shall be calculated proportionally
167 according to the number of days and hours remaining before redelivery and advance payment to be effected
168 accordingly.~~

~~169 (e) Should the Vessel be lost or missing, hire shall cease from the date and time when she was lost or last heard of.
170 The date upon which the Vessel is to be treated as lost or missing shall be ten (10) days after the Vessel was last
171 reported or when the Vessel is posted as missing by Lloyd's, whichever occurs first. Any hire paid in advance to
172 be adjusted accordingly.~~

~~173 (f) Any delay in payment of hire shall entitle the Owners to interest at the rate per annum as agreed in Box 24. If
174 Box 24 has not been filled in, the three months Interbank offered rate in London (LIBOR or its successor) for the
175 currency stated in Box 25, as quoted by the British Bankers' Association (BBA) on the date when the hire fell due,
176 increased by 2 per cent, shall apply.~~

~~177 (g) Payment of interest due under sub clause 11(f) shall be made within seven (7) running days of the date of the
178 Owners' invoice specifying the amount payable or, in the absence of an invoice, at the time of the next hire
179 payment date.~~

180 **12. Mortgage**

~~181 (only to apply if Box 28 has been appropriately filled in)~~

~~182 (a)* The Owners warrant that they have not effected any mortgage(s) of the Vessel and that they shall not effect any
183 mortgage(s) without the prior consent of the Charterers, which shall not be unreasonably withheld.~~

184 (b)* The Vessel chartered under this Charter is may be financed by a mortgage according to the Financial Instrument in
accordance with the terms of Additional Clause 45 (Owners' mortgage).

~~185 The Charterers undertake to comply, and provide such information and documents to enable the Owners to
186 comply, with all such instructions or directions in regard to the employment, insurances, operation, repairs and
187 maintenance of the Vessel as laid down in the Financial Instrument or as may be directed from time to time
188 during the currency of the Charter by the mortgagee(s) in conformity with the Financial Instrument. The
189 Charterers confirm that, for this purpose, they have acquainted themselves with all relevant terms, conditions
190 and provisions of the Financial Instrument and agree to acknowledge this in writing in any form that may be
191 required by the mortgagee(s). The Owners warrant that they have not effected any mortgage(s) other than
stated~~

~~192 in Box 28 and that they shall not agree to any amendment of the mortgage(s) referred to in Box 28 or effect any
193 other mortgage(s) without the prior consent of the Charterers, which shall not be unreasonably withheld.~~

~~194 *(Optional, Clauses 12(a) and 12(b) are alternatives; indicate alternative agreed in Box 28).~~

195 **13. Insurance and Repairs - See Additional Clause 41 (Insurance)**

~~196 (a) During the Charter Period the Vessel shall be kept insured by the Charterers at their expense against hull and
197 machinery, war and Protection and Indemnity risks (and any risks against which it is compulsory to insure for the
198 operation of the Vessel, including maintaining financial security in accordance with sub clause 10(a)(iii)) in such
199 form as the Owners shall in writing approve, which approval shall not be unreasonably withheld. Such insurances
200 shall be arranged by the Charterers to protect the interests of both the Owners and the Charterers and the
201 mortgagee(s) (if any), and the Charterers shall be at liberty to protect under such insurances the interests of any
202 managers they may appoint. Insurance policies shall cover the Owners and the Charterers according to their
203 respective interests.~~

~~204 Subject to the provisions of the Financial Instrument, if any, and the approval of the Owners and the insurers,
205 the Charterers shall effect all insured repairs and shall undertake settlement and reimbursement from the
206 insurers of all costs in connection with such repairs as well as insured charges, expenses and liabilities to the
207 extent of coverage under the insurances herein provided for.~~

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~~208 The Charterers also to remain responsible for and to effect repairs and settlement of costs and expenses incurred
209 thereby in respect of all other repairs not covered by the insurances and/or not exceeding any possible
210 franchise(s) or deductibles provided for in the insurances.~~

~~211 All time used for repairs under the provisions of sub clause 13(a) and for repairs of latent defects according to
212 Clause 3(c) above, including any deviation, shall be for the Charterers' account.~~

~~213 (b) If the conditions of the above insurances permit additional insurance to be placed by the parties, such cover
shall
214 be limited to the amount for each party set out in Box 30 and Box 31, respectively. The Owners or the Charterers
215 as the case may be shall immediately furnish the other party with particulars of any additional insurance
effected,
216 including copies of any cover notes or policies and the written consent of the insurers of any such required
217 insurance in any case where the consent of such insurers is necessary.~~

~~218 (c) The Charterers shall upon the request of the Owners, provide information and promptly execute such
documents
219 as may be required to enable the Owners to comply with the insurance provisions of the Financial Instrument.~~

~~220 (d) Subject to the provisions of the Financial Instrument, if any, should the Vessel become an actual, constructive,
221 compromised or agreed total loss under the insurances required under sub clause 13(a), all insurance payments
222 for such loss shall be paid to the Owners who shall distribute the moneys between the Owners and the
Charterers
223 according to their respective interests. The Charterers undertake to notify the Owners and the mortgagee(s), if
224 any, of any occurrences in consequence of which the Vessel is likely to become a total loss as defined in this
225 Clause.~~

~~226 (e) The Owners shall upon the request of the Charterers, promptly execute such documents as may be required to
227 enable the Charterers to abandon the Vessel to insurers and claim a constructive total loss.~~

~~228 (f) For the purpose of insurance coverage against hull and machinery and war risks under the provisions of sub
229 clause 13(a), the value of the Vessel is the sum indicated in Box 29.~~

230 14. Insurance, Repairs and Classification

~~231 (Optional, only to apply if expressly agreed and stated in Box 29, in which event Clause 13 shall be considered
232 deleted).~~

~~233 (a) During the Charter Period the Vessel shall be kept insured by the Owners at their expense against hull and
234 machinery and war risks under the form of policy or policies attached hereto. The Owners and/or insurers shall
235 not have any right of recovery or subrogation against the Charterers on account of loss of or any damage to the
236 Vessel or her machinery or appurtenances covered by such insurance, or on account of payments made to
237 discharge claims against or liabilities of the Vessel or the Owners covered by such insurance. Insurance policies
238 shall cover the Owners and the Charterers according to their respective interests.~~

~~239 (b) During the Charter Period the Vessel shall be kept insured by the Charterers at their expense against Protection
240 and Indemnity risks (and any risks against which it is compulsory to insure for the operation of the Vessel,
241 including maintaining financial security in accordance with sub clause 10(a)(iii)) in such form as the Owners shall
242 in writing approve which approval shall not be unreasonably withheld.~~

~~243 (c) In the event that any act or negligence of the Charterers shall vitiate any of the insurance herein provided, the
244 Charterers shall pay to the Owners all losses and indemnify the Owners against all claims and demands which
245 would otherwise have been covered by such insurance.~~

~~246 (d) The Charterers shall, subject to the approval of the Owners or Owners' Underwriters, effect all insured repairs,
247 and the Charterers shall undertake settlement of all miscellaneous expenses in connection with such repairs as
248 well as all insured charges, expenses and liabilities, to the extent of coverage under the insurances provided for
249 under the provisions of sub clause 14(a).~~

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- ~~250 The Charterers to be secured reimbursement through the Owners' Underwriters for such expenditures upon
251 presentation of accounts.~~
- ~~252 (e) The Charterers to remain responsible for and to effect repairs and settlement of costs and expenses incurred
253 thereby in respect of all other repairs not covered by the insurances and/or not exceeding any possible
254 franchise(s) or deductibles provided for in the insurances.~~
- ~~255 (f) All time used for repairs under the provisions of sub clauses 14(d) and 14(e) and for repairs of latent defects
256 according to Clause 3 above, including any deviation, shall be for the Charterers' account and shall form part of
257 the Charter Period.~~
- ~~258 The Owners shall not be responsible for any expenses as are incident to the use and operation of the Vessel for
259 such time as may be required to make such repairs.~~
- ~~260 (g) If the conditions of the above insurances permit additional insurance to be placed by the parties such cover shall
261 be limited to the amount for each party set out in Box 30 and Box 31, respectively. The Owners or the Charterers
262 as the case may be shall immediately furnish the other party with particulars of any additional insurance
263 effected,
264 including copies of any cover notes or policies and the written consent of the insurers of any such required
265 insurance in any case where the consent of such insurers is necessary.~~
- ~~265 (h) Should the Vessel become an actual, constructive, compromised or agreed total loss under the insurances
266 required under sub clause 14(a), all insurance payments for such loss shall be paid to the Owners, who shall
267 distribute the moneys between themselves and the Charterers according to their respective interests.~~
- ~~268 (i) If the Vessel becomes an actual, constructive, compromised or agreed total loss under the insurances arranged
269 by the Owners in accordance with sub clause 14(a), this Charter shall terminate as of the date of such loss.~~
- ~~270 (j) The Charterers shall upon the request of the Owners, promptly execute such documents as may be required to
271 enable the Owners to abandon the Vessel to the insurers and claim a constructive total loss.~~
- ~~272 (k) For the purpose of insurance coverage against hull and machinery and war risks under the provisions of sub
273 clause 14(a), the value of the Vessel is the sum indicated in Box 29.~~
- ~~274 (l) Notwithstanding anything contained in sub clause 10(a), it is agreed that under the provisions of Clause 14, if
275 applicable, the Owners shall keep the Vessel's Class fully up to date with the Classification Society indicated in
276 Box 10 and maintain all other necessary certificates in force at all times.~~
- 277 15. Redelivery - See Additional Clauses 42 (Redelivery) and 43 (Redelivery conditions)**
- ~~278 At the expiration of the Charter Period the Vessel shall be redelivered by the Charterers to the Owners at a safe
279 and ice free port or place as indicated in Box 16, in such ready safe berth as the Owners may direct. The
280 Charterers shall give the Owners not less than thirty (30) running days' preliminary notice of expected date,
281 range
282 of ports of redelivery or port or place of redelivery and not less than fourteen (14) running days' definite notice
283 of expected date and port or place of redelivery.~~
- ~~283 Any changes thereafter in the Vessel's position shall be notified immediately to the Owners.~~
- ~~284 The Charterers warrant that they will not permit the Vessel to commence a voyage (including any preceding
285 ballast voyage) which cannot reasonably be expected to be completed in time to allow redelivery of the Vessel
286 within the Charter Period. Notwithstanding the above, should the Charterers fail to redeliver the Vessel within
287 the Charter Period, the Charterers shall pay the daily equivalent to the rate of hire stated in Box 22 plus 10 per
288 cent or to the market rate, whichever is the higher, for the number of days by which the Charter Period is
289 exceeded. All other terms, conditions and provisions of this Charter shall continue to apply.~~
- ~~290 Subject to the provisions of Clause 10, the Vessel shall be redelivered to the Owners in the same or as good
291 structure, state, condition and class as that in which she was delivered, fair wear and tear not affecting class
292 excepted.~~

~~293 The Vessel upon redelivery shall have her survey cycles up to date and trading and class certificates valid for at
294 least the number of months agreed in Box 17.~~

295 **16. Non-Lien - See paragraph (e) of Additional Clause 48 (Charterers' undertakings).**

~~296 The Charterers will not suffer, nor permit to be continued, any lien or encumbrance incurred by them or their
297 agents, which might have priority over the title and interest of the Owners in the Vessel. The Charterers further
298 agree to fasten to the Vessel in a conspicuous place and to keep so fastened during the Charter Period a notice
299 reading as follows:-~~

~~300 "This Vessel is the property of (name of Owners). It is under charter to (name of Charterers) and by the terms of
301 the Charter Party neither the Charterers nor the Master have any right, power or authority to create, incur or
302 permit to be imposed on the Vessel any lien whatsoever."~~

303 **17. Indemnity - See also Additional Clause 59 (Further Indemnities).**

304 (a) The Charterers shall indemnify the Owners against any loss, damage or expense incurred by the Owners arising
305 out of or in relation to the operation of the Vessel by the Charterers, and against any lien of whatsoever nature
306 arising out of an event occurring during the Charter Period. If the Vessel be arrested or otherwise detained by
307 reason of claims or liens arising out of her operation hereunder by the Charterers, the Charterers shall at their
308 own expense take all reasonable steps to secure that within a reasonable time the Vessel is released, including
309 the provision of bail.

310 Without prejudice to the generality of the foregoing, the Charterers agree to indemnify the Owners against all
311 consequences or liabilities arising from the Master, officers or agents signing Bills of Lading or other documents.

~~312 (b) If the Vessel be arrested or otherwise detained by reason of a claim or claims against the Owners, the Owners
313 shall at their own expense take all reasonable steps to secure that within a reasonable time the Vessel is
314 released,
315 including the provision of bail.~~

~~315 In such circumstances the Owners shall indemnify the Charterers against any loss, damage or expense incurred
316 by the Charterers (including hire paid under this Charter) as a direct consequence of such arrest or detention.~~

317 **18. Lien**

~~318 The Owners to have a lien upon all cargoes, sub-hires and sub-freights belonging or due to the Charterers or any
319 sub-charterers and any Bill of Lading freight for all claims under this Charter, and the Charterers to have a lien on
320 the Vessel for all moneys paid in advance and not earned.~~

321 **19. Salvage**

322 All salvage and towage performed by the Vessel shall be for the Charterers' benefit and the cost of repairing
323 damage occasioned thereby shall be borne by the Charterers.

324 **20. Wreck Removal**

325 In the event of the Vessel becoming a wreck or obstruction to navigation the Charterers shall indemnify the
326 Owners against any sums whatsoever which the Owners shall become liable to pay and shall pay in consequence
327 of the Vessel becoming a wreck or obstruction to navigation.

328 **21. General Average**

329 The Owners shall not contribute to General Average.

330 **22. Assignment, Sub-Charter and Sale - See Additional Clause 50 (Sub-chartering and assignment)**

~~331 (a) The Charterers shall not assign this Charter nor sub-charter the Vessel on a bareboat basis except with the prior
332 consent in writing of the Owners, which shall not be unreasonably withheld, and subject to such terms and
333 conditions as the Owners shall approve.~~

~~334 (b) The Owners shall not sell the Vessel during the currency of this Charter except with the prior written consent of
335 the Charterers, which shall not be unreasonably withheld, and subject to the buyer accepting an assignment of
336 this Charter.~~

337 23. Contracts of Carriage

338 (a)* The Charterers are to procure that all documents issued during the Charter Period evidencing the terms and
339 conditions agreed in respect of carriage of goods shall contain a paramount clause incorporating any legislation
340 relating to carrier's liability for cargo compulsorily applicable in the trade; if no such legislation exists, the
341 documents shall incorporate the Hague-Visby Rules. The documents shall also contain the New Jason Clause and
342 the Both-to-Blame Collision Clause.

~~343 (b)* The Charterers are to procure that all passenger tickets issued during the Charter Period for the carriage of
344 passengers and their luggage under this Charter shall contain a paramount clause incorporating any legislation
345 relating to carrier's liability for passengers and their luggage compulsorily applicable in the trade; if no such
346 legislation exists, the passenger tickets shall incorporate the Athens Convention Relating to the Carriage of
347 Passengers and their Luggage by Sea, 1974, and any protocol thereto.~~

~~348 *Delete as applicable.~~

349 24. Bank Guarantee

350 (Optional, only to apply if Box 27 filled in)

~~351 The Charterers undertake to furnish, before delivery of the Vessel, a first class bank guarantee or bond in the
352 sum and at the place as indicated in Box 27 as guarantee for full performance of their obligations under this
353 Charter.~~

354 25. Requisition/Acquisition

355 (a) In the event of the Requisition for Hire of the Vessel by any governmental or other competent authority
356 (hereinafter referred to as "Requisition for Hire") irrespective of the date during the Charter Period when
357 "Requisition for Hire" may occur and irrespective of the length thereof and whether or not it be for an indefinite
358 or a limited period of time, and irrespective of whether it may or will remain in force for the remainder of the
359 Charter Period, this Charter shall not be deemed thereby or thereupon to be frustrated or otherwise terminated
360 and the Charterers shall continue to pay the stipulated hire in the manner provided by this Charter until the time
361 when the Charter would have terminated pursuant to any of the provisions hereof always provided however that
362 in the event of "Requisition for Hire" any Requisition Hire or compensation received or receivable by the Owners
363 shall be payable to the Charterers during the remainder of the Charter Period or the period of the "Requisition
364 for Hire" whichever be the shorter.

~~365 (b) In the event of the Owners being deprived of their ownership in the Vessel by any Compulsory Acquisition of the
366 Vessel or requisition for title by any governmental or other competent authority (hereinafter referred to as
367 "Compulsory Acquisition"), then, irrespective of the date during the Charter Period when "Compulsory
368 Acquisition" may occur, this Charter shall be deemed terminated as of the date of such "Compulsory
Acquisition".~~

~~369 In such event Charter Hire to be considered as earned and to be paid up to the date and time of such
370 "Compulsory
Acquisition".~~

371 26. War

372 (a) For the purpose of this Clause, the words "War Risks" shall include any war (whether actual or threatened), act
373 of war, civil war, hostilities, revolution, rebellion, civil commotion, warlike operations, the laying of mines
374 (whether actual or reported), acts of piracy, acts of terrorists, acts of hostility or malicious damage, blockades
375 (whether imposed against all vessels or imposed selectively against vessels of certain flags or ownership, or
376 against certain cargoes or crews or otherwise howsoever), by any person, body, terrorist or political group, or
377 the Government of any state whatsoever, which may be dangerous or are likely to be or to become dangerous

- 378 to the Vessel, her cargo, crew or other persons on board the Vessel.
- 379 (b) The Vessel, unless the written consent of the Owners be first obtained, shall not continue to or go through any
380 port, place, area or zone (whether of land or sea), or any waterway or canal, where it reasonably appears that
381 the Vessel, her cargo, crew or other persons on board the Vessel, in the reasonable judgement of the Owners,
382 may be, or are likely to be, exposed to War Risks. Should the Vessel be within any such place as aforesaid, which
383 only becomes dangerous, or is likely to be or to become dangerous, after her entry into it, the Owners shall have
384 the right to require the Vessel to leave such area.
- 385 (c) The Vessel shall not load contraband cargo, or to pass through any blockade, whether such blockade be imposed
386 on all vessels, or is imposed selectively in any way whatsoever against vessels of certain flags or ownership, or
387 against certain cargoes or crews or otherwise howsoever, or to proceed to an area where she shall be subject,
388 or is likely to be subject to a belligerent's right of search and/or confiscation.
- 389 (d) If the insurers of the war risks insurance, when Clause 14 is applicable, should require payment of premiums
390 and/or calls because, pursuant to the Charterers' orders, the Vessel is within, or is due to enter and remain
391 within,
392 any area or areas which are specified by such insurers as being subject to additional premiums because of War
393 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.
- 394 (e) The Charterers shall have the liberty:
- 395 (i) to comply with all orders, directions, recommendations or advice as to departure, arrival, routes, sailing in
396 convoy, ports of call, stoppages, destinations, discharge of cargo, delivery, or in any other way whatsoever, which
397 are given by the Government of the Nation under whose flag the Vessel sails, or any other Government, body or
398 group whatsoever acting with the power to compel compliance with their orders or directions;
- 399 (ii) to comply with the orders, directions or recommendations of any war risks underwriters who have the
400 authority to give the same under the terms of the war risks insurance;
- 401 (iii) to comply with the terms of any resolution of the Security Council of the United Nations, any directives of
402 the European Community, the effective orders of any other Supranational body which has the right to issue and
403 give the same, and with national laws aimed at enforcing the same to which the Owners are subject, and to obey
404 the orders and directions of those who are charged with their enforcement.

405 ~~(f) In the event of outbreak of war (whether there be a declaration of war or not)~~

406 ~~(i) between any two or more of the following countries: the United States of America; Russia; the United
Kingdom;
407 France; and the People's Republic of China;~~

408 ~~(ii) between any two or more of the countries stated in Box 36, both the Owners and the Charterers shall have
409 the right to cancel this Charter, whereupon the Charterers shall redeliver the Vessel to the Owners in accordance
410 with Clause 15, if the Vessel has cargo on board after discharge thereof at destination, or if debarred under this
411 Clause from reaching or entering it at a near, open and safe port as directed by the Owners, or if the Vessel has
412 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
413 the Owners. In all cases hire shall continue to be paid in accordance with Clause 11 and except as aforesaid all
414 other provisions of this Charter shall apply until redelivery.~~

415 27. Commission

416 ~~The Owners to pay a commission at the rate indicated in Box 33 to the Brokers named in Box 33 on any hire paid
417 under the Charter. If no rate is indicated in Box 33, the commission to be paid by the Owners shall cover the
418 actual expenses of the Brokers and a reasonable fee for their work.~~

419 ~~If the full hire is not paid owing to breach of the Charter by either of the parties the party liable therefor shall
420 indemnify the Brokers against their loss of commission.~~

PART II

~~421 Should the parties agree to cancel the Charter, the Owners shall indemnify the Brokers against any loss of
422 commission but in such case the commission shall not exceed the brokerage on one year's hire.~~

423 28. Termination - See Additional Clauses 40(k), 49 (Termination Events) and 54 (Total Loss).

~~424 (a) Charterers' Default~~

~~425 The Owners shall be entitled to withdraw the Vessel from the service of the Charterers and terminate the
426 Charter~~

~~with immediate effect by written notice to the Charterers if:~~

~~427 (i) the Charterers fail to pay hire in accordance with Clause 11. However, where there is a failure to make
428 punctual~~

~~429 payment of hire due to oversight, negligence, errors or omissions on the part of the Charterers or their bankers,
430 the Owners shall give the Charterers written notice of the number of clear banking days stated in Box 34 (as
431 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.~~

~~432 Failure by the Charterers to pay hire within the number of days stated in Box 34 of their receiving the Owners'
433 notice as provided herein, shall entitle the Owners to withdraw the Vessel from the service of the Charterers and
434 terminate the Charter without further notice;~~

~~435 (ii) the Charterers fail to comply with the requirements of:~~

~~436 (1) Clause 6 (Trading Restrictions)~~

~~437 (2) Clause 13(a) (Insurance and Repairs)~~

~~438 provided that the Owners shall have the option, by written notice to the Charterers, to give the Charterers a
439 specified number of days grace within which to rectify the failure without prejudice to the Owners' right to
440 withdraw and terminate under this Clause if the Charterers fail to comply with such notice;~~

~~441 (iii) the Charterers fail to rectify any failure to comply with the requirements of sub-clause 10(a)(i) (Maintenance
442 and Repairs) as soon as practically possible after the Owners have requested them in writing so to do and in any
443 event so that the Vessel's insurance cover is not prejudiced.~~

~~444 (b) Owners' Default~~

~~445 If the Owners shall by any act or omission be in breach of their obligations under this Charter to the extent that
446 the Charterers are deprived of the use of the Vessel and such breach continues for a period of fourteen (14)
447 running days after written notice thereof has been given by the Charterers to the Owners, the Charterers shall
448 be entitled to terminate this Charter with immediate effect by written notice to the Owners.~~

~~449 (c) Loss of Vessel~~

~~450 This Charter shall be deemed to be terminated if the Vessel becomes a total loss or is declared as a constructive
451 or compromised or arranged total loss. For the purpose of this sub-clause, the Vessel shall not be deemed to be
452 lost unless she has either become an actual total loss or agreement has been reached with her underwriters in
453 respect of her constructive, compromised or arranged total loss or if such agreement with her underwriters is
454 not reached it is adjudged by a competent tribunal that a constructive loss of the Vessel has occurred.~~

~~455 (d) Either party shall be entitled to terminate this Charter with immediate effect by written notice to the other party
456 in the event of an order being made or resolution passed for the winding up, dissolution, liquidation or
457 bankruptcy of the other party (otherwise than for the purpose of reconstruction or amalgamation) or if a
receiver~~

~~458 is appointed, or if it suspends payment, ceases to carry on business or makes any special arrangement or
459 composition with its creditors.~~

~~460 (e) The termination of this Charter shall be without prejudice to all rights accrued due between the parties prior to
461 the date of termination and to any claim that either party might have.~~

462 **29. Repossession**

463 In the event ~~of the termination of this Charter~~that the Charterers shall redeliver the Vessel to the Owners in
 464 accordance with the applicable provisions of ~~Clause 28~~this Charter, the
 465 Owners shall have the right to repossess the Vessel from the Charterers at her current or next port of call, or at
 466 a port or place convenient to them without hindrance or interference by the Charterers, courts or local
 467 authorities. Pending physical repossession of the Vessel in accordance with this Clause 29, the Charterers shall
 468 hold the Vessel as gratuitous bailee only to the Owners and the Charterers shall procure that the master and
 469 crew follow the orders and directions of the Owners. ~~The Owners shall arrange for an authorised
 470 representative to board the Vessel as soon as reasonably practicable following the termination of the Charter.~~
 471 The Vessel shall be deemed to be repossessed by the Owners from the Charterers upon the boarding of the
 472 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.

473 **30. Dispute Resolution - See Additional Clause 72 (Governing law and arbitration)**

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

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

480 ~~The reference shall be to three arbitrators. A party wishing to refer a dispute to arbitration shall appoint its
 481 arbitrator and send notice of such appointment in writing to the other party requiring the other party to appoint
 482 its own arbitrator within 14 calendar days of that notice and stating that it will appoint its arbitrator as sole
 483 arbitrator unless the other party appoints its own arbitrator and gives notice that it has done so within the 14
 484 days specified. If the other party does not appoint its own arbitrator and give notice that it has done so within
 485 the 14 days specified, the party referring a dispute to arbitration may, without the requirement of any further
 486 prior notice to the other party, appoint its arbitrator as sole arbitrator and shall advise the other party
 accordingly.~~

487 ~~The award of a sole arbitrator shall be binding on both parties as if he had been appointed by agreement.~~

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

490 ~~In cases where neither the claim nor any counterclaim exceeds the sum of US\$50,000 (or such other sum as the
 491 parties may agree) the arbitration shall be conducted in accordance with the LMAA Small Claims Procedure
 492 current at the time when the arbitration proceedings are commenced.~~

493 ~~(b)* This Contract shall be governed by and construed in accordance with Title 9 of the United States Code and the
 494 Maritime Law of the United States and any dispute arising out of or in connection with this Contract shall be
 495 referred to three persons at New York, one to be appointed by each of the parties hereto, and the third by the
 496 two so chosen; their decision or that of any two of them shall be final, and for the purposes of enforcing any
 497 award, judgement may be entered on an award by any court of competent jurisdiction. The proceedings shall be
 498 conducted in accordance with the rules of the Society of Maritime Arbitrators, Inc.~~

499 ~~In cases where neither the claim nor any counterclaim exceeds the sum of US\$50,000 (or such other sum as the
 500 parties may agree) the arbitration shall be conducted in accordance with the Shortened Arbitration Procedure
 501 of the Society of Maritime Arbitrators, Inc. current at the time when the arbitration proceedings are commenced.~~

502 ~~(c)* This Contract shall be governed by and construed in accordance with the laws of the place mutually agreed by
 503 the parties and any dispute arising out of or in connection with this Contract shall be referred to arbitration at a
 504 mutually agreed place, subject to the procedures applicable there.~~

505 ~~(d) Notwithstanding (a), (b) or (c) above, the parties may agree at any time to refer to mediation any difference~~

PART II

506 ~~and/or dispute arising out of or in connection with this Contract.~~

507 ~~In the case of a dispute in respect of which arbitration has been commenced under (a), (b) or (c) above, the~~
508 ~~following shall apply:~~

509 ~~(i) Either party may at any time and from time to time elect to refer the dispute or part of the dispute to~~
mediation

510 ~~by service on the other party of a written notice (the "Mediation Notice") calling on the other party to agree to~~
511 ~~mediation.~~

512 ~~(ii) The other party shall thereupon within 14 calendar days of receipt of the Mediation Notice confirm that they~~
513 ~~agree to mediation, in which case the parties shall thereafter agree a mediator within a further 14 calendar days,~~
514 ~~failing which on the application of either party a mediator will be appointed promptly by the Arbitration Tribunal~~
515 ~~("the Tribunal") or such person as the Tribunal may designate for that purpose. The mediation shall be~~
conducted

516 ~~in such place and in accordance with such procedure and on such terms as the parties may agree or, in the event~~
517 ~~of disagreement, as may be set by the mediator.~~

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

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

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

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

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

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

531 ~~(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~~
532 ~~apply in all cases.~~

533 ~~*Sub clauses 30(a), 30(b) and 30(c) are alternatives; indicate alternative agreed in Box 35.~~

534 **31. Notices - See Additional Clause 67 (Notices)**

535 ~~(a) Any notice to be given by either party to the other party shall be in writing and may be sent by fax, telex,~~
536 ~~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 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.~~

PART III

- 42 ~~(b) If for any reason other than a default by the Owners under the Building Contract, the Builders become entitled~~
43 ~~under that Contract not to deliver the Vessel to the Owners, the Owners shall upon giving to the Charterers~~
44 ~~written notice of Builders becoming so entitled, be excused from giving delivery of the Vessel to the Charterers~~
45 ~~and upon receipt of such notice by the Charterers this Charter shall cease to have effect.~~
- 46 ~~(c) If for any reason the Owners become entitled under the Building Contract to reject the Vessel the Owners shall,~~
47 ~~before exercising such right of rejection, consult the Charterers and thereupon~~
- 48 ~~(i) if the Charterers do not wish to take delivery of the Vessel they shall inform the Owners within seven (7)~~
49 ~~running days by notice in writing and upon receipt by the Owners of such notice this Charter shall cease~~
50 ~~to have effect; or~~
- 51 ~~(ii) if the Charterers wish to take delivery of the Vessel they may by notice in writing within seven (7)~~
52 ~~running days require the Owners to negotiate with the Builders as to the terms on which delivery should~~
53 ~~be taken and/or refrain from exercising their right to rejection and upon receipt of such notice the~~
54 ~~Owners shall commence such negotiations and/or take delivery of the Vessel from the Builders and~~
55 ~~deliver her to the Charterers;~~
- 56 ~~(iii) in no circumstances shall the Charterers be entitled to reject the Vessel unless the Owners are able to~~
57 ~~reject the Vessel from the Builders;~~
- 58 ~~(iv) if this Charter terminates under sub clause (b) or (c) of this Clause, the Owners shall thereafter not be~~
59 ~~liable to the Charterers for any claim under or arising out of this Charter or its termination.~~
- 60 ~~(d) Any liquidated damages for delay in delivery under the Building Contract and any costs incurred in pursuing a~~
61 ~~claim therefor shall accrue to the account of the party stated in Box 41(c) or if not filled in shall be shared~~
62 ~~equally between the parties.~~

63 ~~3. Guarantee Works~~

64 ~~If not otherwise agreed, the Owners authorise the Charterers to arrange for the guarantee works to be~~
65 ~~performed in accordance with the building contract terms, and hire to continue during the period of guarantee~~
66 ~~works. The Charterers have to advise the Owners about the performance to the extent the Owners may request.~~

67 ~~4. Name of Vessel~~

68 ~~The name of the Vessel shall be mutually agreed between the Owners and the Charterers and the Vessel shall be~~
69 ~~painted in the colours, display the funnel insignia and fly the house flag as required by the Charterers.~~

70 ~~5. Survey on Redelivery~~

71 ~~The Owners and the Charterers shall appoint surveyors for the purpose of determining and agreeing in writing~~
72 ~~the condition of the Vessel at the time of redelivery.~~

73 ~~Without prejudice to Clause 15 (Part II), the Charterers shall bear all survey expenses and all other costs, if any,~~
74 ~~including the cost of docking and undocking, if required, as well as all repair costs incurred. The Charterers shall~~
75 ~~also bear all loss of time spent in connection with any docking and undocking as well as repairs, which shall be~~
76 ~~paid at the rate of hire per day or pro rata.~~

PART IV

1 ~~See Additional Clause 52 (Purchase Option, Purchase Obligation and transfer of title)~~ On expiration of this Charter
and provided the Charterers have fulfilled their obligations according to Part I and
2 H as well as Part III, if applicable, it is agreed, that on payment of the final payment of hire as per Clause 11 the
3 Charterers have purchased the Vessel with everything belonging to her and the Vessel is fully paid for.
4 In the following paragraphs the Owners are referred to as the Sellers and the Charterers as the Buyers.
5 The Vessel shall be delivered by the Sellers and taken over by the Buyers on expiration of the Charter.
6 The Sellers guarantee that the Vessel, at the time of delivery, is free from all encumbrances and maritime liens
7 or any debts whatsoever other than those arising from anything done or not done by the Buyers or any existing
8 mortgage agreed not to be paid off by the time of delivery. Should any claims, which have been incurred prior to
9 the time of delivery be made against the Vessel, the Sellers hereby undertake to indemnify the Buyers against all
10 consequences of such claims to the extent it can be proved that the Sellers are responsible for such claims. Any
11 taxes, notarial, consular and other charges and expenses connected with the purchase and registration under
12 Buyers' flag, shall be for Buyers' account. Any taxes, consular and other charges and expenses connected with
13 closing of the Sellers' register, shall be for Sellers' account.
14 In exchange for payment of the last month's hire instalment the Sellers shall furnish the Buyers with a Bill of Sale
15 duly attested and legalized, together with a certificate setting out the registered encumbrances, if any. On
16 delivery of the Vessel the Sellers shall provide for deletion of the Vessel from the Ship's Register and deliver a
17 certificate of deletion to the Buyers.
18 The Sellers shall, at the time of delivery, hand to the Buyers all classification certificates (for hull, engines,
anchors,
19 chains, etc.), as well as all plans which may be in Sellers' possession.
20 The Wireless Installation and Nautical Instruments, unless on hire, shall be included in the sale without any extra
21 payment.
22 The Vessel with everything belonging to her shall be at Sellers' risk and expense until she is delivered to the
23 Buyers, subject to the conditions of this Contract and the Vessel with everything belonging to her shall be
24 delivered and taken over as she is at the time of delivery, after which the Sellers shall have no responsibility for
25 possible faults or deficiencies of any description.
26 The Buyers undertake to pay for the repatriation of the Master, officers and other personnel if appointed by the
27 Sellers to the port where the Vessel entered the Bareboat Charter as per Clause 3 (Part II) or to pay the
equivalent
28 cost for their journey to any other place.

PART V

~~1.~~ **1. Definitions**

~~2 For the purpose of this PART V, the following terms shall have the meanings hereby assigned to them:~~

~~3 "The Bareboat Charter Registry" shall mean the registry of the State whose flag the Vessel will fly and in which~~
~~4 the Charterers are registered as the bareboat charterers during the period of the Bareboat Charter.~~

~~5 "The Underlying Registry" shall mean the registry of the state in which the Owners of the Vessel are registered~~
~~6 as Owners and to which jurisdiction and control of the Vessel will revert upon termination of the Bareboat~~
~~7 Charter Registration.~~

~~8~~ **2. Mortgage**

~~9 The Vessel chartered under this Charter is financed by a mortgage and the provisions of Clause 12(b) (Part II)~~
~~10 shall apply.~~

~~11~~ **3. Termination of Charter by Default**

~~12 If the Vessel chartered under this Charter is registered in a Bareboat Charter Registry as stated in Box 44, and if~~
~~13 the Owners shall default in the payment of any amounts due under the mortgage(s) specified in Box 28, the~~
~~14 Charterers shall, if so required by the mortgagee, direct the Owners to re-register the Vessel in the Underlying~~
~~15 Registry as shown in Box 45.~~

~~16 In the event of the Vessel being deleted from the Bareboat Charter Registry as stated in Box 44, due to a default~~
~~17 by the Owners in the payment of any amounts due under the mortgage(s), the Charterers shall have the right to~~
~~18 terminate this Charter forthwith and without prejudice to any other claim they may have against the Owners~~
~~19 under this Charter.~~

Execution version

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ADDITIONAL CLAUSES

TO BAREBOAT CHARTER FOR ONE (1) BULK CARRIER NAMED "JIN HENG"

32. Definitions

In this Charter:

"**Account Bank**" means The Hongkong and Shanghai Banking Corporation Limited (or such other first-class international bank or financial institution as selected or agreed by the Owners and the Charterers from time to time).

"**Account Charge**" means the deed of 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 Security Trustee.

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

"**Actual Owners' Costs**" means the MOA Purchase Price.

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

"**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 money 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.

"**AML Laws**" means as to any person and in relation to money laundering or terrorism, the constitutional or organisational documents of such person, and any treaty, law (including the common law), statute, ordinance, code, rule, regulation, guidelines, license, permit requirement, order or determination of an arbitrator or a court or other governmental authority, and the interpretation or administration thereof, in each case applicable to or binding upon such person or any of its property or to which such person or any of its property is subject.

"**Applicable Rate**" means, subject to Clause 40(r), for any Hire Period, the Reference Rate applicable to that Hire Period.

"**Approved Commercial Manager**" means:

- (a) Goldbeam International Limited;
- (b) any other entity wholly owned by the Guarantor; or
- (c) any other first-class internationally recognised and reputable management company appointed by the Charterers with the prior written approval of the Owners for the

commercial management of the Vessel (such approval not to be unreasonably withheld unless a Termination Event has occurred and is continuing).

"Approved Flag State" means Hong Kong or such other flag state as may be nominated by the Charterers and consented to by the Owners.

"Approved Manager" means either of the Approved Commercial Manager and the Approved Technical Manager.

"Approved Technical Manager" means:

- (a) Goldbeam International Limited;
- (b) any other entity wholly owned by the Guarantor; or
- (c) any other first-class internationally recognised and reputable management company appointed by the Charterers with the prior written approval of the Owners for the technical management of the Vessel (such approval not to be unreasonably withheld unless a Termination Event has occurred and is continuing).

"Approved Valuer" means each of Fearnleys, Clarksons Platou, MB Shipbrokers, Howe Robinson, Braemar, Arrow, SSY, VesselsValue or any other reputable and independent international ship brokers nominated by the Charterers and approved by the Owners.

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

"Balloon" means CNH29,000,000.

"Break Costs" means all costs, losses, premiums or penalties incurred by the Owners as a result of the receipt by the Owners of any payment under or in relation to the Transaction Documents on a day other than the original due date for payment of the sum in question, or as a result of the Purchase Option Price being paid on a date other than a Hire Payment Date, or as a result of the Termination Sum being paid, or as a result of the relevant payment being made by the Charterers under clause 10 (*Buyers' powers following cancellation*) of the MOA.

"Business Day" means a day (other than a Saturday or Sunday) on which banks are open for general business in Shanghai, Hong Kong and the jurisdiction in which the Owners' Account is opened.

"Charter Period" means, subject to paragraph (k) of Clause 40 (*Hire*), Clauses 49 (*Termination Events*), 52 (*Purchase Option, Purchase Obligation and transfer of title*) and 54 (*Total Loss*), the Agreed Charter Period.

"Charterers' Assignment" means the deed of assignment executed or to be executed (as the case may be) by the Charterers in favour of the Security Trustee in relation to certain of the Charterers' rights and interest in and to (among other things) (a) the Earnings, (b) the Insurances, (c) the Requisition Compensation, (d) the Initial Sub-Charter and any other Sub-Charter which (1) is on a demise chartering basis or (2) has a charter period of more than twelve (12) months (taking into account any option to renew or extend) and (e) any Sub-Charter Guarantee or Security Interest 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.

"CII" means the Carbon Intensity Indicator, as provided for in the MARPOL Carbon Intensity Regulations.

"CII Rating" means the Vessel's attained operational carbon intensity rating, expressed as a rating from A-E, in a calendar year, as calculated in accordance with the MARPOL Carbon Intensity Regulations.

"Classification Society" means the vessel classification society referred to in Box 10 (*Classification Society*) of this Charter or such other reputable classification society which is a member of the International Association of Classification Societies as the Owners may approve from time to time (such approval not to be unreasonably withheld, unless a Termination Event has occurred and is continuing).

"CNH" denotes the lawful currency of the PRC.

"Compliance Certificate" means a certificate delivered pursuant to paragraph (v) of Clause 48 (*Charterers' undertakings*) and signed by two directors of the Guarantor substantially in the form set out in Schedule 4 (*Form of Compliance Certificate*).

"Cost Balance" means, at any relevant time during the Agreement Term, an amount equal to the Actual Owners' Costs as may be reduced by payment of any Fixed Hire pursuant to Clause 40(a)(i).

"Debt" means the aggregate from time to time of all sums of any nature (together with all accrued unpaid interest on any of those sums) payable by the Charterers to the Owners under all or any of the Transaction Documents.

"Default Termination" means a Termination pursuant to the provisions of Clause 49 (*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 connection with the Transaction Documents which disruption is not caused by, and is beyond the control of, the party obliged to make such payment pursuant to the relevant Transaction Document; 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 the Obligor preventing the Obligor from performing their payment obligations under the Transaction Documents and which is not caused by, and is beyond the control of, the party obliged to make such payment pursuant to the relevant Transaction Document.

"Earnings" means all hires, freights, pool income and other sums payable to or for the account of the Charterers and/or the Initial Sub-Charterer in respect of the Vessel including (without limitation) all earnings received or to be received from each Sub-Charter and/or Sub-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.

"Earnings Account" means the bank account (in the applicable currency or currencies) in the name of the Charterers opened with account number: 741-577811-838, and includes any sub-account thereof and such account which is designated by the Owners as the earnings account for the purposes of the Transaction Documents.

"Emissions Legislation" means:

- (a) the EU-ETS Regulations to which the Owners, any Obligor or the Vessel are subject;
- (b) the Greenhouse Gas Emissions Trading Scheme Order 2020 to which the Owners, any Obligor or the Vessel are subject; and
- (c) any other laws, directives or regulations to which the Owners, any Obligor or the Vessel are subject in respect of greenhouse gas emissions (including any related emissions trading schemes),

as amended from time to time and in each case as applicable to the Owners or the Charterers.

"Environmental Incident" means:

- (a) any release, emission, spill or discharge into 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, any Obligor, any operator or manager of the Vessel or any combination of them 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, attached, detained or injuncted and/or where any Obligor, any operator or manager of the Vessel or any combination of them is at fault or allegedly at fault or otherwise liable to any legal or administrative action.

"Environmentally Sensitive Material" means all contaminants, oil, oil products, toxic substances 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.

"EU ETS Mandate Letter" means the mandate letter in respect of the Vessel addressed to the relevant entities charged with administering compliance with Emissions Legislation and duly executed by the Owners and the Charterers or the Approved Technical Manager, mandating the Charterers or the Approved Technical Manager as the party required to comply with and be responsible for compliance with the Emissions Legislation in place of the Owners.

"EU-ETS Regulations" means:

- (a) EU Emissions Trading Scheme (Directive 2003/87/EC establishing a system for greenhouse gas emission allowance trading within the Union and Decision (EU) 2015/1814 concerning the establishment and operation of a market stability reserve for the Union greenhouse gas emission trading system as amended by Directive (EU) 2023/959 of the European Parliament and of the Council of 10 May 2023) and the Commission Implementing Regulation (EU) 2023/2599 of 22 November 2023 (the **"Implementing Regulation"**) as the same may be amended, supplemented, superseded or readopted from time to time (whether with or without modifications); and

- (b) any applicable law implementing the above Directive and/or Implementing Regulation.

"Fair Market Value" means the fair market value of the Vessel as ascertained in accordance with Clause 48(k).

"FATCA Deduction" has the meaning given to such term in Clause 75 (*FATCA*).

"Fifth Anniversary Date" means the date falling sixty (60) months after the Actual Delivery Date.

"Finance Document" means any facility agreement, security document, fee letter and any other document designated as such by the Finance Parties and the Owners and which have been or may be (as the case may be) entered into between the Finance Parties and the Owners (and/or any Related Owner) for the purpose of, among other things, financing or (as the case may be) refinancing all or any part of the Actual Owners' Costs or the "Actual Owners' Costs" under any Related Charter.

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

"Financial Indebtedness" means any indebtedness for or in respect of (but in any event without double counting):

- (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 protecting against or benefit from fluctuations 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) without double-counting, 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.

"Fixed Hire" has the meaning given to such term in Clause 40(a)(i).

"Fourth Anniversary Date" means the date falling forty-eight (48) months after the Actual Delivery Date.

"GAAP" means generally accepted accounting principles in:

- (a) in respect of the Charterers, Panama; and
- (b) in respect of the Guarantor, Bermuda;

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

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

"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.

"Handling Fee" means the non-refundable handling fee in the amount of zero point five per cent (0.5%) of the MOA Purchase Price.

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

- (a) the Fixed Hire; and
- (b) the Variable Hire.

"Hire Payment Date" means the last day of each and any Hire Period, it being understood that there are altogether twenty-eight (28) Hire Payment Dates in the Agreed Charter Period.

"Hire Period" means subject to the other provisions of this Charter, each and every consecutive 3-month period during the Agreed Charter Period, the first Hire Period to commence on the Actual Delivery Date and each successive Hire Period to commence on the last day of the preceding Hire Period, **provided that** the 28th Hire Period shall end on the last day of the Agreed Charter Period, **provided further that** if a Hire Period would otherwise extend beyond the expiration of the Charter Period, then such Hire Period shall terminate on the expiration of the Charter Period, and, in relation to an Unpaid Sum, each period determined in accordance with Clause 40(i) (*Default interest*).

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

"Hong Kong" means the Hong Kong Special Administrative Region of The People's Republic of China.

"IAPPC" means a valid international air pollution prevention certificate for the Vessel issued under Annex VI (Regulations for the Prevention of Air Pollution from Ships) to the International Convention for the Prevention of Pollution from Ships 1973 (as modified in 1978 and 1997).

"IFRS Accounting Standards" means international accounting standards within the meaning of the IAS Regulation 1606/2002 to the extent applicable to the relevant financial statements.

"Indemnitee" has the meaning given to such term in Clause 59 (*Further indemnities*).

"Initial Sub-Charter" means the time charter dated 14 November 2023 pursuant to which the Charterers agree to let, and the Initial Sub-Charterer agrees to hire, the Vessel, as may be amended and/or supplemented from time to time.

"Initial Sub-Charterer" means Rimpacific Navigation Inc., a company incorporated and existing under the laws of Panama with registration number 245243 and having its registered office at Tamanaco Building, 22-A, Via Italia, Punta Paitilla, Panama City, Republic of Panama.

"Initial Sub-Charterer's Assignment" means the deed of assignment executed or to be executed (as the case may be) by the Initial Sub-Charterer in favour of the Security Trustee in relation to certain of the Initial Sub-Charterer's rights and interest in and to (a) the Earnings, (b) the Initial Sub-Sub-Charter and any other Sub-Sub-Charter which (1) is on a demise chartering basis or (2) has a charter period of more than twelve (12) months (taking into account any option to renew or extend) and (c) any Sub-Sub-Charter Guarantee or Security Interest in favour of the Initial Sub-Charterer for the performance of the obligations of any Sub-Sub-Charterers under any Sub-Sub-Charter referred to under paragraph (b) above.

"Initial Sub-Sub-Charter" means the time charter dated 14 November 2023 pursuant to which the Initial Sub-Charterer agrees to let, and the Initial Sub-Sub-Charterer agrees to hire, the Vessel, as may be amended and/or supplemented from time to time.

"Initial Sub-Sub-Charterer" means Jijiao Port Development (Qinhuangdao) Co., Ltd. (冀交港务发展(秦皇岛)有限公司), a company incorporated under the laws of the PRC in Qinhuangdao, China.

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

"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.

"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) (as amended by MSC 104 (73)) and A.913(22) (superseding Resolution A.788 (19)), as the same may be amended, supplemented or superseded 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 Facility Security Code adopted by the International Maritime Organisation (as the same may be amended, supplemented or superseded from time to time).

"ISSC" means a valid and current International Ship Security Certificate issued under the ISPS Code.

"Legal Opinion" means any legal opinion delivered to the Owners under schedule 1 of the MOA or Clause 36(a)(ix).

"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.

"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.

"Long Stop Date" has the meaning given to such term in the MOA.

"Management Agreement" means, in relation to the Vessel, each technical or commercial management agreement executed or to be executed (as the case may be) between (a) an Approved Manager (as technical or commercial manager (as the case may be)), and (b) the Charterers (as demise owners).

"Manager's Undertaking" means the deed of undertaking executed or to be executed by each Approved Manager that is appointed as a manager of the Vessel in favour of the Owners.

"Margin" means zero point three per cent (0.3%) per annum.

"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 a material adverse effect on:

- (a) the business, operations, property, financial condition of the Group taken as a whole; or
- (b) the ability of any of the Obligors to perform its obligations under the Transaction Documents; or
- (c) the validity or enforceability of any of the Transaction Documents or the rights or remedies of the Owners under any of the Transaction Documents.

"MOA" has the meaning given to such term in Clause 34 (*Background*).

"MOA Purchase Price" has the meaning given to such term in the MOA.

"month" means 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.

"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 in relation to the Vessel.

"Net Sale Proceeds" means the proceeds of a sale of the Vessel received, net of any fees, commissions, costs, disbursements or other expenses incurred by the Owners as a result of the Owners arranging the proposed sale.

"Nominee" has the meaning given to such term in Clause 49(g).

"Obligor" means any one of:

- (a) the Charterers;
- (b) the Related Charterer;
- (c) the Initial Sub-Charterer;
- (d) the Related Initial Sub-Charterer;
- (e) the Guarantor;
- (f) the Share Chargor;
- (g) each Approved Manager; and
- (h) any person that may be party to a Transaction Document which is designated as an "Obligor" in such Transaction Document from time to time.

"Owners' Account" means the Owners' bank account described in paragraph (d) of Clause 40 (*Hire*).

"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 2 (*Form of Protocol of Delivery and Acceptance*) hereto.

"Permitted Security Interests" means:

- (a) Security Interests created by the Transaction Documents;
- (b) liens for unpaid master's and crew's wages;
- (c) liens for salvage;
- (d) general average and other liens covered by Insurances;
- (e) any other liens incurred in the ordinary course of trading a vessel (included liens for master's disbursements incurred in the ordinary course of trading such vessel);
- (f) liens for classification or scheduled dry-docking, ship repairer's lien and outfitter's possessory liens where the indebtedness secured by such liens does not exceed USD500,000 in aggregate (or the equivalent in other currencies); and

- (g) Security Interests arising by operation of law in respect of taxes which are not overdue for payment by more than thirty (30) days or which are being contested in good faith by appropriate steps and in respect of which appropriate reserves have been made.

"Potential Termination Event" means, an event or circumstance which would, with the expiry of any applicable grace period, giving of any notice, a determination by the Owners or any combination of any of the foregoing, be a Termination Event.

"PRC" means, for the purpose of this Charter, the mainland of The People's Republic of China excluding Hong Kong, the Macau Special Administrative Region and Taiwan.

"Project Documents" means, together, the Transaction Documents, any Sub-Charter, any Sub-Sub-Charter, any Sub-Charter Guarantee, any Sub-Sub-Charter Guarantee, any Management Agreement and any EU ETS Mandate Letter.

"Purchase Obligation" means the Charterers' obligation to purchase the Vessel at the Purchase Obligation Price in accordance with Clause 52 (*Purchase Option, Purchase Obligation and transfer of title*).

"Purchase Obligation Date" has the meaning given to such term in paragraph (b) of Clause 52 (*Purchase Option, Purchase Obligation and transfer of title*).

"Purchase Obligation Price" means the amount due and payable by the Charterers to the Owners pursuant to paragraph (b) of Clause 52 (*Purchase Option, Purchase Obligation and transfer of title*), being the aggregate of the following (for the avoidance of doubt, without any double counting):

- (a) the Balloon;
- (b) the amount (if any) by which the then current Cost Balance exceeds the Balloon;
- (c) all Variable Hire accrued, but unpaid, under this Charter up to (and including) the Purchase Obligation Date together with interest accrued thereon pursuant to paragraph (i) of Clause 40 (*Hire*) from the due date for payment thereof up to the date of actual payment;
- (d) all other Unpaid Sums due and payable together with interest accrued thereon pursuant to paragraph (i) of Clause 40 (*Hire*) from the due date for payment thereof up to the date of actual payment;
- (e) any and all reasonable and documented costs and expenses incurred by the Owners as a result of the implementation of the Purchase Obligation; and
- (f) 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 paragraph (a) of Clause 17 (*Indemnity*) and Clause 59 (*Further indemnities*).

"Purchase Option" means the option to purchase the Vessel at the applicable Purchase Option Price which the Charterers may exercise in accordance with paragraph (a) of Clause 52 (*Purchase Option, Purchase Obligation and transfer of title*).

"Purchase Option Date" means the date indicated in the Purchase Option Notice, being a Hire Payment Date on which the Charterers may complete the exercise of the Purchase Option in accordance with Clause 52 (*Purchase Option, Purchase Obligation and transfer of title*).

"Purchase Option Fee" means:

- (a) if the Purchase Option Date falls during the period on or after the Third Anniversary Date up to the Fourth Anniversary Date (including that date), an amount that is calculated by multiplying (x) the then current Cost Balance by (y) zero point five per cent (0.5%); or
- (b) if the Purchase Option Date falls during the period after the Fourth Anniversary Date up to the Fifth Anniversary Date (including that date), an amount that is calculated by multiplying (x) the then current Cost Balance by (y) zero point three per cent (0.3%).

"Purchase Option Notice" means a written notice (in such form as the Owners and the Charterers may agree) which the Charterers may deliver to the Owners for the purpose of the Charterers exercising the Purchase Option.

"Purchase Option Price" means the amount due and payable by the Charterers to the Owners pursuant to paragraph (a) of Clause 52 (*Purchase Option, Purchase Obligation and transfer of title*), being the aggregate of the following (for the avoidance of doubt, without any double counting):

- (a) the then current Cost Balance;
- (b) if the Purchase Option Date falls during the period on or after the Third Anniversary Date up to the Fifth Anniversary Date (including that date) the applicable Purchase Option Fee;
- (c) all Variable Hire accrued, but unpaid, under this Charter up to (and including) the Purchase Option Date together with interest accrued thereon pursuant to paragraph (i) of Clause 40 (*Hire*) from the due date for payment thereof up to the date of actual payment;
- (d) all other Unpaid Sums due and payable together with interest accrued thereon pursuant to paragraph (i) of Clause 40 (*Hire*) from the due date for payment thereof up to the date of actual payment;
- (e) reasonable and documented Break Costs (if any);
- (f) any and all reasonable and documented costs and expenses (including legal fees) incurred or suffered by the Owners as a result of the Charterers' exercise of the Purchase Option which are agreed between the Owners and the Charterers; and
- (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 paragraph (a) of Clause 17 (*Indemnity*) and Clause 59 (*Further indemnities*).

"Reference Rate" means, in relation to a Hire Period, a rate which is the latest loan prime rate (贷款市场报价利率) published by China National Interbank Funding Center (全国银行间同业拆借中心) on its website (www.chinamoney.com.cn) as at the Variable Hire Determination Date (prior to 5:00 p.m. (Shanghai time)) in respect of that Hire Period and for a period of five (5) years, and if that rate is less than zero, the Reference Rate shall be deemed to be zero.

"Related Charter" means, in relation to the Related Vessel, a bareboat charter entered into between the Related Owner (as owners) and the Related Charterer (as bareboat charterers).

"Related Charterer" means, in relation to the Related Vessel, her charterer as listed under the column headed "Related Charterer", as more particularly set out in Schedule 1 (*Related Vessel and relevant information*) hereto.

"Related Initial Sub-Charterer" means, in relation to the Related Vessel, her initial sub-charterer as listed under the column headed "Related Initial Sub-Charterer", as more particularly set out in Schedule 1 (*Related Vessel and relevant information*) hereto.

"Related MOA" means the "MOA" as defined in the Related Charter.

"Related Owner" means, in relation to the Related Vessel, the owner which has acquired or will acquire (as the case may be) title to the Related Vessel pursuant to the terms of the Related MOA, as more particularly set out in Schedule 1 (*Related Vessel and relevant information*) hereto.

"Related Vessel" means the vessel listed in Schedule 1 (*Related Vessel and relevant information*) hereto.

"Related Vessel Sale Proceeds Surplus" means the "Vessel Sale Proceeds Surplus" defined in the Related Charter and paid to the Owners by the Related Owner pursuant to clause 49(h) of the Related Charter.

"Related Vessel Total Loss Proceeds Surplus" means the "Vessel Total Loss Proceeds Surplus" defined in the Related Charter and paid to the Owners by the Related Owner pursuant to clause 54(d) of the Related Charter.

"Relevant Jurisdiction" means, in relation to an Obligor:

- (a) its jurisdiction of incorporation or formation (as the case may be);
- (b) any jurisdiction where any asset subject to or intended to be subject to a Security Document to be executed by it is situated;
- (c) any jurisdiction where it conducts its business; and
- (d) the jurisdiction whose laws govern the perfection of any of the Security Documents entered into by it.

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

"Restricted Party" means a person or entity that is (i) listed on a Sanctions List (whether designated by name or by reason of being included in a class of persons or entities); (ii) domiciled, located, resident, organised, or has its main place of business in, or is incorporated under the laws of any country or territory that is the target of comprehensive, country- or territory-wide Sanctions; (iii) directly or indirectly controlled, or owned 50 per cent. or more, by a person referred to in (i) and/or (ii) above; or (iv) otherwise designated as a person subject to restrictions by Sanctions attaching a similar legal effect as (i) – (iii) in the foregoing.

"Sanctions" means, with respect to trade, financial or economic sanctions, the economic sanction laws, regulations, embargoes or restrictive measures administered, enacted or enforced by: (i) the United States government; (ii) the United Nations; (iii) the European Union or its member states; (iv) the United Kingdom; (v) the PRC, (vi) the Approved Flag State or (vii) the respective governmental institutions and agencies of any of the foregoing, including, without limitation, the Office of Foreign Assets Control of the US Department

of the Treasury ("OFAC"), the United States Department of State and His Majesty's Treasury ("HMT") (together, the "Sanctions Authorities").

"Sanctions Event" means:

- (a) any representation contained in paragraph (a) sub-paragraph (xv) of Clause 47 (*Charterers' representation and warranties*) made or deemed to be made by an Obligor, is or proves to have been incorrect or misleading when made or deemed to be made, or any undertaking in paragraph (m) of Clause 48 (*Charterers' undertakings*) is not complied with; and/or
- (b) an Obligor and/or any of their Subsidiaries is or becomes a Restricted Party; and/or
- (c) an act or omission of an Obligor and/or any of their Subsidiaries or each of their directors, officers or employees causes any Obligor and/or any of their Subsidiaries to be in breach of Sanctions applicable to it; and/or
- (d) a breach by an agent or representative of any Obligor of Sanctions applicable to it, to the extent such breach is likely to have a Material Adverse Effect.

"Sanctions List" means the "Specially Designated Nationals and Blocked Persons" list maintained by OFAC, the Consolidated List of Financial Sanctions Targets and the Investment Ban List maintained by HMT, or any similar list maintained by, or public announcement of Sanctions designation made by, any of the Sanctions Authorities.

"Security Documents" means the Guarantee, the Share Charge, the Account Charge, the Charterers' Assignment, the Initial Sub-Charterer's Assignment, the Security Trust Deed, each Manager's Undertaking and any other documents that may at any time be executed by any person guaranteeing, creating, evidencing or perfecting any Security Interest to secure all or part of all the Obligors' obligations under or in connection with the Transaction Documents and **"Security Document"** means any one of them.

"Security Interest" means a mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, trust arrangement, title retention or other security interest or arrangement of any kind whatsoever.

"Security Trust Deed" means the deed executed or to be executed by, inter alios, the Security Trustee, the Owners, the Related Owner, the Charterers, the Related Charterer, the Initial Sub-Charterer, the Related Initial Sub-Charterer, each Approved Manager and the Share Chargor.

"Security Trustee" means Tianjin Jinhaiba Leasing Co., Ltd. (天津津海八租赁有限公司).

"Sellers" means 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 sixty (60) days after the date of occurrence of the Total Loss or, if such date is not a Business Day, the immediately preceding Business Day;
- (b) the date on which the Owners receive the Total Loss Proceeds in respect of the Total Loss; and
- (c) the last day of the Agreed Charter Period.

"Share Charge" means, the first priority charge over the share capital held by the Share Chargor in the Charterers, executed or to be executed by the Share Chargor in favour of the Security Trustee.

"Share 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.

"Sub-Charter" means (as the context may require):

- (a) the Initial Sub-Charter; or
- (b) any other charterparty or contract of employment in respect of the Vessel entered into between the Charterers as disponent owners and any Sub-Charterers.

"Sub-Charter Guarantee" means any guarantee or document creating Security Interest 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:

- (a) in respect of the Initial Sub-Charter, the Initial Sub-Charterer; and
- (b) in respect of any other Sub-Charter, any other sub-charterers which are or will be parties to the relevant Sub-Charter.

"Sub-Sub-Charter" means (as the context may require):

- (a) the Initial Sub-Sub-Charter; or
- (b) any other charterparty or contract of employment in respect of the Vessel entered into between any Sub-Charterers as disponent owners and any Sub-Sub-Charterers.

"Sub-Sub-Charter Guarantee" means any guarantee provided by a Sub-Sub-Charter Guarantor in favour of any Sub-Charterers in respect of the relevant Sub-Sub-Charterers' obligations under the relevant Sub-Sub-Charter.

"Sub-Sub-Charter Guarantor" means any sub-sub-charter guarantor in connection with a Sub-Sub-Charter which is or will be a party to a Sub-Sub-Charter Guarantee.

"Sub-Sub-Charterers" means:

- (a) in respect of the Initial Sub-Sub-Charter, the Initial Sub-Sub-Charterer; and
- (b) in respect of any other Sub-Sub-Charter, any other sub-sub-charterers which are or will be parties to the relevant Sub-Sub-Charter.

"Subsidiary" means a subsidiary undertaking within the meaning of section 1162 of the Companies Act 2006.

"Tax" or **"tax"** means any tax, levy, impost, duty or other charge or withholding of any 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, including a FATCA Deduction.

"Termination" means the termination at any time of the chartering of the Vessel (or, of the obligation of the Owners to deliver and charter the Vessel to the Charterers) under this Charter.

"Termination Event" means each of the events specified in paragraph (a) of Clause 49 (*Termination Events*).

"Termination Notice" has the meaning given to such term in (as the context may require):

- (a) paragraph (k) of Clause 40 (*Hire*); and
- (b) paragraph (c) of Clause 49 (*Termination Events*).

"Termination Payment Date" means:

- (a) in respect of a termination of this Charter in accordance with paragraph (k) of Clause 40 (*Hire*), the date specified as such in the Termination Notice served on the Charterers pursuant to that Clause;
- (b) in respect of a Default Termination, the date specified as such in the Termination Notice served on the Charterers pursuant to paragraph (c) of Clause 49 (*Termination Events*) in respect of such Default Termination;
- (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.

"Termination Sum" means an amount representing the Owners' losses as a result of the Termination (other than by virtue of the Charterers exercising the Purchase Option in accordance with this Charter), which both parties acknowledge as a genuine and reasonable pre-estimate of the Owners' losses in the event of such termination and shall consist of the following (for the avoidance of doubt, without any double counting):

- (a) (in the case of a Default Termination) 100.5% of the then current Cost Balance or (in any other cases) the then current Cost Balance;
- (b) 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 paragraph (i) of Clause 40 (*Hire*) from the due date for payment thereof to the date of actual payment;
- (c) any other Unpaid Sums due and payable together with interest accrued thereon pursuant to paragraph (i) of Clause 40 (*Hire*) from the due date for payment thereof up to the date of actual payment;
- (d) Break Costs (if any);
- (e) any and all costs, losses, liabilities and expenses reasonably incurred or suffered by the Owners as a result of the Termination;
- (f) (in the case of a Default Termination only) all liabilities, costs and expenses incurred by the Owners (i) in locating, recovering possession of, and 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 42 (*Redelivery*) and 43 (*Redelivery conditions*) and (ii) in collecting any payments due

under this Charter or in obtaining the due performance of the obligations of the Obligors under the Transaction Documents; and

- (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 paragraph (a) of Clause 17 (*Indemnity*) and Clause 59 (*Further indemnities*).

"Third Anniversary Date" means the date falling thirty-six (36) months after the Actual Delivery Date.

"Third Parties Act" means the Contracts (Rights of Third Parties) Act 1999.

"Title 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 3 (*Form of Title Transfer Protocol of Delivery and Acceptance*) hereto.

"Threshold Amount" means five hundred thousand US Dollars (US\$500,000) or the equivalent in any other currency.

"Total Loss" means during the Charter Period:

- (a) actual or constructive or compromised or agreed or arranged total loss of the Vessel; or
- (b) the requisition for title or compulsory acquisition of the Vessel by any government or other competent authority (other than by way of requisition for hire); or
- (c) the capture, seizure, arrest, detention, hijacking, theft, condemnation as prize, confiscation or forfeiture of the Vessel (not falling within paragraph (b) of this definition), 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 unconditionally received and retained by or on behalf of the Owners in respect of a Total Loss.

"Total Loss Termination" means a Termination pursuant to the provisions of paragraph (a) of Clause 54 (*Total Loss*).

"Transaction Documents" means, together, this Charter, the MOA, the Security Documents and such other documents as maybe designated as such by the Owners 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", "Dollars", "USD", "US\$" and "\$" each means available and freely transferable and convertible funds in lawful currency of the United States of America.

"Valuation Report" means, in relation to the Vessel, a desktop valuation report addressed to the Owners from an Approved Valuer on the basis of a charter-free (save for any Sub-Charter and any Sub-Sub-Charter which may be in effect at the relevant time) sale for prompt delivery for cash at arm's length on normal commercial terms as between a willing seller and a willing buyer.

"Variable Hire" has the meaning given to such term in Clause 40(a)(ii).

"Variable Hire Determination Date" means (in relation to the first Hire Period) the Actual Delivery Date or (in relation to each of the other Hire Periods) the date falling one (1) Business Day prior to the first day of that Hire Period.

"Vessel" means the bulk carrier named "JIN HENG" (IMO number 9707417) as more particularly described in Boxes 5 (*Vessel's name, call sign and flag*) to 10 (*Classification Society*) of this Charter, along with all her appurtenances, associated equipment, materials, stores, spare parts and documentation.

33. Interpretations

- (a) In this Charter, unless the context otherwise requires, any reference to:
- (i) 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;
 - (ii) any statutory or other legislative provision shall be construed as including any statutory or legislative modification or re-enactment thereof, or any substitution therefor;
 - (iii) the term "**Vessel**" includes any part of the Vessel;
 - (iv) the "**Owners**", the "**Charterers**", any "**Obligor**", any "**Sub-Charterers**", any "**Sub-Sub-Charterers**", the "**Related Owner**", the "**Related Charterer**", the "**Related Initial Sub-Charterer**" or any other person include any of their respective successors, permitted assignees and permitted transferees;
 - (v) any "**Project Document**" or any other agreement, instrument or document include such Project Document or other agreement, instrument or document as the same may from time to time by amended, modified, supplemented, novated or substituted;
 - (vi) 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 Owners at or about 11:00 a.m. (Beijing time) 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 Shanghai) prior to such date for the purchase of the first currency with the second currency for delivery and value on such date;
 - (vii) "**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;

- (viii) "**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;
 - (ix) 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;
 - (x) 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;
 - (xi) "**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, 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;
 - (xii) a Potential Termination Event or a Termination Event is "**continuing**" if it has not been remedied or waived; and
 - (xiii) words denoting the plural number include the singular and vice versa.
- (b) Headings are for the purpose of reference only, have no legal or other significance, and shall be ignored in the interpretation of this Charter.
 - (c) A time of day (unless otherwise specified) is a reference to Beijing time.

34. Background

- (a) Pursuant to a memorandum of agreement dated on or about the date hereof (the "**MOA**") and executed between the Sellers (as sellers thereunder) and the Owners (as buyers thereunder), the Sellers have agreed to sell and deliver and the Owners have agreed to purchase and accept the legal and beneficial title to the Vessel subject to the terms and conditions therein.
- (b) Accordingly the Parties hereby agree that the obligations of the Owners to charter the Vessel to the Charterers under this Charter are subject to the effective transfer of ownership of the Vessel to the Owners pursuant to the MOA.

35. Delivery

- (a) The obligation of the Owners to charter the Vessel to the Charterers pursuant to this Charter shall be subject to the following conditions:

- (i) no Termination Event or Potential Termination Event having occurred which is continuing on or prior to the date of this Charter or the Actual Delivery Date;
 - (ii) the representations and warranties referred to in Clause 47 (*Charterers' representations and warranties*) being true and correct on the date of this Charter and the Actual Delivery Date;
 - (iii) the Actual Delivery Date falling 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);
 - (iv) the Owners having received, or being satisfied that they will receive, the documents and evidence referred to in paragraph (a) of Clause 36 (*Conditions precedent and conditions subsequent*), in each case in all respects in form and substance satisfactory to them on or before the Actual Delivery Date;
 - (v) delivery of the title to the Vessel from the Sellers to the Owners (as buyers under the MOA) under the MOA; and
 - (vi) the Owners (as buyers under the MOA) obtaining full title to the Vessel pursuant to the terms of the MOA.
- (b) Provided that the conditions referred to in paragraph (a) above have been fulfilled or waived to the satisfaction of the Owners (which shall be evidenced in writing by the Owners), the Owners and the Charterers agree that:
- (i) the Charterers shall, at their own expense and cost, on the Actual Delivery Date arrange for the Vessel to be registered under the laws and flag of the Approved Flag State in the name of the Owners as legal owner and (if the Approved Flag State is Hong Kong) such registration shall be by way of demise charter registration with the Charterers being a qualified person in Hong Kong;
 - (ii) the Charterers shall take delivery of the Vessel from the Owners under this Charter (such delivery to be conclusively evidenced by a duly executed PDA) simultaneously with the acceptance of delivery of the Vessel by the Owners from the Sellers pursuant to the MOA;
 - (iii) the Charterers will accept the Vessel:
 - (A) on an "as is where is" basis in exactly the same form and state (with any faults, deficiencies and errors of description) as the Vessel is delivered by the Sellers to the Owners pursuant to the MOA; and
 - (B) for the avoidance of doubt, no underwater inspection shall be performed at the time of commencement of this Charter on the basis that any repairs required at the next scheduled dry-docking are the responsibility of the Charterers;
 - (iv) the acceptance of delivery of the Vessel by the Charterers from the Owners pursuant to this Charter shall take place simultaneously with the acceptance of delivery of the Vessel by the Owners from the Sellers pursuant to the MOA; and
 - (v) the Charterers shall have no right to refuse acceptance of delivery of the Vessel into this Charter if the Vessel is delivered to the Owners pursuant to

the MOA and, notwithstanding and without prejudice to the foregoing, the Owners and the Charterers nonetheless agree to enter into and execute the PDA on delivery of the Vessel under this Charter.

- (c) The Charterers acknowledge and agree that the Owners are not the manufacturer or original supplier of the Vessel which has been purchased by the Owners from the Sellers pursuant to the MOA, and have therefore made 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 Vessel, or arising out of the design, materials, workmanship, construction, quality, classification, condition, operation, performance, capacity of the Vessel, fitness for use of the Vessel and the chartering thereof under this Charter (including, without limitation, in respect of the seaworthiness, merchantability or eligibility for particular trade or operation or otherwise of the Vessel).
- (d) In particular, and without prejudice to the generality of paragraph (c) above, 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 onboard the Vessel or elsewhere, and irrespective of whether such injury, death, loss, damage or delay shall arise from the unseaworthiness of the Vessel and whether such injury, death, loss, damage or delay shall arise before or after the Actual Delivery Date. For the purpose of this paragraph (d), "delay" shall include delay to the Vessel (whether in respect of delivery under this Charter or thereafter and any other delay whatsoever).

36. Conditions precedent and conditions subsequent

- (a) Notwithstanding anything to the contrary in this Charter, 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 following documents and evidence (in each case in form and substance acceptable to the Owners) on or before the Actual Delivery Date, and the Charterers undertake to supply or cause to be supplied to the Owners such documents and evidence on or before the Actual Delivery Date:
 - (i) a duly executed original of each of the following:
 - (A) this Charter, the Guarantee, the Share Charge, the Charterers' Assignment, the Account Charge, the Security Trust Deed, in each case together with all documents required by any of them including, without limitation, all notices of assignment and/or charge and acknowledgements of all such notices (other than the letters of undertaking in respect of the Insurances referred to in the Charterers' Assignment and the acknowledgement from the Account Bank to the notice of charge pursuant to the Account Charge); and
 - (B) each Manager's Undertaking, in each case together with all documents required by any of them;
 - (ii) copies of the constitution (or equivalent documents) (and all supplements and amendments thereto) and statutory registers (as applicable) of each Obligor and any other documents required to be filed or registered or issued under the laws of their jurisdiction of incorporation to establish their incorporation, and if any of these documents is not in English, together with a certified English translation of such document;

- (iii) in respect of the Guarantor, a certificate of compliance issued by the Bermuda Companies Registry dated no earlier than 1 month prior to the date of the Bermuda legal opinion required under paragraph (xi) below and in respect of the Share Chargor, a certificate of good standing issued by the British Virgin Islands Registry of Corporate Affairs (dated no earlier than 1 month prior to the date of the British Virgin Islands legal opinion required under paragraph (xi) below) and a certificate of incumbency issued by the registered agent of the Share Chargor;
- (iv) copies or certified extracts of written resolutions or (as the case may be) resolutions passed at separate meetings, in each case, of the board of directors of each Obligor, in each case evidencing their approval of the Transaction Documents and authorising appropriate officers or attorneys to execute the same and to sign all notices required to be given hereunder or thereunder on their behalf or other evidence of such approvals and authorisations as shall be acceptable to the Owners;
- (v) if applicable, the original power of attorney of each Obligor under which any document (including the Transaction Documents) is to be executed or transactions undertaken by them;
- (vi) an original certificate of an authorised signatory of each Obligor certifying that each copy document relating to it specified in this paragraph (a) is correct, complete and in full force and effect;
- (vii) if applicable, copies of all Authorisations as may be necessary in connection with the performance by each Obligor 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;
- (viii) copies of the following (or in the case of the documents referred to at subparagraphs (D) to (H) below, provisional versions thereof):
 - (A) the Initial Sub-Charter and the Initial Sub-Sub-Charter;
 - (B) each duly executed Management Agreement;
 - (C) the Vessel's current Safety Management Certificate (as such term is defined pursuant to the ISM Code);
 - (D) the Approved Managers' current Document of Compliance (as such term is defined pursuant to the ISM Code);
 - (E) the Vessel's current ISSC;
 - (F) the Vessel's current IAPPC; and
 - (G) the Vessel's classification certificate evidencing that it is free of all overdue recommendations and requirements from the Classification Society;

in each case together with all addenda, amendments or supplements;
- (ix) evidence that:

- (A) all the conditions precedents under clause 7 (*Conditions Precedent and Subsequent*) of the MOA have been or, in the Owners' opinion, will be satisfied on the Actual Delivery Date or waived;
 - (B) on the Actual Delivery Date, the Vessel is or will be registered (or at least provisionally registered, if applicable) under the laws and flag of the Approved Flag State and in the ownership of the Owners and (if the Approved Flag State is Hong Kong) such registration shall be by way of demise charter registration with the Charterers being a qualified person in Hong Kong; and
 - (C) the Vessel is insured in the manner required by the Transaction Documents, together with (if required by the Owners) the written approval of the Insurances by an insurance adviser appointed by the Owners;
- (x) evidence that (1) all costs and expenses associated with the Vessel's registration under the laws and flag of the Approved Flag State for the Vessel and in the name of the Owners then due have been paid by the Charterers and (2) all fees, costs and expenses then due from the Charterers pursuant to Clause 56 (*Fees*) and Clause 59 (*Further indemnities*) have been or will be paid on or by the Actual Delivery Date;
 - (xi) a legal opinion of the legal advisers to the Owners in each relevant jurisdiction, or confirmation satisfactory to the Owners that such an opinion will be given;
 - (xii) such other Authorisation or other document, opinion or assurance which the Owners 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; and
 - (xiii) the audited consolidated financial statements of the Guarantor for the financial year ended 31 December 2024.
- (b) The Charterers shall:
- (i) to the extent that any certificate received by the Owners pursuant to paragraph (a)(vii) of this Clause 36 (*Conditions precedent and conditions subsequent*) was in provisional form at the time of the receipt, deliver or cause to be delivered to the Owners the corresponding formal certificate as soon as possible after the Charterers' receipt of the same from the relevant persons, and in any event prior to the expiry of the validity period of such provisional certificate;
 - (ii) within one (1) Business Day from the Actual Delivery Date, deliver or cause to be delivered to the Owners the Vessel's provisional certificate of registry and a transcript of register, both dated the Actual Delivery Date (evidencing the Owners' ownership of the Vessel and that the Vessel is free from registered encumbrances and mortgages);
 - (iii) within fifteen (15) Business Days from the Actual Delivery Date, procure the issuance of the 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 Owners; and

- (iv) within fifteen (15) Business Days from the Actual Delivery Date, procure the acknowledgement from the Account Bank to the notice of charge pursuant to the Account Charge.
- (c) If the Owners in their sole discretion agree to deliver the Vessel under this Charter to the Charterers before all of the documents and evidence required under paragraph (a) of this Clause 36 (*Conditions precedent and conditions subsequent*) have been delivered to or to the order of the Owners, the Charterers undertake to deliver all outstanding documents and evidence to or to the order of the Owners no later than fifteen (15) Business Days after the Actual Delivery Date or such other date as specified by the Owners, acting in their sole discretion. The delivery of the Vessel by the Owners to the Charterers under this Charter shall not, unless otherwise notified by the Owners (acting in their sole discretion) to the Charterers in writing, be taken as a waiver of the Owners' right to require production of all the documents and evidence required by this Clause 36 (*Conditions precedent and conditions subsequent*).

37. Bunkers and luboils

- (a) At delivery the Charterers shall take over all bunkers, lubricating oil, water and unbroached provisions in the Vessel without cost.
- (b) At redelivery the Owners shall take over all bunkers, unused lubricating oil, water and unbroached provisions and other consumable stores in the said Vessel without cost.

38. Further maintenance and operation

- (a) The good commercial maintenance practice under Clause 10 (*Maintenance and Operation*) (Part II) of this Charter shall be deemed to include:
 - (i) the maintenance and operation of the Vessel by the Charterers in accordance with:
 - (A) the relevant regulations, requirements and recommendations of the Classification Society;
 - (B) the relevant regulations, requirements and recommendations of the country and flag of the Vessel's registry;
 - (C) any applicable IMO regulations (including but not limited to the ISM Code, the ISPS Code and MARPOL);
 - (D) all other applicable regulations, requirements and recommendations; and
 - (E) the Charterers' operations and maintenance manuals;
 - (ii) the maintenance and operation of the Vessel by the Charterers taking into account:
 - (A) engine manufacturers' recommended maintenance and service schedules;
 - (B) builder's operations and maintenance manuals; and
 - (iii) recommended maintenance and service schedules of all installed equipment and pipework.

- (b) In addition to the above, the Charterers covenant with the Owners to maintain the Vessel in a condition entitling the Vessel to class with the Classification Society free of overdue recommendations and qualifications.
- (c) Any equipment that is found not to be required on board as a result of regulation or operational requirements is either to be removed at the Charterers' expense or to be maintained in operable condition.
- (d) The title to any equipment belonging to the Charterers (but for the avoidance of doubt excluding any equipment belonging to third parties or other members of the Group, including the other Obligors) and installed on board as a result of operational requirements of the Charterers shall be deemed to be the property of the Owners, subject always to paragraph (h) of Clause 43 (*Redelivery conditions*).
- (e) The Charterers shall use reasonable endeavours to procure that the Vessel shall comply with the MARPOL Carbon Intensity Regulations and, in particular, the Charterers shall:
 - (i) operate and employ the Vessel (including but not limited to the planning of voyages and supply and selection of fuel, implementing alternative or adjusted voyage or employment orders, instructions or sailing directions, etc.) in a manner which is consistent with the MARPOL Carbon Intensity Regulations; and
 - (ii) use reasonable endeavours to procure that for any calendar year that falls within the Agreement Term, the Vessel shall have a proper CII Rating and shall maintain her CII Rating in line with prudent commercial maintenance and operational practice so as not to interfere, hinder or affect the normal operations of the Vessel for the next year, and without prejudice to the foregoing provisions of this paragraph (ii), in the event that the Charterers shall redeliver or cause to be redelivered the Vessel to the Owners in accordance with this Charter, the Charterers shall use reasonable endeavours to procure that the Vessel so redelivered is able to meet the required CII Rating so as not to unreasonably impair the Vessel's ability to be employed in a commercially reasonable manner by the Owners for the following calendar year.

39. Structural changes and alterations

- (a) The Charterers shall make no structural changes in the Vessel or changes in the machinery, engines, appurtenances or spare parts thereof (unless such change is required by reason of new class requirements or compulsory legislation, including but not limited to any improvement, structural changes or new equipment required for the Vessel to maintain or meet any CII Rating as required by MARPOL or any equivalent) without in each instance first securing the Owners' consent thereto, such consent not to be unreasonably withheld.

Any structural changes in the Vessel or changes in the machinery, engines, appurtenances or spare parts thereof shall not have a material adverse effect on the Vessel's certification or the Vessel's fitness for purpose and shall not diminish the value of the Vessel and/or have a material adverse effect on the safety, performance, value or marketability of the Vessel.

- (b) 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 shall be for the Charterers' account and the Charterers shall not have any right to recover from the Owners any part of the cost for such improvements, changes or new equipment either during the Charter Period, prior

to, at or after redelivery of the Vessel. The Charterers shall give written notice to the Owners of any such improvement, structural changes or new equipment.

40. Hire

(a) In consideration of the Owners' agreement to charter the Vessel to the Charterers during the Charter Period pursuant to the terms hereof, the Charterers shall pay to the Owners:

(i) on each Hire Payment Date throughout the Charter Period, by way of fixed hire (each a "**Fixed Hire**") an amount equal to 1/28 of the amount by which the Actual Owners' Costs exceed the Balloon;

(ii) on each Hire Payment Date throughout the Charter Period, by way of variable hire (each a "**Variable Hire**"), the variable hire then payable on the corresponding Hire Payment Date. The amount of Variable Hire payable on each Hire Payment Date is calculated in accordance with the following formula:

$$A \times B \times C$$

whereby

A = (in relation to the 1st Hire Payment Date) the Actual Owners' Costs or (in relation to any other Hire Payment Date) the Cost Balance immediately after the immediately preceding Hire Payment Date

B = the aggregate of (i) the Margin and (ii) the Applicable Rate for the Hire Period ending on that Hire Payment Date

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).

(b) The Hire shall be paid in arrears before 5:00 p.m. (Beijing time) on each Hire Payment Date (in respect of which time is of the essence).

(c) Any payment provided herein due on any day which is not a Business Day shall be payable on the immediately following Business Day.

(d) All payments under this Charter shall be made to the account opened in the name of the Owners with such bank as the Owners may choose, the details of which shall be notified by the Owners to the Charterers prior to the Actual Delivery Date (or such other account as the Owners may notify the Charterers from time to time) for credit to the account of the Owners.

(e) The Charterers' obligation to pay Hire in accordance with this Clause 40 shall be absolute irrespective of any contingency whatsoever including but not limited to:

- (i) any set-off, counterclaim, recoupment, defence or other right which either Party may have against the other;
- (ii) any unavailability of the Vessel, for any reason, including but not limited to any action or inaction by any Sub-Charterers or Sub-Sub-Charterers (where applicable), 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;
- (iii) any lack or invalidity of title or any other defect in title;
- (iv) any failure or delay on the part of either Party, whether with or without fault on its part, in performing or complying with any of the terms, conditions or other provisions of this Charter;
- (v) any insolvency, bankruptcy, reorganisation, arrangement, readjustment of debt, dissolution, administration, liquidation or similar proceedings by or against the Owners, the Charterers, any Sub-Charterers or any Sub-Sub-Charterers (where applicable), or any change in the constitution of the Owners, the Charterers, any Sub-Charterers or any Sub-Sub-Charterers (where applicable);
- (vi) any invalidity or unenforceability or lack of due authorisation of or any defect in this Charter, any Sub-Charter or any Sub-Sub-Charter (where applicable); or
- (vii) 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 intention of the Parties that the provisions of this Clause 40, and the obligation of the Charterers to pay Hire and make any payments under this Charter, shall (save as expressly provided in this Clause 40) 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. For the avoidance of doubt, the obligation of Charterers to pay Hire under this Charter shall not be affected by any breach of this Charter by the Owners, it being understood that the Charterers shall, in the event of such breach, be entitled to claim compensation for their losses, documented damages or expenses (excluding Hire paid under this Charter).

- (f) The Charterers shall procure that all payments of Hire and all other sums to the Owners pursuant to this Charter and the other relevant Transaction Documents shall be made in immediately available funds in CNH, free and clear of, and without Tax Deduction.
- (g) In the event that any Obligor is required by any law or regulation to make any Tax Deduction on account of any taxes which arise as a consequence of any payment due under this Charter or the other Transaction Documents, then:
 - (i) the Charterers shall notify the Owners promptly after they become aware of such requirement;

- (ii) 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
 - (iii) 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 deducting or withholding such taxes, is equal to the full amount which the Owners would have received had such payment not been subject to such taxes.
- (h) The Charterers shall forward to the Owners evidence reasonably satisfactory to the Owners that any such taxes have been remitted to the appropriate taxation authority within thirty (30) days of the expiry of any time limit within which such taxes must be so remitted or, if earlier, the date on which such taxes are so remitted.
- (i) **Default Interest** If the Charterers fail to pay any amount payable by them under a Transaction Document on its due date, interest shall accrue on the Unpaid Sum from the due date up to the date of actual payment (both before and after judgment) at a rate which is two per cent. (2%) per annum higher than the percentage rate per annum which is the aggregate of the Margin and the Applicable Rate which would have been payable if the Unpaid Sum had, during the period of non-payment, constituted the Actual Owners' Costs or the Cost Balance (for the purpose of calculating Variable Hire) for successive Hire Periods, each of a duration selected by the Owners. Any interest accruing under this paragraph (i) 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 that Unpaid Sum at the end of each Hire Period applicable to that Unpaid Sum but will remain immediately due and payable.
- (j) 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 before, and which remains unpaid, at the date of such termination shall continue notwithstanding such termination.
- (k) In the event that it becomes unlawful or it is prohibited (whether by any economic sanction laws or any other laws, regulations, embargoes or restrictive measures or otherwise) for the Owners to charter the Vessel pursuant to this Charter, then the Owners shall, if permitted to do so, notify the Charterers of the relevant event and negotiate in good faith for a period of thirty (30) days from the date of the receipt of the relevant notice by the Charterers to agree an alternative. If such agreement is not reached within such thirty (30)-day period, the Parties agree that, in such circumstances, the Owners may at their option and by delivering to the Charterers a termination notice (the "**Termination Notice**"), (A) (at any time on or after the Actual Delivery Date) terminate the chartering of the Vessel under this Charter (for the avoidance of any doubt, it being acknowledged that such termination may take place before, on or after the expiry of the Agreed Charter Period) with immediate effect or on the date specified in such Termination Notice or (B) (at any time before the Actual Delivery Date) terminate the obligation of the Owners to deliver and charter the Vessel to the Charterers with immediate effect or on the date specified in such Termination Notice. On the Termination Payment Date in respect of any termination of the chartering of the Vessel under this Charter in accordance with the foregoing, the Charterers shall pay to the Owners an amount equal to the Termination Sum whereupon paragraph (i) of Clause 49 shall apply. In the event that (A) the Owners have delivered a Termination Notice to the Charterers under this paragraph (k) and received the Termination Sum in full and (B) the Related Owner has also delivered a "Termination Notice" (as defined in the Related Charter) to the Related Charterer under paragraph (k) of clause 40 (*Hire*) of the Related Charter and received the "Termination Sum" (as defined in the Related Charter) in

full, the Owners shall, promptly on the Charterers' request, discharge and release, and procure the Security Trustee to discharge and release, all Obligors from all their obligations and liabilities under the Security Documents to which they are a party.

- (l) The Charterers shall, within five (5) Business Days of demand by the Owners, pay to the Owners any documented Break Costs.
- (m) Any certificate or statement signed by an authorised signatory of the Owners purporting to show the amount of the Debt (or any part of the Debt) or any other amount referred to in any Transaction Document shall, save for manifest error or on any question of law, be conclusive evidence as against the Charterers of that amount.
- (n) If a change in any currency occurs, this Charter will, to the extent the Owners 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.
- (o) Unless otherwise specified, any Variable Hire, 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 that will elapse or have elapsed and a year of 360 days (or, where the amount is payable in a currency other than CNH, such period as is customary for such currency).
- (p) *intentionally left blank*
- (q) If before close of business in Shanghai on the Variable Hire Determination Date for the relevant Hire Period, no Reference Rate is available, then Clause 40(r) shall apply to the Cost Balance for such Hire Period.
- (r)
 - (i) If this Clause 40(r) applies for any Hire Period, the Owners and the Charterers shall enter into negotiations with a view to agreeing a substitute basis for determining the Applicable Rate.
 - (ii) Any alternative basis agreed pursuant to sub-paragraph (i) above shall be binding on all Parties.
 - (iii) If an alternative basis is not agreed pursuant to sub-paragraph (i) above by the last day of such Hire Period, then the Applicable Rate on the Cost Balance for that Hire Period shall be the Reference Rate which was determined for the immediately preceding Hire Period or (where no such Reference Rate was determined) the rate notified to the Charterers by the Owners as soon as practicable, and in any event by the last day of such Hire Period, to be that which expresses as a percentage rate per annum the cost to the Owners of funding the Cost Balance and if such rate is less than zero then it shall be deemed to be zero.

41. Insurance

- (a) During the Charter Period, 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, protection and indemnity risks (including, without limitation, protection and indemnity war risks) (and any risks against which it is compulsory to insure for the operation for the Vessel) in such market and on such terms as the Owners shall approve in writing and as a prudent

shipowner would maintain for vessels similar to the Vessel in accordance with prevailing market practice from time to time.

- (b) Such insurances shall be arranged by the Charterers to protect the interests of the Owners, the Charterers and (if any) the mortgagee of the Vessel and/or the other Finance Parties, and the Charterers shall be at liberty to protect under such insurances the interests of any managers (including the Approved Managers) they may appoint.
- (c) Insurance policies shall cover the Owners, the Charterers and (if any) the Finance Parties according to their respective interests. The Charterers shall effect all insured repairs.
- (d) 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.
- (e) The Charterers shall arrange that, at any time during the Charter Period, the hull and machinery and war risks insurance shall be in an amount not less than the greater of (1) the latest Fair Market Value (including the Initial Market Value (as defined in the MOA)) and (2) one hundred and twenty per cent (120%) of the then current Cost Balance (in its equivalent in USD));
- (f) The Vessel shall be entered in a P&I Club which is a member of the International Group Association on customary terms and shall be covered against liability for pollution claims in an amount not less than the highest level of cover from time to time available under basic protection and indemnity club entry and in the international marine insurance market (currently 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.
- (g) The Charterers undertake to place the Insurances in such markets, in such currency, on such terms and conditions, and with such first class international and reputable brokers, underwriters and associations as the Owners shall have previously approved in writing and as a prudent shipowner would for vessels similar to the Vessel from time to time. The Charterers shall name the Owners, the Charterers, the Approved Managers and if applicable, any of the Finance Parties as the only named assureds. The Charterers shall not alter the terms of any of the Insurances nor allow any person to be co-assured under any of the Insurances without the prior written consent of the Owners (such consent not to be unreasonably withheld in the absence of any Termination Event and is subject to the provisions of a co-assured undertaking as reasonably required by the Owners, and will supply the Owners and (if applicable) the Finance Parties from time to time on request with such information as the Owners may in their reasonable discretion require with regard to the Insurances and the brokers, underwriters or associations through or with which the Insurances are placed. The Charterers shall reimburse the Owners on demand for their costs and expenses reasonably incurred by the Owners in obtaining at the Actual Delivery Date and thereafter from time to time (but no more than once per calendar year in the absence of any Termination Event and in the event of the occurrence of any Termination Event, at the time and frequency as requested by the Owners and (if applicable) the Finance Parties) a report on the adequacy of the Insurances from an insurance adviser instructed by the Owners.
- (h) 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 at the Owners' request, the Charterers will provide the Owners with evidence (for the avoidance of doubt, such evidence could be disclosed to the Finance Parties, if necessary) satisfactory to the Owners 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.

- (i) 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, and the Charterers will promptly notify the Owners of any new requirement imposed by any broker, underwriter or association in relation to any of the Insurances.
- (j) The Charterers will, no later than fourteen (14) days (or, in the case of war risks, no later than seven (7) days), before the expiry of any of the Insurances renew them and shall as soon as reasonably practicable give the Owners such details of those renewals as the Owners may reasonably require.
- (k) The Charterers shall deliver to the Owners (and, if required by the Owners, the originals) of all policies, certificates of entry and (upon request) other documents relating to the Insurances and shall procure that letters of undertaking in the customary form shall be issued to the Owners by the brokers through which the Insurances are placed (or, in the case of protection and indemnity or war risks associations, by their managers). If the Vessel is at any time during the Charter Period 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.
- (l) The Charterers shall promptly provide the Owners with full information (for the avoidance of doubt, such information could be disclosed to the Finance Parties, if necessary) regarding any casualty or other accident or damage to the Vessel the repair costs of which (whether before or after adjudication) are likely to exceed the Threshold Amount.
- (m) The Charterers agree that, at any time after the occurrence of a Termination Event which is continuing, the Owners or, if applicable under the terms of the Finance Documents, the Finance Parties shall be entitled to collect, sue for, recover and give a good discharge for all claims in respect of any of the Insurances; to pay collecting brokers the customary commission on all sums collected in respect of those claims; to compromise all such claims or refer them to arbitration or any other form of

judicial or non-judicial determination; and otherwise to deal with such claims in such manner as the Owners and, if applicable, the Finance Parties shall in their discretion think fit.

- (n) 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 54 (*Total Loss*).
- (o) In the event of any claim in respect of any of the Insurances (other than in respect of a Total Loss), if the Charterers shall fail to reach agreement with any of the brokers, underwriters or associations for payment to third parties, within such time as the Owners or, if applicable under the terms of the Finance Documents, the Finance Parties may stipulate, the Owners and, if applicable, the Finance Parties shall be entitled to require payment to itself. In the event of any dispute arising between the Charterers and any broker, underwriter or association with respect to any obligation to make any payment to the Charterers or to the Owners and/or (if applicable) the Finance Parties under or in connection with any of the Insurances, or with respect to the amount of any such payment, the Owners and/or (if applicable) the Finance Parties shall be entitled to settle that dispute directly with the broker, underwriter or association concerned. Any such settlement shall be binding on the Charterers.
- (p)
 - (i) 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 has 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 Termination Sum owed by the Charterers pursuant to paragraph (e) of Clause 49 (*Termination Events*) or, at the option of the Owners, to the discharge of the liability in respect of which they were paid.
 - (ii) Without prejudice to the foregoing, all other claims in relation to the Insurances (other than in respect of a Total Loss), shall, unless and until the occurrence of a Termination Event which is continuing, in which event all claims under the relevant policy shall be payable directly to the Owners, be payable as follows:
 - (A) a claim in respect of any one casualty where the aggregate claim against all insurers does not exceed the Threshold Amount, prior to adjustment for any franchise or deductible under the terms of the relevant policy, shall be paid directly to the Charterers (as agent for the Owners) for the repair, salvage or other charges involved or as a reimbursement if the Charterers fully repaired the damage to the satisfaction of the Owners and paid all of the salvage or other charges;
 - (B) a claim in respect of any one casualty where the aggregate claim against all insurers exceeds the Threshold Amount prior to adjustment for any franchise or deductible under the terms of the relevant policy, shall, subject to the prior written consent of the Owners (such consent not to be unreasonably withheld or delayed), be paid to the Charterers as and when the Vessel is restored to her former state and condition and the liability in respect of which the insurance loss is payable is discharged, and provided that the

insurers may with such consent make payment on account of repairs in the course of being effected, but, in the absence of such prior written consent shall be payable directly to the Owners.

- (q) 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 Threshold Amount arising other than from a Total Loss) without the prior written consent of the Owners (such consent not to be unreasonably withheld or delayed). In the event that the Charterers receive any proceeds of any claim under any of the Insurances which are intended for the Owners or (as the case may be) the relevant Finance Parties pursuant to the terms of the Insurances or the Transaction Documents or (if applicable) the Finance Documents, the Charterers agree that they shall hold such proceeds on trust for the Owners or (as the case may be) the relevant Finance Parties and shall immediately notify the Owners or (as directed by the Owners) the relevant Finance Parties and shall forthwith transfer such proceeds to the Owners or (as the case may be) the relevant Finance Parties.
- (r) 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 paragraph (i) of Clause 40 (*Hire*) from the date of payment by the Owners until the date of reimbursement.
- (s) In each case where failure to do so has or is reasonably likely to have a Material Adverse Effect, 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:
 - (i) 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
 - (ii) 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 promptly deliver to the Owners copies of such declarations (for the avoidance of doubt, such copies could be disclosed to the Finance Parties, if necessary); and
 - (iii) 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 promptly deliver to the Owners copies of reports made in respect of such surveys; and
 - (iv) implement any recommendations contained in the reports issued following the surveys referred to in sub-paragraph (s)(iii) above within the shorter of (x) relevant time limits contained in such reports, or (y) fifteen (15) Business Days, and provide evidence (for the avoidance of doubt, such evidence could be disclosed to the Finance Parties, if necessary)

satisfactory to the Owners that the protection and indemnity insurers are satisfied that this has been done; and

- (v) 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 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.
- (t) The Owners shall be at liberty to take out an Innocent Owners' Interest Insurance in relation to the Vessel for such amounts and on such terms and conditions as the Owners may from time to time decide and any Finance Party shall be at liberty to take out a Mortgagees' Interest Insurance in relation to the Vessel for such amounts and on such terms and conditions as that Finance Party may from time to time decide.
- (u) The Charterers shall from time to time upon the Owners' demand:
 - (i) reimburse the Owners for all costs, premiums and expenses paid or incurred by the Owners in connection with any Innocent Owners' Interest Insurance; and
 - (ii) reimburse the Owners or any Finance Party for all costs, premiums and expenses paid or incurred by the Owners or that Finance Party in connection with any Mortgagees' Interest Insurance,

provided that (for the purpose of such reimbursement only) the costs, premiums and expenses in connection with the Innocent Owners' Interest Insurances and the Mortgagees' Interest Insurances shall be no more than such costs, premiums and expenses if the aggregate of the insured amount of the Innocent Owners' Interest Insurances and the insured amount of the Mortgagees' Interest Insurances does not exceed one hundred and ten per cent (110%) of the then current Cost Balance (in its equivalent in USD).

- (v) The Charterers agree and undertake that:
 - (i) in the event that the Charterers receive any payment in relation to the Insurances in contravention of this Charter, the Charterers will hold such payment on trust and on behalf of the Owners;
 - (ii) the Charterers will not refuse, withhold (or otherwise delay giving) consent to the payment of any amount which becomes payable to the Owners under the Insurances (to the extent that such payment is payable to the Owners in accordance with terms of this Charter);
 - (iii) at the request of the Owners and at the cost of the Charterers, place any other insurance (including but not limited to kidnap and ransom insurances) in line with international industry standards as may be requested by the

Owners and/or the Finance Parties (if any), acting reasonably and subject to the opinion(s) of international reputable and independent insurance consultants; and

- (iv) from time to time on the written request of the Owners, the Charterers will promptly execute and deliver to the Owners all documents which the Owners may require for the purpose of obtaining any payment in relation to the Insurances (to the extent that such payment is payable to the Owners in accordance with the terms of this Charter).

42. Redelivery

Upon:

- (a) the occurrence of any Termination Event which is continuing and if the Owners decide to withdraw the Vessel from the service of the Charterers pursuant to paragraph (d) of Clause 49 (*Termination Events*); or
- (b) the Owners delivering a Termination Notice to the Charterers under paragraph (k) of Clause 40 (*Hire*) and the Termination occurring on or after the Actual Delivery Date but the Charterers failing to pay the relevant Termination Sum in full on the Termination Payment Date; or
- (c) the Owners having accepted or being deemed to have accepted the Purchase Option Notice served by the Charterers under paragraph (a) of Clause 52 (*Purchase Option, Purchase Obligation and transfer of title*) but the Charterers failing to pay the relevant Purchase Option Price on the Purchase Option Date; or
- (d) the expiry of the Agreed Charter Period (and subject to no Total Loss having occurred and the Purchase Obligation Price having not been paid on the Purchase Obligation Date);

then the Charterers shall, at their own cost and expense, redeliver or cause to be redelivered the Vessel to the Owners at a safe, ice free port where the Vessel would be afloat at all times in a ready safe berth or anchorage, in accordance with Clauses 43 (*Redelivery conditions*) and 44 (*Diver's inspection at redelivery*).

43. Redelivery conditions

- (a) In addition to what has been agreed in Clause 42 (*Redelivery*), the condition of the Vessel shall at redelivery be as follows:
 - (i) the Vessel shall be in class and free of any overdue class and statutory recommendations affecting its trading certificates;
 - (ii) the Vessel must be redelivered with all equipment and spare parts on board or installed on the Vessel (provided that any such items which are on lease or hire purchase, or otherwise not in the ownership of the Charterers may be removed); all records, logs, plans, operating manuals and drawings 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 and owned by the Charterers shall be delivered to the Owners;
 - (iii) the Vessel must be redelivered with all national and international trading certificates for both class and statutory surveys free of any overdue recommendation and qualifications, with her agreed CII Rating being maintained and all data and records relating to her CII Rating and her operations so as to support the fulfilment or maintenance of her agreed CII

Rating and not to interfere, hinder or affect the normal operation of the Vessel by the Owners for the next full calendar year;

- (iv) the Vessel must be re-delivered with accommodation and common spaces for crew and officers, 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;
 - (v) the Vessel shall be free and clear of all liens other than those created by or on the instructions of the Owners or any Finance Party.
- (b) The Owners and Charterers shall jointly appoint (at the Charterers' expense) one surveyor for the purpose of determining and agreeing in writing the condition of the Vessel at redelivery.
- (c) If the Vessel is not in the condition or does not meet the performance criteria required by this Clause 43, a list of deficiencies together with the costs of repairing/remedying such deficiencies shall be set out by that surveyor.
- (d) The Charterers shall either be obliged to repair any class items restricting the operation or trading of the Vessel prior to redelivery or, in the case of redelivery following a Termination Event which is continuing the Owners shall be entitled to effect such repairs and include the costs in the Termination Sum.
- (e) 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 43.
- (f) The cost of making any repairs/remedial work referred to in paragraph (e) above shall be agreed by the Owners' and the Charterers' surveyor or, if such agreement is not reached, on the basis of estimates received from competent repair yards for the work.
- (g) Until such time as any compensatory amount in respect of any repairs/remedial work outstanding as at redelivery has been paid in accordance with the terms of this Charter and the Vessel has been redelivered to the Owners pursuant to this Charter, the Charterers shall continue to pay Hire in accordance with the terms of this Charter.
- (h) At redelivery, the Charterers shall procure that the Vessel is restored to her condition at the Actual Delivery Date (subject to fair wear and tear):
- (i) at the expenses of the Charterers;
 - (ii) without damage to or diminishing the value of the Vessel; and
 - (iii) subject always to class requirements and compulsory legislation.

44. Diver's inspection at redelivery

- (a) Unless the Vessel is returned in dry-dock, a diver's inspection is required to be performed at the time of redelivery.
- (b) The Charterers shall, at the written request of the Owners, arrange at the Charterers' expense for an underwater inspection by a diver approved by the Classification Society immediately prior to the redelivery.

- (c) 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.
- (d) If damage to the underwater parts is found, the Charterers shall arrange, at their time and costs, for the Vessel to be dry-docked and repairs carried out to the satisfaction of the Classification Society or, in the case of redelivery following a Termination Event which is continuing the Owners shall be entitled to effect such repairs and include the costs in the Termination Sum.
- (e) 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.
- (f) Without limiting the generality of any other provisions of this Charter, all costs relating to any diver's inspection shall be borne by the Charterers.

45. Owners' mortgage

- (a) The Charterers acknowledge that the Owners and the Related Owner intend to enter into certain funding arrangements with the Finance Parties at the Owners' and the Related Owner's cost in order to finance all or part of the Actual Owners' Costs and the "Actual Owners' Costs" under the Related Charter, which funding arrangements may be secured, inter alia, by ship mortgages over the Vessel and (along with other related matters) the relevant Finance Documents in favour of the relevant Finance Parties, it being agreed that:
 - (i) the Owners shall obtain the Charterers' prior written consent to such funding arrangements which are secured by such ship mortgages (which consent shall not be unreasonably withheld or delayed); and
 - (ii) provided that such prior written consent has been given by the Charterers:
 - (A) the Owners shall procure that the relevant Finance Parties will on or prior to the date of such ship mortgage issue a quiet enjoyment letter in favour of the Charterers on terms acceptable to the relevant Finance Parties, the Owners, the Charterers and, if required, the Sub-Sub-Charterers (each acting reasonably);
 - (B) the Charterers irrevocably consent to any assignment in favour of the Finance Parties by the Owners of their right under any Transaction Documents pursuant to the relevant Finance Documents; and
 - (C) without limiting the generality of paragraph (i) of Clause 48 (*Charterers' undertakings*), the Charterers undertake to execute, provide or procure the execution or provision (as the case may be) of such further information or document as are reasonably necessary to effect the assignment referred to in sub-paragraph (B) above and any other assignment by the Owners of their rights in the Transaction Documents in favour of any Finance Party.
- (b) Without limiting the Charterers' obligations under this Clause and without prejudice to any other provisions in this Charter, the Owners undertake that, provided that the Charterers at all times perform their obligations under this Charter and in the absence of any Termination Event that is continuing, they will not disturb or interfere with the Charterers' quiet possession and enjoyment of the Vessel. To the

extent required by any Sub-Sub-Charterers which are parties to the relevant Sub-Sub-Charter that is in effect at the relevant time, the Owners also agree to provide such Sub-Sub-Charterers with a quiet enjoyment letter on such terms and conditions as the Owners may, acting in their reasonable discretion, accept.

- (c) Following the Actual Delivery Date, the Owners may, subject to the Charterers' prior written consent (such consent not to be unreasonably withheld), change the registered ownership of the Vessel and transfer by novation (or otherwise) their rights and obligations under this Charter at any time to any other party, except that no consent is required from the Charterers in respect of (1) any change or transfer in favour of any Affiliate of the Owners or (2) any change or transfer occurring after the occurrence of a Termination Event which is continuing provided that, unless any change or transfer occurs after the occurrence of a Termination Event which is continuing, the Obligors shall have no greater obligation or liability under the Transaction Documents as a result of the change in the registered ownership of the Vessel or the transfer, based on current laws in effect at the time of such change in the registered ownership of the Vessel or the transfer, than they would have had if such change in the registered ownership of the Vessel or transfer had not taken place. The Charterers agree and undertake to enter into any such usual documents as the Owners shall reasonably require to complete or perfect the change in the registered ownership of the Vessel and transfer by novation above.

46. Transport documents

The Charterers shall use their standard documents, waybills and conditions of carriage in the carriage of goods. Such documents, waybills and standard conditions shall comply with compulsory applicable legislation.

47. Charterers' representations and warranties

- (a) The Charterers make the representations and warranties set out in this Clause 47 to the Owners on the date of this Charter:
- (i) each Obligor is a corporation or (as the case may be) limited liability company, duly incorporated or formed in good standing and validly existing under the laws of its jurisdiction of incorporation or formation (as the case may be), has the power to own its assets and carry on their business as it is being conducted;
 - (ii) subject to the Legal Reservations, the obligations expressed to be assumed by each Obligor in each Management Agreement and the Transaction Document to which it is a party are legal, valid, binding and enforceable obligations;
 - (iii) the entry into and performance by each Obligor of, and the transactions contemplated by each Management Agreement and each Transaction Document to which it is a party do not conflict with:
 - (A) any law or regulation applicable to it;
 - (B) its constitutional documents; or
 - (C) any document binding on it or any of its assets;
 - (iv) each Obligor has the power to enter into, perform and deliver, and have taken all necessary action to authorise its entry into, performance and delivery of each Management Agreement and the Transaction Documents to which it is a party and the transactions contemplated thereunder;

- (v) all Authorisations required:
 - (A) to enable each Obligor to lawfully enter into, exercise its rights and comply with its obligations in each Transaction Document to which it is a party; and
 - (B) to make each Transaction Document to which each Obligor is a party admissible in evidence in its jurisdiction of incorporation,

have been obtained or effected and are in full force and effect, except for any registrations or filings required which are set out in any of the Legal Opinions;
- (vi) subject to the Legal Opinions, no Obligor is required under the laws of its jurisdiction of incorporation to make any deduction for or on account of tax from any payment it may make under each Transaction Document to which it is a party;
- (vii) subject to the Legal Opinions, under the laws of the jurisdiction of incorporation of each Obligor, it is not necessary that any Transaction Document to which such Obligor is a party be filed, recorded or enrolled with any court or other authority in that jurisdiction or that any stamp, registration or similar tax be paid on or in relation thereto or the transactions contemplated thereby;
- (viii) to the best of the Charterers' knowledge and belief, no Termination Event is continuing or might reasonably be expected to result from any Obligor's entry into and performance of each Transaction Document to which such Obligor is a party;
- (ix) subject to any qualification (if applicable) set out in such information, any factual information provided by the Charterers 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;
- (x) 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, except for obligations mandatorily preferred by law applying to companies generally;
- (xi) save as disclosed in the financial statements of the Guarantor and of the Charterers or as disclosed to the Owners, no litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency have (to the best of the Charterers' knowledge) been started or threatened against the Charterers or the Guarantor which, if adversely determined, might reasonably be expected to have a Material Adverse Effect;
- (xii) subject to the Legal Opinions, none of the Obligors nor any of its assets has any right to immunity from set-off, legal proceedings, attachment prior to judgment, other attachment or execution of judgment on the grounds of sovereign immunity or otherwise;
- (xiii) none of the Obligors 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 it or all or any part of its assets;

- (xiv) the Obligors are acting and have acted at all times in compliance with applicable AML Laws, and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving any Obligor with respect to AML Laws is pending or, to the best knowledge of the Obligors, threatened;
 - (xv) none of the Obligors is a Restricted Party, nor has it or any of its directors, officers or employees received formal notice of any claim, action, suit, proceeding or investigation against it with respect to Sanctions by a Sanctions Authority;
 - (xvi) each of the Obligors is in compliance with Clause 48(u) and no circumstances have occurred which would prevent such compliance;
 - (xvii) the copies of the Project Documents provided by the Charterers to the Owners in accordance with Clause 36 (*Conditions precedent and conditions 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, 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.
- (b) Each representation and warranty in sub-paragraphs (a)(i) to (a)(v), (a)(viii) to (a)(xvii) above is deemed to be repeated by the Charterers by reference to the facts and circumstances then existing on (i) the Actual Delivery Date and (ii) each Hire Payment Date.

48. Charterers' undertakings

The Charterers hereby undertake to the Owners that they will comply in full and procure compliance (where applicable) with the following undertakings throughout the Agreement Term:

- (a) each Obligor will maintain its corporate existence as a body corporate duly organised and validly existing under the laws of its jurisdiction of incorporation;
- (b) each Obligor will obtain and promptly renew from time to time all such Authorisations as may be required under any applicable law or regulation to enable it to perform its obligations under all Sub-Charters and Sub-Sub-Charters (if any), each Management Agreement and the Transaction Documents to which it is a party if failure to do so might reasonably be expected to have a Material Adverse Effect;
- (c) each Obligor will pay all Taxes applicable to, or imposed on or in relation to the Vessel;
- (d) the Charterers will procure that each Approved Manager shall enter into a Manager's Undertaking upon its appointment as a manager of the Vessel;
- (e) except for any Security Interest created (i) in favour of the Owners or the Finance Parties, (ii) a Permitted Security Interest or (iii) otherwise with the prior written consent of the Owners, the Charterers will not create or permit to subsist any Security Interest or other third party rights over any of their present or future rights and interests in or towards the Vessel;
- (f) the Charterers shall procure that unless with the prior written consent of the Owners, all of the Earnings, the Requisition Compensation and the proceeds of any relevant

claim under the Insurances shall be paid into the Earnings Account and the Earnings Account shall, at all times during the Agreement Term, be the only designated account into which all sums payable under the Initial Sub-Sub-Charter shall be paid, and the Charterers shall at the request of the Owners, provide to, or cause to be provided to, the Owners during the Agreement Term, written statements of account showing all entries made to the credit and debit of the Earnings Account during the immediately preceding three calendar months;

- (g) the Charterers will supply or cause to be supplied to the Owners as soon as the same become available, but in any event within:
 - (i) as soon as possible after the end of each of the financial quarters of the Charterers, the bank statements of the Earnings Account relating to that financial quarter;
 - (ii) one hundred and eighty (180) days after the end of each of the financial years of the Guarantor and the Charterers, the audited consolidated financial statements of the Guarantor and the Charterers for that financial year; and
 - (iii) ninety (90) days after the end of each of the financial half-years of the Guarantor and the Charterers, the unaudited consolidated financial statements of the Guarantor and the Charterers of that financial half-year,

and all such financial statements shall be prepared using GAAP or IFRS Accounting Standards;

- (h) the Charterers will promptly disclose all information in relation to each Sub-Charter, each Sub-Sub-Charter, each Sub-Charterers and each Sub-Sub-Charterers to the Owners upon the Owners' reasonable request (including any information in relation to any Sub-Charterers' fulfilment of their obligations pursuant to the relevant Sub-Charter and any Sub-Sub-Charterers' fulfilment of their obligations pursuant to the relevant Sub-Sub-Charter); the Charterers will notify the Owners in writing immediately of (A) any default or breach by the Charterers and/or the Sub-Charterers in the performance of any of their obligations under any Sub-Charter, any default or breach by the Sub-Charterers and/or the Sub-Sub-Charterers in the performance of any of their obligations under any Sub-Sub-Charter, (B) the occurrence and non-occurrence of any event or condition under any Sub-Charter, which default, breach, occurrence or non-occurrence would immediately enable the Sub-Charterers or the Charterers to terminate any Sub-Charter, the occurrence and non-occurrence of any event or condition under any Sub-Sub-Charter, which default, breach, occurrence or non-occurrence would immediately enable the Sub-Sub-Charterers or the Sub-Charterers to terminate any Sub-Sub-Charter and (C) the termination, cancellation, repudiation, expiry or cessation of effectiveness of any Sub-Charter or any Sub-Sub-Charter;
- (i) the Charterers will:
 - (i) from time to time and at their own costs and expenses, do and perform such other and further acts and execute and deliver any and all such other agreements, instruments and documents as may be required by law to establish, maintain and protect the rights and remedies of the Owners and to carry out and effect the intent and purpose of this Charter and the other Transaction Documents; and
 - (ii) if applicable, acknowledge and consent to the creation of any Finance Document required by any Finance Party in accordance with the terms of this Charter;

- (j) no Obligor shall cease or threaten to cease to carry on its business;
- (k)
 - (i) the Fair Market Value shall be determined based on the lower valuation from the most recent two Valuation Reports provided to the Owners in accordance with the requirements under this Clause 48(k), which shall be prepared by an Approved Valuer, **provided that**
 - (A) in the absence of a Termination Event, the Charterers shall arrange, deliver to the Owners and bear the cost of the issuance of such Valuation Reports once every twelve (12) months during the Agreement Term; and
 - (B) upon the occurrence of a Termination Event, 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 (acting in their sole discretion),

provided further that if the Charterers fail to deliver any Valuation Report in accordance with the requirements under this Clause 48(k), the Owners shall be entitled to arrange each such Valuation Report at the Charterers' cost;
 - (ii) each Valuation Report to be provided by the Charterers for the purpose of sub-paragraph (i) above shall be delivered to the Owners within thirty (30) days from the day on which the Owners make a request for valuation of the Vessel;
 - (iii) if an Approved Valuer determines that the Fair Market Value shall fall within a range, the valuation as determined by such Approved Valuer should be the lower value of such range;
 - (iv) each valuation shall be provided by an Approved Valuer in US Dollars;
 - (v) the Owners may test the Value Maintenance Ratio on any Test Date in accordance with the methodology described in sub-paragraphs (i) to (iv) above;
 - (vi) if, after testing the Value Maintenance Ratio on the relevant Test Date, the Owners determine that the Value Maintenance Ratio is less than the Value Maintenance Threshold, then the Charterers shall, within ten (10) Business Days of the Owners' demand provide additional security in form and substance acceptable to the Owners;
 - (vii) if, at any time falling 3 months after testing the Value Maintenance Ratio on the relevant Test Date and upon the Charterers' written request, the Owners determine that the Value Maintenance Ratio is higher than the Value Maintenance Threshold, the Owners shall release to the Charterers such part of the additional security provided by the Charterers to the Owners pursuant to sub-paragraph (vi) above, as shall reduce 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 will occur before or after such release and (2) immediately following such release, the Value Maintenance Ratio will not be less than the Value Maintenance Threshold,

and for the purposes of this Clause 48(k):

"Test Date" means any date during the Agreement Term which is determined by the Owners (taking into account the dates of the most recent two Valuation Reports) and notified to the Charterers (it being understood that there shall be no more than one (1) Test Date in every 12 months provided that no Termination Event has occurred and is continuing);

"Value Maintenance Ratio" means the ratio (expressed as a percentage) of:

(XX) the Fair Market Value of the Vessel (in its equivalent in CNH) plus (if any) the value of any additional security (such value to be determined by the Owners) provided to restore the Value Maintenance Threshold pursuant to sub-paragraph (vi) above; to

(YY) the then current Cost Balance; and

"Value Maintenance Threshold" means the ratio (expressed as a percentage) of one hundred and five per cent (105%);

(l) the Charterers will notify the Owners as soon as they become aware of, and shall procure the Guarantor to notify the Owners as soon as the Guarantor is aware of, a Potential Termination Event or a Termination Event and will keep the Owners fully up-to-date with all developments and will, if so requested by the Owners, provide any such certificate signed by a director on behalf of the Charterers, confirming that there exists no Potential Termination Event or Termination Event; the Charterers will notify the Owners as soon as they become aware of any Approved Manager's breach of any of its obligations under the relevant Manager's Undertaking, any Approved Manager's material breach of any of its obligations under the relevant Management Agreement and any Approved Manager's action or inaction resulting in the occurrence of a Termination Event;

(m)

(i) the Charterers will not, and will not permit or authorise any of its officers, directors and employees or any other person to, directly or indirectly, utilize or employ or operate the Vessel or use, lend, make payments of, contribute or otherwise make available, all or any part of the proceeds of any transaction(s) contemplated by the Transaction Documents:

(A) in any manner that would result in any Obligor or any of its Subsidiaries or any of its officers, directors or employees, being in breach of any Sanctions applicable to it or becoming a Restricted Party; or

(B) in breach of Sanctions or in any manner which causes the Owners to be in breach of Sanctions or the Owners becoming a Restricted Party;

(ii) the Charterers shall, and shall procure that (A) all their directors, officers and employees, (B) the other Obligors and (C) all the directors, officers and employees of the other Obligors shall, comply with the Sanctions applicable to them;

(iii) the Charterers shall maintain appropriate policies and procedures designed to promote and achieve compliance with the Sanctions by the Charterers and each of their respective directors, offices and employees;

(n) the Charterers will procure that:

- (i) unless with the prior written consent of the Owners (such consent not to be unreasonably withheld or delayed), there shall be no change in the legal or beneficial ownership or control of the Charterers or the Guarantor from that advised to the Owners at the date of this Charter; and
- (ii) without limiting sub-paragraph (i) above, the Charterers shall not enter into any amalgamation, merger, demerger or corporate reconstruction without the prior written consent of the Owners (such consent not to be unreasonably withheld or delayed);
- (o) no Obligor will materially change the general nature of its business from that carried on at the date of this Charter;
- (p) the Charterers shall not without the prior written consent of the Owners (such consent not to be unreasonably withheld), pay any dividends or make other distributions to its shareholders whilst a Termination Event is continuing;
- (q) the Charterers shall use their best endeavours to cause the Vessel to be released from arrest or detention as quickly as possible, and in any event within 60 days from the date of arrest or detention;
- (r) *intentionally left blank*
- (s) the Charterers shall:
 - (i) comply with all their obligations under the Project Documents to which they are a party, and will procure that each other party (where that party is a member of the Group) shall comply with its obligations under the Project Documents to which it is a party; and
 - (ii) except with the prior written consent of the Owners (such consent not to be unreasonably withheld or delayed), the Charterers shall not, and shall use their reasonable endeavours to procure that no other party (where that party is a member of the Group) shall cancel, novate, supersede, terminate, or materially amend, vary, supplement or waive, any Project Document to which they are a party;
- (t)
 - (i) the Charterers shall:
 - (A) upon request of the Owners, provide a duly executed and, if required by the relevant law, notarised and apostilled original of the EU ETS Mandate Letter to the relevant administering authority and take such action as the Owners may reasonably require for such EU ETS Mandate Letter to be submitted to and recorded by the relevant administering authority;
 - (B) comply with all Emissions Legislation applicable to them; and
 - (C) whenever requested by the Owners, promptly provide to the Owners particulars of all and any outstanding charges due or collectable by the relevant entities charged with administering compliance with Emissions Legislation applicable to them or in respect of the Vessel; and

- (ii) the Charterers will pay or cause to be paid all amounts required to be paid by them or the Owners in respect of the Vessel arising out of or in connection with the Emissions Legislation, and the Charterers will within five (5) Business Days of demand indemnify the Owners for any and all amounts required to be paid by the Owners in connection with the Emissions Legislation in respect of the Vessel, together with (i) all losses, costs and expenses suffered or incurred by the Owners in connection with compliance by them with the Emissions Legislation in respect of the Vessel, and (ii) any penalties, charges or other amounts levied against the Owners due to any breach by the Charterers of their obligations under this Clause 48(t);

- (u) on and from the Actual Delivery Date and until the expiration of the Agreement Term, the Charterers will keep the Vessel registered in the name of the Owners as legal owner of the Vessel and (if the Approved Flag State is Hong Kong) themselves as demise charterer of the Vessel under the laws and flag of Hong Kong on a demise charter registration basis, and shall not do or permit to be done anything, or knowingly omit to do anything which would result in such registration being forfeited or imperilled and without prejudice to the generality of the foregoing statement, so long as the Vessel remains registered in Hong Kong on demise charter registration basis:
 - (i) they will not sub-let the Vessel on demise charter to any person; and
 - (ii) the Vessel will not be 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, on and from the Actual Delivery Date until the expiration of the Agreement Term, register the Vessel or permit her registration under any other law or flag;

- (v) concurrently with the delivery of each set of the annual financial statements and the semi-annual financial statements in accordance with paragraph (g) above, the Charterers shall deliver to the Owners a Compliance Certificate signed by two (2) directors of the Guarantor, certifying that, as at the date of such financial statements:
 - (i) the Guarantor is in compliance with the covenants and undertakings in Clause 53 (*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 53 (*Financial covenants*); and
 - (ii) confirming 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;

- (w) the Charterers agree that the Owners may at their sole discretion and at any time during the Agreement Term apply towards any Unpaid Sum any Related Vessel Sale Proceeds Surplus and any Related Vessel Total Loss Proceeds Surplus received by the Owners from the Related Owner pursuant to the terms of the Related Charter; and

- (x) the Charterers shall procure that the Charterers, the Guarantor and each Approved Manager shall comply with all applicable international conventions, codes and regulations (including, without limitation, the ISM Code (or any replacement thereof), the ISPS Code, the Maritime Labour Convention, 2006 (or any replacement thereof)) applicable to each of them respectively.

49. Termination Events

- (a) Each of the following events shall constitute a Termination Event:
- (i) subject to paragraph (a)(ii) below, an Obligor fails to pay on the due date (or, in the case of sums expressed to be payable on demand, immediately upon the Owners' demand) any amount payable pursuant to a Transaction Document to which it is a party;
 - (ii) no Termination Event shall occur under paragraph (a)(i) above, if (1) the failure to pay is due to administrative or technical error or a Disruption Event and (2) payment is made within three (3) Business Days of the original due date of such amount **provided that** interest (as calculated pursuant to paragraph (i) of Clause 40 (*Hire*)) shall accrue on such overdue amount from the original due date of such amount up to and until the date of actual payment;
 - (iii) any Obligor default under, or in the due and punctual observance and performance of, any other provision of a Transaction Document to which it is a party and where, in the reasonable opinion of the Owners, such default is capable of remedy (and for these purposes a breach by the Charterers of their obligations under Clause 41 (*Insurance*) or Clause 53 (*Financial covenants*) shall be a default not capable of remedy), such default is not remedied to the Owners' satisfaction within seven (7) Business Days after written notice from the Owners requesting action to remedy the same;
 - (iv) any representation or statement made by any Obligor in or pursuant to a Transaction Document to which it is a party or in any notice, certificate, instrument or statement contemplated thereby or made or delivered pursuant hereto or thereto is, or proves to be, untrue or incorrect in any material respect when made or deemed to be repeated and, if the circumstances causing such misrepresentation are capable of remedy, such circumstances have not been remedied within thirty (30) days of receipt of notice of such misrepresentation from the Owners;
 - (v)
 - (A) any Financial Indebtedness of the Guarantor is not paid when due or, as a result of an event of default (however described), becomes prematurely payable or prematurely declared payable, provided that no Termination Event will occur under this sub-paragraph (a)(v)(A) in relation to the Guarantor if the aggregate amount of Financial Indebtedness of the Guarantor is not more than US\$5,000,000 (or its equivalent in any other currency or currencies);
 - (B) any Financial Indebtedness of any Obligor (other than the Guarantor) is not paid when due or, as a result of default (however described), becomes prematurely payable or prematurely declared payable, provided that no Termination Event will occur under this sub-paragraph (a)(v)(B) if the aggregate amount of Financial Indebtedness of that Obligor is not more than US\$1,000,000 (or its equivalent in any other currency or currencies);
 - (vi) any of the following occurs in relation to any of the Charterers, the Guarantor and the Share Chorgor (together, the "**Relevant Parties**" and each a "**Relevant Party**"):
 - (A) any Relevant Party:

- (1) is unable or admits inability to pay its debts as they fall due;
 - (2) suspends or threatens to suspend making payments on any of its debts; or
 - (3) by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors (excluding the Owners) with a view to rescheduling any of its indebtedness;
- (B) the value of the assets of the Guarantor is less than its liabilities (taking into account contingent and prospective liabilities);
- (C) a moratorium is declared in respect of any indebtedness of any Relevant Party (if a moratorium occurs, the ending of the moratorium will not remedy any Event of Default caused by that moratorium);
- (D) any corporate action, legal proceedings or other procedure or step is taken in relation to:
- (1) 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 Relevant Party;
 - (2) a composition, compromise, assignment or arrangement with any creditor of any Relevant Party; or
 - (3) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of any Relevant Party or any of its assets,
- or any analogous procedure or step is taken in any jurisdiction; and
- (E) sub-paragraph (D) above shall not apply to any winding-up petition which is frivolous or vexatious and is discharged, stayed or dismissed within 30 days of commencement;
- (vii) any of the following occurs in relation to any Relevant Party or its assets:
- (A) an encumbrancer takes lawful possession of the whole or any material part of the assets of that Relevant Party; or
 - (B) a Security Interest is enforced upon or sued out against the whole or a material part of the assets of that Relevant Party,
- provided that no Termination Event will occur under sub-paragraph (a)(vii)(A) if the assets referred to in sub-paragraph (a)(vii)(A) above are released from the relevant encumbrancer's possession within 30 days;
- (viii) there is any change in the legal or beneficial ownership or control of the Charterers or the Guarantor from that advised to the Owners at the date of this Charter without the prior written consent of the Owners (such consent not to be unreasonably withheld or delayed);

- (ix) any Obligor ceases or threatens to cease to carry on its business without the prior written consent of the Owners (such consent not to be unreasonably withheld or delayed);
 - (x) any Authorisation or other requirement necessary to enable any Obligor to comply with any of its obligations or undertakings contained in a Transaction Document to which it is a party is modified, revoked or withheld or does not remain in full force and effect and in any such case the same is not remedied within such reasonable time and by such measures as the Owners may approve;
 - (xi) any Sanctions Event occurs, however, no Termination Event under this paragraph (x) will occur if the Sanctions Event is (in the reasonable opinion of the Owners) capable of remedy and is remedied within ten (10) Business Days after the earlier of the Owners giving notice of the occurrence of the Sanctions Event to the Charterers and the Charterers becoming aware of the occurrence of the Sanctions Event;
 - (xii) any obligation expressed to be assumed by any Obligor or any other party (other than the Owners or Account Bank (as the case may be)) under any Transaction Document ceases at any time to be the legal, valid and binding obligation of that Obligor or party;
 - (xiii) an Obligor or any other person (except the Owners) repudiates any of the Transaction Documents to which that Obligor or person is a party or evidences an intention to do so;
 - (xiv) any of the conditions referred to in paragraph (b) of Clause 36 (*Conditions precedent and conditions subsequent*) is not satisfied within such time limit as specified in that Clause;
 - (xv) any event or circumstance occurs, which causes a Material Adverse Effect;
 - (xvi) it is or becomes unlawful for an Obligor to perform any of its obligations under the Transaction Documents;
 - (xvii) any "MOA Termination Event" (as such term is defined in the MOA) occurs and is continuing;
 - (xviii) any Project Document is terminated, cancelled, repudiated or otherwise ceases to remain in full force and effect; or
 - (xix) any "Termination Event" (as such term is defined in the Related Charter) occurs under the Related Charter and is continuing.
- (b) The Owners and the Charterers agree that:
- (i) it is a fundamental term and condition of this Charter that no Termination Event shall occur during the Agreement Term; and
 - (ii) without prejudice to the foregoing, a Termination Event shall constitute (as the case may be) either a repudiatory breach of, or breach of condition by the Charterers under, this Charter or an agreed terminating event the occurrence of which will (in any such case) entitle the Owners to exercise all or any of the remedies set out below in this Clause 49; and
- (c) At any time after a Termination Event shall have occurred and be continuing, the Owners may:

- (i) at their option and by delivering to the Charterers a termination notice (the "**Termination Notice**"), (A) (at any time on or after the Actual Delivery Date) terminate the chartering of the Vessel under this Charter (for the avoidance of any doubt, it being acknowledged that such termination may take place before, on or after the expiry of the Agreed Charter Period) 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 42 (*Redelivery*) and 43 (*Redelivery conditions*) or (B) (at any time before the Actual Delivery Date) terminate the obligation of the Owners to deliver and charter the Vessel to the Charterers with immediate effect or on the date specified in such Termination Notice; and/or
 - (ii) enforce any Security Interest created pursuant to the relevant Transaction Documents; and/or
 - (iii) at their option replace any Approved Manager of the Vessel.
- (d) On or at any time after termination of the chartering of the Vessel in accordance with paragraph (c) above, the Owners may (but without prejudice to the Charterers' obligations under Clause 43 (*Redelivery conditions*)) withdraw the Vessel from the service of the Charterers 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.
- (e) On the Termination Payment Date in respect of any termination of (i) the chartering of the Vessel under this Charter or, (ii) as the case may be, the obligation of the Owners to deliver and charter the Vessel to the Charterers, in each case in accordance with paragraph (c) above, the Charterers shall pay to the Owners an amount equal to the Termination Sum whereupon paragraph (i) below shall apply.
- (f) Following any Termination to which this Clause 49 applies, all sums payable in accordance with paragraph (e) above shall be paid to such account or accounts as the Owners may direct.
- (g) Following any Termination to which this Clause 49 applies, if the Charterers have not paid to the Owners the Termination Sum by the applicable Termination Payment Date which falls on or after the Actual Delivery Date (and consequently the Owners have not transferred title to the Vessel to the Charterers (or its nominee acceptable to the Owners subject to the Owners' "know your customer" clearance, the "**Nominee**") in accordance with paragraph (i) below), then the Owners shall be entitled (but not obliged) to operate and/or sell the Vessel and apply the Net Sale Proceeds against the Termination Sum and claim from the Charterers for any shortfall.
- (h) Upon completion of the sale of the Vessel in accordance with paragraph (g) above:
- (i) if the Charterers have not paid to the Owners the Termination Sum in full at the time when the Owners have received in full the Net Sale Proceeds and such Net Sale Proceeds exceed the Termination Sum; or
 - (ii) if the Charterers have paid to the Owners the Termination Sum in full at the time when the Owners have received in full the Net Sale Proceeds,

then any part of such Net Sale Proceeds which exceeds the Termination Sum (in the case of (i) above) or such Net Sale Proceeds (in the case of (ii) above) (the "**Vessel Sale Proceeds Surplus**") shall be paid to the Charterers by way of rebate hire, unless before such payment there occurs any event or circumstance referred to in paragraph (a) of clause 49 (*Termination Events*) of the Related Charter, upon which such Vessel Sale Proceeds Surplus shall be paid by the Owners to the Related Owner which may be applied in the sole discretion of the Related Owner in accordance with the terms of the Related Charter.

- (i) 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 this Clause 49, once the Charterers have made the payment pursuant to paragraph (e) above to the satisfaction of the Owners, the Owners shall, if the Vessel has been delivered to the Owners (as buyers under the MOA), arrange for title of the Vessel to be immediately transferred to the Charterers in accordance with paragraphs (c) to (f) of Clause 52 (*Purchase Option, Purchase Obligation and transfer of title*).
- (j) 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. The rights conferred upon the Owners by the provisions of this Clause 49 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.
- (k) For the avoidance of doubt, the Charterers' obligation to pay the Termination Sum (and any of their other obligations under the Transaction Documents) shall not be affected irrespective of the Owners' ability to complete the sale of the Vessel referred to in paragraph (i) above.

50. Sub-chartering and assignment

The Charterers shall not, and shall procure that the Initial Sub-Charterer shall not, without the prior written consent of the Owners (such consent not to be unreasonably withheld or delayed):

- (i) let the Vessel on demise charter for any period;
- (ii) enter into any time or consecutive voyage charter in respect of the Vessel for a term which exceeds, or which by virtue of any optional extension may exceed, twelve (12) months, or which would expire after the end of the Charter Period (other than the Initial Sub-Charter and the Initial Sub-Sub-Charter); or
- (iii) assign or transfer their rights under this Charter or any other Transaction Documents.

51. Name of Vessel

Provided that the prior written consent has been given by the Owners but always subject to the provisions of any Sub-Charter or Sub-Sub-Charter:

- (i) the name of the Vessel may be chosen by the Charterers; and
- (ii) the Vessel may be painted in the colours, display the funnel insignia and fly the house flag as required by the Charterers.

52. Purchase Option, Purchase Obligation and transfer of title

Purchase Option

- (a) Subject to no Total Loss under Clause 54 (*Total loss*), the Charterers shall have the option to elect to purchase the Vessel from the Owners for the Purchase Option Price on the Purchase Option Date, subject to satisfaction of the following conditions:
- (i) no Termination Event has occurred and is continuing or will occur as a result of the proposed early termination of the chartering of the Vessel under this Charter or the proposed purchase of the Vessel in accordance with this Clause 52;
 - (ii) the proposed Purchase Option Date falls on or after the Third Anniversary Date;
 - (iii) the Charterers have, no less than 60 days prior to the proposed Purchase Option Date, notified the Owners of the Charterers' intention to purchase the Vessel and the proposed Purchase Option Date by the Charterers' service upon the Owners of a notice in writing (such notice, once received by the Owners pursuant to this sub-paragraph, shall be irrevocable and following the Owners' receipt of such notice, the Charterers shall pay to the Owners the Purchase Option Price on the proposed Purchase Option Date).

Purchase Obligation

- (b) Subject and without prejudice to the other provisions of this Charter, unless (i) Total Loss under Clause 54 (*Total Loss*) has occurred, (ii) the Termination Sum has been paid in full in accordance with the terms of this Charter or (iii) the Purchase Option Price has been paid in full in accordance with the terms of this Charter, the Charterers shall be obliged to, on the last day of the Agreed Charter Period (such date being the "**Purchase Obligation Date**"), purchase the Vessel from the Owners by paying to the Owners the Purchase Obligation Price to such account or accounts as the Owners may direct and the Purchase Obligation Price shall be applied in the Owners' sole discretion and this Charter shall terminate on the payment of the Purchase Obligation Price on the Purchase Obligation Date.

Transfer of title

- (c) Upon the Owners' receipt of full payment of the Purchase Option Price, the Purchase Obligation Price or, if relevant, the Termination Sum payable by the Charterers to the Owners under this Charter, and subject to compliance with the other conditions set out in this Clause 52, the Owners shall:
- (i) 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 bill of sale, duly notarially attested or legalised or apostilled as required by the Charterers' nominated flag state, which nomination should be made by the Charterers acting reasonably and accepted by the Owners; and
 - (B) the Title Transfer PDA; and

- (ii) procure the deletion of any registered mortgage or prior registered Security Interest created by the Owners in relation to the Vessel at the Charterers' costs,

provided always that prior to such transfer or deletion (as the case may be), 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.

- (d) The transfer in accordance with paragraph (c) above 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, 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.
- (e) The Owners shall have no responsibility for the registrability of a bill of sale referred to in paragraph (c) above executed by the Owners, as far as such bill of sale is prescribed in forms generally acceptable to the Charterers' nominated flag state at the date of execution of such bill of sale.
- (f) The Owners have and will have no interest, concern or connection with the Vessel after the date of the Title Transfer PDA. The Charterers shall indemnify the Owners and keep the Owners and their respective officers, directors, agents and employees (collectively the "**Vessel Indemnitees**") indemnified forever against any liabilities, obligations, losses, damages, penalties, fines, fees, claims, actions, proceedings, judgment, 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 Vessel Indemnitee in connection with the Vessel (whether arising prior to, on or after the date of the Title Transfer PDA) other than those solely caused by the Owners' gross negligence or wilful misconduct.

53. Financial covenants

- (a) **Financial definitions** For the purpose of this Clause 53, the following definitions shall apply:

"**Cash and Cash Equivalents**" means the aggregate of:

- (i) any amounts, including any working capital contributions held with a pool under any pool management agreement(s); and
- (ii) minimum vessel liquidity in respect of any vessel owned directly or indirectly by the Guarantor.

"**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.

- (b) **Financial covenants** The Charterers shall ensure and procure the Guarantor to ensure that at all times during the Agreement Term:
 - (i) the aggregate of the Cash and Cash Equivalents reserved for the Vessel and the Related Vessel shall not be less than US\$500,000; and

- (ii) the Total Liabilities shall not exceed eighty per cent (80%) of the Total Assets.

(c) **Financial testing**

- (i) The financial covenants in paragraph (b) of this Clause 53 shall be tested by reference to the financial statements delivered pursuant to paragraph (g) of Clause 48 (*Charterers' undertaking*) and/or each Compliance Certificate delivered pursuant to paragraph (v) of Clause 48 (*Charterers' undertaking*).
- (ii) 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 exchange used by the Guarantor in, or in connection with, its financial statements for that period.
- (iii) When calculating the financial covenants in this Clause 53, the effect of all transactions between members of the Group shall be eliminated to the extent not already netted out on consolidation.
- (iv) No item may be credited or deducted more than once in any calculation under this Clause 53.

54. Total Loss

- (a) If circumstances exist giving rise to a Total Loss, the Charterers shall promptly notify the Owners of the facts of such Total Loss. If the Charterers wish to proceed on the basis of a Total Loss and advise the Owners thereof, the Owners shall agree to the Vessel being treated as a Total Loss for all purposes of this Charter. The Owners shall thereupon abandon the Vessel to the Charterers and/or execute such documents as may be required to enable the Charterers to abandon the Vessel to insurers and claim a Total Loss.
- (b) If the Vessel becomes a Total Loss during the Charter Period, the Charterers shall, on the Settlement Date, pay to the Owners the amount calculated in accordance with paragraph (c) below.
- (c) On the Settlement Date, the Charterers shall pay to the Owners an amount equal to the Termination Sum as at such Settlement Date. The foregoing obligations of the Charterers under this paragraph (c) 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.
- (d) 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 Termination Sum and any other sums due and payable under the Transaction Documents. To the extent that there is any surplus after such application (the "**Vessel Total Loss Proceeds Surplus**"), such Vessel Total Loss Surplus shall be paid to the Charterers by way of rebate of hire, unless before such payment there occurs any event or circumstance referred to in paragraph (a) of clause 49 (*Termination Events*) of a Related Charter, upon which the Vessel Total Loss Surplus shall be paid by the Owners to the Related Owner which may be applied in the sole discretion of the Related Owner in accordance with the terms of the Related Charter.
- (e) The Charterers shall, at the Owners' request, provide satisfactory evidence as to the date on which the constructive total loss of the Vessel occurred pursuant to the definition of Total Loss.

- (f) The Charterers shall continue to pay Hire and all other sums payable 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 pursuant to paragraph (c) above.

55. Appointment of Approved Managers

- (a) The Charterers covenant not to appoint anyone other than the Approved Managers as managers of the Vessel without the prior written consent of the Owners (such consent not to be unreasonably withheld in the absence of any Termination Event which is continuing).
- (b) In the event that (1) any Approved Manager breaches any of its obligations under the relevant Manager's Undertaking, (2) any Approved Manager materially breaches any of its obligations under the relevant Management Agreement or (3) any Approved Manager's action or inaction results in the occurrence of a Termination Event (and if in each case the same is not remedied within fifteen (15) Business Days of such breach, material breach or occurrence of a Termination Event (if applicable)), the Charterers shall be obliged to terminate the appointment of such Approved Manager and shall within a further thirty (30) days of such termination 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 on identical terms to the Manager's Undertaking from the Approved Manager which is being replaced (save for logical amendments).
- (c) Without prejudice to the foregoing, the Owners shall be entitled, but without obligation, to replace any Approved Manager with any other ship management company upon the occurrence of a Termination Event which is continuing.

56. Fees

The Charterers shall pay the Handling Fee to the Owners within five (5) Business Days after the date of this Charter but in any event before the Actual Delivery Date, **provided that** in the event of a cancellation of the MOA or of a Termination, the Handling Fee shall become immediately due and payable.

57. Stamp duties and taxes

The Charterers shall pay promptly all stamp, documentary or other like duties and taxes to which this 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 provided that this Clause shall not apply if the Tax is imposed on or calculated by reference to the net income received by the Owners.

58. Operational notifiable events

- (a) **Notifiable events** The Owners are to be advised as soon as possible after the occurrence of any of the following events:
 - (i) when a material condition of class is applied by the Classification Society;
 - (ii) whenever the Vessel is arrested, confiscated, seized, requisitioned, impounded, forfeited or detained by any government or other competent authorities or any other persons;

- (iii) whenever a class or flag authority refuses to issue or withdraws any trading certification which is not, or cannot be, promptly rectified;
 - (iv) whenever the Vessel is planned for dry-docking, whether in accordance with Clause 10(g) (Part II) or any Sub-Charter or Sub-Sub-Charter and whether routine or emergency;
 - (v) in the event of any alteration and/or damage to the Vessel the repair costs of which (whether before or after adjudication) are likely to exceed the Threshold Amount.
- (b) Without limiting the generality of paragraph (a) (*Notifiable events*) above, the Charterers shall, on the Actual Delivery Date and then every twelve (12) months thereafter until the expiry of the Charter Period, supply (or cause to be supplied) to the Owners a ship management report (once available and subject to all confidentiality obligations, undertakings or agreements and/or all relevant laws and regulations) containing the following information in respect of the Vessel:
- (i) any casualty or other accident or damage to the Vessel;
 - (ii) the crew retention rate;
 - (iii) results of any port state control inspections and any flag state control inspections carried out over the past twelve (12) months;
 - (iv) results of any inspections carried out over the past twelve (12) months by any technical and marine superintendents; and
 - (v) all other material information (including copies where available) relating to the Vessel's operation requested by the Owners.

59. Further indemnities

- (a) Whether or not any of the transactions contemplated hereby are consummated, the Charterers shall within 5 Business Days of demand, in addition to the provisions under Clause 17(a) (*Indemnity*) (Part II) of this Charter, indemnify, protect, defend and hold harmless the Owners and their officers, directors, agents and employees (collectively, the "**Indemnitees**") from, against and in respect of, any and all documented 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:
- (i) the negotiation, preparation and execution of this Charter and the other Transaction Documents, any amendment, supplement or modification thereof or thereto, or any waiver or consent thereunder, requested by the Charterers;
 - (ii) the Vessel or any part thereof, including with respect to:
 - (A) the manufacture, design, construction, 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 or any Sub-Sub-Charterers;
 - (C) death or property damage of shippers or others;
 - (D) any liens in respect of the Vessel or any part thereof other than any liens created by the Owners; and
 - (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;
- (iii) 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 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;
 - (iv) preventing or attempting to prevent the arrest, confiscation, seizure, taking and execution, requisition, impounding, forfeiture or detention of the Vessel, or in securing or attempting to secure the release of the Vessel in connection with the exercise of the rights of a holder of a lien created by the Charterers;
 - (v)
 - (A) procuring the delivery of the Vessel under the MOA and this Charter;
 - (B) recovering possession of the Vessel if the Vessel is required to be redelivered to the Owners pursuant to Clause 42 (*Redelivery*);
 - (C) arranging for a transfer of the Vessel's title in accordance with paragraphs (c) to (f) of Clause 52 (*Purchase Option, Purchase Obligation and transfer of title*);
 - (D) the exercise of the Purchase Option or implementation of the Purchase Obligation pursuant to Clause 52 (*Purchase Option, Purchase Obligation and transfer of title*); or
 - (E) the occurrence of a Termination Event or a Total Loss;
 - (vi) the Master or officers of the Vessel or the Charterers' agents signing bills of lading or other documents;
 - (vii)
 - (A) the arrest, seizure, taking into custody or other detention of the Vessel by any court or other tribunal or by any governmental entity or any other person as a result of any dispute in connection with the title of the Vessel for any reason (including any prevention or

attempt to prevent such arrest, seizure, taking into custody or other detention); 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 Charterers' 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.
- (b) 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.
- (c) Notwithstanding anything to the contrary herein, the indemnities provided by the Charterers in favour of the Owners (including, without limitation, those under Clause 52(f)) shall continue in full force and effect notwithstanding any breach of the terms of this Charter or termination of this Charter pursuant to the terms hereof.

60. 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.

61. Cumulative rights

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

62. 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 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.

63. Entire agreement

- (a) 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 and shall supersede all previous and contemporaneous negotiations and agreements but shall be read in conjunction with the MOA.
- (b) This Charter may not be amended, altered or modified except by a written instrument executed by each of the Parties.

64. 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.

65. 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.

66. 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.

67. Notices

- (a) Any notices to be given to the Owners under this Charter shall be sent in writing by registered letter or email and addressed to:

TIANJIN JINHAISHIWU LEASING CO., LTD. (天津津海十五租赁有限公司)

Address: 49F, ABC Tower, No. 9 Yincheng Road, Pudong New Area, Shanghai 200120, China

Email: xiangyiyezl@abcleasing.com

Attention: Xiang Yiye

or to such other address or email address as the Owners may notify to the Charterers in accordance with this Clause 67.

- (b) Any notices to be given to the Charterers under this Charter shall be sent in writing by registered letter or email and addressed to:

JINHENG MARINE INC.

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

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

Attention: Mr. Shum Yee Hong / Ms. Teresa Chau

or to such other address or email address as the Charterers may notify to the Owners in accordance with this Clause 67.

- (c) 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 working day in such place.

68. 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 32 (*Definitions*) to 75 (*FATCA*), the provisions of Clauses 32 (*Definitions*) to 75 (*FATCA*) shall prevail.

69. Survival of Charterers' 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 under this Charter and all other rights of the Owners (including but not limited to any rights, benefits or indemnities which are provided to continue after the termination of this Charter) are reserved hereunder.

70. Counterparts

This Charter 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.

71. Third Parties Act

- (a) Any person which is an Indemnitee or a Finance Party from time to time and is not a Party 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 or (as the case may be) Finance Party, subject to the provisions of Clause 72 (*Governing law and arbitration*) and the Third Parties Act. The Third Parties Act applies to this Charter as set out in this Clause 71.
- (b) Save as provided above, 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.

72. Governing law and arbitration

- (a) This Charter 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 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 in Hong Kong administered by the Hong Kong International Arbitration Centre ("**HK**CIAC") under the HKIAC Administered Arbitration Rules in force when the Notice of Arbitration is submitted.
- (c) The seat of arbitration shall be Hong Kong.
- (d) The number of arbitrators shall be three.
- (e) The arbitration proceedings shall be conducted in English.

- (f) The law governing this Clause 72 (*Governing law and arbitration*) shall be English law.
- (g) Pursuant to section 99(e) of the Arbitration Ordinance (Cap. 609) of the laws of Hong Kong (the "**Arbitration Ordinance**"), the Parties opt-in to sections 5, 6 and 7 of Schedule 2 of the Arbitration Ordinance and subject to the provisions therein, each Party may apply to the Hong Kong court to appeal on points of law.

73. Waiver of immunity

- (a) 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.
- (b) 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.

74. Set-off

The Owners may set off any matured obligation due from the Charterers under the Transaction Documents against any matured obligation 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 their usual course of business for the purpose of the set-off.

75. FATCA

- (a) For the purpose of this Clause 75, the following terms shall have the following meanings:

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

"**FATCA**" means:

- (i) sections 1471 through 1474 of the Code or any associated regulations;
- (ii) 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 (i) above; or
- (iii) any agreement pursuant to the implementation of any treaty, law or regulation referred to in paragraphs (i) or (ii) 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 FATCA.

"**FATCA Exempt Party**" means a Party that is entitled to receive payments free from any FATCA Deduction.

- (b) Subject to paragraph (d) below, each Party shall, within ten Business Days of a reasonable request by another 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.
- (c) If a Party confirms to another Party pursuant to paragraph (b)(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.
- (d) Paragraph (b) above shall not oblige the Owners to do anything, and paragraph (b)(iii) above shall not oblige any other Party to do anything, which would or might in its reasonable opinion constitute a breach of:
 - (i) any law or regulation;
 - (ii) any fiduciary duty; or
 - (iii) any duty of confidentiality.
- (e) 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 (b)(i) or (ii) above (including, for the avoidance of doubt, where paragraph (d) above 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.
- (f) Each Party, Obligor may make any FATCA Deduction it is required by FATCA to make, and any payment required in connection with that FATCA Deduction, and other than provided in paragraph (g) below, no Party or Obligor 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.
- (g) If either the Charterers or any Guarantor is required to make a FATCA Deduction then the Charterers shall increase, or (as the case may be) procure that Guarantor to increase, the payment due from that Obligor to the Owners to an amount which (after making any FATCA Deduction) leaves an amount equal to the payment which would have been due if no FATCA Deduction had been required.

- (h) Each Party or Obligor (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 or Obligor (if applicable) to whom it is making the payment.

SCHEDULE 1
RELATED VESSEL AND RELEVANT INFORMATION

Related Vessel	IMO number	Related Owner	Related Charterer	Related Initial Sub-Charterer
JIN LI	9855525	Tianjin Jinhaiba Leasing Co., Ltd. (天津津海八租赁有限公司)	Jinli Marine Inc.	Jinyu Marine Inc.

**SCHEDULE 2
FORM OF PROTOCOL OF DELIVERY AND ACCEPTANCE**

PROTOCOL OF DELIVERY AND ACCEPTANCE

It is hereby certified that pursuant to a bareboat charter dated _____ 2025 and made between **TIANJIN JINHAISHIWU LEASING CO., LTD.** (天津津海十五租赁有限公司) (the "**Owners**") as owners and **JINHENG MARINE INC.** (the "**Bareboat Charterers**") as bareboat charterers (as maybe amended and supplemented from time to time, the "**Bareboat Charter**") in respect of one (1) bulk carrier named m.v. "JIN HENG" and registered under the laws and flag of Hong Kong with IMO number 9707417 (the "**Vessel**"), the Vessel is delivered for charter by the Owners to the Bareboat Charterers, and accepted by the Bareboat Charterers from the Owners at _____ hours (Beijing time) on the date hereof in accordance with the terms and conditions of the Bareboat Charter.

IN WITNESS WHEREOF, the Owners and the Bareboat Charterers have caused this PROTOCOL OF DELIVERY AND ACCEPTANCE to be executed by their duly authorised representative on this _____ day of _____ 20____ in _____.

THE OWNERS
**TIANJIN JINHAISHIWU LEASING CO.,
LTD.** (天津津海十五租赁有限公司)

by:

THE BAREBOAT CHARTERERS
JINHENG MARINE INC.

by:

Name:

Title:

Date:

Name:

Title:

Date:

SCHEDULE 3
FORM OF TITLE TRANSFER PROTOCOL OF DELIVERY AND ACCEPTANCE

PROTOCOL OF DELIVERY AND ACCEPTANCE

m.v. "JIN HENG"

TIANJIN JINHAISHIWU LEASING CO., LTD. (天津津海十五租赁有限公司) of Room 202, No. 6262, Australia Road, Dongjiang Free Trade Pilot Zone, Tianjin (DJBS Free Trade Zone Branch No. 11070), the People's Republic of China (the "**Owners**") delivers to **JINHENG MARINE INC.** (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 maybe amended and supplemented from time to time) and made between (1) the Owners and (2) the Bareboat Charterers.

Name of Vessel: m.v. "JIN HENG"
Flag: Hong Kong
Place of Registration: Hong Kong
IMO Number: 9707417
Gross Registered Tonnage: 36,278
Net Registered Tonnage: 21,607
Dated: 20
At: _____ hours (Beijing time)

Place of delivery:

THE OWNERS	THE BAREBOAT CHARTERERS
TIANJIN JINHAISHIWU LEASING CO., LTD. (天津津海十五租赁有限公司)	JINHENG MARINE INC.
by: _____	by: _____

_____ Name:	_____ Name:
_____ Title:	_____ Title:
_____ Date:	_____ Date:

**SCHEDULE 4
FORM OF COMPLIANCE CERTIFICATE**

To: **TIANJIN JINHAISHIWU LEASING CO., LTD.** (天津津海十五租赁有限公司)
49F, ABC Tower, No. 9 Yincheng Road, Pudong New Area, Shanghai 200120, China
(the "Owners")

From: **Jinhui Shipping and Transportation Limited**
Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda

Dated:

Dear Sirs

Bareboat charter in relation to the bulk carrier named "JIN HENG" (IMO number 9707417) dated _____ 2025 and made between the Owners (as owners) and JINHENG MARINE INC. (as bareboat charterers) (the "Charter")

1. We refer to the Charter.
2. This is a Compliance Certificate. Terms defined in the Charter have the same meaning when used in this Compliance Certificate unless given a different meaning in this Compliance Certificate.
3. We confirm that: as at the date on which the financial statements accompanying this Compliance Certificate were drawn up:

[Insert details of covenants to be certified]

[Charterers to provide details of calculations of financial covenants]
4. *[We confirm that no Termination Event is continuing.]**

Signed by:

Name:
Title: Director

Name:
Title: Director

For and on behalf of
Jinhui Shipping and Transportation Limited

* If this statement cannot be made, the certificate should identify any Termination Event that is continuing and the steps, if any, being taken to remedy it.

SIGNATURE PAGE

TO BAREBOAT CHARTER FOR ONE (1) BULK CARRIER NAMED "JIN HENG"

THE OWNERS

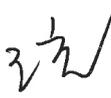
TIANJIN JINHAISHIWU LEASING CO.,
LTD. (天津津海十五租赁有限公司)

by:

Name:

Title:

Date:


Wang Guang
Legal Representative
30 June 2025

THE CHARTERERS

JINHENG MARINE INC.

by:

Name:

Title:

Date:

SIGNATURE PAGE

TO BAREBOAT CHARTER FOR ONE (1) BULK CARRIER NAMED "JIN HENG"

THE OWNERS

**TIANJIN JINHAISHIWU LEASING CO.,
LTD. (天津津海十五租赁有限公司)**

by:

Name:

Title:

Date:

THE CHARTERERS

JINHENG MARINE INC.

by:



Name: **SHUM Yee Hong**

Title: **Director**

Date: 30 June 2025