

MEMORANDUM OF AGREEMENT

SALEFORM 2012

Norwegian Shipbrokers' Association's
Memorandum of Agreement for sale and purchase of ships

1 Dated:

Whereas: By a bidding on the date of [fill in the date] hosted by Zhejiang Shipping Exchange and Zhoushan Yi Ge Ship Auction Co., Ltd ("Auction Company"), China Aviation International Holding co., Ltd., (hereinafter called the "Sellers") as the Bidding Principal agree to sell a vessel with the builder's hull no. B85K-9 ("Vessel") through the bidding, and (Name of buyers)(hereinafter called the "Buyers") signed up and participated in the auction subject to the Auction Regulations and the Public Notice of Auction published and amended from time to time by the Auction Company and was the winner of the auction.

With the Sellers and Buyers fully agreement to the Auction Regulation and Public Notice of Auction above, the Sellers and Buyers hereby agree to sign this Memorandum of Agreement ("MOA") with regard to the purchase of the Vessel as below:

2 ~~China Aviation International Holding Co., Ltd., (Name of sellers)~~ a company incorporated according to the laws of the Republic of the British Virgin Islands, having its registered office at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, the Republic of the British Virgin Islands, have agreed to sell, and

3 [please fill in the name of buyers], [please fill in address], have agreed to buy:

4 Name of vessel: **one (1) newbuilding 85,000 DWT bulk carrier bearing the builder's hull no. B85K-9**

5 IMO Number: **TBN**

6 Classification Society: **China Classification Society**

7 Class Notation: **CCS ★CSA Bulk Carrier, CSR; BC-A; holds Nos 2,4,6 may be Empty; COMPASS(R.D.F); Grab(30); Loading Computer (S,I,G); ESP; CM ;PSPC(B); In-Water Survey; EEDI(II); PMS ★CSM AUT-0; SCM;BWMS;BWMP**

8 Year of Build: Builder/Yard: **DSIC Shanhaiguan Shipbuilding Industry Co., Ltd. the People's Republic of China**

9 Flag: **Marshall Islands** Place of Registration: **Majuro** GT/NT: /

10 hereinafter called the "Vessel", on the following terms and conditions:

11 Definitions

"Auction Company" means Zhejiang Shipping Exchange and Zhoushan Yi Ge Ship Auction Co., Ltd, who host the bidding of the Vessel.

"Bidding" is the Bidding hosted by the Auction Company on the date of [please fill in date] where the Buyers is the successful bidder of the Vessel.

12 "Banking Days" are days on which banks are open both in the country of the currency stipulated for in the countries of the Sellers, the Buyers, the Auction Company and the Escrow Agent **for general business,**

13 ~~the Purchase Price in Clause 1 (Purchase Price) and~~ in the place of closing stipulated in Clause 8

14 (Documentation) and, ~~Shanghai, the People's Republic of and China, Hong Kong SAR, London, Hamburg and New York~~ (add additional jurisdictions as appropriate).

"Intermediate Instalment" shall have the meaning given in Clause 3 (Payment). **"Balance" shall have the meaning given in Clause 3 (Payment).**

"Builder" means DSIC Shanhaiguan Shipbuilding Industry Co., Ltd. the People's Republic of China.

"Builders' Warranties" means all warranties and guarantees relating to the Vessel granted by the Builder to the Sellers under or pursuant to the building contract of the Vessel together with all rights to (i) require, enforce and compel the performance of such warranties and guarantees by the Builder, (ii) exercise all claims, rights and remedies under, in connection with or arising under any such warranties and guarantees and (iii) give and receive notices, reports, requests and consents, make demands and take all other action in connection with, arising from or in relation to such warranties and guarantees.

15 "Buyers' Nominated Flag State" means

16 "Class" means the class notation referred to above.

17 "Classification Society" means the Society referred to above.

18 "Deposit" shall have the meaning given in Clause 2 (Deposit)

19 ~~"Deposit Holder" means (state name and location of Deposit Holder) or, if left blank, the~~
20 ~~Sellers' Bank, which shall hold and release the Deposit in accordance with this Agreement.~~

"Escrow Account" means the bank account designated by the Escrow Agent in accordance with the Escrow Agreement for the purpose of collecting and holding the Intermediate Instalment and the Balance under this Agreement.

"Escrow Agent" means [please fill in the name of the Escrow Agent] which shall hold and release the Intermediate Instalment and the Balance in accordance with the terms and conditions of the Escrow Agreement.

"Escrow Agreement" means an escrow agreement to be entered into between the Sellers, the Buyers and the Escrow Agent in respect of the Intermediate Instalment and the Balance.

21 "In writing" or "written" means a letter handed over from the Sellers to the Buyers or vice versa, a
22 registered letter, e-mail or telefax.

23 "Parties" means the Sellers and the Buyers.

24 "Purchase Price" means the hammer price for the Vessel as stated in Clause 1 (Purchase Price).

"Scheduled Delivery Date" means such date specified in the ten (10) days' notice given pursuant to Clause 5(b) as the date on which the Sellers intend to tender Notice of Readiness.

25 ~~"Sellers' Account" means~~ **the US Dollar account in the name of the Sellers (with account no. 30014168088)**
~~(state details of bank account) at the Sellers' Bank or such other bank account notified by the Sellers to the~~
Buyers for receipt of all or any part of the Purchase Price and all other sums payable on delivery.

26 ~~"Sellers' Bank" means DBS Bank Ltd, Hong Kong Branch (DBSSHKHH) (state name of bank, branch and details)~~
~~or, if left blank, the~~ **such other bank**

27 ~~notified by the Sellers to the Buyers for receipt of the balance~~ **all or any part of the Purchase Price and all other sums payable on delivery.**

"Tripartite Agreement" means a tripartite agreement to be entered into between the Sellers, the Buyers and the Auction Company in respect of payment of the Intermediate Instalment and the Balance.

28 **1. Purchase Price**

29 The Purchase Price is (state currency and amount both in words and figures, the price shall be the hammer
price of the Bidding).

30 **2. Deposit**

31 As security for the correct fulfilment of this Agreement, the Buyers shall ~~pledge~~ pay US\$ [please fill in amount]
32 (Say the United State Dollars [please fill in amount] only) as the Deposit of the Purchase Price (the
"Deposit") ~~in an interest bearing account for the Parties with the Deposit Holder~~ **to the Auction Company's
account nominated by the Seller.**

(i) ~~The Bidding deposit of 10% (ten per cent) of the starting price of the Bidding shall automatically turn into
the Deposit after completion of the Bidding;~~

33 (ii) ~~The balance shall be paid to the Escrow Account or to the nominated Shipping Exchange's
account within 3 (three) Banking Days after the date that the purchase confirmation is made. The
Buyers hereby confirm that the auction deposit paid by the Buyers to the Auction Company in
accordance with the Auction Regulation and the Public Auction Notice shall automatically turn into the
Deposit under this MOA once the MOA is duly signed by the Buyers and the Sellers.~~

**For the avoidance of doubt, the Buyers agree that the Auction Company shall release the Deposit to the
Sellers' Account within five (5) banking days upon this MOA is duly signed and enters into force.**

34 (i) ~~this Agreement has been signed by the Parties and exchanged in original or by
35 e-mail or telefax; and~~

36 (ii) ~~the Deposit Holder has confirmed in writing to the Parties that the account has been
37 opened.~~

38 ~~The Deposit shall be released in accordance with joint written instructions of the Parties.~~
39 ~~Interest, if any, shall be credited to the Buyers. Any fee charged for holding and releasing the~~
40 ~~Deposit shall be borne equally by the Parties. The Parties shall provide to the Deposit Holder~~
41 ~~all necessary documentation to open and maintain the account without delay.~~

42 **3. Payment**

43 **(i) Subject to the Buyers' option (such option shall be declared by the Buyers when signing up in the Auction, and shall not change thereafter unless otherwise agreed by the Sellers):**

- (I) In the case the Buyers choose to pay the Purchase Price and all other sums payable on delivery (excluding the Deposit) to an Escrow Account, an Escrow Agreement shall be reached between the Sellers, Buyers and the Escrow Agent within 30(thirty) banking days after signature of the MOA; or
- (II) In the case the Buyers choose to pay the Purchase Price and all other sums payable on delivery (excluding the Deposit) to the Auction Company's account nominated by the Seller, a tripartite agreement ("Tripartite Agreement") shall be reached between the Sellers, Buyers and the Auction Company within 30 (thirty) banking days after signature of the MOA.

If such Escrow Agreement or Tripartite Agreement is not reached subject to clause 3 (i) within the above period, the Buyers shall be deemed to breach this MOA and the Sellers are entitled to forfeit the Deposit and claim for compensation against the Buyers.

(ii) Terms of Payment

- (I) **Intermediate Instalment: Within 5 (five) banking days upon providing scan copies of certificates by the Sellers evidencing the Vessel's launching, the Buyers shall pay an intermediate instalment of 10% of the Purchase Price ("Intermediate Instalment") to the Sellers;**
- (II) **Balance: Within 2 (two) banking days upon the three (3) days' definite notice on the basis of Clause 5(b) given by the Sellers, the Buyers shall remit the remaining unpaid amount of the Purchase Price and all other sums payable on delivery (the "Balance") to the Sellers;**

(iii) Methods of Payment

Subject to the Buyers' option and the agreement signed in accordance with Clause 3(i), the Buyers shall pay the Intermediate Instalment and the Balance either:

- (I) **into the Escrow Account. The Intermediate Instalment and the Balance shall be held by the Escrow Agent in the Escrow Account pursuant to the terms and conditions of the Escrow Agreement until released to the Sellers in accordance with the terms set out in the Escrow Agreement. Any fee Charged for holding and releasing the Intermediate Instalment and the Balance shall be borne by the Parties in accordance with the Escrow Agreement; or**
- (II) **into the Auction Company's Account. The Intermediate Instalment and the Balance shall be held in the Auction Company's account pursuant to the terms and conditions of the tripartite agreement until released to the Sellers in accordance with the terms set out in the Tripartite Agreement. No fee will be charged for holding and releasing the Intermediate Instalment and the Balance.**

(iv) Release of Payment

The Intermediate Instalment and the Balance shall be released to the Sellers' Account upon presentation to

the Escrow Agent or the Auction Company of a copy (transmitted by fax, email or otherwise) of the protocol of delivery and acceptance under this Agreement, which is signed by an authorised signatory of the Sellers and an authorised signatory of the Buyers evidencing the delivery by the Sellers and acceptance by the Buyers of the Vessel under this Agreement;

The Intermediate Instalment and the Balance shall be remitted (and subsequently released as the case may be) free of bank charges, withholdings, or any other deductions whatsoever. Any applicable bank charges or deductions imposed by the Buyers' Bank shall be for the account of the Buyers.

44 ~~On delivery of the Vessel, but not later than three (3) Banking Days after the date that Notice of~~
45 ~~Readiness has been given in accordance with Clause 5 (Time and place of delivery and~~
46 ~~notices)~~

46 (i) ~~the Deposit shall be released to the Sellers; and~~

47 (ii) ~~the balance of the Purchase Price and all other sums payable on delivery by the Buyers~~
48 ~~to the Sellers under this Agreement shall be paid in full free of bank charges to the~~
49 ~~**Sellers' Account.**~~

50 4. Inspection

51 (a)* ~~The Buyers have inspected and accepted the Vessel's classification records. The Buyers~~
52 ~~have also inspected the Vessel at/in (state place) on (state date) and have~~
53 ~~accepted the Vessel following this inspection. **The Buyers shall accept the Vessel on an "as is where is" as**~~
54 ~~at the time of delivery basis and the sale is outright and definite, subject only~~
55 ~~to the terms and conditions of this Agreement.~~

55 (b)* ~~The Buyers shall have the right to inspect the Vessel's classification records and declare~~
56 ~~whether same are accepted or not within (state date/period).~~

57 ~~The Sellers shall make the Vessel available for inspection at/in (state place/range) within~~
58 ~~(state date/period).~~

59 ~~The Buyers shall undertake the inspection without undue delay to the Vessel. Should the~~
60 ~~Buyers cause undue delay they shall compensate the Sellers for the losses thereby incurred.~~

61 ~~The Buyers shall inspect the Vessel without opening up and without cost to the Sellers.~~

62 ~~During the inspection, the Vessel's deck and engine log books shall be made available for~~
63 ~~examination by the Buyers.~~

64 The sale shall become outright and definite, subject only to the terms and conditions of this
65 Agreement, provided that the Sellers receive written notice of acceptance of the Vessel from
66 the Buyers within seventy two (72) hours after completion of such inspection or after the
67 date/last day of the period stated in Line 59, whichever is earlier.

68 Should the Buyers fail to undertake the inspection as scheduled and/or notice of acceptance of
69 the Vessel's classification records and/or of the Vessel not be received by the Sellers as
70 aforesaid, the Deposit together with interest earned, if any, shall be released immediately to the
71 Buyers, whereafter this Agreement shall be null and void.

72 *4(a) and 4(b) are alternatives; delete whichever is not applicable. In the absence of deletions,
73 alternative 4(a) shall apply.

74 **5. Time and place of delivery and notices**

75 (a) The Vessel shall be delivered and taken over safely afloat at a safe and accessible berth or
76 anchorage **by the Sellers and accepted by the Buyers on an "as is where is" as at the time of delivery basis**
at/in ~~Shanhaiguan Shipbuilding Industry Co., Ltd., the People's Republic of China (state place/range) in the~~
Sellers' option. **Subject to terms and conditions of this Agreement, the Sellers shall deliver the Vessel to**
Buyers immediately after taking delivery from the Builder. For avoidance of doubt, the Vessel shall be
deemed to be delivered from the Sellers to the Buyers upon duly sign of the Protocol of Delivery and
Acceptance.

For the purpose of this agreement, the Buyers hereby confirm subject to their option in the Bidding, that
they require certificates or documents with respect to registration, transference and /or deletion of the
Vessel in the relevant Vessel Registry. Under this agreement, the Sellers shall assist to obtain the
Certificate of Deletion of the Vessel from the Vessel's registry or other official evidence of deletion
appropriate to the Vessel's registry. The Sellers shall complete the deletion procedure and obtain such
certificate or official evidence within 7 banking days after mutual signing of the Protocol of Delivery and
Acceptance, during which any risks, charges, expenses management of the Vessel shall be borne by the
Buyers.

The Buyers hereby acknowledge and confirm that before receipt of the Certificate of Deletion of the
Vessel from the Sellers, the Vessel shall not shift berth, sail or leave her berth, except in the case that the
Vessel faces any condition such as bad weather where such shifting, sailing or leaving become necessary
and inevitable for the safety of the Vessel, and/or the crew and equipment on board.

77 ~~Notice of Readiness shall not be tendered before:~~ (date)

78 ~~Cancelling Date (see Clauses 5(c), 6 (a)(i), 6 (a) (iii) and 14):~~ [30th December, 2022].

79 (b) The Vessel can be delivered to the Buyers at any time before the Cancelling Date, But the Sellers shall
80 keep the Buyers well informed of the Vessel's itinerary and shall
81 provide the Buyers with twenty (20), ten (10), five (5) days' approx. notice and three (3) days' definite notice
of the date the
82 Sellers intend to tender Notice of Readiness and of the intended place of delivery.

82 When the Vessel is ~~at the place of delivery and~~ physically ready for delivery in accordance with
83 this Agreement, the Sellers shall give the Buyers a written Notice of Readiness for delivery.

(c) **Adjustment of Purchase Price:** If the Vessel is delivered later than 15th September, 2022, beginning at
twelve o'clock midnight of 15th September, 2022, the Purchase Price of the Vessel shall be reduced by
deducting therefrom the sum of United States Dollars Four Thousand and Five Hundred only (USD4, 500)
per day until the Delivery Date. Unless the parties hereto agree otherwise, the total reduction of the
Purchase Price shall be deducted from the Balance and in any event (including the event that the Buyers
consent to take the Vessel at the later delivery date after the Cancelling Date or new Cancelling Date)

shall not be more than United States Dollars Eight Hundred and Ten Thousand only (USD810,000) as the maximum. **However, in case the Vessel is delivered later than 15th September, 2022 due to Force Majeure event, the above Adjustment of Purchase Price is not applicable. For the purpose of this Article, the term "Force Majeure" includes but not limited to the events of any war, acts of state or government, acts of God, earthquakes, hurricanes, storms, revolution and terrorism, plague or other epidemics, quarantines, prolonged failure or other causes beyond the control of the Sellers, the Buyers, and/or the builder of the Vessel.**

84 (d) If the Sellers anticipate that, notwithstanding the exercise of due diligence by them, the
85 Vessel will not be ready for delivery by the Cancelling Date they may notify the Buyers in writing
86 stating the date when they anticipate that the Vessel will be ready for delivery and proposing a
87 new Cancelling Date. Upon receipt of such notification the Buyers shall have the option of
88 either cancelling this Agreement in accordance with Clause 14 (Sellers' Default) within three (3)
89 Banking Days of receipt of the notice or of accepting the new date as the new Cancelling Date.
90 If the Buyers have not declared their option within three (3) Banking Days of receipt of the
91 Sellers' notification or if the Buyers accept the new date, the date proposed in the Sellers'
92 notification shall be deemed to be the new Cancelling Date and shall be substituted for the
93 Cancelling Date stipulated in ~~line 79~~ **Clause 5(a)**.

94 If this Agreement is maintained with the new Cancelling Date all other terms and conditions
95 hereof including those contained in Clauses 5(b) and 5(d) shall remain unaltered and in full
96 force and effect.

97 (e) Cancellation, failure to cancel or acceptance of the new Cancelling Date shall be entirely
98 without prejudice to any claim for damages the Buyers may have under Clause 14 (Sellers'
99 Default) for the Vessel not being ready by the original Cancelling Date.

100 (f) Should the Vessel become an actual, constructive or compromised total loss before delivery
101 all the funds paid by the Buyers together with interest earned, if any, shall be released immediately to the
102 Buyers
103 whereafter this Agreement shall be null and void.

103 6. Divers Inspection / Drydocking - Not Applicable

105 ~~(a)*~~

106 ~~(i) The Buyers shall have the option at their cost and expense to arrange for an underwater~~
107 ~~inspection by a diver approved by the Classification Society prior to the delivery of the~~
108 ~~Vessel. Such option shall be declared latest nine (9) days prior to the Vessel's intended~~
109 ~~date of readiness for delivery as notified by the Sellers pursuant to Clause 5(b) of this~~
110 ~~Agreement. The Sellers shall at their cost and expense make the Vessel available for~~
111 ~~such inspection. This inspection shall be carried out without undue delay and in the~~
112 ~~presence of a Classification Society surveyor arranged for by the Sellers and paid for by~~
113 ~~the Buyers. The Buyers' representative(s) shall have the right to be present at the diver's~~
114 ~~inspection as observer(s) only without interfering with the work or decisions of the~~
115 ~~Classification Society surveyor. The extent of the inspection and the conditions under~~
116 ~~which it is performed shall be to the satisfaction of the Classification Society. If the~~
117 ~~conditions at the place of delivery are unsuitable for such inspection, the Sellers shall at~~
118 ~~their cost and expense make the Vessel available at a suitable alternative place near to~~
119 ~~the delivery port, in which event the Cancelling Date shall be extended by the additional~~
120 ~~time required for such positioning and the subsequent re-positioning. The Sellers may~~
121 ~~not tender Notice of Readiness prior to completion of the underwater inspection.~~

122 ~~(ii) If the rudder, propeller, bottom or other underwater parts below the deepest load line are~~
123 ~~found broken, damaged or defective so as to affect the Vessel's class, then (1) unless~~
124 ~~repairs can be carried out afloat to the satisfaction of the Classification Society, the~~
125 ~~Sellers shall arrange for the Vessel to be drydocked at their expense for inspection by~~
126 ~~the Classification Society of the Vessel's underwater parts below the deepest load line,~~
127 ~~the extent of the inspection being in accordance with the Classification Society's rules (2)~~
128 ~~such defects shall be made good by the Sellers at their cost and expense to the~~
129 ~~satisfaction of the Classification Society without condition/recommendation** and (3) the~~
130 ~~Sellers shall pay for the underwater inspection and the Classification Society's~~
131 ~~attendance.~~

132 ~~Notwithstanding anything to the contrary in this Agreement, if the Classification Society~~
133 ~~do not require the aforementioned defects to be rectified before the next class~~
134 ~~drydocking survey, the Sellers shall be entitled to deliver the Vessel with these defects~~
135 ~~against a deduction from the Purchase Price of the estimated direct cost (of labour and~~
136 ~~materials) of carrying out the repairs to the satisfaction of the Classification Society,~~
137 ~~whereafter the Buyers shall have no further rights whatsoever in respect of the defects~~
138 ~~and/or repairs. The estimated direct cost of the repairs shall be the average of quotes~~
139 ~~for the repair work obtained from two reputable independent shipyards at or in the~~
140 ~~vicinity of the port of delivery, one to be obtained by each of the Parties within two (2)~~

141 ~~Banking Days from the date of the imposition of the condition/recommendation, unless~~

142 the Parties agree otherwise. Should either of the Parties fail to obtain such a quote within
143 the stipulated time then the quote duly obtained by the other Party shall be the sole basis
144 for the estimate of the direct repair costs. The Sellers may not tender Notice of
145 Readiness prior to such estimate having been established.

146 (iii) If the Vessel is to be drydocked pursuant to Clause 6(a)(ii) and no suitable dry-docking
147 facilities are available at the port of delivery, the Sellers shall take the Vessel to a port
148 where suitable drydocking facilities are available, whether within or outside the delivery
149 range as per Clause 5(a). Once drydocking has taken place the Sellers shall deliver the
150 Vessel at a port within the delivery range as per Clause 5(a) which shall, for the purpose
151 of this Clause, become the new port of delivery. In such event the Cancelling Date shall
152 be extended by the additional time required for the drydocking and extra steaming, but
153 limited to a maximum of fourteen (14) days.

154 (b)* The Sellers shall place the Vessel in drydock at the port of delivery for inspection by the
155 Classification Society of the Vessel's underwater parts below the deepest load line, the extent
156 of the inspection being in accordance with the Classification Society's rules. If the rudder,
157 propeller, bottom or other underwater parts below the deepest load line are found broken,
158 damaged or defective so as to affect the Vessel's class, such defects shall be made good at the
159 Sellers' cost and expense to the satisfaction of the Classification Society without
160 condition/recommendation**. In such event the Sellers are also to pay for the costs and
161 expenses in connection with putting the Vessel in and taking her out of drydock, including the
162 drydock dues and the Classification Society's fees. The Sellers shall also pay for these costs
163 and expenses if parts of the tailshaft system are condemned or found defective or broken so as
164 to affect the Vessel's class. In all other cases, the Buyers shall pay the aforesaid costs and
165 expenses, dues and fees.

166 (c) If the Vessel is drydocked pursuant to Clause 6 (a)(ii) or 6 (b) above:

167 (i) The Classification Society may require survey of the tailshaft system, the extent of the
168 survey being to the satisfaction of the Classification surveyor. If such survey is
169 not required by the Classification Society, the Buyers shall have the option to require the
170 tailshaft to be drawn and surveyed by the Classification Society, the extent of the survey
171 being in accordance with the Classification Society's rules for tailshaft survey and
172 consistent with the current stage of the Vessel's survey cycle. The Buyers shall declare
173 whether they require the tailshaft to be drawn and surveyed not later than by the
174 completion of the inspection by the Classification Society. The drawing and refitting of
175 the tailshaft shall be arranged by the Sellers. Should any parts of the tailshaft system be
176 condemned or found defective so as to affect the Vessel's class, those parts shall be
177 renewed or made good at the Sellers' cost and expense to the satisfaction of
178 Classification Society without condition/recommendation**.

179 (ii) The costs and expenses relating to the survey of the tailshaft system shall be borne by
180 the Buyers unless the Classification Society requires such survey to be carried out or if
181 parts of the system are condemned or found defective or broken so as to affect the
182 Vessel's class, in which case the Sellers shall pay these costs and expenses.

183 (iii) The Buyers' representative(s) shall have the right to be present in the drydock, as
184 observer(s) only without interfering with the work or decisions of the Classification
185 Society surveyor.

186 (iv) The Buyers shall have the right to have the underwater parts of the Vessel cleaned
187 and painted at their risk, cost and expense without interfering with the Sellers' or the

188 Classification Society surveyor's work, if any, and without affecting the Vessel's timely
189 delivery. If, however, the Buyers' work in drydock is still in progress when the
190 Sellers have completed the work which the Sellers are required to do, the additional
191 docking time needed to complete the Buyers' work shall be for the Buyers' risk, cost and
192 expense. In the event that the Buyers' work requires such additional time, the Sellers
193 may upon completion of the Sellers' work tender Notice of Readiness for delivery whilst
194 the Vessel is still in drydock and, notwithstanding Clause 5(a), the Buyers shall be
195 obliged to take delivery in accordance with Clause 3 (Payment), whether the Vessel is in
196 drydock or not.

197 *6 (a) and 6 (b) are alternatives; delete whichever is not applicable. In the absence of deletions,
198 alternative 6 (a) shall apply.

199 **Notes or memoranda, if any, in the surveyor's report which are accepted by the Classification
200 Society without condition/recommendation are not to be taken into account.

201 7. Spares, bunkers and other items

202 Unless otherwise agreed in written, on an "as is where is" as at the time of delivery basis, the Sellers shall
203 deliver the Vessel to the Buyers with everything belonging to her on board
204 and on shore. All spare parts and spare equipment belonging to her onboard and on shore including spare
205 tail-end shaft(s) and/or
206 spare propeller(s)/propeller blade(s), if any, belonging to the Vessel at the time of inspection
207 used or unused, whether on board or not shall become the Buyers' property, but spares on
208 order are excluded. Forwarding charges, if any, shall be for the Buyers' account. The Sellers
209
210 provisions shall be included in the sale and be taken over by the Buyers without extra payment.

211 Library and forms exclusively for use in the Sellers' vessel(s) and captain's, officers' and crew's
212 personal belongings including the slop chest are excluded from the sale without compensation,
213 as well as the following additional items: (include list)

214 Items on board which are on hire or owned by third parties, listed as follows, are excluded from
215 the sale without compensation: (include list)

216 Items on board at the time of inspection which are on hire or owned by third parties, not listed
217 above, shall be replaced or procured by the Sellers prior to delivery at their cost and expense.
218 The Buyers shall take over remaining bunkers and unused lubricating and hydraulic oils and
219 greases in storage tanks and unopened drums and pay either:

220 (a) *the actual net price (excluding barging expenses) as evidenced by invoices or vouchers; or

221 (b) *the current net market price (excluding barging expenses) at the port and date of delivery
222 of the Vessel or, if unavailable, at the nearest bunkering port,

223 for the quantities taken over.

224 Payment under this Clause shall be made at the same time and place and in the same
225 currency as the Purchase Price.

226 "inspection" in this Clause 7, shall mean the Buyers' inspection according to Clause 4(a) or 4(b)
227 (Inspection), if applicable. If the Vessel is taken over without inspection, the date of this

228 Agreement shall be the relevant date.

229 ~~*(a) and (b) are alternatives, delete whichever is not applicable. In the absence of deletions~~
230 ~~alternative (a) shall apply.~~

231 8. Documentation

232 The place of closing: **Qinhuangdao, Hebei Province, the People's Republic of China or by virtual meeting,**
233 **in the event that a closing in Qinhuangdao is not possible for reasons related to COVID-19**

233 (a) In exchange for payment of the Purchase Price and all other sums payable the Sellers shall provide the
234 Buyers with the

234 following delivery documents: **documents shall be delivered subject to a separate mutual agreement**
between the Sellers and the Buyers to be reached within 30 (thirty) banking days after this MOA is
duly signed, otherwise the Buyers shall be deemed to breach this MOA and the Sellers are entitled to
forfeit the Deposit and claim for compensation against the Buyers. .

235 (i) ~~Legal Bill(s) of Sale in a form recordable in the Buyers' Nominated Flag State,~~
236 ~~transferring title of the Vessel and stating that the Vessel is free from all mortgages,~~
237 ~~encumbrances and maritime liens or any other debts whatsoever, duly notarially attested~~
238 ~~and legalised or apostilled, as required by the Buyers' Nominated Flag State;~~

239 (ii) ~~Evidence that all necessary corporate, shareholder and other action has been taken by~~
240 ~~the Sellers to authorise the execution, delivery and performance of this Agreement;~~

241 (iii) ~~Power of Attorney of the Sellers appointing one or more representatives to act on behalf~~
242 ~~of the Sellers in the performance of this Agreement, duly notarially attested and legalised~~
243 ~~or apostilled (as appropriate);~~

244 (iv) ~~Certificate or Transcript of Registry issued by the competent authorities of the flag state~~
245 ~~on the date of delivery evidencing the Sellers' ownership of the Vessel and that the~~
246 ~~Vessel is free from registered encumbrances and mortgages, to be faxed or e-mailed by~~
247 ~~such authority to the closing meeting with the original to be sent to the Buyers as soon as~~
248 ~~possible after delivery of the Vessel;~~

249 (v) ~~Declaration of Class or (depending on the Classification Society) a Class Maintenance~~
250 ~~Certificate issued within three (3) Banking Days prior to delivery confirming that the~~
251 ~~Vessel is in Class free of condition/recommendation;~~

252 (vi) ~~Certificate of Deletion of the Vessel from the Vessel's registry or other official evidence of~~
253 ~~deletion appropriate to the Vessel's registry at the time of delivery, or, in the event that~~
254 ~~the registry does not as a matter of practice issue such documentation immediately, a~~
255 ~~written undertaking by the Sellers to effect deletion from the Vessel's registry forthwith~~
256 ~~and provide a certificate or other official evidence of deletion to the Buyers promptly and~~
257 ~~latest within four (4) weeks after the Purchase Price has been paid and the Vessel has~~
258 ~~been delivered;~~

259 (vii) ~~A copy of the Vessel's Continuous Synopsis Record certifying the date on which the~~
260 ~~Vessel ceased to be registered with the Vessel's registry, or, in the event that the registry~~
261 ~~does not as a matter of practice issue such certificate immediately, a written undertaking~~
262 ~~from the Sellers to provide the copy of this certificate promptly upon it being issued~~
263 ~~together with evidence of submission by the Sellers of a duly executed Form 2 stating~~
264 ~~the date on which the Vessel shall cease to be registered with the Vessel's registry;~~

265 (viii) ~~Commercial Invoice for the Vessel;~~

- 266 ~~(ix) Commercial Invoice(s) for bunkers, lubricating and hydraulic oils and greases;~~
- 267 ~~(x) A copy of the Sellers' letter to their satellite communication provider cancelling the~~
268 ~~Vessel's communications contract which is to be sent immediately after delivery of the~~
269 ~~Vessel;~~
- 270 ~~(xi) Any additional documents as may reasonably be required by the competent authorities of~~
271 ~~the Buyers' Nominated Flag State for the purpose of registering the Vessel, provided the~~
272 ~~Buyers notify the Sellers of any such documents as soon as possible after the date of~~
273 ~~this Agreement; and.~~
- 274 ~~(xii) The Sellers' letter of confirmation that to the best of their knowledge, the Vessel is not~~
275 ~~black listed by any nation or international organisation.~~
- 276 (b) At the time of delivery the Buyers shall provide the Sellers with:
- 277 (i) ~~Evidence that all necessary corporate, shareholder and other action has been taken by~~
278 ~~the Buyers to authorise the execution, delivery and performance of this Agreement; and~~
- 279 (ii) ~~Power of Attorney of the Buyers appointing one or more representatives to act on behalf~~
280 ~~of the Buyers in the performance of this Agreement, duly notarially attested and legalised~~
281 ~~or apostilled (as appropriate).~~
- 282 (c) ~~If any of the documents listed in Sub-clauses (a) and (b) above are not in the English~~
283 ~~language they shall be accompanied by an English translation by an authorised translator or~~
284 ~~certified by a lawyer qualified to practice in the country of the translated language.~~
- 285 (d) ~~The Parties shall to the extent possible exchange copies, drafts or samples of the~~
286 ~~documents listed in Sub-clause (a) and Sub-clause (b) above for review and comment by the~~
287 ~~other party not later than (state number of days), or if left blank, nine (9) days prior to the~~
288 ~~Vessel's intended date of readiness for delivery as notified by the Sellers pursuant to~~
289 ~~Clause 5(b) of this Agreement.~~

Original Resolution of the Board of Directors of the Buyers ratifying and approving the execution of the MOA, this Addendum and any further addendum, amendment, supplement or replacement to the MOA and authorising the purchase and acquisition of title to the Vessel pursuant to the terms of the MOA and the execution of any and all documents relating to the purchase of the Vessel, including but not limited to the release of the Balance, and the Protocol of Delivery and Acceptance, duly notarised and apostilled.

If applicable, original **Resolution of the Shareholder(s)** of the Buyers ratifying and approving the Resolution of the Board of Directors of the Buyers, duly notarised and apostilled.

If applicable, original **Power of Attorney** issued pursuant to the Resolution of the Board of Directors of the Buyers, appointing the Buyers' attorneys to execute on behalf of the Buyers the Protocol of Delivery and Acceptance, the instructions in respect of the release of the Balance and all other documents required for the completion of the purchase, for the delivery of the Vessel to the Buyers and for the registration of title to the Vessel in the name of the Buyers, duly notarised and apostilled.

Certified True Copy of Certificate of Goodstanding of the Buyers issued by the competent authorities in the Buyers' country of incorporation and dated not more than one (1) month before the date of delivery of the Vessel to the Buyers pursuant to the MOA.

Certified True Copy of Certificate of Incumbency stating the name(s) of the director(s) and officer(s) of the Buyers dated not more than one (1) month before the date of delivery of the Vessel to the Buyers pursuant to the MOA.

Certified True Copies of the Certificate of Incorporation, Articles of Incorporation and Bylaws of the Buyers, certified as true, accurate and complete copies by a director or the secretary of the Buyers.

Save for the document specified in (iv), Buyers will provide Sellers with drafts and/or copies of all the above documents for review and comment by the Sellers as soon as possible as notified by the Sellers.

290 (e) Concurrent with the exchange of documents in Sub-clause (a) and Sub-clause (b) above,
291 ~~the Sellers shall also hand to the Buyers the classification certificate(s) as well as all plans,~~
292 ~~drawings and manuals, (excluding ISM/ISPS manuals), which are on board the Vessel.~~ other
293 certificates which are on board the Vessel shall also be handed over to the Buyers unless
294 the Sellers are required to retain same, in which case the Buyers have the right to take copies.

295 (f) Other technical documentation which may be in the Sellers' possession shall promptly after
296 delivery be forwarded to the Buyers at ~~their~~ **Buyers'** expense, if ~~they~~ **Buyers** so request. The Sellers may
297 keep
the Vessel's log books but the Buyers have the right to take copies of same.

298 (g) The Parties shall sign and deliver to each other a Protocol of Delivery and Acceptance
299 confirming the date and time of delivery of the Vessel from the Sellers to the Buyers.

300 9. Encumbrances

301 The Sellers warrant that the Vessel, at the time of delivery, is free from all charters,
302 encumbrances, mortgages and maritime liens or any other debts whatsoever, and is not subject
303 to Port State or other administrative detentions. The Sellers hereby undertake to indemnify the

304 Buyers against all consequences of claims made against the Vessel which have been incurred
305 prior to the time of delivery.

306 10. Taxes, fees and expenses

307 Any taxes, fees and expenses in connection with the purchase and registration in the Buyers'
308 Nominated Flag State shall be for the Buyers' account, whereas similar charges in connection
309 with the closing of the Sellers' register shall be for the Sellers' account.

310 11. Condition on delivery

311 The Vessel with everything belonging to her shall be at the Sellers' risk and expense until she is
312 delivered to the Buyers, but subject to the terms and conditions of this Agreement she shall be
313 delivered and taken over as she was at the time of ~~inspection delivery, fair wear and tear excepted.~~

314 However, the Vessel shall be delivered free of cargo and free of stowaways with her Class
315 maintained without condition/recommendation*, free of average damage affecting the Vessel's
316 class, and with her classification certificates and national certificates, as well as all other
317 certificates the Vessel had at the time of ~~inspection delivery~~, valid and unextended without
318 condition/recommendation* by the Classification Society or the relevant authorities at the time
319 of delivery.

320 ~~"inspection" in this Clause 11, shall mean the Buyers' inspection according to Clause 4(a) or~~
321 ~~4(b) (Inspections), if applicable. If the Vessel is taken over without inspection, the date of this~~
322 ~~Agreement shall be the relevant date.~~

323 *Notes and memoranda, if any, in the surveyor's report which are accepted by the Classification
324 Society without condition/recommendation are not to be taken into account.

325 12. Name/markings

326 ~~Upon delivery~~ **During the construction of the Vessel**, the Buyers ~~undertake~~ **may request the Builder**
to change the name of the Vessel and alter funnel
327 markings **at the Buyers' time and costs.**

328 13. Buyers' default

329 Should the Deposit not be ~~deposited~~ **fully paid** in accordance with Clause 2 (Deposit) **(unless such failure is**
solely caused by the Sellers' default), the Sellers have the
330 right to cancel this Agreement, and they shall be entitled to claim compensation for their losses
331 and for all expenses incurred together with interest.
332 Should the Purchase Price and/or any other sums payable not be paid in accordance with Clause 3 (Payment)
(unless such failure is solely caused by the Sellers' default), the Sellers
333 have the right to cancel this Agreement, in which case all the funds already paid by the Buyers together with
interest
334 earned, if any, shall be released to the Sellers. If all the funds already paid by the Buyers does not cover their
loss, the
335 Sellers shall be entitled to claim further compensation for their losses and for all expenses
336 incurred together with interest.

337 14. Sellers' default

338 Should the Sellers fail to give Notice of Readiness in accordance with Clause 5(b) or fail to be
339 ready to validly complete a legal transfer by the Cancelling Date **(unless such failure is solely caused by**
the Buyers' default) the Buyers shall have the

340 option of cancelling this Agreement. If after Notice of Readiness has been given but before
341 the Buyers have taken delivery, the Vessel ceases to be physically ready for delivery and is not

342 made physically ready again by the Cancelling Date and new Notice of Readiness given, the
343 Buyers shall retain their option to cancel. In the event that the Buyers elect to cancel this
344 Agreement, all the funds paid by the Buyers together with interest earned, if any, shall be released to the
Buyers
345 immediately.

346 Should the Sellers fail to give Notice of Readiness by the Cancelling Date or fail to be ready to
347 validly complete a legal transfer **in accordance with Clause 5** as aforesaid **(unless such failure is solely
caused by the Buyers' default)** the Buyers shall be entitled to claim the compensation
348 for their loss and for all expenses together with interest
349 and whether or not the Buyers cancel this Agreement, except the Sellers' failure is due to the force majeure.

350 15. Buyers' representatives

351 After this Agreement has been signed by the Parties and the Deposit has been ~~deposited~~ **fully paid**, the
352 Buyers have the right to place two (2) ~~representatives on board the Vessel~~ **observers as part of the
Sellers' site supervision team** at their sole risk and
353 expense. **The Buyers also have the right to place one (1) observer onboard the Vessel during the sea trial
of the Vessel at their sole risk and expense.**

354 These ~~representatives~~ **observers** are on board for the purpose of familiarisation and in the capacity of
355 observers only, and they shall not interfere in any respect with the **construction, sea trial or operation** of
the Vessel or to be deemed as Supervisors of shipbuilding. The
356 Buyers and the Buyers' representatives shall sign the Sellers' P&I Club's **(or as case may be, the Builders')**
standard letter of
357 indemnity prior to their embarkation.]

358 16. Law and Arbitration

359 (a) ***This Agreement and any non-contractual obligations arising under or in connection with this
Agreement** shall be governed by and construed in accordance with English law and
360 any dispute arising out of or in connection with this Agreement shall be referred to arbitration in
361 London in accordance with the Arbitration Act 1996 or any statutory modification or re-
362 enactment thereof save to the extent necessary to give effect to the provisions of this Clause.

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

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

376 In cases where neither the claim nor any counterclaim exceeds the sum of US\$100,000 the
377 arbitration shall be conducted in accordance with the LMAA Small Claims Procedure current at
378 the time when the arbitration proceedings are commenced.

379 ~~(b) *This Agreement shall be governed by and construed in accordance with Title 9 of the~~
380 ~~United States Code and the substantive law (not including the choice of law rules) of the State~~
381 ~~of New York and any dispute arising out of or in connection with this Agreement shall be~~
382 ~~referred to three (3) persons at New York, one to be appointed by each of the parties hereto,~~
383 ~~and the third by the two so chosen; their decision or that of any two of them shall be final, and~~
384 ~~for the purposes of enforcing any award, judgment may be entered on an award by any court of~~
385 ~~competent jurisdiction. The proceedings shall be conducted in accordance with the rules of the~~
386 ~~Society of Maritime Arbitrators, Inc.~~

387 ~~In cases where neither the claim nor any counterclaim exceeds the sum of US\$ 100,000 the~~
388 ~~arbitration shall be conducted in accordance with the Shortened Arbitration Procedure of the~~
389 ~~Society of Maritime Arbitrators, Inc.~~

390 ~~(c) This Agreement shall be governed by and construed in accordance with the laws of~~
391 ~~(state place) and any dispute arising out of or in connection with this Agreement shall be~~
392 ~~referred to arbitration at (state place), subject to the procedures applicable there.~~

393 ~~*16(a), 16(b) and 16(c) are alternatives; delete whichever is not applicable. In the absence of~~
394 ~~deletions, alternative 16(a) shall apply.~~

395 17. Notices

396 All notices to be provided under this Agreement shall be in writing.

397 Contact details for recipients of notices are as follows:

398 For the Buyers:

Address:

Telephone:

Email:

399 For the Sellers:

Address: 18/F, CATIC Tower, 212 Jiang Ning Road,
Shanghai, the People's Republic of China

Telephone: +86-21-22262762

Email: liuchunyang@chinaleasing.net

Attention: Mr. Liu Chunyang

400 18. Entire Agreement

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

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

407 Any terms implied into this Agreement by any applicable statute or law are hereby excluded to
408 the extent that such exclusion can legally be made. Nothing in this Clause shall limit or exclude
409 any liability for fraud.

19. Confidentiality

This agreement shall be treated as strictly private and confidential, unless its existence or any of its terms is required to be disclosed by law or by the rules of any listing authority or stock exchange on which one party's shares or those of any of a party's shareholder are listed or traded or reported to any regulator or regulated exchange and provided that the Parties shall be at liberty to disclose to their legal advisors and financial institutions.

20. Amendments, waivers

No amendment or variation of this Agreement will be valid unless it is made in writing and signed by or on behalf of each party. No failure or delay on the part of any party in exercising any right, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege under this Agreement.

21. Severability

If any provision of this Agreement is held to be illegal or invalid such illegality or invalidity will not affect the other provisions of this Agreement which will remain in full force and effect.

22. Successors and assigns

This Agreement shall be binding upon and inure to the benefit of and be enforceable by the respective successors and permitted assigns or transferees of the parties hereto. No party may assign or transfer any of its rights, obligations or interests hereunder without the prior written consent of the other party.

23. No third party rights

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

24. Counterparts

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

25. Assignment of Builder's Warranties

The Sellers agree to assign absolutely and unconditionally to the Buyers all the Sellers' right, title and interest in and to the Builders' Warranties upon delivery of the Vessel under this Agreement.

26. Some logical amendments based on the actual situation of the parties will be allowed to this Agreement upon the completion of the Bidding

For and on behalf of the Sellers

For and on behalf of the Buyers

Name:

Name:

Title:

Title: