
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 6-K

**REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13A-16 OR 15D-16
OF THE SECURITIES EXCHANGE ACT OF 1934**

DATED: November 13, 2024

Commission File No. 001-33811

NAVIOS MARITIME PARTNERS L.P.

**7 Avenue de Grande Bretagne, Office 11B2
Monte Carlo, MC 98000 Monaco
(Address of Principal Executive Offices)**

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F

Form 40-F

NAVIOS MARITIME PARTNERS L.P.
FORM 6-K

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This report on Form 6-K is hereby incorporated by reference into the Navios Maritime Partners L.P. Registration Statement on Form F-3, File No. 333-271842.

Operating and Financial Review and Prospects

The following is a discussion of the financial condition and results of operations for the three and nine month periods ended September 30, 2024 and 2023 of Navios Maritime Partners L.P. (referred to herein as “we”, “us”, “Company” or “Navios Partners”). All of the financial statements have been stated in accordance with generally accepted accounting principles in the United States of America (“U.S. GAAP”). You should read this section together with the consolidated financial statements and the accompanying notes included in Navios Partners’ 2023 annual report filed on Form 20-F on April 3, 2024 (the “Annual Report”) with the U.S. Securities and Exchange Commission (the “SEC”).

This report contains and will contain forward-looking statements (as defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended) concerning future events, TCE rates (as defined herein), and Navios Partners’ expected cash flow generation, future contracted revenues, future distributions and its ability to make distributions going forward, opportunities to reinvest cash accretively in a fleet renewal program or otherwise, potential capital gains, its ability to take advantage of dislocation in the market and Navios Partners’ growth strategy and measures to implement such strategy, including expected vessel acquisitions and entering into further time charters and Navios Partners’ ability to refinance its debt on attractive terms, or at all. Words such as “may,” “expects,” “intends,” “plans,” “believes,” “anticipates,” “hopes,” “estimates,” and variations of such words and similar expressions are intended to identify forward-looking statements. These forward-looking statements are based on the information available to, and the expectations and assumptions deemed reasonable by Navios Partners at the time these statements were made. Although Navios Partners believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. These statements involve risks and are based upon a number of assumptions and estimates that are inherently subject to significant uncertainties and contingencies, many of which are beyond the control of Navios Partners. Actual results may differ materially from those expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially include, but are not limited to, risks relating to: global and regional economic and political conditions including global economic activity, demand for seaborne transportation of the products we ship, the ability and willingness of charterers to fulfill their obligations to us and prevailing charter rates, the economic condition of the markets in which we operate, shipyards performing scrubber installations, construction of newbuilding vessels, drydocking and repairs, changing vessel crews and availability of financing, potential disruption of shipping routes due to accidents, wars, sanctions, diseases, pandemics, political events, piracy or acts by terrorists; uncertainty relating to global trade, including prices of seaborne commodities and continuing issues related to seaborne volume and ton miles, our continued ability to enter into long-term time charters, our ability to maximize the use of our vessels, expected demand in the dry and liquid cargo shipping sectors in general and the demand for our dry bulk, containerships and tanker vessels in particular, fluctuations in charter rates for dry bulk, containerships and tanker vessels, the aging of our fleet and resultant increases in operations costs, the loss of any customer or charter or vessel, the financial condition of our customers, changes in the availability and costs of funding due to conditions in the bank market, capital markets and other factors, fluctuation in interest rates and foreign exchange rates, increases in costs and expenses, including but not limited to: crew, insurance, provisions, port expenses, lube oil, bunkers, repairs, maintenance and general and administrative expenses, the expected cost of, and our ability to comply with, governmental regulations and maritime self-regulatory organization standards, as well as standard regulations imposed by our charterers applicable to our business, general domestic and international political conditions, competitive factors in the market in which Navios Partners operates; risks associated with operations outside the United States; and other factors listed from time to time in Navios Partners’ filings with the SEC, including its Form 20-F and Form 6-K.

Navios Partners expressly disclaims any obligations or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in Navios Partners' expectations with respect thereto or any change in events, conditions or circumstances on which any statement is based. Navios Partners makes no prediction or statement about the performance of its common units.

Recent Developments

In October 2024, Navios Partners took delivery of the Navios Utmost, a 2024-built 5,300 TEU containership and the Nave Photon, a 2024-built Aframax/LR2 tanker vessel of 115,752 dwt from unrelated third parties (see "Fleet for employment details").

Overview

We are an international owner and operator of dry cargo and tanker vessels that was formed in August 2007 by Navios Holdings. We have been a public company since November 2007.

As of November 11, 2024, there were outstanding 29,807,098 common units and 622,296 general partnership units. Angeliki Frangou, our Chief Executive Officer and Chairwoman beneficially owns an approximately 16.9% common interest of the total outstanding common units including 4,672,314 common units held through four entities affiliated with her. An entity affiliated with Angeliki Frangou beneficially owns 622,296 general partnership units, representing an approximately 2.0% ownership interest in Navios Partners based on all outstanding common units and general partnership units.

In July 2022, the Board of Directors of Navios Partners authorized a common unit repurchase program for up to \$100.0 million of Navios Partners' common units. Common unit repurchases will be made from time to time for cash in open market transactions at prevailing market prices or in privately negotiated transactions. The timing and amount of repurchases under the program will be determined by Navios Partners' management based upon market conditions and financial and other considerations, including working capital and planned or anticipated growth opportunities. The program does not require any minimum repurchase or any specific number of common units and may be suspended or reinstated at any time in the Navios Partners' discretion and without notice. The Board of Directors will review the program periodically. As of November 11, 2024, Navios Partners had repurchased 377,290 common units, for a total cost of approximately \$19.7 million.

Fleet

Navios Partners' fleet consists of 73 dry bulk vessels, 50 containerships and 56 tanker vessels, including 19 newbuilding tankers (13 Aframax/LR2 and six MR2 product tanker chartered-in vessels under bareboat contracts) that are expected to be delivered through the first half of 2028 and eight newbuilding containerships (two 5,300 TEU containerships, two 7,700 TEU containerships and four 7,900 TEU containerships), that are expected to be delivered through the first half of 2027.

We generate revenues by charging our customers for the use of our vessels to transport their dry cargo commodities, containers, crude oil and/or refined petroleum products. In general, the vessels in our fleet are chartered-out under time charters, with length up to 12 years at inception. From time to time, we operate vessels in the spot market until the vessels have been chartered out under short, medium and long-term charters.

The following table provides summary information about our fleet as of November 7, 2024:

Owned Drybulk Vessels	Type	Built	Capacity (DWT)	Charter-Out Rate ⁽¹⁾	Index ⁽²⁾	Expiration Date ⁽³⁾
Navios Vega	Transhipper	2009	57,573	\$ 25,800	No	Jan-29
Navios Christine B	Ultra-Handymax	2009	58,058	\$ 9,500	No	Nov-24
Navios Celestial	Ultra-Handymax	2009	58,063	—	100% average BSI 58 10TC	Apr-25
Navios La Paix	Ultra-Handymax	2014	61,485	—	111.0% average BSI 58 10TC	Apr-26
N Amalthia	Panamax	2006	75,318	—	90.0% average BPI 82	Apr-25
Navios Hope	Panamax	2005	75,397	—	100.0% average BPI 82 less \$1,283	Mar-25
Navios Sagittarius ⁽⁵⁾	Panamax	2006	75,756	—	100.0% average BPI 82 less \$1,286	Nov-24
Navios Galileo	Panamax	2006	76,596	\$ 13,775	No	Dec-24
Navios Sun	Panamax	2005	76,619	—	100.0% average BPI 82 less \$1,286	Feb-25
Navios Asteriks ⁽²³⁾	Panamax	2005	76,801	\$ 11,163	No	Nov-24
Navios Helios	Panamax	2005	77,075	—	100.0% average BPI 82 less \$1,283	Jun-25
Navios Victory	Panamax	2014	77,095	—	96.0% average BPI 82	Dec-25
Unity N	Panamax	2011	79,642	—	89.0% average BPI 82	Dec-25
Odysseus N	Panamax	2011	79,642	—	90.0% average BPI 82	Jul-25
Rainbow N	Panamax	2011	79,642	\$ 13,775	No	Dec-24
Navios Amber	Kamsarmax	2015	80,994	\$ 17,290	No	Apr-26
Navios Avior	Kamsarmax	2012	81,355	—	100.0% average BPI 82	Jan-25
Navios Centaurus	Kamsarmax	2012	81,472	—	101.0% average BPI 82	Oct-25
Navios Citrine	Kamsarmax	2017	81,626	—	110.0% average BPI 82	Jan-26
Navios Dolphin	Kamsarmax	2017	81,630	\$ 14,013	No	Jan-25
				\$ 15,200	No	Dec-25
Navios Horizon I ⁽²³⁾	Kamsarmax	2019	81,692	\$ 15,731	No	Dec-24
				\$ 13,414	No	Mar-25
				—	110.0% average BPI 82	Apr-25
Navios Galaxy II ⁽⁶⁾	Kamsarmax	2020	81,789	—	112.5% average BPI 82	Feb-27
Navios Uranus ⁽⁶⁾	Kamsarmax	2019	81,821	\$ 16,071	No	Dec-24
				—	112.0% average BPI 82	Apr-26
Navios Felicity I ⁽⁶⁾	Kamsarmax	2020	81,962	\$ 18,425	No	Dec-24
				—	114.0% average BPI 82	Jan-25
Navios Primavera ⁽⁵⁾	Kamsarmax	2022	82,003	—	115.0% average BPI 82	Nov-24
				—	114.0% average BPI 82	Jan-26
Navios Meridian ⁽⁵⁾	Kamsarmax	2023	82,010	—	115.5% average BPI 82	Jan-25
				—	113.5% average BPI 82	Oct-25
Navios Herakles I ⁽⁶⁾	Kamsarmax	2019	82,036	—	113.5% average BPI 82	Oct-25
Navios Magellan II ⁽⁶⁾	Kamsarmax	2020	82,037	—	112.0% average BPI 82	Oct-25
Navios Sky ⁽⁵⁾	Kamsarmax	2015	82,056	—	102.0 % average BPI 82	Jan-26
Navios Alegria ⁽²³⁾	Kamsarmax	2016	84,852	\$ 14,197	No	Dec-24
				\$ 15,400	No	Dec-25
Navios Sphera	Kamsarmax	2016	84,872	\$ 16,237	No	Dec-24
				\$ 13,696	No	Mar-25
				—	110.0% of average BPI 82	Oct-25
Navios Coral	Kamsarmax	2016	84,904	—	110.0% average BPI 82	Apr-26
Copernicus N	Post-Panamax	2010	93,062	\$ 10,070	No	Nov-24
Navios Stellar ⁽⁵⁾	Capesize	2009	169,001	—	97.0% average BCI 5TC	Jun-26
Navios Aurora II	Capesize	2009	169,031	—	99.0% average BCI 5TC	Jan-25
Navios Antares ⁽⁵⁾	Capesize	2010	169,059	—	100.0% average BCI 5TC	Feb-25
Navios Symphony	Capesize	2010	178,132	—	102.75% average BCI 5TC	Apr-26
Navios Ace ⁽⁵⁾	Capesize	2011	179,016	\$ 27,612	No	Dec-24

					—	107.25% average BCI 5TC	Feb-25
Navios Melodia	Capesize	2010	179,132	\$	27,737	No	Dec-24
				\$	16,593	No	Mar-25
					—	104.0% average BCI 5TC	Apr-26
Navios Luz	Capesize	2010	179,144		—	105.5% average BCI 5TC	Dec-24
				\$	16,637	No	Mar-25
					—	105.5% average BCI 5TC	Oct-25
Navios Altamira	Capesize	2011	179,165		—	107.0% average BCI 5TC	Mar-25
Navios Azimuth ⁽²³⁾	Capesize	2011	179,169	\$	27,930	No	Dec-24
					—	105.0% average BCI 5TC	Feb-25
Navios Etoile	Capesize	2010	179,234	\$	27,930	No	Dec-24
					—	105.0% average BCI 5TC	Feb-25
Navios Buena Ventura	Capesize	2010	179,259	\$	23,342	No	Dec-24
					—	105.0% average BCI 5TC	Feb-25
Navios Bonheur	Capesize	2010	179,259		—	104.0% average BCI 5TC	Feb-25
Navios Fulvia	Capesize	2010	179,263	\$	27,631	No	Dec-24
					—	105.0% average BCI 5TC	Feb-25
Navios Aster	Capesize	2010	179,314	\$	23,495	No	Dec-24
					—	108.0% average BCI 5TC	Feb-25
Navios Ray ⁽⁵⁾	Capesize	2012	179,515	\$	27,731	No	Dec-24
					—	105.0% average BCI 5TC	Feb-25
Navios Happiness	Capesize	2009	180,022	\$	22,626	No	Dec-24
				\$	17,396	No	Mar-25
					—	109.0% average BCI 5TC	Apr-25
Navios Bonavis ⁽⁵⁾	Capesize	2009	180,022		—	103.0% average BCI 5TC	Apr-26
Navios Phoenix ⁽⁵⁾	Capesize	2009	180,242	\$	22,765	No	Dec-24
				\$	16,955	No	Mar-25
					—	100.0% average BCI 5TC + \$1,905 per day	Aug-26
Navios Fantastiks	Capesize	2005	180,265	\$	17,575	No	Jun-26
Navios Sol ⁽⁵⁾	Capesize	2009	180,274		—	108.0% average BCI 5TC	Dec-24
				\$	17,339	No	Mar-25
					—	108.0% average BCI 5TC	Jun-26
Navios Canary ⁽²³⁾	Capesize	2015	180,528	\$	33,369	No	Dec-24
					—	125.0% average BCI 5TC	Feb-25
Navios Lumen ⁽⁵⁾	Capesize	2009	180,661	\$	28,397	No	Dec-24
				\$	16,213	No	Mar-25
					—	106.0% average BCI 5TC	Jul-26
Navios Pollux ⁽⁵⁾	Capesize	2009	180,727		—	102.5% average BCI 5TC	Apr-25
Navios Felix ⁽²³⁾	Capesize	2016	181,221	\$	28,500 ⁽²⁰⁾	No	Jan-27
Navios Corali ⁽²³⁾	Capesize	2015	181,249	\$	21,779	No	Dec-24
					—	131.0% average BCI 5TC	Feb-25
Navios Mars	Capesize	2016	181,259	\$	30,278	No	Dec-24
					—	128.0% average BCI 5TC	Feb-25
Navios Gem	Capesize	2014	181,336	\$	31,634	No	Dec-24
					—	125.0% average BCI 5TC	Apr-26
Navios Joy	Capesize	2013	181,389		—	Freight Voyages	Aug-25
Navios Koyo	Capesize	2011	181,415	\$	28,500	No	Dec-24
				\$	18,833	No	Mar-25
					—	118.0% average BCI 5TC	Jan-26
Navios Azalea ⁽⁶⁾	Capesize	2022	182,064	\$	19,950	No	Nov-27
Navios Armonia ⁽⁶⁾	Capesize	2022	182,079	\$	20,750	No	Sep-27
Navios Altair ⁽⁶⁾	Capesize	2023	182,115	\$	19,600	No	Nov-27
Navios Sakura ⁽⁶⁾	Capesize	2023	182,169	\$	19,550	No	Mar-28
Navios Amethyst ⁽⁶⁾	Capesize	2023	182,212	\$	19,550	No	Feb-28
Navios Astra ⁽¹⁴⁾	Capesize	2022	182,393	\$	21,000	No	Aug-27

Owned Containerships	Capacity (TEU)	Built	Charter-Out Rate⁽¹⁾	Index⁽²⁾	Expiration Date⁽³⁾
Spectrum N	2,546	2009	\$ 36,538	No	Mar-25
Protostar N	2,741	2007	\$ 11,700	No	Aug-25
Fleur N	2,782	2012	\$ 19,009	No	May-26
Ete N	2,782	2012	\$ 19,009	No	May-26
Navios Summer ⁽⁵⁾	3,450	2006	\$ 30,320	No	May-25
			\$ 20,845	No	May-26
			\$ 34,110	No	Jul-26
Navios Verano ⁽⁵⁾	3,450	2006	\$ 18,818	No	Apr-26
Matson Lanai ⁽⁵⁾	4,250	2007	\$ 55,794	No	Jun-25
			\$ 34,563	No	Sep-27
Navios Verde ⁽⁵⁾	4,250	2007	\$ 21,725	No	May-25
			\$ 35,056	No	Jun-27
Navios Amarillo ⁽⁵⁾	4,250	2007	\$ 63,956	No	Jan-25
			\$ 28,425	No	Jan-26
			\$ 9,475	No	Jan-28
Navios Vermilion ⁽⁵⁾	4,250	2007	\$ 23,972	No	Nov-24
			\$ 28,763	No	Mar-27
Navios Azure	4,250	2007	\$ 20,748	No	Apr-26
Navios Indigo ⁽⁵⁾	4,250	2007	\$ 34,125	No	Apr-25
			\$ 24,375	No	Apr-26
			\$ 41,438	No	Aug-26
Navios Domino ⁽⁵⁾	4,250	2008	\$ 23,453	No	Aug-25
			\$ 35,550	No	Sep-27
Matson Oahu ⁽⁵⁾	4,250	2008	\$ 19,701	No	Dec-24
			\$ 34,563	No	Jan-28
Navios Tempo	4,250	2009	\$ 44,438	No	Sep-25
Navios Destiny ⁽⁵⁾	4,250	2009	\$ 28,763	No	Feb-27
Navios Devotion ⁽⁵⁾	4,250	2009	\$ 34,125	No	Mar-25
			\$ 24,375	No	Mar-26
			\$ 41,438	No	Jul-26
Navios Lapis	4,250	2009	\$ 25,000	No	Jun-26
Navios Dorado	4,250	2010	\$ 24,441	No	May-26
Carmel I	4,360	2010	\$ 32,689	No	Apr-25
			\$ 23,214	No	Apr-26
			\$ 39,795	No	Jun-26
Zim Baltimore	4,360	2010	\$ 34,125	No	Jan-25
			\$ 24,375	No	Jan-26
			\$ 41,438	No	May-26
Navios Bahamas	4,360	2010	\$ 48,000	No	Apr-25
			\$ 22,500	No	Jun-27
Navios Miami	4,563	2009	\$ 28,763	No	Feb-27
Navios Magnolia	4,730	2008	\$ 28,763	No	Feb-26
Navios Jasmine	4,730	2008	\$ 48,000	No	Mar-25
			\$ 22,500	No	May-27
Navios Chrysalis	4,730	2008	\$ 23,453	No	Jun-25
			\$ 35,056	No	Jul-27
Navios Nerine	4,730	2008	\$ 28,763	No	Aug-26
Sparrow	5,300	2023	\$ 39,000	No	Nov-25
			\$ 37,050	No	Nov-26
			\$ 35,100	No	Nov-27
			\$ 31,200	No	Nov-28
			\$ 37,050	No	Jan-29
Zim Eagle	5,300	2024	\$ 42,900	No	Jan-25
			\$ 39,000	No	Jan-26
			\$ 37,050	No	Jan-27
			\$ 35,100	No	Jan-28
			\$ 31,200	No	Jan-29
			\$ 37,050	No	Mar-29

Zim Condor	5,300	2024	\$	42,900	No	Apr-25
			\$	39,000	No	Apr-26
			\$	37,050	No	Apr-27
			\$	35,100	No	Apr-28
			\$	31,200	No	Apr-29
			\$	37,050	No	Jun-29
Zim Hawk	5,300	2024	\$	42,900	No	Jun-25
			\$	39,000	No	Jun-26
			\$	37,050	No	Jun-27
			\$	35,100	No	Jun-28
			\$	31,200	No	Jun-29
			\$	37,050	No	Aug-29
Zim Falcon	5,300	2024	\$	42,900	No	Jul-25
			\$	39,000	No	Jul-26
			\$	37,050	No	Jul-27
			\$	35,100	No	Jul-28
			\$	31,200	No	Jul-29
			\$	37,050	No	Sep-29
Zim Pelican	5,300	2024	\$	42,900	No	Jul-25
			\$	39,000	No	Jul-26
			\$	37,050	No	Jul-27
			\$	35,100	No	Jul-28
			\$	31,200	No	Jul-29
			\$	37,050	No	Sep-29
Zim Seagull ⁽²³⁾	5,300	2024	\$	42,900	No	Aug-25
			\$	39,000	No	Aug-26
			\$	37,050	No	Aug-27
			\$	35,100	No	Aug-28
			\$	31,200	No	Aug-29
			\$	37,050	No	Oct-29
Navios Utmost ⁽⁵⁾	5,300	2024	\$	37,500	No	Apr-30
Hyundai Shanghai	6,800	2006	\$	21,083	No	Aug-29
Hyundai Tokyo	6,800	2006	\$	21,083	No	Dec-28
Hyundai Hongkong	6,800	2006	\$	21,083	No	Dec-28
Hyundai Singapore	6,800	2006	\$	21,083	No	Dec-28
Hyundai Busan	6,800	2006	\$	21,083	No	Aug-29
Navios Unison ⁽⁵⁾	10,000	2010	\$	26,276	No	Jun-26
Navios Constellation ⁽⁵⁾	10,000	2011	\$	26,276	No	Jun-26

Owned Tanker Vessels	Type	Built	Capacity (DWT)	Charter-Out Rate ⁽¹⁾	Profit Sharing Arrangements	Expiration Date ⁽³⁾
Hector N	MR1 Product Tanker	2008	38,402	\$ 20,738	No	Jan-26
Nave Aquila ⁽⁵⁾	MR2 Product Tanker	2012	49,991	\$ 27,156	No	Aug-26
Nave Atria ⁽⁵⁾	MR2 Product Tanker	2012	49,992	\$ 14,887	No	Mar-25
Nave Capella	MR2 Product Tanker	2013	49,995	\$ 22,138	No	Jan-25
				\$ 24,544	No	Jan-28
Nave Alderamin	MR2 Product Tanker	2013	49,998	\$ 22,138	No	Nov-24
				\$ 24,544	No	Nov-27
Nave Pyxis	MR2 Product Tanker	2014	49,998	\$ 25,891	No	Jan-25
Nave Bellatrix ⁽⁵⁾	MR2 Product Tanker	2013	49,999	\$ 19,750	No	Aug-25
Nave Orion ⁽⁵⁾	MR2 Product Tanker	2013	49,999	\$ 22,138	No	Dec-24
				\$ 24,544	No	Dec-27
Nave Titan	MR2 Product Tanker	2013	49,999	\$ 25,891	No	Feb-25
Nave Luminosity	MR2 Product Tanker	2014	49,999	\$ 23,004 ⁽¹⁰⁾	No	Dec-25
Nave Jupiter	MR2 Product Tanker	2014	49,999	\$ 21,231	No	Oct-28
Nave Velocity	MR2 Product Tanker	2015	49,999	\$ 16,541 ⁽¹¹⁾	No	Dec-25
Nave Sextans	MR2 Product Tanker	2015	49,999	\$ 23,196 ⁽¹⁰⁾	No	May-26
Nave Equinox	MR2 Product Tanker	2007	50,922	\$ 20,392 ⁽⁸⁾	No	Dec-24
Nave Pulsar	MR2 Product Tanker	2007	50,922	\$ 21,231 ⁽⁸⁾	No	Sep-25
Bougainville	MR2 Product Tanker	2013	50,626	\$ 21,800 ⁽⁷⁾	No	Oct-26
Nave Cetus	LR1 Product Tanker	2012	74,581	\$ 32,094	No	Jul-25
Nave Ariadne	LR1 Product Tanker	2007	74,671	Floating Rate ⁽¹²⁾	No	Feb-25
Nave Cielo	LR1 Product Tanker	2007	74,671	\$ 28,144	No	Sep-25
Nave Rigel	LR1 Product Tanker	2013	74,673	\$ 27,008	No	Mar-29
Nave Atropos	LR1 Product Tanker	2013	74,695	\$ 27,650	No	May-25
Nave Cassiopeia	LR1 Product Tanker	2012	74,711	\$ 33,150 ⁽¹³⁾	No	Jan-25
Nave Andromeda	LR1 Product Tanker	2011	75,000	\$ 28,394	No	Mar-25
Nave Estella	LR1 Product Tanker	2012	75,000	\$ 28,394	No	Jan-25
Nave Cosmos ⁽²³⁾	Aframax / LR2	2024	115,651	\$ 26,366 ⁽²¹⁾	No	May-29
Nave Polaris ⁽⁵⁾	Aframax / LR2	2024	115,699	\$ 26,366 ⁽²¹⁾	No	Aug-29
Nave Photon ⁽²³⁾	Aframax / LR2	2024	115,752	\$ 25,576 ⁽²¹⁾	No	Oct-29
Nave Constellation	VLCC	2010	296,988	Floating Rate ⁽¹²⁾	No	Mar-25
Nave Universe	VLCC	2011	297,066	\$ 45,672	No	May-26
Nave Galactic	VLCC	2009	297,168	\$ 44,438	No	Sep-26
Nave Quasar	VLCC	2010	297,376	Floating Rate ⁽¹²⁾	No	Mar-25
Nave Buena Suerte	VLCC	2011	297,491	\$ 47,906	Yes ⁽¹⁶⁾	Dec-24
Nave Synergy	VLCC	2010	299,973	Freight voyage	—	Nov-24

Bareboat-in Vessels	Type	Built	Capacity (DWT)	Charter-Out Rate ⁽¹⁾	Index ⁽²⁾	Expiration Date ⁽³⁾
Navios Star	Kamsarmax	2021	81,994	\$ 16,101	No	Dec-24
				\$ 13,729	No	Mar-25
				—	112.0% average BPI 82	Apr-25
Navios Amitie	Kamsarmax	2021	82,002	\$ 18,688	No	Dec-24
				\$ 14,161	No	Mar-25
				—	112% of average BPI 82	Apr-25
Navios Libra	Kamsarmax	2019	82,011	—	111.25% average BPI 82	Jan-26
Nave Electron	VLCC	2021	313,239	\$ 47,906	Yes ⁽¹⁶⁾	Jan-26
Nave Celeste ⁽²⁴⁾	VLCC	2022	313,418	Floating rate ⁽¹⁷⁾	Yes ⁽⁴⁾	Jul-29
Baghdad ⁽²⁴⁾	VLCC	2020	313,433	\$ 27,816 ⁽¹⁷⁾	No	Sep-30
Erbil ⁽²⁴⁾	VLCC	2021	313,486	\$ 27,816 ⁽¹⁷⁾	No	Feb-31

Chartered-in Vessels	Type	Built	Capacity (DWT)	Charter-Out Rate ⁽¹⁾	Index ⁽²⁾	Expiration Date ⁽³⁾
Navios Venus ⁽¹⁹⁾	Ultra-Handymax	2015	61,339	—	111.0% average BSI 58 10TC	Dec-24
Navios Gemini	Kamsarmax	2018	81,704	\$ 15,881	No	Nov-24

Containerships to be Delivered	Expected Delivery	Capacity (TEU)	Charter-Out Rate ⁽¹⁾	Index ⁽²⁾	Expiration Date ⁽³⁾
TBN I ⁽²³⁾	Q4 2024	5,300	\$ 42,900	No	Nov-25
			\$ 39,000	No	Nov-26
			\$ 37,050	No	Nov-27
			\$ 35,100	No	Nov-28
			\$ 31,200	No	Nov-29
			\$ 37,050	No	Jan-30
TBN II ⁽⁵⁾	Q4 2024	5,300	\$ 37,500	No	May-30
TBN VI	H1 2025	7,700	\$ 57,213	No	Jan-28
			\$ 52,238	No	Jan-31
			\$ 37,313	No	Jan-33
			\$ 27,363	No	Jan-35
			\$ 24,875 ⁽²²⁾	No	Jan-37
TBN VII	H1 2025	7,700	\$ 57,213	No	Jan-28
			\$ 52,238	No	Jan-31
			\$ 37,313	No	Jan-33
			\$ 27,363	No	Jan-35
			\$ 24,875 ⁽²²⁾	No	Jan-37
TBN XX	H2 2026	7,900	\$ 43,000 ⁽²⁵⁾	No	Jul-30
TBN XXI	H2 2026	7,900	\$ 43,000 ⁽²⁵⁾	No	Oct-30
TBN XXVI	H1 2027	7,900	\$ 43,247	No	Jan-32
TBN XXVII	H1 2027	7,900	\$ 43,247	No	Mar-32

Tanker Vessels to be Delivered	Type	Expected Delivery	Capacity (DWT)	Charter-Out Rate ⁽¹⁾	Expiration Date ⁽³⁾
TBN III ⁽⁵⁾	Aframax / LR2	H1 2025	115,000	\$ 25,576 ⁽²¹⁾	Jan-30
TBN IV ⁽⁵⁾	Aframax / LR2	H1 2025	115,000	\$ 27,798 ⁽²¹⁾	Apr-30
TBN V	Aframax / LR2	H1 2025	115,000	\$ 27,798 ⁽²¹⁾	Jun-30
TBN XIV	Aframax / LR2	H1 2026	115,000	\$ 27,788 ⁽⁹⁾	Mar-31
TBN XV	Aframax / LR2	H1 2026	115,000	\$ 27,788 ⁽⁹⁾	May-31
TBN XVI	Aframax / LR2	H1 2026	115,000	\$ 27,776 ⁽¹⁸⁾	Mar-31
TBN XVII	Aframax / LR2	H2 2026	115,000	\$ 27,776 ⁽¹⁸⁾	Jun-31
TBN XVIII	Aframax / LR2	H1 2027	115,000	\$ 28,275 ⁽²⁶⁾	May-32
TBN XIX	Aframax / LR2	H2 2027	115,000	\$ 28,275 ⁽²⁶⁾	Oct-32
TBN XXII	Aframax / LR2	H2 2027	115,000	\$ 27,776 ⁽¹⁸⁾	May-32
TBN XXIII	Aframax / LR2	H2 2027	115,000	\$ 27,776 ⁽¹⁸⁾	Sep-32
TBN XXIV	Aframax / LR2	H1 2028	115,000	\$ 28,144 ⁽¹⁵⁾	Mar-33
TBN XXV	Aframax / LR2	H1 2028	115,000	\$ 28,144 ⁽¹⁵⁾	Apr-33
TBN VIII ⁽⁶⁾	MR2 Product Tanker	H2 2025	52,000	\$ 22,959	Nov-30
TBN IX ⁽⁶⁾	MR2 Product Tanker	H1 2026	52,000	\$ 22,959	May-31
TBN X ⁽⁶⁾	MR2 Product Tanker	H2 2026	52,000	—	—
TBN XI ⁽⁶⁾	MR2 Product Tanker	H2 2026	52,000	—	—
TBN XII ⁽⁶⁾	MR2 Product Tanker	H1 2027	52,000	—	—
TBN XIII ⁽⁶⁾	MR2 Product Tanker	H1 2027	52,000	—	—

(1) Daily charter-out rate per day, net of commissions.

(2) Index rates exclude commissions.

(3) Estimated dates assuming the midpoint or Company's estimate of the redelivery period by charterers.

(4) Bareboat charter based on adjusted TD3C-WS with floor \$26,730 and collar at \$36,630.

- (5) The vessel is subject to a sale and leaseback transaction with a purchase obligation at the end of the lease term.
- (6) The vessel is subject to a bareboat contract with a purchase option at the end of the contract.
- (7) Charterer's option to extend charter for one year at \$24,900 net per day.
- (8) The premium for when the vessel is trading on ice or follow ice breaker is \$1,481 per day.
- (9) Charterer's option to extend the charter for one year at \$29,738 net per day plus one year at \$31,200 net per day.
- (10) Charterer's option to extend the charter for one year at \$27,913 net per day.
- (11) Charterer's option to extend the charter for one year at \$17,528 net per day.
- (12) Rate based on pool earnings.
- (13) Charterer's option to extend the charter for one year at \$40,950 net per day.
- (14) The vessel is subject to a bareboat contract with a purchase obligation at the end of the contract.
- (15) Charterer's option for a firm period of five years at \$28,144 net per day or three years at \$35,056 net per day, declarable six months prior to the vessels' delivery.
- (16) Profit sharing arrangement of 35% above \$54,388, 40% above \$59,388 and 50% above \$69,388.
- (17) Charterer's option to extend the bareboat charter for five years at \$29,751 net per day.
- (18) Charterer's option to extend the charter for one year at \$29,628 net per day plus one year at \$31,578 net per day.
- (19) The vessel is subject to a charter-in agreement with a purchase option at the end of the agreement, classified as a finance lease. Option to acquire the vessel has been declared.
- (20) Charterer's option to extend the charter for a minimum of 11 to a maximum of 15 months at \$33,250 net per day.
- (21) Charterer has the option to extend for five further one-year options at rates increasing by \$1,234 net per day each year.
- (22) Charterer's option to extend charter for two years at \$24,875 net per day.
- (23) The vessel is subject to a sale and leaseback transaction with a purchase option at the end of the lease term.
- (24) The vessel is subject to a bareboat charter-out contract.
- (25) Charterer's option to extend charter for two years at \$47,500 net per day.
- Charterer's option for a firm period of five years at \$28,275 net per day or three years at \$34,613 net per day, declarable six months prior to the vessels' delivery.

Our Charters

We provide seaborne shipping services under short, medium, and long-term time charters, bareboat charters and voyage charters with customers that we believe are creditworthy. For the nine month period ended September 30, 2024, ZIM Integrated Shipping Services Ltd. represented approximately 10.3% of our total revenues. For the nine month period ended September 30, 2023, no customer accounted for 10.0% or more of our total revenues. No other customers accounted for 10.0% or more of our total revenues for any of the periods presented.

Our revenues are driven by the number of vessels in the fleet, the number of days during which the vessels operate and our charter hire rates, which, in turn, are affected by a number of factors, including:

- the duration of the charters;
- the level of spot and long-term market rates at the time of charters;
- decisions relating to vessel acquisitions and disposals;
- the amount of time spent positioning vessels;
- the amount of time that vessels spend in drydock undergoing repairs and upgrades;
- the age, condition and specifications of the vessels;
- the aggregate level of supply and demand in the liquid, dry and containerized cargo shipping industry;
- economic conditions, such as the impact of inflationary cost pressures, decreased consumer discretionary spending, increasing interest rates, and the possibility of recession or financial market instability;
- armed conflicts, such as Israel's war in Gaza, Russian/Ukrainian conflicts and the attacks in the Red Sea and in the Gulf of Aden; and
- the outbreak of global epidemics or pandemics.

Time charters are available for varying periods, ranging from a single trip (spot charter) to long-term which may be many years. In general, a long-term time charter assures a consistent stream of revenue to the vessel owner. Operating the vessel in the spot market affords the owner greater spot market opportunity, which may result in high rates when vessels are in high demand or low rates when vessel availability exceeds demand. We intend to operate our vessels in the long-term charter market. Vessel charter rates are affected by world economics, international events, weather conditions, strikes, governmental policies, supply and demand and many other factors that might be beyond our control. Please read the section entitled "Risk Factors" in our Annual Report for a discussion of certain risks inherent in our business.

We could lose a customer or the benefits of a charter if:

- the customer fails to make charter payments because of its financial inability, disagreements with us or otherwise;
- the customer exercises certain rights to terminate the charter of the vessel;
- the customer terminates the charter because we fail to deliver the vessel within a fixed period of time, the vessel is lost or damaged beyond repair, there are serious deficiencies in the vessel or prolonged periods of off-hire, or we default under the charter; or
- a prolonged force majeure event affecting the customer, including damage to or destruction of relevant production facilities, war or political unrest prevents us from performing services for that customer.

Under some of our time charters, either party may terminate the charter contract in the event of war in specified countries or in locations that would significantly disrupt the free trade of the vessel. Some of the time charters covering our vessels require us to return to the charterer, upon the loss of the vessel, all advances paid by the charterer but not earned by us.

Trends and Factors Affecting Our Future Results of Operations

We believe the principal factors that will affect our future results of operations are the economic, regulatory, political and governmental conditions that affect the shipping industry generally and that affect conditions in countries and markets in which our vessels engage in business. Please read "Risk Factors" in our Annual Report for a discussion of certain risks inherent in our business.

Results of Operations

Overview

The following table reflects certain key indicators of Navios Partners' fleet performance for the three and nine month periods ended September 30, 2024 and 2023.

	Three Month Period Ended September 30, 2024 (unaudited)	Three Month Period Ended September 30, 2023 (unaudited)	Nine Month Period Ended September 30, 2024 (unaudited)	Nine Month Period Ended September 30, 2023 (unaudited)
Available Days ⁽¹⁾	13,552	13,759	40,590	41,239
Operating Days ⁽²⁾	13,371	13,646	40,122	40,869
Fleet Utilization ⁽³⁾	98.7%	99.2%	98.8%	99.1%
Time Charter Equivalent rate (per day) ⁽⁴⁾	\$ 23,591	\$ 22,052	\$ 22,830	\$ 22,242
Vessels operating at end of periods	154	153	154	153

- (1) Available days for the fleet represent total calendar days the vessels were in Navios Partners' possession for the relevant period after subtracting off-hire days associated with scheduled repairs, drydockings or special surveys and ballast days relating to voyages. The shipping industry uses available days to measure the number of days in a relevant period during which a vessel is capable of generating revenues.
- (2) Operating days are the number of available days in the relevant period less the aggregate number of days that the vessels are off-hire due to any reason, including unforeseen circumstances. The shipping industry uses operating days to measure the aggregate number of days in a relevant period during which vessels actually generate revenues.
- (3) Fleet utilization is the percentage of time that Navios Partners' vessels were available for generating revenue, and is determined by dividing the number of operating days during a relevant period by the number of available days during that period. The shipping industry uses fleet utilization to measure efficiency in finding employment for vessels and minimizing the amount of days that its vessels are off-hire for reasons other than scheduled repairs, drydockings or special surveys.
- (4) Time Charter Equivalent rate ("TCE rate") per day is defined as voyage, time charter revenues and charter-out revenues under bareboat contracts (grossed up by the applicable fixed vessel operating expenses for the respective periods) less voyage expenses during a period divided by the number of available days during the period. The TCE rate per day is a customary shipping industry performance measure used primarily to present the actual daily earnings generated by vessels on various types of charter contracts for the number of available days of the fleet.

FINANCIAL HIGHLIGHTS

The following table presents consolidated revenue and expense information for the three and nine month periods ended September 30, 2024 and 2023.

	Three Month Period Ended September 30, 2024 (unaudited)	Three Month Period Ended September 30, 2023 (unaudited)	Nine Month Period Ended September 30, 2024 (unaudited)	Nine Month Period Ended September 30, 2023 (unaudited)
(In thousands of U.S. dollars)				
Time charter and voyage revenues	\$ 340,835	\$ 323,176	\$ 1,001,545	\$ 979,636
Time charter and voyage expenses	(34,941)	(39,877)	(116,896)	(121,596)
Direct vessel expenses	(18,115)	(15,941)	(54,584)	(48,145)
Vessel operating expenses (entirely through related parties transactions)	(88,963)	(82,856)	(259,156)	(248,622)
General and administrative expenses	(21,102)	(19,524)	(62,430)	(59,559)
Depreciation and amortization of intangible assets	(57,674)	(54,513)	(169,558)	(162,768)
Amortization of unfavorable lease terms	3,206	3,521	9,513	16,431
Gain on sale of vessels, net	1,241	7,170	10,374	50,771
Interest expense and finance cost, net	(32,608)	(31,849)	(92,104)	(100,703)
Interest income	3,394	3,314	10,386	7,414
Other income/ (expense), net	2,482	(2,840)	(4,505)	(11,605)
Net income	\$ 97,755	\$ 89,781	\$ 272,585	\$ 301,254
EBITDA⁽¹⁾	\$ 196,621	\$ 180,838	\$ 559,784	\$ 571,275
Adjusted EBITDA⁽¹⁾	\$ 195,380	\$ 173,668	\$ 549,410	\$ 520,504
Operating Surplus⁽¹⁾	\$ 98,558	\$ 84,924	\$ 256,343	\$ 249,292

EBITDA, Adjusted EBITDA and Operating Surplus are non-GAAP financial measures. See “Reconciliation of EBITDA and Adjusted EBITDA to Net Cash from Operating Activities, EBITDA and Operating Surplus” for a description of EBITDA, Adjusted EBITDA and Operating Surplus and a reconciliation of EBITDA, Adjusted EBITDA and Operating Surplus to the most comparable measure under U.S. GAAP.

Period over Period Comparisons

For the Three Month Period ended September 30, 2024 compared to the Three Month Period ended September 30, 2023

Time charter and voyage revenues: Time charter and voyage revenues of Navios Partners for the three month period ended September 30, 2024 increased by \$17.6 million, or 5.4%, to \$340.8 million, as compared to \$323.2 million for the same period in 2023. The increase in revenue was mainly attributable to the increase in the TCE rate. For the three month periods ended September 30, 2024 and 2023, time charter and voyage revenues were positively affected by \$2.4 million and negatively affected by \$9.7 million, respectively, relating to the straight-line effect of the containership and tanker charters with de-escalating rates. For the three month period ended September 30, 2024, the TCE rate increased by 7.0% to \$23,591 per day, as compared to \$22,052 per day for the same period in 2023. The available days of the fleet decreased by 1.5% to 13,552 days for the three month period ended September 30, 2024, as compared to 13,759 days for the same period in 2023 mainly due to the sale of vessels, partially mitigated by the deliveries of newbuilding vessels.

Time charter and voyage expenses: Time charter and voyage expenses for the three month period ended September 30, 2024 decreased by \$5.0 million to \$34.9 million, as compared to \$39.9 million for the same period in 2023. The decrease was mainly attributable to a: (i) \$5.7 million decrease in bareboat and charter-in hire expense of the dry bulk fleet; (ii) \$4.0 million decrease in bunkers expenses from the decreased days of freight voyages in the third quarter of 2024; and (iii) \$0.2 million decrease in port expenses. The decrease was partially mitigated by a: (i) \$4.7 million increase in other miscellaneous voyage expenses; and (ii) \$0.2 million increase in brokers' commissions.

Direct vessel expenses: Direct vessel expenses for the three month period ended September 30, 2024, increased by \$2.2 million to \$18.1 million, as compared to \$15.9 million for the same period in 2023. The increase of \$2.2 million was mainly attributable to the amortization of the deferred drydock and special survey costs due to the increase in the number of vessels that underwent drydocking or special survey.

Vessel operating expenses: Vessel operating expenses for the three month period ended September 30, 2024, increased by \$6.1 million to \$89.0 million, as compared to \$82.9 million for the same period in 2023. The increase was mainly due to the change in the composition of our fleet with deliveries and sale of vessels and the adjustment of the fixed daily fee in accordance with the management agreements (the "Management Agreements").

General and administrative expenses: General and administrative expenses increased by \$1.6 million to \$21.1 million for the three month period ended September 30, 2024, as compared to \$19.5 million for the same period in 2023 in accordance with our administrative services agreement (the "Administrative Services Agreement").

Depreciation and amortization of intangible assets: Depreciation and amortization of intangible assets amounted to \$57.7 million for the three month period ended September 30, 2024, as compared to \$54.5 million for the same period in 2023. The increase of \$3.2 million was mainly attributable to a: (i) \$4.6 million increase in depreciation expense due to the delivery of 15 vessels since the third quarter of 2023; and (ii) \$0.7 million increase in depreciation expense mainly due to vessel improvements. The above increase was partially mitigated by a: (i) \$1.8 million decrease in depreciation expense due to the sale of 8 vessels since the third quarter of 2023; and (ii) \$0.3 million decrease in amortization of favorable lease terms. Depreciation of vessels is calculated using an estimated useful life of 25 years for dry bulk and tanker vessels and 30 years for containerships, respectively, from the date the vessel was originally delivered from the shipyard.

Amortization of unfavorable lease terms: Amortization of unfavorable lease terms amounted to \$3.2 million and \$3.5 million for the three month periods ended September 30, 2024 and 2023, respectively, related to the amortization of the fair value of the time charters with unfavorable lease terms as determined at the acquisition date of Navios Maritime Containers L.P. ("Navios Containers").

Gain on sale of vessels, net: Gain on sale of vessels, net amounted to \$1.2 million for the three month period ended September 30, 2024, related to the sale of one of our vessels. Gain on sale of vessels, net amounted to \$7.2 million for the three month period ended September 30, 2023, relating to a \$7.4 million gain on sale of one of our vessels, partially mitigated by a \$0.2 million impairment loss of one of our vessels.

Interest expense and finance cost, net: Interest expense and finance cost, net for the three month period ended September 30, 2024 increased by \$0.8 million to \$32.6 million, as compared to \$31.8 million for the same period in 2023. The increase was mainly due to the increase in interest expense incurred on credit facilities and financial liabilities, the increase in amortization of finance charges and other finance costs and the decrease in interest expense capitalized, related to deposits for vessel acquisitions, partially mitigated by the decrease in interest expense incurred on finance lease

liabilities. The weighted average interest rate for the three month period ended September 30, 2024 decreased to 7.0% from 7.3% for the same period in 2023, while Navios Partner's weighted average loan balance increased to \$2,008.1 million for the three month period ended September 30, 2024, as compared to the \$1,949.4 million for the same period in 2023.

Interest income: Interest income amounted to \$3.4 million for the three month period ended September 30, 2024, as compared to \$3.3 million for the same period in 2023.

Other income/ (expense), net: Other income, net for the three month period ended September 30, 2024 increased by \$5.3 million to \$2.5 million other income, net, as compared to \$2.8 million other expense, net for the same period in 2023, mainly due to the increase in foreign exchange gains.

Net income: Net income for the three month period ended September 30, 2024 amounted to \$97.8 million as compared to \$89.8 million for the same period in 2023. The increase in net income of \$8.0 million was due to the factors discussed above.

For the Nine Month Period ended September 30, 2024 compared to the Nine Month Period ended September 30, 2023

Time charter and voyage revenues: Time charter and voyage revenues of Navios Partners for the nine month period ended September 30, 2024 increased by \$21.9 million, or 2.2%, to \$1,001.5 million, as compared to \$979.6 million for the same period in 2023. The increase in revenue was mainly attributable to the increase in the TCE rate. For the nine month periods ended September 30, 2024 and 2023, time charter and voyage revenues were positively affected by \$4.9 million and negatively affected by \$30.2 million, respectively, relating to the straight-line effect of the containership and tanker charters with de-escalating rates. For the nine month period ended September 30, 2024, the TCE rate increased by 2.6% to \$22,830 per day, as compared to \$22,242 per day for the same period in 2023. The available days of the fleet decreased by 1.6% to 40,590 days for the nine month period ended September 30, 2024, as compared to 41,239 days for the same period in 2023 mainly due to the sale of vessels, partially mitigated by the deliveries of newbuilding vessels.

Time charter and voyage expenses: Time charter and voyage expenses for the nine month period ended September 30, 2024 decreased by \$4.7 million to \$116.9 million, as compared to \$121.6 million for the same period in 2023. The decrease was mainly attributable to a: (i) \$17.5 million decrease in bareboat and charter-in hire expense of the dry bulk fleet; (ii) \$1.3 million decrease in bunkers expenses; and (iii) \$0.3 million decrease in brokers' commissions. The decrease was partially mitigated by a: (i) \$13.6 million increase in other voyage expenses; and (ii) \$0.8 million increase in port expenses.

Direct vessel expenses: Direct vessel expenses for the nine month period ended September 30, 2024, increased by \$6.5 million to \$54.6 million, as compared to \$48.1 million for the same period in 2023. The increase of \$6.5 million was mainly attributable to the amortization of the deferred drydock and special survey costs, due to the increase in the number of vessels that underwent drydocking or special survey, partially mitigated by the decrease of certain extraordinary expenses, including crew related expenses and insurances.

Vessel operating expenses: Vessel operating expenses for the nine month period ended September 30, 2024, increased by \$10.6 million to \$259.2 million, as compared to \$248.6 million for the same period in 2023. The increase was mainly due to the change in the composition of our fleet with deliveries and sale of vessels and the adjustment of the fixed daily fee in accordance with the Management Agreements.

General and administrative expenses: General and administrative expenses increased by \$2.8 million to \$62.4 million for the nine month period ended September 30, 2024, as compared to \$59.6 million for the same period in 2023 in accordance with our Administrative Services Agreement.

Depreciation and amortization of intangible assets: Depreciation and amortization of intangible assets amounted to \$169.6 million for the nine month period ended September 30, 2024, as compared to \$162.8 million for the same period in 2023. The increase of \$6.8 million was mainly attributable to a: (i) \$10.1 million increase in depreciation expense due to the delivery of 20 vessels in 2023 and during the nine month period ended September 30, 2024; and (ii) \$2.9 million increase in depreciation expense mainly due to vessel improvements. The above increase was partially mitigated by: (i) a \$5.4 million decrease in depreciation expense due to the sale of 20 vessels in 2023 and during the nine month period ended September 30, 2024; and (ii) an \$0.8 million decrease in amortization of favorable lease terms. Depreciation of

vessels is calculated using an estimated useful life of 25 years for dry bulk and tanker vessels and 30 years for containerships, respectively, from the date the vessel was originally delivered from the shipyard.

Amortization of unfavorable lease terms: Amortization of unfavorable lease terms amounted to \$9.5 million and \$16.4 million for the nine month periods ended September 30, 2024 and 2023, respectively, related to the amortization of the fair value of the time charters with unfavorable lease terms as determined at the acquisition date of Navios Containers and at the date of obtaining control of Navios Maritime Acquisition Corporation.

Gain on sale of vessels, net: Gain on sale of vessels, net amounted to \$10.4 million for the nine month period ended September 30, 2024, relating to an \$18.0 million gain on sale of five of our vessels, partially mitigated by a \$7.6 million impairment loss of two of our vessels. Gain on sale of vessels, net amounted to \$50.8 million for the nine month period ended September 30, 2023, relating to a \$51.0 million gain on sale of 13 of our vessels, partially mitigated by a \$0.2 million impairment loss of one of our vessels.

Interest expense and finance cost, net: Interest expense and finance cost, net for the nine month period ended September 30, 2024 decreased by \$8.6 million to \$92.1 million, as compared to \$100.7 million for the same period in 2023. The decrease was mainly due to the decrease in the discount effect of long-term assets, the increase in interest expense capitalized related to deposits for vessel acquisitions, the decrease in interest expense incurred on credit facilities and financial liabilities and the decrease in amortization of finance charges and other finance costs, partially mitigated by the increase in interest expense incurred on finance lease liabilities. The weighted average interest rate for the nine month period ended September 30, 2024 decreased to 7.1% from 7.3% for the same period in 2023, while Navios Partner's weighted average loan balance increased to \$1,942.5 million for the nine month period ended September 30, 2024, as compared to the \$1,917.9 million for the same period in 2023.

Interest income: Interest income amounted to \$10.4 million for the nine month period ended September 30, 2024, as compared to \$7.4 million for the same period in 2023, mainly due to the increase of interest in time deposits.

Other income/ (expense), net: Other expense, net for the nine month period ended September 30, 2024 decreased by \$7.1 million to \$4.5 million, as compared to \$11.6 million for the same period in 2023, mainly due to the increase in foreign exchange gains.

Net income: Net income for the nine month period ended September 30, 2024 amounted to \$272.6 million as compared to \$301.3 million net income for the same period in 2023. The decrease in net income of \$28.7 million was due to the factors discussed above.

Off-Balance Sheet Arrangements

We have no off-balance sheet arrangements that have or are reasonably likely to have, a current or future material effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

Liquidity and Capital Resources

We anticipate that our primary sources of funds for our short-term liquidity needs will consist of cash flows from operations, our equity offerings, proceeds from asset sales, long-term bank borrowings and other debt raisings. In addition to distributions on our units and common unit repurchase program, our primary short-term liquidity needs are to fund general working capital requirements, cash reserve requirements including those under our credit facilities and debt service, while our long-term liquidity needs primarily relate to expansion and investment capital expenditures and other maintenance capital expenditures and debt repayment. As of September 30, 2024, Navios Partners' current assets totaled \$472.9 million, while current liabilities totaled \$418.9 million, resulting in a positive working capital position of \$54.0 million. Navios Partners' cash forecast indicates that it will generate sufficient cash through its contracted revenue, as of November 7, 2024, of \$3.9 billion and cash proceeds from the sale of vessels (see Note 4 - Vessels, net to the unaudited condensed consolidated financial statements included elsewhere in this report) to make the required principal and interest payments on its indebtedness, to make payments for capital expenditures, provide for the normal working capital requirements of the business for a period of at least 12 months from the date of issuance of our unaudited condensed consolidated financial statements.

Generally, our long-term sources of funds derive from cash from operations, long-term bank borrowings and other debt or equity financings to fund acquisitions and expansion and investment capital expenditures. We cannot assure you that we will be able to secure adequate financing or to obtain additional funds on favorable terms to meet our liquidity needs.

Cash deposits and cash equivalents in excess of amounts covered by government provided insurance are exposed to loss in the event of non-performance by financial institutions. Navios Partners does maintain cash deposits and cash equivalents in excess of government provided insurance limits. Navios Partners also minimizes exposure to credit risk by dealing with a diversified group of major financial institutions.

Navios Partners may use funds to repurchase its outstanding common units and/or indebtedness from time to time. Repurchases may be made in the open market, or through privately negotiated transactions or otherwise, in compliance with applicable laws, rules and regulations, at prices and on terms Navios Partners deems appropriate and subject to its cash requirements for other purposes, compliance with the covenants under Navios Partners' credit facilities, and other factors management deems relevant.

In July 2022, the Board of Directors of Navios Partners authorized a common unit repurchase program for up to \$100.0 million of Navios Partners' common units. Common unit repurchases will be made from time to time for cash in open market transactions at prevailing market prices or in privately negotiated transactions. The timing and amount of repurchases under the program will be determined by Navios Partners' management based upon market conditions and financial and other considerations, including working capital and planned or anticipated growth opportunities. The program does not require any minimum repurchase or any specific number of common units and may be suspended or reinstated at any time in the Navios Partners' discretion and without notice. The Board of Directors will review the program periodically. As of November 11, 2024, Navios Partners had repurchased 377,290 common units, for a total cost of approximately \$19.7 million.

The following table presents cash flow information derived from the unaudited condensed Consolidated Statements of Cash Flows of Navios Partners for the nine month periods ended September 30, 2024 and 2023.

	Nine Month Period Ended September 30, 2024	Nine Month Period Ended September 30, 2023
	(unaudited)	(unaudited)
	(In thousands of U.S. dollars)	
Net cash provided by operating activities	\$ 368,554	\$ 348,613
Net cash used in investing activities	(613,964)	(72,423)
Net cash provided by/ (used in) financing activities	290,193	(182,115)
Increase in cash, cash equivalents and restricted cash	\$ 44,783	\$ 94,075

Net cash provided by operating activities for the nine month period ended September 30, 2024 as compared to the net cash provided by operating activities for the nine month period ended September 30, 2023

Net cash provided by operating activities increased by \$20.0 million to \$368.6 million for the nine month period ended September 30, 2024, as compared to \$348.6 million for the same period in 2023. In determining net cash provided by operating activities, net income is adjusted for the effects of certain non-cash items as discussed below.

The aggregate adjustments to reconcile net income to net cash provided by operating activities were \$189.5 million of non-cash positive net adjustments for the nine month period ended September 30, 2024, which consisted mainly of the following adjustments: (i) \$169.6 million depreciation and amortization of intangible assets; (ii) \$45.4 million amortization of deferred drydock and special survey costs; and (iii) \$5.9 million amortization and write-off of deferred finance costs and discount. These adjustments were partially mitigated by: (i) \$10.4 million gain from sale of vessels, net; (ii) \$9.5 million amortization of unfavorable lease terms; (iii) \$8.7 million non-cash amortization of deferred revenue and straight-line effect of the containership and tanker charters with de-escalating rates; and (iv) \$2.8 million amortization of operating lease assets/ liabilities.

The net cash outflow resulting from the change in operating assets and liabilities of \$93.5 million for the nine month period ended September 30, 2024 resulted from: (i) a \$71.7 million in payments for drydock and special survey costs; (ii) a \$32.0 million decrease in amounts due to related parties; (iii) an \$8.4 million increase in amounts due from related parties (including current and non-current portion); (iv) a \$7.7 million decrease in accounts payable; and (v) a \$0.6 million decrease in accrued expenses. This was partially mitigated by a: (i) \$2.8 million increase in deferred revenue; (ii) \$9.1 million decrease in prepaid expenses and other current assets; and (iii) \$15.0 million decrease in accounts receivable.

The aggregate adjustments to reconcile net income to net cash provided by operating activities were \$184.2 million of non-cash positive net adjustments for the nine month period ended September 30, 2023, which consisted mainly of the following adjustments: (i) \$162.8 million depreciation and amortization of intangible assets; (ii) \$45.2 million non-cash amortization of deferred revenue and straight-line effect of the containership and tanker charters with de-escalating rates; (iii) \$30.4 million amortization of deferred drydock and special survey costs; (iv) \$7.8 million amortization of operating lease assets/liabilities; and (v) \$5.2 million amortization and write-off of deferred finance costs and discount. These adjustments were partially mitigated by: (i) \$50.8 million gain from sale of vessels, net; and (ii) \$16.4 million amortization of unfavorable lease terms.

The net cash outflow resulting from the change in operating assets and liabilities of \$136.9 million for the nine month period ended September 30, 2023 resulted from a: (i) \$104.7 million decrease in amounts due to related parties; (ii) \$66.1 million in payments for drydock and special survey costs; (iii) \$9.7 million decrease in accounts payable; and (iv) \$6.3 million decrease in deferred revenue. This was partially mitigated by a: (i) \$36.7 million decrease in accounts receivable; (ii) \$7.1 million decrease in prepaid expenses and other current assets; and (iii) \$6.1 million increase in accrued expenses.

Net cash used in investing activities for the nine month period ended September 30, 2024 as compared to the net cash used in investing activities for the nine month period ended September 30, 2023

Net cash used in investing activities for the nine month period ended September 30, 2024 amounted to \$614.0 million as compared to \$72.4 million net cash used in investing activities for the same period in 2023.

Net cash used in investing activities of \$614.0 million for the nine month period ended September 30, 2024 was mainly due to: (i) \$500.7 million related to vessels acquisitions and additions; and (ii) \$226.2 million related to deposits for the acquisition/ option to acquire vessels and capitalized expenses. This was partially mitigated by: (i) \$103.9 million proceeds related to the sale of five vessels; and (ii) a \$9.0 million decrease in time deposits with original maturities greater than three months.

Net cash used in investing activities of \$72.4 million for the nine month period ended September 30, 2023 was mainly due to: (i) \$225.9 million related to deposits for the acquisition/ option to acquire vessels and capitalized expenses; and (ii) \$83.9 million related to vessels' acquisitions and additions. This was partially mitigated by \$237.4 million of proceeds related to the sale of 13 vessels.

Net cash provided by financing activities for the nine month period ended September 30, 2024 as compared to net cash used in financing activities for the nine month period ended September 30, 2023

Net cash provided by financing activities increased by \$472.3 million to \$290.2 million inflow for the nine month period ended September 30, 2024, as compared to \$182.1 million outflow for the same period in 2023.

Net cash provided by financing activities of \$290.2 million for the nine month period ended September 30, 2024 was mainly due to \$679.2 million proceeds from the new credit facilities and sale and leaseback agreements. This was partially mitigated by: (i) \$361.6 million repayments of long-term debt and financial liabilities; (ii) \$15.0 million related to the acquisition of treasury units; (iii) \$7.8 million payments of deferred finance costs related to the new credit facilities and financial liabilities; and (iv) \$4.6 million payments for cash distributions.

Net cash used in financing activities of \$182.1 million for the nine month period ended September 30, 2023 was mainly due to: (i) \$708.1 million repayments of loans and financial liabilities; (ii) \$13.2 million payments of deferred finance costs related to the new credit facilities and financial liabilities; and (iii) \$4.6 million payments for cash distributions. This was partially mitigated by \$543.8 million of proceeds from the new credit facilities and sale and leaseback agreements.

Reconciliation of EBITDA and Adjusted EBITDA to Net Cash from Operating Activities, EBITDA and Operating Surplus

	Three Month Period Ended September 30, 2024 (unaudited)	Three Month Period Ended September 30, 2023 (unaudited)	Nine Month Period Ended September 30, 2024 (unaudited)	Nine Month Period Ended September 30, 2023 (unaudited)
(In thousands of U.S. dollars)				
Net cash provided by operating activities	\$ 142,639	\$ 120,270	\$ 368,554	\$ 348,613
Net increase in operating assets	30,449	32,481	56,013	22,288
Net (increase)/ decrease in operating liabilities	(8,581)	12,605	37,524	114,551
Net interest cost	29,214	28,535	81,718	93,289
Amortization and write-off of deferred finance cost	(2,191)	(1,625)	(5,900)	(5,243)
Amortization of operating lease assets/liabilities	190	(2,623)	2,784	(7,769)
Non-cash amortization of deferred revenue and straight-line	3,660	(15,974)	8,717	(45,222)
Stock-based compensation	—	(1)	—	(3)
Gain on sale of vessels, net	1,241	7,170	10,374	50,771
EBITDA⁽¹⁾	\$ 196,621	\$ 180,838	\$ 559,784	\$ 571,275
Gain on sale of vessels, net	(1,241)	(7,170)	(10,374)	(50,771)
Adjusted EBITDA⁽¹⁾	\$ 195,380	\$ 173,668	\$ 549,410	\$ 520,504
Cash interest income	2,951	3,241	9,131	6,718
Cash interest paid	(33,182)	(35,851)	(101,160)	(108,843)
Maintenance and replacement capital expenditures	(66,591)	(56,134)	(201,038)	(169,087)
Operating Surplus⁽²⁾	\$ 98,558	\$ 84,924	\$ 256,343	\$ 249,292

(1) EBITDA and Adjusted EBITDA

EBITDA represents net income before interest and finance costs, depreciation and amortization (including intangible accelerated amortization) and income taxes. Adjusted EBITDA represents EBITDA excluding certain items, as described in the table above. Navios Partners uses Adjusted EBITDA as a liquidity measure and reconciles EBITDA and Adjusted EBITDA to net cash provided by operating activities, the most comparable U.S. GAAP liquidity measure. EBITDA in this document is calculated as follows: net cash provided by operating activities adding back, when applicable and as the case may be, the effect of: (i) net increase in operating assets; (ii) net (increase)/decrease in operating liabilities; (iii) net interest cost; (iv) amortization and write-off of deferred finance costs and discount; (v) amortization of operating lease assets/ liabilities; (vi) non-cash amortization of deferred revenue and straight-line effect of the containership and tanker charters with de-escalating rates; (vii) stock-based compensation expense; and (viii) gain on sale of vessels, net. Navios Partners believes that EBITDA and Adjusted EBITDA are each the basis upon which liquidity can be assessed and presents useful information to investors regarding Navios Partners' ability to service and/or incur indebtedness, pay capital expenditures, meet working capital requirements and make cash distributions. Navios Partners also believes that EBITDA and Adjusted EBITDA are used: (i) by potential lenders to evaluate potential transactions; (ii) to evaluate and price potential acquisition candidates; and (iii) by securities analysts, investors and other interested parties in the evaluation of companies in our industry.

Each of EBITDA and Adjusted EBITDA have limitations as an analytical tool, and should not be considered in isolation or as a substitute for the analysis of Navios Partners' results as reported under U.S. GAAP. Some of these limitations are: (i) EBITDA and Adjusted EBITDA do not reflect changes in, or cash requirements for, working capital needs; and (ii) although depreciation and amortization are non-cash charges, the assets being depreciated and amortized may have to be replaced in the future. EBITDA and Adjusted EBITDA do not reflect any cash requirements for such capital expenditures. Because of these limitations, EBITDA and Adjusted EBITDA should not be considered as a principal indicator of Navios Partners' performance. Furthermore, our calculation of EBITDA and Adjusted EBITDA may not be comparable to that reported by other companies due to differences in methods of calculation.

EBITDA for the three month periods ended September 30, 2024 and 2023 was affected by the item described in the table above. Excluding this item, Adjusted EBITDA increased by \$21.7 million to \$195.4 million for the three month period

ended September 30, 2024, as compared to \$173.7 million for the same period in 2023. The increase in Adjusted EBITDA was primarily due to a: (i) \$17.6 million increase in time charter and voyage revenues; (ii) \$5.3 million increase in other income, net; (iii) \$5.0 million decrease in time charter and voyage expenses; and (iv) \$1.5 million decrease in direct vessel expenses (excluding the amortization of deferred drydock, special survey costs and other capitalized items). The above increase was partially mitigated by a: (i) \$6.1 million increase in vessel operating expenses mainly due to the change in the composition of our fleet with deliveries and sale of vessels and the adjustment of the fixed daily fee in accordance with our Management Agreements; and (ii) \$1.6 million increase in general and administrative expenses in accordance with our Administrative Services Agreement.

EBITDA for the nine month periods ended September 30, 2024 and 2023 was affected by the item described in the table above. Excluding this item, Adjusted EBITDA increased by \$28.9 million to \$549.4 million for the nine month period ended September 30, 2024, as compared to \$520.5 million for the same period in 2023. The increase in Adjusted EBITDA was primarily due to: (i) a \$21.9 million increase in time charter and voyage revenues; (ii) an \$8.6 million decrease in direct vessel expenses (excluding the amortization of deferred drydock, special survey costs and other capitalized items); (iii) a \$7.1 million decrease in other expense, net; and (iv) a \$4.7 million decrease in time charter and voyage expenses. The above increase was partially mitigated by a: (i) \$10.6 million increase in vessel operating expenses mainly due the change in the composition of our fleet with deliveries and sale of vessels and the adjustment of the fixed daily fee in accordance with our Management Agreements, partially mitigated by the sale of vessels; and (ii) \$2.8 million increase in general and administrative expenses in accordance with our Administrative Services Agreement.

(2) Operating Surplus

Navios Partners generated Operating Surplus for the three and nine month periods ended September 30, 2024 of \$98.6 million and of \$256.3 million, respectively. Operating Surplus for the three and nine month periods ended September 30, 2023 was \$84.9 million and \$249.3 million, respectively. Operating Surplus is a non-GAAP financial measure used by certain investors to assist in evaluating a partnership's ability to make quarterly cash distributions (See "Reconciliation of EBITDA and Adjusted EBITDA to Net Cash from Operating Activities, EBITDA and Operating Surplus" contained herein).

Operating Surplus represents net income adjusted for depreciation and amortization expense, non-cash interest expense, non-cash interest income, estimated maintenance and replacement capital expenditures and one-off items. Maintenance and replacement capital expenditures are those capital expenditures required to maintain over the long term the operating capacity of, or the revenue generated by, Navios Partners' capital assets.

Operating Surplus is a quantitative measure used in the publicly-traded partnership investment community to assist in evaluating a partnership's ability to make quarterly cash distributions. Operating Surplus is not required by accounting principles generally accepted in the United States and should not be considered a substitute for net income, cash flow from operating activities and other operations or cash flow statement data prepared in accordance with accounting principles generally accepted in the United States or as a measure of profitability or liquidity.

Capital Expenditures

Navios Partners finances its capital expenditures with cash flows from operations, equity offerings, proceeds from asset sales, long-term bank borrowings and other debt raisings. Capital expenditures for each of the nine month periods ended September 30, 2024 and 2023 amounted to \$726.9 million and \$309.8 million, respectively.

Maintenance for our vessels and expenses related to drydocking expenses are reimbursed at cost by Navios Partners to Navios Shipmanagement Inc. and its affiliates under the Management Agreements.

Maintenance and Replacement Capital Expenditures Reserve

The reserves for estimated maintenance and replacement capital expenditures for the three and nine month periods ended September 30, 2024 were \$66.6 million and \$201.0 million, respectively. We estimate that our annual replacement reserve for the year ending December 31, 2024 will be approximately \$265.4 million, for replacing our vessels at the end of their useful lives. The reserves for estimated maintenance and replacement capital expenditures for the three and nine month periods ended September 30, 2023 were \$56.1 million and \$169.1 million, respectively.

The amount for estimated replacement capital expenditures attributable to future vessel replacement was based on the following assumptions: (i) current market price to purchase a five-year-old vessel of similar size and specifications; (ii) a

25-year useful life for dry bulk and tanker vessels and a 30-year useful life for containerships; and (iii) a relative net investment rate.

The amount for estimated maintenance capital expenditures attributable to future vessel drydocking and special survey was based on certain assumptions including the remaining useful life of the owned vessels of our fleet, market costs of drydocking and special survey and a relative net investment rate.

Our Board of Directors, with the approval of the Conflicts Committee, may determine that one or more of our assumptions should be revised, which could cause our Board of Directors to increase or decrease the amount of estimated maintenance and replacement capital expenditures. The actual cost of replacing the vessels in our fleet will depend on a number of factors, including prevailing market conditions, charter hire rates and the availability and cost of financing at the time of replacement. We may elect to finance some or all of our maintenance and replacement capital expenditures through the issuance of additional common units, which could be dilutive to existing unitholders.

Limitations on Cash Distributions and Our Ability to Change Our Cash Distribution Policy

There is no guarantee that unitholders will receive quarterly distributions from us on the common units on any quarter.

Our ability to make distributions to our unitholders depends on the performance of our subsidiaries and their ability to distribute funds to us. The ability of our subsidiaries to make distributions to us may be restricted by, among other things, the provisions of existing and future indebtedness, applicable partnership and limited liability company laws and other laws and regulations.

See Note 13 – Cash distributions and earnings per unit to the unaudited condensed consolidated financial statements included elsewhere in this report.

Quantitative and Qualitative Disclosures about Market Risks

Foreign Exchange Risk

Our functional and reporting currency is the U.S. dollar. We engage in worldwide commerce with a variety of entities. Although our operations may expose us to certain levels of foreign currency risk, our transactions are predominantly U.S. dollar denominated. Transactions in currencies other than U.S. dollars are translated at the exchange rate in effect at the date of each transaction. Differences in exchange rates during the period between the date a transaction denominated in a foreign currency is consummated and the date on which it is either settled or translated, are recognized.

Interest Rate Risk

Interest rates have increased significantly as central banks in Europe, United States and other developed countries have raised interest rates in an effort to reduce the inflation effect. The tighter monetary policy and higher long-term interest rates result in a higher cost of capital for our business.

Borrowings under certain of our credit facilities and financial liabilities bear interest at a rate based on a premium over Secured Overnight Financing Rate (“SOFR”). Therefore, we are exposed to the risk that our interest expense may increase if interest rates rise. For the nine month periods ended September 30, 2024 and 2023, we paid interest on our outstanding debt at a weighted average interest rate of 7.1% and 7.3%, respectively. A 1% increase in SOFR would have increased our interest expense for the nine month periods ended September 30, 2024 and 2023 by \$10.6 million and \$10.3 million, respectively.

Concentration of Credit Risk

Financial instruments, which potentially subject us to significant concentrations of credit risk, consist principally of trade accounts receivable. We closely monitor our exposure to customers for credit risk. We have policies in place to ensure that we trade with customers with an appropriate credit history.

For the nine month period ended September 30, 2024, ZIM Integrated Shipping Services Ltd. represented approximately 10.3% of our total revenues. For the nine month period ended September 30, 2023, no customer accounted for 10.0% or more of our total revenues. No other customers accounted for 10.0% or more of our total revenues for any of the periods presented.

If we lose a charter, we may be unable to re-deploy the related vessel on terms as favorable to us due to the long-term nature of most charters and the cyclical nature of the industry or we may be forced to charter the vessel on the spot market at then market rates which may be less favorable than the charter that has been terminated. If we are unable to re-deploy a vessel for which the charter has been terminated, we will not receive any revenues from that vessel, but we may be required to pay expenses necessary to maintain the vessel in proper operating condition. If we lose a vessel, any replacement or newbuilding would not generate revenues during its construction acquisition period, and we may be unable to charter any replacement vessel on terms as favorable to us as those of the terminated charter.

Even if we successfully charter our vessels in the future, our charterers may go bankrupt or fail to perform their obligations under the charter agreements, they may delay payments or suspend payments altogether, they may terminate the charter agreements prior to the agreed-upon expiration date or they may attempt to renegotiate the terms of the charters. The permanent loss of a customer, time charter or vessel, or a decline in payments under our charters, could have a material adverse effect on our business, results of operations and financial condition and our ability to make cash distributions in the event we are unable to replace such customer, time charter or vessel. For further details, please read “Risk Factors” in our Annual Report.

Recent Accounting Pronouncements

The Company’s recent accounting pronouncements are included in the accompanying notes to the unaudited condensed consolidated financial statements included elsewhere in this report.

Critical Accounting Policies

Our financial statements have been prepared in accordance with U.S. GAAP. The preparation of these financial statements requires us to make estimates in the application of our accounting policies based on the best assumptions, judgments and opinions of management. Actual results may differ from these estimates under different assumptions or conditions.

Critical accounting policies are those that reflect significant judgments or uncertainties, and potentially result in materially different results under different assumptions and conditions. All significant accounting policies are as described in Note 2 – Summary of significant accounting policies to the notes to the consolidated financial statements included in the Company’s Annual Report and in Note 2 – Summary of significant accounting policies included in the accompanying notes to the unaudited condensed consolidated financial statements included elsewhere in this report.

Exhibit List

Exhibit No.	Description
99.1*	<u>Loan Agreement No 491, dated September 27 2024, by and among Theros Ventures Limited, Samothrace Shipping Corporation, Fantastiks Shipping Corporation, Spetses Marine Shipping Corporation as joint and several Borrowers and Eurobank S.A. as Agent and Security Trustee and the Banks and Financial Institutions as listed therein</u>
99.2*	<u>Term Loan Facility Agreement, dated September 19 2024, by and among Samos Shipping Corporation, Shinyo Saowalak Limited, Shinyo Kieran Limited, Lefkada Shipping Corporation, Jaspero Shiptrade S.A., Thetida Marine Co., Elafonisos Shipping Corporation as joint and several Borrowers and National Bank of Greece S.A. as Lender.</u>

* Filed herewith

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NAVIOS MARITIME PARTNERS L.P.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Expressed in thousands of U.S. Dollars except unit data)

	Notes	September 30, 2024 (unaudited)	December 31, 2023
ASSETS			
Current assets			
Cash and cash equivalents	3	\$ 293,146	\$ 240,378
Restricted cash	3	812	8,797
Other investments	3	37,976	47,000
Assets held for sale	4	13,140	—
Accounts receivable, net		27,178	42,237
Prepaid expenses and other current assets	12	52,130	61,336
Amounts due from related parties	12	48,478	—
Total current assets		472,860	399,748
Vessels, net	4, 12	4,064,606	3,734,671
Deposits for vessels acquisitions	11, 12	477,376	434,134
Other long-term assets	11, 12	67,542	62,111
Deferred drydock and special survey costs, net	12	169,455	145,932
Amounts due from related parties	12	—	39,570
Intangible assets	5	46,813	60,431
Operating lease assets	14	249,881	270,969
Total non-current assets		5,075,673	4,747,818
Total assets		\$ 5,548,533	\$ 5,147,566
LIABILITIES AND PARTNERS' CAPITAL			
Current liabilities			
Accounts payable		\$ 17,775	\$ 25,488
Accrued expenses		23,049	23,608
Deferred revenue		62,905	63,306
Operating lease liabilities, current portion	14	25,258	30,136
Amounts due to related parties	12	—	32,026
Current portion of financial liabilities, net	6	116,404	138,696
Current portion of long-term debt, net	6	173,470	146,340
Total current liabilities		418,861	459,600
Operating lease liabilities, net	14	221,608	240,602
Unfavorable lease terms	5	18,471	27,984
Long-term financial liabilities, net	6	853,830	824,646
Long-term debt, net	6	938,581	751,781
Deferred revenue		58,798	63,915
Other long-term liabilities		14,958	8,586
Total non-current liabilities		2,106,246	1,917,514
Total liabilities		\$ 2,525,107	\$ 2,377,114
Commitments and contingencies	11	—	—
Partners' capital:			
Common Unitholders (29,887,933 and 30,184,388 common units outstanding as of September 30, 2024 and December 31, 2023, respectively)	1, 9	2,972,051	2,724,436
General Partner (622,296 general partnership units outstanding at each of September 30, 2024 and December 31, 2023)	1	51,375	46,016
Total partners' capital		3,023,426	2,770,452
Total liabilities and partners' capital		\$ 5,548,533	\$ 5,147,566

See unaudited notes to the condensed consolidated financial statements

NAVIOS MARITIME PARTNERS L.P.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Expressed in thousands of U.S. Dollars except per unit data)

	Notes	Three Month Period Ended September 30, 2024 (unaudited)	Three Month Period Ended September 30, 2023 (unaudited)	Nine Month Period Ended September 30, 2024 (unaudited)	Nine Month Period Ended September 30, 2023 (unaudited)
Time charter and voyage revenues	2, 12, 14	\$ 340,835	\$ 323,176	\$ 1,001,545	\$ 979,636
Time charter and voyage expenses	14	(34,941)	(39,877)	(116,896)	(121,596)
Direct vessel expenses	12	(18,115)	(15,941)	(54,584)	(48,145)
Vessel operating expenses (entirely through related parties transactions)	12	(88,963)	(82,856)	(259,156)	(248,622)
General and administrative expenses	12	(21,102)	(19,524)	(62,430)	(59,559)
Depreciation and amortization of intangible assets	4, 5	(57,674)	(54,513)	(169,558)	(162,768)
Amortization of unfavorable lease terms	5	3,206	3,521	9,513	16,431
Gain on sale of vessels, net	4	1,241	7,170	10,374	50,771
Interest expense and finance cost, net	7	(32,608)	(31,849)	(92,104)	(100,703)
Interest income		3,394	3,314	10,386	7,414
Other income/ (expense), net		2,482	(2,840)	(4,505)	(11,605)
Net income		\$ 97,755	\$ 89,781	\$ 272,585	\$ 301,254

	Three Month Period Ended September 30, 2024 (unaudited)	Three Month Period Ended September 30, 2023 (unaudited)	Nine Month Period Ended September 30, 2024 (unaudited)	Nine Month Period Ended September 30, 2023 (unaudited)
Net income				
Common Unitholders	\$ 95,800	\$ 87,985	\$ 267,133	\$ 295,230
General Partner	1,955	1,796	5,452	6,024
Net income	\$ 97,755	\$ 89,781	\$ 272,585	\$ 301,254

	Three Month Period Ended September 30, 2024 (unaudited)	Three Month Period Ended September 30, 2023 (unaudited)	Nine Month Period Ended September 30, 2024 (unaudited)	Nine Month Period Ended September 30, 2023 (unaudited)
Earnings per unit (see Note 13):				
Earnings per common unit, basic	\$ 3.20	\$ 2.92	\$ 8.87	\$ 9.78
Earnings per common unit, diluted	\$ 3.20	\$ 2.91	\$ 8.87	\$ 9.78

See unaudited notes to the condensed consolidated financial statements

NAVIOS MARITIME PARTNERS L.P.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in thousands of U.S. Dollars)

	Notes	Nine Month Period Ended September 30, 2024 (unaudited)	Nine Month Period Ended September 30, 2023 (unaudited)
OPERATING ACTIVITIES:			
Net income		\$ 272,585	\$ 301,254
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization of intangible assets	4, 5	169,558	162,768
Amortization of unfavorable lease terms	5	(9,513)	(16,431)
Non-cash amortization of deferred revenue and straight line		(8,717)	45,222
Amortization of operating lease assets/ liabilities	14	(2,784)	7,769
Amortization and write-off of deferred finance costs and discount		5,900	5,243
Amortization of deferred drydock and special survey costs		45,436	30,395
Gain on sale of vessels, net	4	(10,374)	(50,771)
Stock-based compensation		—	3
Changes in operating assets and liabilities:			
Decrease in accounts receivable		15,059	36,697
Decrease in prepaid expenses and other current assets		9,099	7,068
(Increase)/ decrease in amounts due from related parties (including current and non-current portion)	12	(8,440)	16
Payments for drydock and special survey costs		(71,731)	(66,069)
Decrease in accounts payable		(7,716)	(9,681)
(Decrease)/ increase in accrued expenses		(558)	6,142
Increase/ (decrease) in deferred revenue		2,756	(6,261)
Decrease in amounts due to related parties	12	(32,006)	(104,751)
Net cash provided by operating activities		368,554	348,613
INVESTING ACTIVITIES:			
Net cash proceeds from sale of vessels	4	103,944	237,422
Other investments	3	9,024	—
Deposits for acquisition/ option to acquire vessel	11	(226,258)	(225,915)
Acquisition of/ additions to vessels	4, 12	(500,674)	(83,930)
Net cash used in investing activities		(613,964)	(72,423)
FINANCING ACTIVITIES:			
Cash distributions paid	13	(4,611)	(4,620)
Repayment of long-term debt and financial liabilities	6	(361,636)	(708,111)
Payments of deferred finance costs	6	(7,751)	(13,187)
Proceeds from long-term debt and financial liabilities	6	679,191	543,803
Acquisition of treasury units	9	(15,000)	—
Net cash provided by/ (used in) financing activities		290,193	(182,115)
Increase in cash, cash equivalents and restricted cash		44,783	94,075
Cash, cash equivalents and restricted cash, beginning of period		249,175	175,098
Cash, cash equivalents and restricted cash, end of period		\$ 293,958	\$ 269,173

See unaudited notes to the condensed consolidated financial statements

NAVIOS MARITIME PARTNERS L.P.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in thousands of U.S. Dollars)

	Nine Month Period Ended September 30, 2024 (unaudited)	Nine Month Period Ended September 30, 2023 (unaudited)
Supplemental disclosures of cash flow information		
Cash interest paid	\$ 101,160	\$ 108,843
Non cash financing activities		
Stock-based compensation	\$ —	\$ 3
Financial and finance lease liabilities	\$ 27,463	\$ 202,373
Non cash investing activities		
Deposits for acquisition/ option to acquire vessel	\$ 180,286	\$ —
Acquisition of vessels	\$ (252,267)	\$ (230,257)

See unaudited notes to the condensed consolidated financial statements

NAVIOS MARITIME PARTNERS L.P.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN PARTNERS' CAPITAL
(Expressed in thousands of U.S. Dollars except unit and per unit data)

	Limited Partners				Total Partners' Capital
	General Partner		Common Unitholders		
	Units	Amount	Units	Amount	
Balance, December 31, 2023	622,296	\$ 46,016	30,184,388	\$ 2,724,436	\$ 2,770,452
Cash distribution paid (\$0.05 per unit—see Note 13)	—	(31)	—	(1,509)	(1,540)
Net income	—	1,467	—	71,894	73,361
Balance, March 31, 2024	622,296	\$ 47,452	30,184,388	\$ 2,794,821	\$ 2,842,273
Cash distribution paid (\$0.05 per unit—see Note 13)	—	(31)	—	(1,509)	(1,540)
Acquisition of treasury units (see Note 9)	—	—	(100,538)	(5,000)	(5,000)
Net income	—	2,030	—	99,439	101,469
Balance, June 30, 2024	622,296	\$ 49,451	30,083,850	\$ 2,887,751	\$ 2,937,202
Cash distribution paid (\$0.05 per unit—see Note 13)	—	(31)	—	(1,500)	(1,531)
Acquisition of treasury units (see Note 9)	—	—	(195,917)	(10,000)	(10,000)
Net income	—	1,955	—	95,800	97,755
Balance, September 30, 2024	622,296	\$ 51,375	29,887,933	\$ 2,972,051	\$ 3,023,426

	Limited Partners				Total Partners' Capital
	General Partner		Common Unitholders		
	Units	Amount	Units	Amount	
Balance, December 31, 2022	622,296	\$ 37,469	30,184,388	\$ 2,305,494	\$ 2,342,963
Cash distribution paid (\$0.05 per unit—see Note 13)	—	(31)	—	(1,509)	(1,540)
Stock-based compensation	—	—	—	1	1
Net income	—	1,982	—	97,183	99,165
Balance, March 31, 2023	622,296	\$ 39,420	30,184,388	\$ 2,401,169	\$ 2,440,589
Cash distribution paid (\$0.05 per unit—see Note 13)	—	(31)	—	(1,509)	(1,540)
Stock-based compensation	—	—	—	1	1
Net income	—	2,246	—	110,062	112,308
Balance, June 30, 2023	622,296	\$ 41,635	30,184,388	\$ 2,509,723	\$ 2,551,358
Cash distribution paid (\$0.05 per unit—see Note 13)	—	(31)	—	(1,509)	(1,540)
Stock-based compensation	—	—	—	1	1
Net income	—	1,796	—	87,985	89,781
Balance, September 30, 2023	622,296	\$ 43,400	30,184,388	\$ 2,596,200	\$ 2,639,600

See unaudited notes to the condensed consolidated financial statements

NAVIOS MARITIME PARTNERS L.P.
UNAUDITED NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in thousands of U.S. Dollars except unit and per unit data)

NOTE 1 – DESCRIPTION OF BUSINESS

Navios Maritime Partners L.P. (“Navios Partners” or the “Company”), is an international owner and operator of dry cargo and tanker vessels, formed on August 7, 2007 under the laws of the Republic of the Marshall Islands.

Navios Partners is engaged in the seaborne transportation services of a wide range of liquid and dry cargo commodities including crude oil, refined petroleum, chemicals, iron ore, coal, grain, fertilizer and also containers, chartering its vessels under short, medium and longer-term charters. The operations of Navios Partners are managed by Navios Shipmanagement Inc. and its affiliates (the “Manager”), which are entities affiliated with the Company’s Chairwoman and Chief Executive Officer (see Note 12 – Transactions with related parties and affiliates).

As of September 30, 2024, there were outstanding 29,887,933 common units and 622,296 general partnership units. Angeliki Frangou, our Chief Executive Officer and Chairwoman beneficially owns an approximately 16.9% common interest of the total outstanding common units including 4,672,314 common units held through four entities affiliated with her. An entity affiliated with Angeliki Frangou beneficially owns 622,296 general partnership units, representing an approximately 2.0% ownership interest in Navios Partners based on all outstanding common units and general partnership units (see Note 12 – Transactions with related parties and affiliates).

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of presentation: The accompanying interim condensed consolidated financial statements are unaudited, but, in the opinion of management, reflect all adjustments for a fair statement of Navios Partners’ consolidated balance sheets, statement of partners’ capital, statements of operations and cash flows for the periods presented. The results of operations for the interim periods are not necessarily indicative of results for the full year. The footnotes are condensed as permitted by the requirements for interim financial statements and accordingly, do not include information and disclosures required under United States generally accepted accounting principles (“U.S. GAAP”) for complete financial statements. All such adjustments are deemed to be of a normal recurring nature. These interim financial statements should be read in conjunction with the Company’s consolidated financial statements and notes included in Navios Partners’ annual report for the year ended December 31, 2023 filed on Form 20-F on April 3, 2024 (the “Annual Report”) with the U.S. Securities and Exchange Commission (“SEC”).

Based on internal forecasts and projections that take into account reasonably possible changes in Company’s trading performance, management believes that the Company has adequate financial resources, including cash from sale of vessels (see Note 4 – Vessels, net) to continue in operation and meet its financial commitments, including but not limited to capital expenditures and debt service obligations, for a period of at least 12 months from the date of issuance of these condensed consolidated financial statements. Accordingly, the Company continues to adopt the going concern basis in preparing its financial statements.

Following Russia’s invasion of Ukraine in February 2022, the United States, the European Union, the United Kingdom and other countries have announced sanctions against Russia, and may impose wider sanctions and take other actions in the future. To date, no apparent consequences have been identified on the Company’s business. It should be noted that since the Company employs Ukrainian and Russian seafarers, it may face problems in relation to their employment, repatriation, salary payments and be subject to claims in this regard. In addition, the increased attacks in the Red Sea caused ships to avoid the use of the Red Sea and transits of the Suez Canal. Notwithstanding the foregoing and Israel’s war in Gaza, it is possible that these tensions and activities might eventually have an adverse impact on the Company’s business, financial condition, results of operations and cash flows.

Interest rates have increased significantly as central banks in Europe, United States and other developed countries have raised interest rates. The tighter monetary policy and higher long-term interest rates result in a higher cost of capital for the Company.

(b) Principles of consolidation: The accompanying interim condensed consolidated financial statements include Navios Partners’ wholly owned subsidiaries incorporated under the laws of the Republic of the Marshall Islands, Liberia, Malta, Delaware, Cayman Islands, Hong Kong, British Virgin Islands, Luxemburg and Belgium from their dates of incorporation or from the date of acquiring control or, for chartered-in vessels, from the dates charter-in agreements were in effect. All significant inter-company balances and transactions have been eliminated in Navios Partners’ condensed consolidated financial statements.

NAVIOS MARITIME PARTNERS L.P.
UNAUDITED NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in thousands of U.S. Dollars except unit and per unit data)

Navios Partners also consolidates entities that are determined to be variable interest entities (“VIE”) as defined in the accounting guidance, if it determines that it is the primary beneficiary. A VIE is defined as a legal entity where either (i) equity interest holders as a group lack the characteristics of a controlling financial interest, including decision making ability and an interest in the entity’s residual risks and rewards, (ii) the equity holders have not provided sufficient equity investment to permit the entity to finance its activities without additional subordinated financial support, or (iii) the voting rights of some investors are not proportional to their obligations to absorb the expected losses of the entity, their rights to receive the expected residual returns of the entity, or both and substantially all of the entity’s activities either involve or are conducted on behalf of an investor that has disproportionately few voting rights.

Subsidiaries: Subsidiaries are those entities in which Navios Partners has an interest of more than one half of the voting rights or otherwise has power to govern the financial and operating policies of the entity.

A discussion of the Company’s significant accounting policies can be found in Note 2 – Summary of significant accounting policies to the Company’s consolidated financial statements included in the Annual Report. There have been no material changes to these policies in the nine month period ended September 30, 2024, apart from those discussed below:

Treasury units: Treasury units are units that are repurchased by the issuing entity, reducing the number of outstanding units in the open market. When units are repurchased, they may either be cancelled or held for reissue. If not cancelled, such units are referred to as treasury units. Treasury units are essentially the same as unissued capital and reduces ordinary partners’ capital. The cost of the acquired units is shown as a deduction from common unitholders’ capital. Dividends on such units held in the entity’s treasury are not reflected as income and not shown as a reduction in partners’ capital. Gains and losses on sales of treasury units are accounted for as adjustments to partners’ capital and not as part of income. Depending on whether the units are acquired for reissuance or retirement, treasury units is accounted for under the cost method or the constructive retirement method. The cost method is also used, when reporting entity management has not made decisions as to whether the reacquired units will be retired, held indefinitely or reissued. The Company has elected for the repurchase of its common units to be accounted for under the cost method. Under this method, the treasury units account is charged for the aggregate cost of units reacquired.

(c) Revenue and Expense Recognition:

Revenue from time chartering and bareboat chartering

Revenues from time chartering and bareboat chartering of vessels are accounted for as operating leases and are thus recognized on a straight line basis as the average lease revenue over the rental periods of such charter agreements, as service is performed. A time charter involves placing a vessel at the charterers’ disposal for a period of time during which the charterer uses the vessel in return for the payment of a specified daily hire rate. Short period charters for less than three months are referred to as spot-charters. Charters extending three months to a year are generally referred to as medium-term charters. All other charters are considered long-term. The Company has determined to recognize lease revenue as a combined single lease component for all time charters (operating leases) as the related lease component and non-lease components will have the same timing and pattern of the revenue recognition of the combined single lease component. The performance obligations in a time charter contract are satisfied over term of the contract beginning when the vessel is delivered to the charterer until it is redelivered back to the Company. Under time charters, operating costs such as for crews, maintenance and insurance are typically paid by the owner of the vessel. Revenue from time chartering and bareboat chartering of vessels amounted to \$318,068 and \$287,912 for the three month periods ended September 30, 2024 and 2023, respectively. Revenue from time chartering and bareboat chartering of vessels amounted to \$889,764 and \$856,273 for the nine month periods ended September 30, 2024 and 2023, respectively.

Revenue from voyage charters

Under a voyage charter, a vessel is provided for the transportation of specific goods between specific ports in return for payment of an agreed upon freight per ton of cargo. In accordance with ASC 606, the Company recognizes revenue ratably from port of loading to when the charterer’s cargo is discharged as well as defer costs that meet the definition of “costs to fulfill a contract” and relate directly to the contract. Revenue from voyage contracts amounted to \$13,532 and \$25,420 for the three month periods ended September 30, 2024 and 2023, respectively. Revenue from voyage contracts amounted to \$84,402 and \$80,472 for the nine month periods ended September 30, 2024 and 2023, respectively.

NAVIOS MARITIME PARTNERS L.P.
UNAUDITED NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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Revenue from pooling arrangements

For vessels operating in pooling arrangements, the Company earns a portion of total revenues generated by the pool, net of expenses incurred by the pool. The amount allocated to each pool participant vessel, including the Company's vessels, is determined in accordance with an agreed-upon formula, which is determined by points awarded to each vessel in the pool based on the vessel's age, design and other performance characteristics. Revenue under pooling arrangements is accounted for as variable rate operating leases under the scope of ASC 842 and is recognized for the applicable period when collectability is reasonably assured. The allocation of such net revenue may be subject to future adjustments by the pool however, such changes are not expected to be material. The Company recognizes net pool revenue on a monthly and quarterly basis, when the vessel has participated in a pool during the period and the amount of pool revenue can be estimated reliably based on the pool report. Revenue from vessels operating in pooling arrangements amounted to \$9,235 and \$9,818 for the three month periods ended September 30, 2024 and 2023, respectively. Revenue from vessels operating in pooling arrangements amounted to \$27,379 and \$42,815 for the nine month periods ended September 30, 2024 and 2023, respectively.

Revenue from profit-sharing

Profit-sharing revenues are calculated at an agreed percentage of the excess of the charterer's average daily income (calculated on a quarterly or semi-annual basis) over an agreed amount and accounted for on an accrual basis based on provisional amounts and for those contracts that provisional accruals cannot be made due to the nature of the profit sharing elements, these are accounted for on the actual cash settlement or when such revenue becomes determinable. Profit-sharing revenue amounted to \$0 and \$26 for the three month periods ended September 30, 2024 and 2023, respectively. Profit-sharing revenue amounted to \$0 and \$76 for the nine month periods ended September 30, 2024 and 2023, respectively.

Revenues are recorded net of address commissions. Address commissions represent a discount provided directly to the charterers based on a fixed percentage of the agreed upon charter or freight rate. Since address commissions represent a discount (sales incentive) on services rendered by the Company and no identifiable benefit is received in exchange for the consideration provided to the charterer, these commissions are presented as a reduction of revenue.

Recent Accounting Pronouncements:

These condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and related notes included in Navios Partners' Annual Report.

NOTE 3 – CASH AND CASH EQUIVALENTS AND RESTRICTED CASH AND OTHER INVESTMENTS

	September 30, 2024	December 31, 2023
Cash and cash equivalents	\$ 293,146	\$ 240,378
Restricted cash	812	8,797
Total cash and cash equivalents and restricted cash	\$ 293,958	\$ 249,175

Restricted cash relates to amounts held in retention accounts in order to service debt and interest payments, as required by certain of the Company's credit facilities and financial liabilities.

Cash deposits and cash equivalents in excess of amounts covered by government-provided insurance are exposed to loss in the event of non-performance by financial institutions. Navios Partners does maintain cash deposits and equivalents in excess of government-provided insurance limits. Navios Partners also minimizes exposure to credit risk by dealing with a diversified group of major financial institutions.

Other investments consist of time deposits with original maturities of greater than three months and less than 12 months. As of September 30, 2024 and December 31, 2023, other investments amounted to \$37,976 and \$47,000, respectively.

NAVIOS MARITIME PARTNERS L.P.
UNAUDITED NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in thousands of U.S. Dollars except unit and per unit data)

NOTE 4 – VESSELS, NET

Total Vessels	Cost	Accumulated Depreciation	Net Book Value
Balance December 31, 2023	\$ 4,423,461	\$ (688,790)	\$ 3,734,671
Additions/ Remeasurement of finance lease liability/ (Depreciation)	752,941	(155,639)	597,302
Disposals/ Transfers to owned vessels	(298,890)	44,547	(254,343)
Transfer to assets held for sale	(13,024)	—	(13,024)
Balance September 30, 2024	\$ 4,864,488	\$ (799,882)	\$ 4,064,606

The above balances as of September 30, 2024 are analyzed in the following tables:

Owned Vessels	Cost	Accumulated Depreciation	Net Book Value
Balance December 31, 2023	\$ 3,782,032	\$ (656,531)	\$ 3,125,501
Additions/ (Depreciation)	727,515	(138,051)	589,464
Disposals	(115,970)	25,163	(90,807)
Transfer to assets held for sale	(13,024)	—	(13,024)
Balance September 30, 2024	\$ 4,380,553	\$ (769,419)	\$ 3,611,134

Right-of-use assets under finance lease	Cost	Accumulated Depreciation	Net Book Value
Balance December 31, 2023	\$ 641,429	\$ (32,259)	\$ 609,170
Remeasurement of finance lease liability/ (Depreciation)	25,426	(17,588)	7,838
Transfers to owned vessels	(182,920)	19,384	(163,536)
Balance September 30, 2024	\$ 483,935	\$ (30,463)	\$ 453,472

Right-of-use assets under finance leases are calculated at an amount equal to the corresponding finance liability, increased with the allocated excess value, the initial direct costs and adjusted for the carrying amount of the straight-line effect of finance liability as well as the favorable and unfavorable lease terms derived from charter-in agreements.

During the nine month periods ended September 30, 2024 and 2023, the Company capitalized certain extraordinary fees and costs related to vessels' regulatory requirements, including ballast water treatment system installation, exhaust gas cleaning system installation and other improvements, that amounted to \$19,346 and \$34,470, respectively, and are presented under the caption "Acquisition of/ additions to vessels" in the condensed Consolidated Statements of Cash Flows (see Note 12 – Transactions with related parties and affiliates).

Acquisition of Vessels

2024

During the three month period ended September 30, 2024, Navios Partners paid an amount of \$30,762 to acquire from an unrelated third party, on September 2, 2024, the Navios Amber, a 2015-built Kamsarmax vessel of 80,994 dwt, which was previously accounted for as a right-of-use asset under a finance lease. On the same date, the Company derecognized the right-of-use asset under the finance lease and recognized the vessel at an aggregate cost of \$42,263.

On August 26, 2024, Navios Partners took delivery of the Zim Seagull, a 2024-built 5,300 TEU Containership from an unrelated third party, for an acquisition cost of \$67,181 (including \$5,581 capitalized expenses).

On August 12, 2024, Navios Partners took delivery of the Nave Polaris, a 2024-built Aframax/LR2 tanker vessel of 115,699 dwt from an unrelated third party, for an acquisition cost of \$67,713 (including \$5,055 capitalized expenses).

On July 31, 2024, Navios Partners took delivery of the Zim Pelican, a 2024-built 5,300 TEU Containership, from an unrelated third party, for an acquisition cost of \$67,610 (including \$6,010 capitalized expenses).

During the nine month period ended September 30, 2024, Navios Partners paid an amount of \$29,115 to acquire from an unrelated third party, on July 31, 2024, the Navios Dolphin, a 2017-built Kamsarmax vessel of 81,630 dwt, which was previously accounted for as a right-of-use asset under a finance lease. On the same date, the Company derecognized the right-of-use asset under the finance lease and recognized the vessel at an aggregate cost of \$40,834.

NAVIOS MARITIME PARTNERS L.P.
UNAUDITED NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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On July 4, 2024, Navios Partners took delivery of the Zim Falcon, a 2024-built 5,300 TEU Containership, from an unrelated third party, for an acquisition cost of \$67,484 (including \$5,884 capitalized expenses).

During the nine month period ended September 30, 2024, Navios Partners paid an amount of \$29,159 to acquire from an unrelated third party, on July 3, 2024, the Navios Citrine, a 2017-built Kamsarmax vessel of 81,626 dwt, which was previously accounted for as a right-of-use asset under a finance lease. On the same date, the Company derecognized the right-of-use asset under the finance lease and recognized the vessel at an aggregate cost of \$40,806.

In June 2024, Navios Partners agreed to acquire from an unrelated third party the Navios Venus, a 2015-built Ultra-Handymax vessel of 61,339 dwt, which was previously chartered-in and accounted for as a right-of-use asset under operating lease. In accordance with the provisions of ASC 842, the Company accounted the transaction as a lease modification and upon reassessment of the classification of the lease, the Company has classified the above transaction as a finance lease, as of the effective date of the modification. Following the reassessment performed, the Company recognized a right-of-use asset at \$27,463, being an amount equal to the finance lease liability (see Note 6 – Borrowings). The acquisition is expected to be completed during the fourth quarter of 2024.

During the three month period ended June 30, 2024, Navios Partners paid an amount of \$28,789 to acquire from an unrelated third party, on June 3, 2024, the Navios Coral, a 2016-built Kamsarmax vessel of 84,904 dwt, which was previously accounted for as a right-of-use asset under a finance lease. On the same date, the Company derecognized the right-of-use asset under the finance lease and recognized the vessel at an aggregate cost of \$40,495.

On June 3, 2024, Navios Partners took delivery of the Zim Hawk, a 2024-built 5,300 TEU Containership, from an unrelated third party, for an acquisition cost of \$69,083 (including \$6,258 capitalized expenses).

On May 13, 2024, Navios Partners took delivery of the Nave Cosmos, a 2024-built Aframax/LR2 tanker vessel of 115,651 dwt, from an unrelated third party, for an acquisition cost of \$67,868 (including \$5,210 capitalized expenses).

On April 8, 2024, Navios Partners took delivery of the Zim Condor, a 2024-built 5,300 TEU Containership, from an unrelated third party, for an acquisition cost of \$69,143 (including \$6,318 capitalized expenses).

On January 25, 2024, Navios Partners took delivery of the Zim Eagle, a 2024-built 5,300 TEU Containership, from an unrelated third party, for an acquisition cost of \$67,707 (including \$6,107 capitalized expenses).

2023

In August 2023, Navios Partners agreed to acquire from an unrelated third party the Navios Horizon I, a 2019-built Kamsarmax vessel of 81,692 dwt, which was previously chartered-in and accounted for as a right-of-use asset under operating lease. In accordance with the provisions of ASC 842, the Company accounted the transaction as a lease modification and upon reassessment of the classification of the lease, the Company has classified the above transaction as finance lease, as of the effective date of the modification. Following the reassessment performed, the Company recognized a right-of-use asset at \$27,561, being an amount equal to the finance lease liability. The acquisition was completed in October 2023.

On June 21, 2023, Navios Partners took delivery of the Navios Amethyst, a 2023-built Capesize vessel of 182,212 dwt, from an unrelated third party, by entering into a 15-year bareboat charter-in agreement which provides for purchase options with de-escalating purchase prices. Navios Partners accounted for the bareboat charter-in agreement as a finance lease, and recognized a right of use asset at \$63,690, being an amount equal to the initial measurement of the finance lease liability increased by the amount of \$2,346, which was prepaid before the lease commencement.

On April 27, 2023, Navios Partners took delivery of the Navios Sakura, a 2023-built Capesize vessel of 182,169 dwt, from an unrelated third party by entering into a 15-year bareboat charter-in agreement which provides for purchase options with de-escalating purchase prices. Navios Partners accounted for the bareboat charter-in agreement as a finance lease, and recognized a right of use asset at \$49,770, being an amount equal to the initial measurement of the finance lease liability increased by the amount of \$2,579, which was prepaid before the lease commencement.

On March 29, 2023, Navios Partners took delivery of the Navios Altair, a 2023-built Capesize vessel of 182,115 dwt, from an unrelated third party, by entering into a 15-year bareboat charter-in agreement which provides for purchase options with de-escalating purchase prices. Navios Partners accounted for the bareboat charter-in agreement as a finance lease, and recognized a right-of-use asset at \$45,934 being an amount equal to the initial measurement of the finance lease liability, increased by the amount of \$2,815, which was prepaid before the lease commencement.

NAVIOS MARITIME PARTNERS L.P.
UNAUDITED NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in thousands of U.S. Dollars except unit and per unit data)

On March 6, 2023, Navios Partners paid an amount of \$42,879 (including \$1,600 related to the scrubber system installation) and acquired from an unrelated third party, the Navios Felix, a 2016-built scrubber-fitted Capesize vessel of 181,221 dwt, which was previously accounted for as a right-of-use asset under a finance lease. At the same date, the Company derecognized the right-of-use asset under the finance lease and recognized the vessel at an aggregate cost of \$53,232.

On February 5, 2023, Navios Partners took delivery of the Navios Meridian, a 2023-built Kamsarmax vessel of 82,010 dwt, from an unrelated third party, for an acquisition cost of \$35,605.

Sale of Vessels

2024

During the nine month period ended September 30, 2024, Navios Partners sold five vessels to various unrelated third parties for an aggregate net sales price of \$103,944. Following the sale of such vessels, the aggregate amount of \$17,988 (including the remaining carrying balance of drydock and special survey cost of \$2,763) is presented under the caption "Gain on sale of vessels, net" in the condensed Consolidated Statements of Operations and the condensed Consolidated Statements of Cash Flows.

2023

During the nine month period ended September 30, 2023, Navios Partners sold 13 vessels to various unrelated third parties for an aggregate net sales price of \$237,422. Following the sale of such vessels and the committed sale of a 2004-built Capesize vessel of 180,310 dwt, as discussed below, the aggregate amount of \$50,771 (including the aggregate remaining carrying balance of dry-dock and special survey cost of \$11,133) including an impairment loss of \$168 in connection with the above mentioned committed sale is presented under the caption "Gain on sale of vessels, net" in the condensed Consolidated Statements of Operations and the condensed Consolidated Statements of Cash Flows.

Vessels "agreed to be sold"

2024

During the nine month period ended September 30, 2024, Navios Partners agreed to sell two 2009-built MR2 Product Tanker vessels of 50,542 dwt and 50,470 dwt, respectively, a 2006-built Kamsarmax vessel of 82,790 dwt, and a 2005-built Panamax vessel of 76,596 dwt to various unrelated third parties for an aggregate net sales price of \$76,265. As of September 30, 2024, the 2009-built MR2 Product Tanker vessel of 50,542 dwt was not subject to an existing time charter with any charterer and was immediately available for sale and the management has committed to a plan to sell the vessel within the next 12 months. As of September 30, 2024, the above vessel has been classified as held for sale, according to the provisions of ASC 360, as the relevant criteria for the classification were met and it is presented under the caption "Assets held for sale" in the condensed Consolidated Balance Sheet, measured at the lower of carrying value and fair value less costs to sell. The inventories associated with the vessel held for sale of \$108 are presented under the caption "Assets held for sale" in the condensed Consolidated Balance Sheet. For the remaining three vessels, the Company has performed an assessment based on provisions of ASC 360 and concluded that the held for sale criteria were not met and the vessels were not classified as held for sale as of September 30, 2024. The sales of the four vessels were completed in October 2024 and the aggregate gain on sale of such vessels is expected to be approximately \$28,381.

2023

On September 22, 2023, Navios Partners agreed to sell a 2004-built Capesize vessel of 180,310 dwt, to an unrelated third party, for a net sales price of \$12,610. The vessel was not subject to an existing time charter with any charterer and was immediately available for sale and the management has committed to a plan to sell the vessel within the next 12 months. As of September 30, 2023, the vessel has been classified as held for sale, according to the provisions of ASC 360, as the relevant criteria for the classification were met and it is presented under the caption "Assets held for sale" in the condensed Consolidated Balance Sheet, measured at the lower of carrying value and fair value less costs to sell. The inventories associated with the vessel held for sale of \$520 are presented under the caption "Assets held for sale" in the condensed Consolidated Balance Sheet. The sale was completed on October 12, 2023.

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Vessels impairment loss

2024

As at September 30, 2024, Navios Partners assessed whether impairment indicators for any of its long-lived assets existed and concluded that no such indicators were present. As at June 30, 2024, Navios Partners assessed whether impairment indicators for any of its long-lived assets existed and concluded that such indicators were present for two of its dry bulk vessels, mainly due to Company's intention to sell these vessels. As at June 30, 2024, the undiscounted projected net operating cash flows for the two vessels did not exceed the carrying value of each asset group and an impairment loss was recognized and calculated as the difference between the fair value of the vessel (see Note 8 – Fair value of financial instruments) and the carrying value of the asset group. As a result, the impairment loss of \$7,614 was recognized and is presented under the caption "Gain on sale of vessels, net" in the condensed Consolidated Statements of Operations and the condensed Consolidated Statements of Cash Flows for the nine month period ended September 30, 2024.

2023

During the third quarter of 2023, an impairment loss of \$168 was recognized in connection with the committed sale of the 2004-built Capesize vessel of 180,310 dwt, in October 2023, as the carrying amount of the asset group was not recoverable and exceeded its fair value less cost to sell, as described above.

NOTE 5 – INTANGIBLE ASSETS AND LIABILITIES

Intangible assets as of September 30, 2024 and December 31, 2023 consisted of the following:

	Cost	Accumulated Amortization	Net Book Value
Favorable lease terms December 31, 2023	\$ 211,644	\$ (151,213)	\$ 60,431
Amortization	—	(13,618)	(13,618)
Favorable lease terms September 30, 2024	<u>\$ 211,644</u>	<u>\$ (164,831)</u>	<u>\$ 46,813</u>

Amortization expense of favorable lease terms for each of the periods ended September 30, 2024 and 2023 is presented in the following table:

	Three Month Period Ended September 30, 2024	Three Month Period Ended September 30, 2023	Nine Month Period Ended September 30, 2024	Nine Month Period Ended September 30, 2023
Favorable lease terms	\$ (4,539)	\$ (4,539)	\$ (13,618)	\$ (13,746)
Total	<u>\$ (4,539)</u>	<u>\$ (4,539)</u>	<u>\$ (13,618)</u>	<u>\$ (13,746)</u>

The aggregate amortization of the intangible assets for the next five 12-month periods ending September 30 is estimated to be as follows:

Period	Amount
2025	\$ 15,958
2026	9,765
2027	4,982
2028	4,982
2029	4,982
2030 and thereafter	6,144
Total	<u>\$ 46,813</u>

Intangible assets subject to amortization are amortized using straight-line method over their estimated useful lives to their estimated residual value of zero. As of September 30, 2024, the weighted average useful life of the remaining favorable lease terms was 4.6 years.

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Intangible liabilities as of September 30, 2024 and December 31, 2023 consisted of the following:

	Cost	Accumulated Amortization	Net Book Value
Unfavorable lease terms December 31, 2023	\$ 231,407	\$ (203,423)	\$ 27,984
Amortization	—	(9,513)	(9,513)
Unfavorable lease terms September 30, 2024	<u>\$ 231,407</u>	<u>\$ (212,936)</u>	<u>\$ 18,471</u>

Amortization income of unfavorable lease terms for each of the periods ended September 30, 2024 and 2023 is presented in the following table:

	Three Month Period Ended September 30, 2024	Three Month Period Ended September 30, 2023	Nine Month Period Ended September 30, 2024	Nine Month Period Ended September 30, 2023
Unfavorable lease terms	\$ 3,206	\$ 3,521	\$ 9,513	\$ 16,431
Total	<u>\$ 3,206</u>	<u>\$ 3,521</u>	<u>\$ 9,513</u>	<u>\$ 16,431</u>

The aggregate amortization of the intangible liabilities for the next five 12-month periods ending September 30 is estimated to be as follows:

Period	Amount
2025	\$ 11,942
2026	6,529
2027	—
2028	—
2029	—
2030 and thereafter	—
Total	<u>\$ 18,471</u>

Intangible liabilities subject to amortization are amortized using straight-line method over their estimated useful lives to their estimated residual value of zero. As of September 30, 2024, the weighted average useful life of the remaining unfavorable lease terms was 1.6 years.

NOTE 6 – BORROWINGS

Borrowings as of September 30, 2024 and December 31, 2023 consisted of the following:

	September 30, 2024	December 31, 2023
Credit facilities	\$ 1,127,484	\$ 908,288
Financial liabilities	624,213	502,275
Finance lease liabilities	353,297	468,414
Total borrowings	<u>\$ 2,104,994</u>	<u>\$ 1,878,977</u>
Less: Current portion of long-term borrowings, net	(289,874)	(285,036)
Less: Deferred finance costs, net	(22,709)	(17,514)
Long-term borrowings, net	<u>\$ 1,792,411</u>	<u>\$ 1,576,427</u>

As of September 30, 2024, the total borrowings, net of deferred finance costs were \$2,082,285.

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Credit Facilities

EUROBANK S.A: On September 27, 2024, Navios Partners entered into a credit facility with Eurobank S.A for a total amount up to \$48,000 (divided into two advances) in order to refinance the existing indebtedness of three of its vessels (advance A) and to finance part of the acquisition cost of one Ultra-Handymax vessel (advance B). On September 27, 2024, the amount of \$30,000 in relation to advance A was drawn and advance B remains to be drawn. As of September 30, 2024, the total outstanding balance was \$30,000. The credit facility matures four years and six years after each drawdown date of advance A and advance B, respectively, and bears interest at Term Secured Overnight Financing Rate (“Term SOFR”) plus 70 bps per annum for any part of the loan secured by cash collateral and 175 bps per annum for the remaining drawn amount.

NATIONAL BANK OF GREECE S.A: On September 19, 2024, Navios Partners entered into a credit facility with National Bank of Greece S.A for a total amount up to \$130,000 (divided into two tranches) in order to refinance the existing indebtedness of six of its vessels (tranche A) and to finance part of the acquisition cost of one newbuilding Aframax/ LR2 tanker vessel, currently under construction (tranche B). On September 20, 2024, the amount of \$81,218 in relation to tranche A was drawn and tranche B remains to be drawn. As of September 30, 2024, the total outstanding balance was \$81,218. The credit facility matures five years after each drawdown date and bears interest at Term SOFR (with option to switch to Compounded Secured Overnight Financing Rate (“Compounded SOFR”)) plus 175 bps per annum and 150 bps per annum for drawn amounts of tranche A and tranche B, respectively.

On June 20, 2023, Navios Partners entered into a credit facility with National Bank of Greece S.A of up to \$77,822 in order to refinance the existing indebtedness of ten of its vessels and for general corporate purposes. In June 2023, the full amount was drawn. During the nine month period ended September 30, 2024, in relation to the sale of a 2009-built MR2 Product Tanker vessel of 50,542 dwt, the amount of \$7,137 was prepaid. As of September 30, 2024, the total outstanding balance was \$58,448. The credit facility matures in the second quarter of 2028 and bears interest at Term SOFR (with option to switch to Compounded SOFR) plus 215 bps per annum.

ABN Amro Bank N.V: On June 26, 2024, Navios Partners entered into a reducing revolving credit facility with ABN Amro Bank N.V for a total amount up to \$95,000 (divided into two tranches) in order to refinance the existing indebtedness of two of its vessels and to finance part of the acquisition cost of four dry bulk vessels. Following the deliveries of the four vessels, during the nine month period ended September 30, 2024, the full amount was drawn. As of September 30, 2024, the total outstanding balance was \$93,625. The credit facility matures five years after each drawdown date and bears interest at Compounded SOFR (with option to switch to Term SOFR) plus 175 bps per annum.

Nordea Bank ABP: On January 3, 2024, Navios Partners entered into a credit facility with Nordea Bank ABP for a total amount up to \$40,000 in order to refinance three tankers. On March 26, 2024, the full amount was drawn. As of September 30, 2024, the total outstanding balance was \$37,517. The credit facility matures in the first quarter of 2029 and bears interest at Compounded SOFR plus 195 bps per annum.

BNP PARIBAS: On June 12, 2023, Navios Partners entered into a credit facility with BNP Paribas of up to \$40,000 in order to refinance the existing indebtedness of nine of its containerships. On June 16, 2023, the full amount was drawn. On April 29, 2024, Navios Partners prepaid the amount of \$3,990 relating to one containership that was released from the facility. As of September 30, 2024, the total outstanding balance was \$26,087. The credit facility matures in the second quarter of 2026 and bears interest at Compounded SOFR plus 250 bps per annum.

KFW IPEX-BANK GMBH: On April 25, 2023, Navios Partners entered into an export agency-backed facility with KFW for a total amount of up to \$165,638 in order to finance the acquisition cost of two newbuilding 7,700 TEU containerships, currently under construction. As of September 30, 2024, the Company has drawn a total amount of \$119,434 and \$46,204 remains to be drawn. As of September 30, 2024, the total outstanding balance was \$119,434. The credit facility is scheduled to mature 12 years after the delivery of each vessel and bears interest at Compounded SOFR plus 150 bps per annum.

On September 30, 2022, Navios Partners entered into a credit facility with KFW IPEX-BANK GMBH (“KFW”) for a total amount up to \$86,240 in order to finance part of the acquisition cost of two newbuilding containerships. Following the delivery of the two 5,300 TEU newbuilding containerships in November 2023 and January 2024, the full amount was drawn. As of September 30, 2024, the total outstanding balance was \$82,871. The credit facility matures in the fourth quarter of 2030 and the first quarter of 2031 and bears interest at Compounded SOFR plus 200 bps per annum.

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DNB (UK) Limited and The Export-Import Bank of China: On February 16, 2023, Navios Partners entered into a credit facility with DNB (UK) Limited and The Export-Import Bank of China for a total amount up to \$161,600 in order to finance part of the contract price of four newbuilding containerships. Following the deliveries of the four 5,300 TEU newbuilding containerships during the nine month period ended September 30, 2024, the full amount was drawn. As of September 30, 2024, the total outstanding balance was \$160,580. The credit facility matures ten years after each drawdown date upon the delivery of the respective vessel and bears interest at Compounded SOFR plus 170 bps per annum.

Hamburg Commercial Bank AG: On September 5, 2022, Navios Partners entered into a credit facility with Hamburg Commercial Bank AG (“HCOB”) for a total amount up to \$210,000 in order to refinance the existing indebtedness of 20 of its vessels and for working capital purposes. On September 9, 2022, the full amount was drawn. During the year ended December 31, 2022, following the sale of two vessels, the aggregate amount of \$10,239 was prepaid. During the year ended December 31, 2023, following the sale of two vessels, the aggregate amount of \$14,182 was prepaid. During the nine month period ended September 30, 2024, in relation to the sales of a 2004-built Panamax vessel of 76,602 dwt, a 2006-built Panamax vessel of 76,596 dwt and a 2005-built Post-Panamax vessel of 87,052 dwt, the aggregate amount of \$13,349 was prepaid. As of September 30, 2024, the total outstanding balance was \$112,294. The credit facility matures in the second quarter of 2025 and bears interest at Compounded SOFR plus 250 bps per annum.

In August 2021, as amended on November 10, 2021 and December 7, 2021, Navios Maritime Acquisition Corporation (“Navios Acquisition”) entered into a loan agreement with HCOB, Alpha Bank S.A. and National Bank of Greece, of \$190,216 in order to partially refinance the existing indebtedness of seven tanker vessels. Pursuant to an amendment in December 2021, two container vessels were added as collaterals. In January 2023, following the sale of a 2011-built Chemical Tanker vessel of 25,145 dwt and a 2010-built Chemical Tanker vessel of 25,130 dwt, the amount of \$11,440 was prepaid. In May 2024, in relation to the sale of a 2009-built VLCC of 297,188 dwt, the amount of \$16,568 was prepaid. On September 24, 2024, the total outstanding balance of \$81,218 was fully prepaid.

DNB BANK ASA: On August 19, 2021, Navios Partners entered into a credit facility with DNB Bank ASA for a total amount up to \$18,000, in order to finance part of the acquisition cost of the Navios Azimuth. On August 20, 2021, the full amount was drawn. On February 20, 2024, the total outstanding balance of \$12,240 was fully prepaid.

On December 13, 2021, Navios Partners entered into a sustainability linked credit facility with DNB Bank ASA of up to \$72,710 for the refinancing of the existing credit facilities of three tanker vessels and two dry bulk vessels. On December 15, 2021, the full amount was drawn. On December 15, 2023, Navios Partners prepaid the amount of \$37,075 relating to three tanker vessels that were released from the facility. On June 28, 2024, the total outstanding balance of \$17,160 relating to the remaining two dry bulk vessels was fully prepaid.

Financial Liabilities

In February 2024, Navios Partners entered into a sale and leaseback agreement of \$16,800 with an unrelated third party for the Navios Azimuth, a 2011-built Capesize vessel of 179,169 dwt. The bareboat charter-in provides for purchase options with de-escalating purchase prices starting on the end of the fourth year. Navios Partners has a purchase option to acquire the vessel at the end of the lease term given the fact that such exercise price is not equal to the fair value of the asset at the end of the lease term, the transaction was determined to be a failed sale. In accordance with ASC 842-40, the Company did not derecognize the respective vessel from its balance sheet and accounted for the amount received under the sale and leaseback agreement as a financial liability. On March 15, 2024, the full amount was drawn. As of September 30, 2024, the outstanding balance under the sale and leaseback agreement was \$15,847. The sale and leaseback transaction matures in the first quarter of 2030 and bears interest at Term SOFR plus 225 bps per annum.

In January 2024, Navios Partners entered into a sale and leaseback agreement of up to \$45,260 with an unrelated third party, in order to finance the acquisition of one 115,000 dwt Aframax/LR2 newbuilding tanker vessel. As of September 30, 2024, the total amount remained undrawn. The sale and leaseback agreement matures seven years after the drawdown date and bears interest at Term SOFR plus 190 bps per annum.

In November 2023, Navios Partners entered into sale and leaseback agreements of \$175,600 with unrelated third parties, in order to finance the acquisition of two 5,300 TEU newbuilding containerships and two newbuilding Aframax/LR2 tanker vessels. During the nine month period ended September 30, 2024, in relation to the deliveries of the Nave Polaris, a 2024-built Aframax/LR2 tanker vessel of 115,699 dwt and the Navios Utmost, a 2024-built 5,300 TEU containership, the amount of \$87,800 was drawn and \$87,800 remains to be drawn. Navios Partners has a purchase obligation to acquire the vessels at the end of the lease term and under ASC 842-40, the transfer of the vessels was determined to be a failed sale. In accordance with ASC 842-40, Navios Partners did not derecognize the respective vessels from its balance sheet and

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accounted for the amounts received under the sale and leaseback transaction as a financial liability. As of September 30, 2024, the outstanding balance under the sale and leaseback agreement was \$87,800. The sale and leaseback transaction matures ten years after each drawdown date and bears interest at Term SOFR plus 200 bps per annum.

In May 2023, Navios Partners entered into sale and leaseback agreements of \$178,000 with unrelated third parties, in order to finance the acquisition of two 5,300 TEU newbuilding containerships and two newbuilding Aframax/LR2 tanker vessels. During the nine month period ended September 30, 2024, following the deliveries of the Nave Cosmos, a 2024-built Aframax/LR2 tanker vessel of 115,651 dwt and the Zim Seagull, a 2024-built 5,300 TEU containership, the amount of \$89,000 was drawn and \$89,000 remains to be drawn. Navios Partners has a purchase option to acquire the vessels at the end of the lease term and given the fact that such exercise price is not equal to the fair value of each asset at the end of the lease term, under ASC 842-40, the transaction was determined to be a failed sale. In accordance with ASC 842-40, the Company did not derecognize the respective vessels from its balance sheet and accounted for the amounts received under the sale and leaseback agreement as a financial liability. As of September 30, 2024, the outstanding balance under the sale and leaseback agreement was \$86,785. The sale and leaseback transaction matures ten years after each drawdown date and bears interest at Term SOFR plus 210 bps per annum.

In October 2022, Navios Partners completed a \$100,000 sale and leaseback transaction with unrelated third parties to refinance the existing sale and leaseback transaction of 12 containerships. Navios Partners has a purchase obligation to acquire the vessels at the end of the lease term and under ASC 842-40, the transfer of the vessels was determined to be a failed sale. In accordance with ASC 842-40, Navios Partners did not derecognize the respective vessels from its balance sheet and accounted for the amounts received under the sale and leaseback transaction as a financial liability. Navios Partners drew the entire amount on October 31, 2022, net of discount of \$800. In May 2024, in relation to the sale of one 2007-built 3,450 TEU containership, the amount of \$4,411 was prepaid. As of September 30, 2024, the outstanding balance under the sale and leaseback agreement was \$51,497. The sale and leaseback agreement matures in the first quarter of 2026 and bears interest at Term SOFR plus 210 bps per annum.

Finance Lease Liabilities

In June 2024, Navios Partners agreed to acquire from an unrelated third party the Navios Venus, a previously chartered-in, 2015-built Ultra-Handymax vessel of 61,339 dwt, which was previously accounted for as a right-of-use asset under operating lease. In accordance with the provisions of ASC 842, the Company accounted the transaction as a lease modification and upon reassessment of the classification of the lease, the Company has classified the above transaction as finance lease, as of the effective date of the modification. Consequently, as per ASC 842-10-25-11, the Company reallocated the remaining consideration in the contract and remeasured the lease liability using an updated incremental borrowing rate of approximately 6%. As of September 30, 2024, the outstanding balance was \$23,276.

On July 29, 2022, Navios Partners took delivery of the Navios Coral, a 2016-built Kamsarmax vessel of 84,904 dwt, for a remaining three-year charter-in agreement. The charter-in provided for purchase options with de-escalating purchase prices. The Company had performed an assessment considering the lease classification criteria under ASC 842 and concluded that the arrangement was a finance lease. Consequently, the Company had recognized a finance lease liability based on the net present value of the remaining charter-in payments including the purchase option to acquire the vessel at the end of the lease period, discounted by the Company's incremental borrowing rate of approximately 6%. During the first quarter of 2024, the Company declared its option to acquire the vessel and remeasured the finance lease liability. The finance lease liability recognized at the date of remeasurement was decreased by \$636. The corresponding right-of-use asset under finance lease was adjusted upon remeasurement of the finance lease liability (see Note 4 – Vessels, net). In June 2024, the Company acquired the Navios Coral and repaid in full the outstanding balance of the finance lease liability as of that date.

On July 29, 2022, Navios Partners took delivery of the Navios Amber, a 2015-built Kamsarmax vessel of 80,994 dwt, for a remaining one-year charter-in agreement. The charter-in provides for purchase options with de-escalating purchase prices. The Company has performed an assessment considering the lease classification criteria under ASC 842 and concluded that the arrangement is a finance lease. Consequently, the Company has recognized a finance lease liability based on the net present value of the remaining charter-in payments including the purchase option to acquire the vessel at the end of the lease period, discounted by the Company's incremental borrowing rate of approximately 6%. During the first quarter of 2024, the Company declared its option to extend the charter period for one year and declared its option to acquire the vessel. Under the ASC 842, the extension of the charter period is considered as a lease modification. Consequently, the Company reallocated the remaining consideration in the contract and remeasured the finance lease liability by using the updated Company's incremental borrowing rate of approximately 6%. The finance lease liability recognized at the date of

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modification was increased by \$592. The corresponding right-of-use asset under finance lease was adjusted upon remeasurement of the finance lease liability (see Note 4 – Vessels, net). In September 2024, the Company acquired the Navios Amber and repaid in full the outstanding balance of the finance lease liability as of that date.

On July 29, 2022, Navios Partners took delivery of the Navios Citrine, a 2017-built Kamsarmax vessel of 81,626 dwt, for a remaining three-year charter-in agreement. The charter-in provides for purchase options with de-escalating purchase prices. The Company has performed an assessment considering the lease classification criteria under ASC 842 and concluded that the arrangement is a finance lease. Consequently, the Company has recognized a finance lease liability based on the net present value of the remaining charter-in payments including the purchase option to acquire the vessel at the end of the lease period, discounted by the Company's incremental borrowing rate of approximately 6%. During the first quarter of 2024, the Company declared its option to acquire the vessel and remeasured the finance lease liability. The finance lease liability recognized at the date of remeasurement was decreased by \$969. The corresponding right-of-use asset under finance lease was adjusted upon remeasurement of the finance lease liability (see Note 4 – Vessels, net). In July 2024, the Company acquired the Navios Citrine and repaid in full the outstanding balance of the finance lease liability as of that date.

On July 29, 2022, Navios Partners took delivery of the Navios Dolphin, a 2017-built Kamsarmax vessel of 81,630 dwt, for a remaining three-year charter-in agreement. The charter-in provides for purchase options with de-escalating purchase prices. The Company has performed an assessment considering the lease classification criteria under ASC 842 and concluded that the arrangement is a finance lease. Consequently, the Company has recognized a finance lease liability based on the net present value of the remaining charter-in payments including the purchase option to acquire the vessel at the end of the lease period, discounted by the Company's incremental borrowing rate of approximately 6%. During the first quarter of 2024, the Company declared its option to acquire the vessel and remeasured the finance lease liability. The finance lease liability recognized at the date of remeasurement was decreased by \$1,024. The corresponding right-of-use asset under finance lease was adjusted upon remeasurement of the finance lease liability (see Note 4 – Vessels, net). In July 2024, the Company acquired the Navios Dolphin and repaid in full the outstanding balance of the finance lease liability as of that date.

For the nine month periods ended September 30, 2024 and 2023, payments related to the finance lease liabilities amounted to \$23,580 and \$19,167, respectively and are presented under the caption "Repayment of long-term debt and financial liabilities" in the condensed Consolidated Statements of Cash Flows.

Covenants and Other Terms of Credit Facilities and Financial Liabilities

The credit facilities and certain financial liabilities contain a number of restrictive covenants that prohibit or limit Navios Partners from, among other things: incurring or guaranteeing indebtedness; entering into affiliate transactions; charging, pledging or encumbering the vessels; changing the flag, class, management or ownership of Navios Partners' vessels; changing the commercial and technical management of Navios Partners' vessels; selling or changing the beneficial ownership or control of Navios Partners' vessels; not maintaining Navios Holdings', Angeliki Frangou's or their affiliates' ownership in Navios Partners of at least 5.0%; and subordinating the obligations under the credit facilities to any general and administrative costs related to the vessels, including the fixed daily fee payable under the Management Agreements (defined herein).

The Company's credit facilities and certain financial liabilities also require compliance with a number of financial covenants, including: (i) maintain a required security ranging over 110% to 140%; (ii) minimum free consolidated liquidity in an amount equal to \$500 per owned vessel and a number of vessels as defined in the Company's credit facilities and financial liabilities; (iii) maintain a ratio of EBITDA to interest expense of at least 2.00:1.00; (iv) maintain a ratio of total liabilities or total debt to total assets (as defined in the Company's credit facilities and financial liabilities) ranging from less than 0.75 to 0.80; and (v) maintain a minimum net worth of \$135,000.

It is an event of default under the credit facilities and certain financial liabilities if such covenants are not complied with in accordance with the terms and subject to the prepayments or cure provisions of the facilities.

As of September 30, 2024, Navios Partners was in compliance with the financial covenants and/or the prepayments and/or the cure provisions, as applicable, in each of its credit facilities and certain financial liabilities.

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The annualized weighted average interest rates of the Company's total borrowings for the three and nine month periods ended September 30, 2024 were 7.0% and 7.1%, respectively. The annualized weighted average interest rates of the Company's total borrowings for each of the three and nine month periods ended September 30, 2023 were 7.3%.

The maturity table below reflects the principal payments for the next five 12-month periods ending September 30 of all borrowings of Navios Partners outstanding as of September 30, 2024, based on the repayment schedules of the respective credit facilities, financial liabilities and finance lease liabilities.

Period	Amount
2025	\$ 295,446
2026	351,235
2027	275,690
2028	289,266
2029	231,044
2030 and thereafter	662,313
Total	\$ 2,104,994

NOTE 7 – INTEREST EXPENSE AND FINANCE COST, NET

Interest expense and finance cost, net for the three and nine month periods ended September 30, 2024 and 2023 consisted of the following:

	Three Month Period Ended September 30, 2024 (unaudited)	Three Month Period Ended September 30, 2023 (unaudited)	Nine Month Period Ended September 30, 2024 (unaudited)	Nine Month Period Ended September 30, 2023 (unaudited)
Interest expense incurred on credit facilities and financial liabilities	\$ 29,066	\$ 27,555	\$ 81,855	\$ 83,790
Interest expense incurred on finance lease liabilities	6,802	8,988	22,619	21,610
Interest expense capitalized related to deposits for vessel acquisitions	(5,647)	(6,112)	(18,284)	(14,905)
Amortization of finance charges and other finance costs	2,637	1,625	6,510	7,367
Discount effect of long-term assets	(250)	(207)	(596)	2,841
Total interest expense and finance cost, net	\$ 32,608	\$ 31,849	\$ 92,104	\$ 100,703

Interest expense incurred on deposits for vessels acquisitions was initially capitalized under the caption "Deposits for vessels acquisitions" in the condensed Consolidated Balance Sheets.

NOTE 8 – FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying amounts of many of Navios Partners' financial instruments, including accounts receivable and accounts payable approximate their fair value due primarily to the short-term maturity of the related instruments.

Fair value of financial instruments

The following methods and assumptions were used to estimate the fair value of each class of financial instrument:

Cash and cash equivalents: The carrying amounts reported in the condensed Consolidated Balance Sheets for interest bearing deposits approximate their fair value because of the short maturity of these deposits.

Restricted cash: The carrying amounts reported in the condensed Consolidated Balance Sheets for interest bearing deposits approximate their fair value because of the short maturity of these deposits.

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Other investments: The carrying amounts reported in the condensed Consolidated Balance Sheets for interest bearing deposits approximate their fair value.

Amounts due from related parties, short-term: The carrying amount of due from related parties, short-term reported in the condensed Consolidated Balance Sheets approximates its fair value due to the short-term nature of these receivables.

Amounts due from related parties, long-term: The carrying amount of due from related parties, long-term reported in the condensed Consolidated Balance Sheets approximates its fair value.

Amounts due to related parties, short-term: The carrying amount of due to related parties, short-term reported in the condensed Consolidated Balance Sheets approximates its fair value due to the short-term nature of these payables.

Credit facilities and financial liabilities, including current portion, net: The book value has been adjusted to reflect the net presentation of deferred finance costs. The outstanding balance of the floating rate credit facilities and financial liabilities continues to approximate its fair value, excluding the effect of any deferred finance costs.

The estimated fair values of the Navios Partners' financial instruments are as follows:

	September 30, 2024		December 31, 2023	
	Book Value	Fair Value	Book Value	Fair Value
Cash and cash equivalents	\$ 293,146	\$ 293,146	\$ 240,378	\$ 240,378
Restricted cash	\$ 812	\$ 812	\$ 8,797	\$ 8,797
Other investments	\$ 37,976	\$ 37,976	\$ 47,000	\$ 47,000
Amounts due from related parties, short-term	\$ 48,478	\$ 48,478	\$ —	\$ —
Amounts due from related parties, long-term	\$ —	\$ —	\$ 39,570	\$ 39,570
Amounts due to related parties, short-term	\$ —	\$ —	\$ (32,026)	\$ (32,026)
Credit facilities and financial liabilities, including current portion, net	\$ (1,728,988)	\$ (1,751,697)	\$ (1,393,049)	\$ (1,410,563)

Fair Value Measurements

The estimated fair value of the Company's financial instruments that are not measured at fair value on a recurring basis, categorized based upon the fair value hierarchy, are as follows:

Level I: Inputs are unadjusted, quoted prices for identical assets or liabilities in active markets that the Company has the ability to access. Valuation of these items does not entail a significant amount of judgment.

Level II: Inputs other than quoted prices included in Level I that are observable for the asset or liability through corroboration with market data at the measurement date.

Level III: Inputs that are unobservable. The Company did not use any Level III inputs as of September 30, 2024.

	Fair Value Measurements as at September 30, 2024			
	Total	Level I	Level II	Level III
Cash and cash equivalents	\$ 293,146	\$ 293,146	\$ —	\$ —
Restricted cash	\$ 812	\$ 812	\$ —	\$ —
Other investments	\$ 37,976	\$ 37,976	\$ —	\$ —
Amounts due from related parties, short-term	\$ 48,478	\$ —	\$ 48,478	\$ —
Credit facilities and financial liabilities, including current portion, net ⁽¹⁾	\$ (1,751,697)	\$ —	\$ (1,751,697)	\$ —

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	Fair Value Measurements as at December 31, 2023			
	Total	Level I	Level II	Level III
Cash and cash equivalents	\$ 240,378	\$ 240,378	\$ —	\$ —
Restricted cash	\$ 8,797	\$ 8,797	\$ —	\$ —
Other investments	\$ 47,000	\$ 47,000	\$ —	\$ —
Amounts due from related parties, long-term	\$ 39,570	\$ —	\$ 39,570	\$ —
Amounts due to related parties, short-term	\$ (32,026)	\$ —	\$ (32,026)	\$ —
Credit facilities and financial liabilities, including current portion, net ⁽¹⁾	\$ (1,410,563)	\$ —	\$ (1,410,563)	\$ —

(1) The fair value of the Company's credit facilities and financial liabilities is estimated based on currently available credit facilities, financial liabilities, interest rate and remaining maturities as well as taking into account the Company's creditworthiness.

As of September 30, 2024, there were no assets measured at fair value on a non-recurring basis. As of June 30, 2024, the estimated fair value of the Company's vessels measured at fair value on a non-recurring basis, was based on the third party valuation reports and was categorized based upon the fair value hierarchy as follows:

	Fair Value Measurements as at June 30, 2024			
	Total	Level I	Level II	Level III
Vessels, net	\$ 25,510	\$ —	\$ 25,510	\$ —

As of December 31, 2023, the estimated fair value of the Company's right-of-use asset measured at fair value on a non-recurring basis, is based on what a market participant would pay for the right-of-use asset for its highest and best use calculated using discounted cash flow, which comprises various assumptions, including the Company's discount factor of 11.0% and is categorized based upon the fair value hierarchy as follows:

	Fair Value Measurements as at December 31, 2023			
	Total	Level I	Level II	Level III
Operating leases	\$ 3,595	\$ —	\$ —	\$ 3,595

NOTE 9 – REPURCHASES AND ISSUANCE OF UNITS

In July 2022, the Board of Directors of Navios Partners authorized a common unit repurchase program for up to \$100,000 of the Company's common units. Common unit repurchases will be made from time to time for cash in open market transactions at prevailing market prices or in privately negotiated transactions. The timing and amount of repurchases under the program will be determined by Navios Partners' management based upon market conditions and financial and other considerations, including working capital and planned or anticipated growth opportunities. The program does not require any minimum repurchase or any specific number of common units and may be suspended or reinstated at any time in the Company's discretion and without notice. The Board of Directors will review the program periodically. As of September 30, 2024, the Company had repurchased 296,455 common units, for a total cost of approximately \$15,000. As of November 11, 2024, the Company had repurchased 377,290 common units, for a total cost of approximately \$19,682.

NOTE 10 – INCOME TAXES

The Republic of the Marshall Islands does not impose a tax on international shipping income. Under the laws of the Marshall Islands, Malta, Liberia, Cayman Islands, Hong Kong, British Virgin Islands, Panama and Belgium, the countries of the vessel-owning subsidiaries' incorporation and/or vessels' registration, the vessel-owning subsidiaries are subject to registration and tonnage taxes, which have been included in vessel expenses in the accompanying condensed Consolidated Statements of Operations.

In accordance with the currently applicable Greek law, foreign flagged vessels that are managed by Greek or foreign ship management companies having established an office in Greece on the basis of the applicable licensing regime are subject to tax liability towards the Greek state, which is calculated on the basis of the relevant vessel's tonnage. A tax credit is recognized for tonnage tax (or similar tax) paid abroad, up to the amount of the tax due in Greece.

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The owner, the manager and the bareboat charterer or the financial lessee (where applicable) are liable to pay the tax due to the Greek state. The payment of said tax exhausts the tax liability of the foreign ship owning company, the bareboat charterer, the financial lessee (as applicable) and the relevant manager against any tax, duty, charge or contribution payable on income from the exploitation of the foreign flagged vessel outside Greece.

We have elected to be treated and we are currently treated as a corporation for U.S. federal income tax purposes. As such, we are not subject to section 1446 as that section only applies to entities that for U.S. federal income tax purposes are characterized as partnerships.

Pursuant to Section 883 of the Internal Revenue Code of the United States, U.S. source income from the international operation of ships is generally exempt from U.S. income tax if the company operating the ships meets certain incorporation and ownership requirements. Among other things, in order to qualify for this exemption, the company operating the ships must be incorporated in a country, which grants an equivalent exemption from income taxes to U.S. corporations. All the vessel-owning subsidiaries satisfy these initial criteria.

In addition, these companies must meet an ownership test. The management of Navios Partners believes that this ownership test was satisfied prior to the IPO by virtue of a special rule applicable to situations where the ship operating companies are beneficially owned by a publicly traded company. Although not free from doubt, management also believes that the ownership test will be satisfied based on the trading volume and ownership of Navios Partners' units, but no assurance can be given that this will remain so in the future.

NOTE 11 – COMMITMENTS AND CONTINGENCIES

Navios Partners is involved in various disputes and arbitration proceedings arising in the ordinary course of business. Provisions have been recognized in the financial statements for all such proceedings where Navios Partners believes that a liability may be probable, and for which the amounts are reasonably estimable, based upon facts known at the date the financial statements were prepared. Management believes the ultimate disposition of these matters will be immaterial individually and in the aggregate to Navios Partners' financial position, results of operations or liquidity.

On October 1, 2021, Navios Partners exercised its option to acquire two 5,300 TEU newbuilding containerships, from an unrelated third party, for a purchase price of \$61,600 each. On August 26, 2024, Navios Partners took delivery of the Zim Seagull. The remaining vessel is expected to be delivered into Navios Partners' fleet during the fourth quarter of 2024. Navios Partners agreed to pay in total \$18,480 in three installments for each vessel and the remaining amount of \$43,120 for each vessel plus extras will be paid upon delivery of the vessel. During the year ended December 31, 2021, the first installment of each vessel of \$6,160, or \$12,320 accumulated for the two vessels was paid. During the year ended December 31, 2023, the aggregate amount of \$18,480 in relation to the second installment for the two vessels and the third installment for one of the vessels was paid. During the nine month period ended September 30, 2024, the aggregate amount of \$49,280 in relation to the third installment for the other vessel and the last installment for one of the vessels was paid. As of September 30, 2024, the total amount of \$18,480 is presented under the caption "Deposits for vessels acquisitions" in the condensed Consolidated Balance Sheets.

In November 2021, Navios Partners agreed to purchase four 5,300 TEU newbuilding containerships (two plus two optional), from an unrelated third party, for a purchase price of \$62,825 each. On April 8, 2024, on June 3, 2024 and on October 7, 2024, Navios Partners took delivery of the Zim Condor, the Zim Hawk and the Navios Utmost, respectively. The remaining vessel is expected to be delivered into Navios Partners' fleet during the fourth quarter of 2024. Navios Partners agreed to pay in total \$25,130 in four installments for each vessel and the remaining amount of \$37,695 plus extras for each vessel will be paid upon delivery of the vessel. During the year ended December 31, 2022, the aggregate amount of \$43,978 in relation to the first installment for the four vessels, the second installment for two of the vessels and the third installment for one of the vessels was paid. During the year ended December 31, 2023, the aggregate amount of \$37,695 in relation to the second installment for the other two vessels, the third installment for two of the vessels and the fourth installment for two of the vessels was paid. During the nine month period ended September 30, 2024, the aggregate amount of \$131,933 in relation to the third installment for one of the vessels, the fourth installment for two of the vessels and the last installment for three of the vessels was paid. As of September 30, 2024, the total amount of \$87,956 is presented under the caption "Deposits for vessels acquisitions" in the condensed Consolidated Balance Sheets.

In April 2022, Navios Partners agreed to purchase four 115,000 dwt Aframax/LR2 newbuilding tanker vessels, from an unrelated third party, for a purchase price of \$58,500 each (plus \$4,158 per vessel in additional features). On May 13, 2024, August 12, 2024 and October 21, 2024, Navios Partners took delivery of the Nave Cosmos, the Nave Polaris and the Nave Photon, respectively. The remaining vessel is expected to be delivered into Navios Partners' fleet during the first half

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of 2025. Navios Partners agreed to pay in total \$23,400 plus extras in four installments for each vessel and the remaining amount of \$35,100 plus extras for each vessel will be paid upon delivery of each vessel. During the year ended December 31, 2022, the first installment of each vessel of \$6,266, or \$25,063 accumulated for the four vessels was paid. During the year ended December 31, 2023, the aggregate amount of \$31,329 in relation to the second installment for the four vessels and the third installment for one of the vessels was paid. During the nine month period ended September 30, 2024, the aggregate amount of \$112,784 in relation to the third installment for the other three vessels, the fourth installment for three of the vessels and the last installment for two of the vessels was paid. As of September 30, 2024, the total amount of \$43,860 is presented under the caption “Deposits for vessels acquisitions” in the condensed Consolidated Balance Sheets.

In June 2022, Navios Partners agreed to purchase two newbuilding liquefied natural gas (LNG) dual fuel 7,700 TEU containerships, from an unrelated third party, for an amended purchase price of \$115,510 each (original price of \$120,610 each). The vessels are expected to be delivered into Navios Partners’ fleet during the first half of 2025. Navios Partners agreed to pay in total \$92,408 in four installments for each vessel and the remaining amount of \$23,102 for each vessel will be paid upon delivery of the vessel. During the year ended December 31, 2022, the first installment of each vessel of \$23,102, or \$46,204 accumulated for the two vessels, was paid. During the year ended December 31, 2023, the aggregate amount of \$103,959 in relation to the second and third installments for the two vessels, was paid. During the nine month period ended September 30, 2024, the aggregate amount of \$34,653 in relation to the fourth installment for the two vessels was paid. As of September 30, 2024, the total amount of \$184,816 is presented under the caption “Deposits for vessels acquisitions” in the condensed Consolidated Balance Sheets.

In November 2022, Navios Partners agreed to acquire two 115,000 dwt Aframax/LR2 newbuilding tanker vessels, from an unrelated third party, for a purchase price of \$60,500 each (plus \$4,158 per vessel in additional features). The vessels are expected to be delivered into Navios Partners’ fleet during the first half of 2025. Navios Partners agreed to pay in total \$24,200, plus extras in four installments for each vessel and the remaining amount of \$36,300 plus extras for each vessel will be paid upon delivery of each vessel. During the year ended December 31, 2023, the aggregate amount of \$12,100 in relation to the first installment for the two vessels, was paid. During the nine month period ended September 30, 2024, the aggregate amount of \$18,150 in relation to the second installment for the two vessels and the third installment for one of the vessels was paid. As of September 30, 2024, the total amount of \$30,250 is presented under the caption “Deposits for vessels acquisitions” in the condensed Consolidated Balance Sheets.

In December 2022, Navios Partners agreed to acquire two newbuilding Japanese MR2 Product Tanker vessels, from an unrelated third party, under bareboat contracts. Each vessel is being bareboat-in for ten years. Navios Partners has the option to acquire the vessels starting at the end of year four until the end of the charter period. Navios Partners agreed to pay in total \$18,000, representing a deposit for the option to acquire the vessels after the end of the fourth year. The vessels are expected to be delivered into Navios Partners’ fleet during the second half of 2025 and the first half of 2026. During the year ended December 31, 2023, the aggregate amount of \$9,000 in relation to the deposit for the option to acquire the two vessels, was paid. As of September 30, 2024, the total amount of \$11,440, including expenses, is presented under the caption “Other long-term assets” in the condensed Consolidated Balance Sheets.

During the second quarter of 2023, Navios Partners agreed to acquire two newbuilding Japanese MR2 Product Tanker vessels, from an unrelated third party, under bareboat contracts. Each vessel is being bareboat-in for ten years. Navios Partners has the option to acquire the vessels starting at the end of year four until the end of the charter period. Navios Partners agreed to pay in total \$18,000, representing a deposit for the option to acquire the vessels after the end of the fourth year. The vessels are expected to be delivered into Navios Partners’ fleet during the second half of 2026. During the year ended December 31, 2023, the aggregate amount of \$9,000 in relation to the deposit for the option to acquire the two vessels, was paid. As of September 30, 2024, the total amount of \$11,317, including expenses, is presented under the caption “Other long-term assets” in the condensed Consolidated Balance Sheets.

In August 2023, Navios Partners agreed to acquire two newbuilding Japanese MR2 Product Tanker vessels, from an unrelated third party, under bareboat contracts. Each vessel is being bareboat-in for ten years. Navios Partners has the option to acquire the vessels starting at the end of year four until the end of the charter period. Navios Partners agreed to pay in total \$20,000, representing a deposit for the option to acquire the vessels after the end of the fourth year. The vessels are expected to be delivered into Navios Partners’ fleet during the first half of 2027. During the year ended December 31, 2023, the aggregate amount of \$10,000 in relation to the deposit for the option to acquire the two vessels, was paid. As of September 30, 2024, the total amount of \$12,389, including expenses, is presented under the caption “Other long-term assets” in the condensed Consolidated Balance Sheets.

During the third quarter of 2023, Navios Partners agreed to acquire four 115,000 dwt Aframax/LR2 newbuilding scrubber-fitted tanker vessels, from an unrelated third party, for a purchase price of \$61,250 each (plus \$3,300 per vessel in

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additional features). The vessels are expected to be delivered into Navios Partners' fleet during 2026. Navios Partners agreed to pay in total \$27,562, plus extras in four installments for each vessel and the remaining amount of \$33,688 plus extras for each vessel will be paid upon delivery of each vessel. During the nine month period ended September 30, 2024, the aggregate amount of \$36,750 in relation to the first installment for the four vessels was paid. As of September 30, 2024, the total amount of \$36,750 is presented under the caption "Deposits for vessels acquisitions" in the condensed Consolidated Balance Sheets.

During the first quarter of 2024, Navios Partners agreed to acquire two 115,000 dwt Aframax/LR2 newbuilding scrubber-fitted tanker vessels from an unrelated third party, for a purchase price of \$61,250 each (plus \$3,300 per vessel in additional features). The vessels are expected to be delivered into Navios Partners' fleet during 2027. Navios Partners agreed to pay in total \$27,562, plus extras in four installments for each vessel and the remaining amount of \$33,688 plus extras for each vessel will be paid upon delivery of each vessel. During the nine month period ended September 30, 2024, the aggregate amount of \$18,375 in relation to the first installment for the two vessels was paid. As of September 30, 2024, the total amount of \$18,375 is presented under the caption "Deposits for vessels acquisitions" in the condensed Consolidated Balance Sheets.

During the second quarter of 2024, Navios Partners agreed to acquire two 7,900 TEU newbuilding methanol-ready and scrubber-fitted containerships from an unrelated third party, for a purchase price of \$102,750 each (plus \$3,250 per vessel in additional features). The vessels are expected to be delivered into Navios Partners' fleet during the second half of 2026. Navios Partners agreed to pay in total \$82,200, plus extras in four installments for each vessel and the remaining amount of \$20,550 plus extras for each vessel will be paid upon delivery of each vessel.

During the second quarter of 2024, Navios Partners agreed to acquire four 115,000 dwt Aframax/LR2 newbuilding scrubber-fitted tanker vessels from an unrelated third party, for a purchase price of \$62,250 (plus \$3,300 per vessel in additional features) for each of the first two vessels and a purchase price of \$63,000 (plus \$3,300 per vessel in additional features) for each of the other two vessels. The vessels are expected to be delivered into Navios Partners' fleet during the second half of 2027 and the first half of 2028. For the first two vessels, Navios Partners agreed to pay in total \$34,238, plus extras in four installments for each vessel and the remaining amount of \$28,012, plus extras for each vessel will be paid upon delivery of each vessel. For the other two vessels, Navios Partners agreed to pay in total \$34,650, plus extras in four installments for each vessel and the remaining amount of \$28,350, plus extras for each vessel will be paid upon delivery of each vessel.

During the third quarter of 2024, Navios Partners agreed to acquire two 7,900 TEU newbuilding methanol-ready and scrubber-fitted containerships from an unrelated third party, for a purchase price of \$102,750 each (plus \$3,250 per vessel in additional features). The vessels are expected to be delivered into Navios Partners' fleet during the first half of 2027. Navios Partners agreed to pay in total \$82,200, plus extras in four installments for each vessel and the remaining amount of \$20,550, plus extras for each vessel will be paid upon delivery of each vessel.

As of September 30, 2024, an amount of \$56,889 related to capitalized costs is presented under the caption "Deposits for vessels acquisitions" in the condensed Consolidated Balance Sheets.

The Company's future minimum lease commitments under the Company's bareboat-in contracts for undelivered vessels for the next five 12-month periods ending September 30, are as follows:

Period	Amount
2025	\$ 252
2026	4,858
2027	15,729
2028	18,666
2029	18,615
2030 and thereafter	128,175
Total	\$ 186,295

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NOTE 12 – TRANSACTIONS WITH RELATED PARTIES AND AFFILIATES

Vessel operating expenses: In August 2019, Navios Partners extended the duration of its management agreement (“Management Agreement”) with the Manager until January 1, 2025, with an automatic renewal for an additional five years, unless earlier terminated by either party.

Following the completion of the merger with Navios Maritime Containers L.P. (“Navios Containers”), the fleet of Navios Containers is included in Navios Partners’ owned fleet and continued to be operated by the Manager pursuant to the terms of the Navios Containers’ management agreement with the Manager (the “NMCI Management Agreement”).

Following the completion of the merger with Navios Acquisition, the fleet of Navios Acquisition is included in Navios Partners’ owned fleet and continued to be operated by the Manager pursuant to the terms of Navios Acquisition’s management agreement with Navios Tankers Management Inc. (the “NNA Management Agreement” and together with the Management Agreement and the NMCI Management Agreement, the “Management Agreements”).

The Manager provided commercial and technical management services to Navios Partners’ vessels: (i) until December 31, 2022 vessel operating expenses were fixed for a daily fee of: (a) \$4.48 per Ultra-Handymax vessel; (b) \$4.58 per Panamax vessel; (c) \$5.57 per Capesize vessel; (d) \$6.28 per Containership of TEU 1,300 up to 3,400; (e) \$6.40 per Containership of TEU 3,450 up to 4,999; (f) \$7.11 per Containership of TEU 6,800; (g) \$8.01 per Containership of TEU 8,000 up to 9,999; (h) \$8.52 per Containership of TEU 10,000 up to 11,999; (i) \$7.03 per MR2 and MR1 product tanker and chemical tanker vessel; (j) \$7.44 per LR1 product tanker vessel; and (k) \$9.94 per VLCC; (ii) until December 31, 2023 vessel operating expenses were fixed for a daily fee of: (a) \$4.62 per Ultra-Handymax vessel; (b) \$4.72 per Panamax vessel; (c) \$5.74 per Capesize vessel; (d) \$6.47 per Containership of TEU 1,300 up to 3,400; (e) \$6.59 per Containership of TEU 3,450 up to 4,999; (f) \$7.32 per Containership of TEU 5,000 up to 6,800; (g) \$8.25 per Containership of TEU 8,000 up to 9,999; (h) \$8.77 per Containership of TEU 10,000 up to 11,999; (i) \$7.24 per MR2 and MR1 product tanker and chemical tanker vessel; (j) \$7.67 per LR1 product tanker vessel; and (k) \$10.24 per VLCC; (iii) commencing from January 1, 2024 vessel operating expenses are fixed for one year for a daily fee of: (a) \$4.75 per Ultra-Handymax vessel; (b) \$4.86 per Panamax vessel; (c) \$5.91 per Capesize vessel; (d) \$6.67 per Containership of TEU 1,300 up to 3,400; (e) \$6.79 per Containership of TEU 3,450 up to 4,999; (f) \$7.54 per Containership of TEU 5,000 up to 6,800; (g) \$8.50 per Containership of TEU 8,000 up to 9,999; (h) \$9.04 per Containership of TEU 10,000 up to 11,999; (i) \$7.46 per MR2 and MR1 product tanker vessel; (j) \$7.90 per LR2 and LR1 product tanker vessel; (k) \$10.55 per VLCC; and (l) at cost for specialized transhipper vessels.

The Management Agreements also provide for a technical and commercial management fee of \$0.05 per day per vessel and a management fee of \$0.55 per day per specialized transhipper vessel and an annual increase of 3% of the fixed daily fee after January 1, 2022 for the remaining period unless agreed otherwise.

Pursuant to the acquisition of the 36-vessel dry bulk fleet from Navios Holdings, which includes time charter-in vessels, Navios Partners and the Manager, on July 25, 2022, amended the Management Agreement to include a technical and commercial management fee of \$0.025 per time charter-in vessel per day.

The Management Agreements also provide for payment of a termination fee, equal to the fixed daily fees and other fees charged for the full calendar year preceding the termination date in the event the agreements are terminated on or before its term.

Drydocking expenses are reimbursed at cost for all vessels.

In August 2024, Navios Partners renewed its Management Agreements (the “Master Management Agreement”, together with the “Renewed Administrative Services Agreement” (as defined herein), the “Agreements”) with the Manager commencing January 1, 2025, for a term of ten years, renewing annually. The Conflicts Committee of the Board of Directors, consisting of independent directors, negotiated and approved the Agreements with the advice of Watson Farley & Williams LLP as legal advisor and KPMG Advisors Single Member S.A. (a member firm of the KPMG global organization of independent member firms) as financial advisor.

The Master Management Agreement provides for technical and commercial management and related specialized services based on fee structure, including: (i) a technical management fee of \$0.95 per day per owned vessel; (ii) a commercial management fee of 1.25% on revenues; (iii) an S&P fee of 1% on purchase or sales price; and (iv) fees for other specialized services (e.g. supervision of newbuilding vessels). Fixed fees will be adjusted annually for United States Consumer Price Index. The Master Management Agreement also allows for fixed incentive awards if equity returns exceed certain thresholds, as identified in such agreement, upon the unanimous consent of the Board of Directors of Navios

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Partners. The Master Management Agreement also provides for payment of a termination fee equal to the net present value of the technical and commercial management fees charged for the most recent calendar years, as set forth in the latest audited annual financial statements for the number of years remaining for the Master Management Agreement, using a 6% discount rate.

During the three and nine month periods ended September 30, 2024, certain extraordinary fees and costs related to vessels' regulatory requirements, including ballast water treatment system installation, exhaust gas cleaning system installation and other improvements under the Company's Management Agreements, amounted to \$9,044 and \$19,328, respectively, and are presented under the caption "Acquisition of/ additions to vessels" in the condensed Consolidated Statements of Cash Flows.

During the three and nine month periods ended September 30, 2023, certain extraordinary fees and costs related to vessels' regulatory requirements, including ballast water treatment system installation, exhaust gas cleaning system installation and other improvements under the Company's Management Agreements, amounted to \$13,128 and \$32,871, respectively, and are presented under the caption "Acquisition of/ additions to vessels" in the condensed Consolidated Statements of Cash Flows.

During the three and nine month periods ended September 30, 2024, additional remuneration in accordance with the Company's Management Agreements amounted to \$1,076 and \$2,600, respectively, related to superintendent attendances and claims preparation and are presented under the captions "Direct vessel expenses" in the condensed Consolidated Statements of Operations, "Vessels, net", "Deferred drydock and special survey costs, net" and "Prepaid expenses and other current assets" in the condensed Consolidated Balance Sheets.

During the three and nine month periods ended September 30, 2023, additional remuneration in accordance with the Company's Management Agreements amounted to \$1,053 and \$3,058, respectively, related to superintendent attendances and claims preparation and are presented under the captions "Direct vessel expenses" in the condensed Consolidated Statements of Operations, "Vessels, net", "Deferred drydock and special survey costs, net" and "Prepaid expenses and other current assets" in the condensed Consolidated Balance Sheets.

During the three and nine month periods ended September 30, 2024, certain extraordinary crewing fees and costs amounted to \$16 and \$231, respectively, and are presented under the caption "Direct vessel expenses" in the condensed Consolidated Statements of Operations.

During the three and nine month periods ended September 30, 2023, certain extraordinary crewing fees and costs amounted to \$535 and \$2,826, respectively, and are presented under the caption "Direct vessel expenses" in the condensed Consolidated Statements of Operations.

Total vessel operating expenses for the three and nine month periods ended September 30, 2024 amounted to \$88,963 and \$259,156, respectively.

Total vessel operating expenses for the three and nine month periods ended September 30, 2023 amounted to \$82,856 and \$248,622, respectively.

General and administrative expenses: Pursuant to the administrative services agreement (the "Administrative Services Agreement"), the Manager also provides administrative services to Navios Partners, which include bookkeeping, audit and accounting services, legal and insurance services, administrative and clerical services, banking and financial services, advisory services, client and investor relations and other. Under the Administrative Services Agreement, which provides for allocable general and administrative costs, the Manager is reimbursed for reasonable costs and expenses incurred in connection with the provision of these services. In August 2019, Navios Partners extended the duration of its existing Administrative Services Agreement with the Manager until January 1, 2025, to be automatically renewed for another five years. The agreement also provides for payment of a termination fee, equal to the fees charged for the full calendar year preceding the termination date in the event the Administrative Services Agreement is terminated on or before its term.

In August 2024, Navios Partners renewed its Administrative Services Agreement (the "Renewed Administrative Services Agreement") with the Manager commencing January 1, 2025, for a term of ten years, renewing annually. The Renewed Administrative Services Agreement provides for reimbursement of allocable general and administrative costs. The Renewed Administrative Agreement also provides for payment of a termination fee equal to the costs charged for the most recent calendar year, as set forth in the latest audited annual financial statements.

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During the three and nine month periods ended September 30, 2024, allocable general and administrative costs amounted to \$2,595 and \$7,477, respectively, and are presented under the captions “Deposits for vessels acquisitions” and “Other long-term assets” in the condensed Consolidated Balance Sheets. During the three and nine month periods ended September 30, 2023, allocable general and administrative costs amounted to \$990 and \$3,000, respectively, and are presented under the captions “Deposits for vessels acquisitions” and “Other long-term assets” in the condensed Consolidated Balance Sheets.

Total general and administrative expenses charged by the Manager for the three and nine month periods ended September 30, 2024 amounted to \$16,136 and \$47,685, respectively. Total general and administrative expenses charged by the Manager for the three and nine month periods ended September 30, 2023 amounted to \$14,927 and \$44,788, respectively.

Balance due from/ (to) related parties: Balance due from/ (to) related parties, short-term as of September 30, 2024 and December 31, 2023 amounted to \$46,120 and \$(32,026), respectively. Balance due from related parties, long-term as of September 30, 2024 and December 31, 2023 amounted to \$0 and \$39,570, respectively. The balances mainly consisted of administrative expenses, drydocking, extraordinary fees and costs related to regulatory requirements including ballast water treatment system, other expenses, as well as fixed vessel operating expenses, in accordance with the Management Agreements and are presented under the captions “Amounts due from related parties” and “Amounts due to related parties” in the condensed Consolidated Balance Sheets.

In October 2023, Navios Partners entered into a time charter agreement with a subsidiary of its affiliate Navios South American Logistics Inc. for the Navios Vega, a 2009-built transhipper vessel. The vessel was delivered during the first quarter of 2024. The term of this time charter agreement is approximately five years, at a rate of \$25.8 net per day and for the three and nine month periods ended September 30, 2024, the amounts of \$2,366 and \$5,679, respectively, are presented under the caption “Time charter and voyage revenues” in the condensed Consolidated Statements of Operations. This transaction was negotiated with, and unanimously approved by, the conflicts committee of Navios Partners. As of September 30, 2024, balance due from the above mentioned related party company amounted to \$2,358 and is presented under the caption “Amounts due from related parties” in the condensed Consolidated Balance Sheets.

Others: Navios Partners has entered into an omnibus agreement with Navios Holdings (the “Partners Omnibus Agreement”) in connection with the closing of Navios Partners’ IPO governing, among other things, when Navios Holdings and Navios Partners may compete against each other as well as rights of first offer on certain dry bulk carriers. Pursuant to the Partners Omnibus Agreement, Navios Partners generally agreed not to acquire or own Panamax or Capesize dry bulk carriers under time charters of three or more years without the consent of an independent committee of Navios Partners. In addition, Navios Holdings has agreed to offer to Navios Partners the opportunity to purchase vessels from Navios Holdings when such vessels are fixed under time charters of three or more years.

General partner: Olympos Maritime Ltd., an entity affiliated with our Chairwoman and Chief Executive Officer, Angeliki Frangou, is the holder of Navios Partners’ general partner interest.

NOTE 13 – CASH DISTRIBUTIONS AND EARNINGS PER UNIT

The amount of distributions paid by Navios Partners and the decision to make any distribution is determined by the Company’s Board of Directors and will depend on, among other things, Navios Partners’ cash requirements as measured by market opportunities and restrictions under its credit agreements and other debt obligations and such other factors as the Board of Directors may deem advisable. There is no guarantee that the Company will pay the quarterly distribution on the common units in any quarter. The Company is prohibited from making any distributions to unitholders if it would cause an event of default, or an event of default exists, under its existing credit facilities.

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There are incentive distribution rights held by Navios GP L.L.C., which are analyzed as follows:

	Total Quarterly Distribution Target Amount	Marginal Percentage Interest in Distributions		
		Common Unitholders	Incentive Distribution Right Holder	General Partner
Minimum Quarterly Distribution	up to \$5.25	98 %	—	2 %
First Target Distribution	up to \$6.0375	98 %	—	2 %
Second Target Distribution	above \$6.0375 up to \$6.5625	85 %	13 %	2 %
Third Target Distribution	above \$6.5625 up to \$7.875	75 %	23 %	2 %
Thereafter	above \$7.875	50 %	48 %	2 %

The first 98% of the quarterly distribution is paid to all common unitholders. The incentive distributions rights (held by Navios GP L.L.C.) apply only after a minimum quarterly distribution of \$6.0375 per unit.

In January 2023, the Board of Directors of Navios Partners authorized its quarterly cash distribution for the three month period ended December 31, 2022 of \$0.05 per unit. The distribution was paid on February 14, 2023 to all unitholders of common units and general partnership units of record as of February 10, 2023. The aggregate amount of the declared distribution was \$1,540.

In April 2023, the Board of Directors of Navios Partners authorized its quarterly cash distribution for the three month period ended March 31, 2023 of \$0.05 per unit. The distribution was paid on May 12, 2023 to all unitholders of common units and general partnership units of record as of May 9, 2023. The aggregate amount of the declared distribution was \$1,540.

In July 2023, the Board of Directors of Navios Partners authorized its quarterly cash distribution for the three month period ended June 30, 2023 of \$0.05 per unit. The distribution was paid on August 11, 2023 to all unitholders of common units and general partner units of record as of August 8, 2023. The aggregate amount of the declared distribution was \$1,540.

In February 2024, the Board of Directors of Navios Partners authorized its quarterly cash distribution for the three month period ended December 31, 2023 of \$0.05 per unit. The distribution was paid on February 14, 2024 to all unitholders of common units and general partnership units of record as of February 12, 2024. The aggregate amount of the declared distribution was \$1,540.

In April 2024, the Board of Directors of Navios Partners authorized its quarterly cash distribution for the three month period ended March 31, 2024 of \$0.05 per unit. The distribution was paid on May 14, 2024 to all unitholders of common units and general partnership units of record as of May 10, 2024. The aggregate amount of the declared distribution was \$1,540.

In July 2024, the Board of Directors of Navios Partners authorized its quarterly cash distribution for the three month period ended June 30, 2024 of \$0.05 per unit. The distribution was paid on August 14, 2024 to all unitholders of common units and general partnership units of record as of August 9, 2024. The aggregate amount of the declared distribution was \$1,531.

In October 2024, the Board of Directors of Navios Partners authorized its quarterly cash distribution for the three month period ended September 30, 2024 of \$0.05 per unit. The distribution will be paid on November 15, 2024 to all unitholders of common units and general partner units of record as of November 12, 2024. The aggregate amount of the declared distribution is estimated to be \$1,521.

Navios Partners calculates earnings per unit by allocating reported net income for each period to each class of units based on the distribution waterfall for available cash specified in Navios Partners' partnership agreement, net of the unallocated earnings (or losses). Basic earnings per common unit is determined by dividing net income by the weighted average number of common units outstanding during the period. Diluted earnings per unit is calculated in the same manner as basic earnings per unit, except that the weighted average number of outstanding units increased to include the dilutive effect of outstanding unit options or phantom units. Net loss per unit undistributed is determined by taking the distributions in excess of net income and allocating between common units and general partnership units on a 98%-2% basis. There were no options or phantom units outstanding during each of the nine month periods ended September 30, 2024 and 2023.

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The calculations of the basic and diluted earnings per unit are presented below.

	Three Month Period Ended September 30, 2024 (unaudited)	Three Month Period Ended September 30, 2023 (unaudited)	Nine Month Period Ended September 30, 2024 (unaudited)	Nine Month Period Ended September 30, 2023 (unaudited)
Net income	\$ 97,755	\$ 89,781	\$ 272,585	\$ 301,254
Income attributable to:				
Common unitholders	\$ 95,800	\$ 87,985	\$ 267,133	\$ 295,230
Weighted average units outstanding basic				
Common unitholders	29,983,226	30,183,387	30,108,793	30,183,387
Earnings per unit basic:				
Common unitholders	\$ 3.20	\$ 2.92	\$ 8.87	\$ 9.78
Weighted average units outstanding diluted				
Common unitholders	29,983,226	30,184,388	30,108,793	30,184,388
Earnings per unit diluted:				
Common unitholders	\$ 3.20	\$ 2.91	\$ 8.87	\$ 9.78
Earnings per unit distributed basic:				
Common unitholders	\$ 0.05	\$ 0.05	\$ 0.15	\$ 0.15
Earnings per unit distributed diluted:				
Common unitholders	\$ 0.05	\$ 0.05	\$ 0.15	\$ 0.15

Potential common units of 0 and 1,001 for the nine month periods ended September 30, 2024 and 2023, respectively, are included in the calculation of earnings per unit diluted.

NOTE 14 – LEASES

Time charter out contracts and pooling arrangements

The Company's contract revenues from time chartering, bareboat chartering and pooling arrangements are governed by ASC 842.

Operating Leases

A discussion of the Company's operating leases can be found in Note 20 – Leases to the Company's consolidated financial statements included in the Annual Report.

Based on management estimates and market conditions, the lease term of the leases is being assessed at each balance sheet date. At lease commencement, the Company determines a discount rate to calculate the present value of the lease payments so that it can determine lease classification and measure the lease liability. In determining the discount rate to be used at lease commencement, the Company used its incremental borrowing rate as there was no implicit rate included in charter-in contracts that can be readily determinable. The incremental borrowing rate is the rate that reflects the interest a lessee would have to pay to borrow funds on a collateralized basis over a similar term and in a similar economic environment. The Company then applies the respective incremental borrowing rate based on the remaining lease term of the specific lease. Navios Partners' incremental borrowing rates were approximately 7% for the Navios Libra and the Nave Celeste, 5% for the Navios Amitie and the Navios Star, 6% for the Baghdad and the Erbil, and 4% for the Nave Electron.

As of September 30, 2024 and December 31, 2023, the outstanding balance of the operating lease liability amounted to \$246,866 and \$270,738, respectively, and is presented under the captions "Operating lease liabilities, current portion" and "Operating lease liabilities, net" in the condensed Consolidated Balance Sheets. Right-of-use assets amounted to \$249,881 and \$270,969 as at September 30, 2024 and December 31, 2023, respectively, and are presented under the caption "Operating lease assets" in the condensed Consolidated Balance Sheets.

The Company recognizes the lease payments for its operating leases as charter hire expenses on a straight-line basis over the lease term. Lease expense incurred and paid for the three and nine month periods ended September 30, 2024 amounted to \$11,439 and \$34,421, respectively. Lease expense incurred and paid for the three and nine month periods ended

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September 30, 2023 amounted to \$17,133 and \$51,884, respectively. Lease expense is presented under the caption “Time charter and voyage expenses” in the condensed Consolidated Statements of Operations.

For the three and nine month periods ended September 30, 2024, the sublease income (net of commissions, if any) for vessels where the Company is a lessee amounted to \$17,043 and \$52,872, respectively. For the three and nine month periods ended September 30, 2023, the sublease income (net of commissions, if any) for vessels where the Company is a lessee amounted to \$20,265 and \$63,385, respectively. Sublease income is presented under the caption “Time charter and voyage revenues” in the condensed Consolidated Statements of Operations.

As of September 30, 2024, the weighted average useful life of the remaining operating lease terms was 8.5 years.

The table below provides the total amount of lease payments for the next five 12-month periods ending September 30 on an undiscounted basis on the Company’s chartered-in contracts as of September 30, 2024:

Period	Amount
2025	\$ 38,361
2026	38,339
2027	37,674
2028	37,119
2029	36,257
2030 and thereafter	122,411
Total	\$ 310,161
Operating lease liabilities, including current portion	\$ 246,866
Discount based on incremental borrowing rate	\$ 63,295

Finance Leases

For a detailed description of the finance lease liabilities and right-of-use assets for vessels under finance leases, refer to (i) Note 6 – Borrowings and Note 4 – Vessels, net, respectively; and (ii) Note 11 – Borrowings and Note 7 – Vessels, net, respectively, to the Company’s consolidated financial statements included in the Annual Report.

For the three and nine month periods ended September 30, 2024, the sublease income (net of commissions, if any) for vessels where the Company is a lessee amounted to \$22,368 and \$68,508, respectively. For the three and nine month periods ended September 30, 2023, the sublease income (net of commissions, if any) for vessels where the Company is a lessee amounted to \$23,789 and \$63,654, respectively. Sublease income is presented under the caption “Time charter and voyage revenues” in the condensed Consolidated Statements of Operations.

As of September 30, 2024, the weighted average useful life of the remaining finance lease terms was 10.1 years.

The table below provides the total amount of lease payments and options to acquire vessels for the next five 12-month periods ending September 30 on an undiscounted basis under the Company’s finance leases as of September 30, 2024:

Period	Amount
2025	\$ 63,427
2026	36,651
2027	36,201
2028	35,905
2029	44,564
2030 and thereafter	293,559
Total	\$ 510,307
Finance lease liabilities, including current portion (see Note 6 – Borrowings)	\$ 353,297
Discount based on incremental borrowing rate	\$ 157,010

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Bareboat charter-out contracts

Subsequently to the bareboat charter-in agreement, the Company entered into bareboat charter-out agreements for a firm charter period of ten years for the Baghdad and the Erbil and an extra optional period of five years, for both vessels, and for a firm period of up to two-years, extended for an additional period of five years for the Nave Celeste. The Company performed also an assessment of the lease classification under the ASC 842 and concluded that the agreements are operating leases.

The Company recognizes in relation to the operating leases for the bareboat charter-out agreements the bareboat charter-out hire income in the condensed Consolidated Statements of Operations on a straight-line basis. For the three and nine month periods ended September 30, 2024, the charter hire income (net of commissions, if any) amounted to \$8,110 and \$24,640, respectively. For the three and nine month periods ended September 30, 2023 the charter hire income (net of commissions, if any) amounted to \$8,044 and \$24,086, respectively. Charter hire income (net of commissions, if any) is presented under the caption "Time charter and voyage revenues" in the condensed Consolidated Statements of Operations.

NOTE 15 – SUBSEQUENT EVENTS

In October 2024, Navios Partners took delivery of the Navios Utmost, a 2024-built 5,300 TEU containership and the Nave Photon, a 2024-built Aframax/LR2 tanker vessel of 115,752 dwt (See Note 11 – Commitments and contingencies).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

NAVIOS MARITIME PARTNERS L.P.

By: /s/ Angeliki Frangou
Angeliki Frangou
Chief Executive Officer

Date: November 13, 2024

Dated 27 September 2024

**THEROS VENTURES LIMITED
SAMOTHRACE SHIPPING CORPORATION
FANTASTIKS SHIPPING CORPORATION
SPETSES MARINE SHIPPING CORPORATION**
as joint and several Borrowers

and

THE BANKS AND FINANCIAL INSTITUTIONS
listed in Schedule 1
as Lenders

and

EUROBANK S.A.
as Agent
and Security Trustee

LOAN AGREEMENT NO. 491

relating to
a term loan facility of up to \$48,000,000
secured over one container carrier vessel, one tanker vessel and two bulk carrier vessels

WATSON FARLEY
&
WILLIAMS

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THIS AGREEMENT is made on _____ September 2024

BETWEEN

- (1) **THEROS VENTURES LIMITED, SAMOTHRACE SHIPPING CORPORATION, FANTASTIKS SHIPPING CORPORATION and SPETSES MARINE SHIPPING CORPORATION**, as joint and several **Borrowers**;
- (2) **THE BANKS AND FINANCIAL INSTITUTIONS** listed in Schedule 1 (*Lenders and Commitments*), as **Lenders**;
- (3) **EUROBANK S.A.**, as **Agent**; and
- (4) **EUROBANK S.A.**, as **Security Trustee**.

BACKGROUND

The Lenders have agreed to make available to the Borrowers a term loan facility in an aggregate amount of up to the lesser of (i) \$48,000,000 and (ii) 55 per cent. of the aggregate Initial Market Value of the Ships in two Advances as follows:

- (A) Advance A to be in a principal amount of up to the lesser of (i) \$30,000,000 and (ii) 45 per cent. of the aggregate Initial Market Value of Ship A, Ship B and Ship C to be used by Borrower A, Borrower B and Borrower C for the purpose of refinancing part of the shareholders' equity provided to repay indebtedness in relation to Ship A, Ship B and Ship C and providing general working capital to the Borrowers and/or the Group; and
- (B) Advance B to be in a principal amount of up to the lesser of (i) \$18,000,000, (ii) 65 per cent. of the Initial Market Value of Ship D and (iii) a principal amount, which when aggregated with the amount outstanding under Advance A not exceeding an amount equal to 55 per cent. of the aggregate Market Value of the Ships to be used by Borrower D for the purpose of refinancing part of the shareholders' equity provided to pay the acquisition cost of Ship D and providing general working capital to the Borrowers and/or the Group.

OPERATIVE PROVISIONS

1 INTERPRETATION

1.1 Definitions

Subject to Clause 1.5 (*General Interpretation*), in this Agreement:

"**Accounts**" means the Cash Collateral Accounts, the Earnings Accounts and the Retention Account;

"**Account Bank**" means Eurobank Cyprus Ltd, acting in such capacity through its office at 41, Arch. Makarios III Avenue, 1065 Nicosia, Cyprus and/or Eurobank S.A., acting in such capacity through its shipping branch at 83 Akti Miaouli & Flessa Str., Piraeus 185 38, Greece, or any other branch, bank or financial institution which may be approved or appointed by the Agent from time to time;

"**Advance**" means a borrowing of all or part of Advance A or Advance B under this Agreement;

"**Advance A**" means the amount which may be drawn by the Borrowers in accordance with Clause 3 (*Facility*) and subject to Clause 4 (*Drawdown*) for the purpose of refinancing part of the shareholders' equity provided to repay indebtedness in relation to Ship A, Ship B and Ship C and providing general working capital to the Borrowers and/or the Group;

"**Advance B**" means the amount which may be drawn by the Borrowers in accordance with Clause 3 (*Facility*) and subject to Clause 4 (*Drawdown*) for the purpose of refinancing part of the shareholders' equity provided to pay the acquisition cost of Ship D and providing general working capital to the Borrowers and/or the Group;

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

"**Agency and Trust Deed**" means the agency and trust deed dated the same date as this Agreement and made among the same parties;

"**Agent**" means Eurobank S.A. acting in such capacity through its shipping branch at 83 Akti Miaouli & Flessa Str., Piraeus 185 38, Greece, or any successor of it appointed under clause 5 of the Agency and Trust Deed;

"**Agreed Form**" means in relation to any document, that document in the form approved in writing by the Agent (acting on the instructions of all the Lenders) or as otherwise approved in accordance with any other approval procedure specified in any relevant provisions of any Finance Document;

"**Annex VI**" has the meaning giving to it in Clause 14.21 (*Annex VI*);

"**Approved Flag**" means, in relation to a Ship, the Liberian flag, the Marshall Islands flag, the Cypriot flag, the Panamanian flag, the Maltese flag or any other flag as the Lenders may, in their absolute discretion, approve as the flag on which that Ship may be registered;

"**Approved Flag State**" means, in relation to a Ship, the Republic of Liberia, the Republic of the Marshall Islands, the Republic of Cyprus, the Republic of Panama, the Republic of Malta or any other country in which the Lenders may, in their absolute discretion, approve that that Ship may be registered;

"Approved Manager" means, in relation to a Ship:

- (a) Navios Shipmanagement Inc., a corporation domesticated in the Marshall Islands having its registered address at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960 as commercial and/or technical manager of that Ship;
- (b) Navios Tankers Management Inc., a corporation incorporated in the Marshall Islands having its registered address at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960 as commercial and/or technical manager of that Ship; and/or
- (c) any Subsidiary or Affiliate of Navios Shipmanagement Inc. or any entity approved in writing by the Agent acting with the authorisation of the Majority Lenders which authorisation no Lender shall unreasonably withhold, as the commercial and/or technical manager of that Ship;

"Approved Manager's Undertaking" means, in relation to a Ship, a letter of undertaking executed or to be executed by an Approved Manager in respect of that Ship in the Agreed Form, agreeing certain matters in relation to the management of that Ship by that Approved Manager, subordinating the rights of that Approved Manager against that Ship and the Borrower owning that Ship to the rights of the Creditor Parties under the Finance Documents and assigning the rights of such Approved Manager in respect of the Insurances of that Ship in the Agreed Form;

"Approved Third Party Manager" has the meaning given to that term in Schedule 5 (*Details of the Ships and Other Definitions*);

"Approved Third Party Manager's Undertaking" means, in relation to a Ship, a letter of undertaking executed or to be executed by an Approved Third Party Manager in respect of that Ship in the Agreed Form, agreeing certain matters in relation to the management of that Ship by that Approved Third Party Manager and subordinating the rights of that Approved Third Party Manager against that Ship and the Borrower owning that Ship to the rights of the Creditor Parties under the Finance Documents and assigning the rights of such Approved Third Party Manager in respect of the Insurances of that Ship in the Agreed Form;

"Approved Valuer" means Clarkson Valuations Limited (UK), Fearnleys (NOR), Maersk Brokers (DEN), Ifchor Galbraiths (UK), Arrow Shipbroking Group (UK), Braemar ACM Shipbroking (UK), Simpson Spence Young Ltd – SSY Valuations Services Ltd (UK) and Allied Quantumsea SA (GR) and any other reputable sale and purchase shipbroker acceptable to the Agent;

"Article 55 BRRD" means Article 55 of Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms;

"Asset Cover Ratio" means at any time, the aggregate of the items referred to in paragraphs (a) and (b) of Clause 15.1 (*Minimum required security cover*) expressed as a percentage of the Loan;

"Assignable Charter" means, in relation to a Ship, any time charterparty (including an Initial Charter), consecutive voyage charter or contract of affreightment in relation to that Ship for a term exceeding 12 months or capable of exceeding 12 months in duration (including any optional extensions) which shall be specifically assigned in favour of the Security Trustee and such assignment shall be notified to, and acknowledged by, the relevant charterer;

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

"**Availability Period**" means the period commencing on the date of this Agreement and ending on:

- (a) 31 December 2024 (or such later date as the Agent may, with the authorisation of the Majority Lenders, agree with the Borrowers); or
- (b) if earlier, the date on which the Total Commitments are fully borrowed, cancelled or terminated;

"**Bail-In Action**" means the exercise of any Write-down and Conversion Powers;

"**Bail-In Legislation**" means:

- (a) in relation to an EEA Member Country which has implemented, or which at any time implements, Article 55 BRRD, the relevant implementing law or regulation as described in the EU Bail-In Legislation Schedule from time to time;
- (b) in relation to any state other than such an EEA Member Country and the United Kingdom, any analogous law or regulation from time to time which requires contractual recognition of any Write-down and Conversion Powers contained in that law or regulation; and
- (c) in relation to the United Kingdom, the UK Bail-In Legislation;

"**Balloon Instalments**" has the meaning given to it in Clause 8.1 (*Amount of repayment instalments*);

"**Basel II Approach**" means, in relation to any Creditor Party, either the Standardised Approach or the relevant Internal Ratings Based Approach (each as defined in the Basel II Capital Accord) adopted (or otherwise followed, wholly or in part) by any Creditor Party (or its Holding Company) for the purposes of implementing or complying with the Basel II Capital Accord;

"**Basel II Capital Accord**" means the "International Convergence of Capital Measurement and Capital Standards, a Revised Framework" published by the Basel Committee on Banking Supervision in June 2004 in the form existing on the date of this Agreement or any other law or regulation which implements the Basel II Capital Accord (whether such implementation, application or compliance is by a government, regulator, any Creditor Party or any of its Affiliates);

"**Basel II Regulation**" means (a) any law or regulation implementing the Basel II Capital Accord or (b) any Basel II Approach adopted by any Creditor Party;

"**Basel III Approach**" means, in relation to any Creditor Party, either the Standardised Approach or the relevant Internal Ratings Based Approach (each as defined in the Basel III Capital Accord) adopted by any Lender (or its Holding Company) for the purposes of implementing or complying with the Basel III Capital Accord;

"**Basel III Capital Accord**" means the "International framework for liquidity risk management, standard and monitoring" published by the Basel Committee on Banking Supervision in December 2010, the "Global systemically important banks: assessment methodology and the

additional loss absorbency requirement - Rules text" published by the Basel Committee on Banking Supervision in November 2011 each as amended, supplemented or restated in the form existing at the date of this Agreement or any further guidance or standards published by the Basel Committee on Banking Supervision relating to Basel III or any other law or regulation which implements the Basel III Capital Accord (whether such implementation, application or compliance is by a government, regulator, any Lender or any of its Affiliates);

"**Basel III Regulation**" means (a) any law or regulation implementing the Basel III Capital Accord or (b) any Basel III Approach adopted by any Creditor Party;

"**Borrower**" means each of Borrower A, Borrower B, Borrower C and Borrower D;

"**Borrower A**" means Theros Ventures Limited, a corporation incorporated in the Republic of the Marshall Islands whose registered address is at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960;

"**Borrower B**" means Samothrace Shipping Corporation, a corporation incorporated in the Republic of the Marshall Islands whose registered address is at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960;

"**Borrower C**" means Fantastiks Shipping Corporation, a corporation incorporated in the Republic of the Marshall Islands whose registered address is at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960;

"**Borrower D**" means Spetses Marine Shipping Corporation, a corporation incorporated in the Republic of the Marshall Islands whose registered address is at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960;

"**Borrowers' Cash Collateral Account**" means an account in the joint names of the Borrowers with the Account Bank designated "*Theros Ventures Limited, Samothrace Shipping Corporation, Fantastiks Shipping Corporation and Spetses Marine Shipping Corporation – Cash Collateral Account*", or any other account (with that or another office of the Account Bank) which is designated by the Agent as the Borrowers' Cash Collateral Account for the purpose of this Agreement;

"**Borrowers' Cash Collateral Account Security Deed**" means a deed creating security in respect of the Borrower's Cash Collateral Account in the Agreed Form;

"**Break Costs**" means the amount (if any) by which:

- (a) the interest which a Lender should have received for the period from the date of receipt of all or any part of its participation in the Loan or an Unpaid Sum to the last day of the current Interest Period in relation to an Advance or that Unpaid Sum, had the principal amount or Unpaid Sum received been paid on the last day of that Interest Period;

exceeds

- (b) the amount which that Lender would be able to obtain by placing an amount equal to the principal amount or Unpaid Sum received by it on deposit with a leading bank for a period starting on the Business Day following receipt or recovery and ending on the last day of the current Interest Period;

"**Business Day**" means a day (other than a Saturday or Sunday) on which banks are open for general business in Piraeus, Athens and Nicosia, in respect of a day on which a payment is required to be made under a Finance Document, also in New York City and, in relation to the fixing of an interest rate, which is a US Government Securities Business Day, and in any other place which the Agent may select in its absolute discretion and notify in writing to the Borrowers;

"**Cash Collateral Account**" means each of the Borrowers' Cash Collateral Account and the Guarantor's Cash Collateral Account;

"**Cash Collateral Account Security Deed**" means each of the Borrowers' Cash Collateral Account Security Deed and the Guarantor's Cash Collateral Account Security Deed;

"**Change of Control**" means a change which results in:

- (a) Mrs. Angeliki Frangou and her direct descendants (either directly or indirectly) (through entities owned and controlled by her or any of their Affiliates or trusts or foundations of which she is a beneficiary) ceasing to be the owner of, or having ultimate control of, the voting rights attaching to more than five per cent. of all the units (including for the avoidance of doubt both general partner units and common units) in the Corporate Guarantor; or
- (b) Mrs. Angeliki Frangou and her direct descendants (either directly or indirectly) (through entities owned and controlled by her or trusts or foundations of which she is a beneficiary) or any of their Affiliates, ceasing to be the owner of, or having ultimate control of the voting rights attaching to all the issued shares in the general partner of the Corporate Guarantor, which is currently Olympos Maritime Ltd; or
- (c) Mrs. Angeliki Frangou ceasing to act as chairwoman or chief executive officer of the Corporate Guarantor and Olympos Maritime Ltd ceasing to be the general partner of the Corporate Guarantor; or
- (d) the Corporate Guarantor ceasing to be the owner of, directly or indirectly, the issued shares in each Borrower; or
- (e) Mrs. Angeliki Frangou and her direct descendants (either directly or indirectly) (through entities owned and controlled by her or any of their Affiliates or trusts or foundations of which she is a beneficiary) ceasing to be directly involved in the management of the ships, directly or indirectly, owned by the Corporate Guarantor;

"**Charterparty Assignment**" means, in relation to an Assignable Charter and an Initial Charter, an assignment of the rights, title and interest of the Borrower who is a party to that Assignable Charter and/or, as the case may be, that Initial Charter and any guarantee of the obligations of the charterer under such Assignable Charter and/or, as the case may be, such Initial Charter, executed or to be executed by that Borrower in favour of the Security Trustee shall be notified to, and acknowledged by, the relevant charterer and/or, as the case may be, the relevant Initial Charterer in the Agreed Form;

"**Code**" means the United States Internal Revenue Code of 1986;

"**Commencement Date**" has the meaning given to it in paragraph (a) of Clause 5.5 (*Pledged Cash Amount*);

"**Commitment**" means, in relation to a Lender, the amount set opposite its name in Schedule 1 (*Lenders and Commitments*), or, as the case may require, the amount specified in the relevant Transfer Certificate, as that amount may be reduced, cancelled or terminated in accordance with this Agreement (and "**Total Commitments**" means the aggregate of the Commitments of all the Lenders);

"**Contractual Currency**" has the meaning given to it in Clause 21.4 (*Currency indemnity*);

"**Contribution**" means, in relation to a Lender, the part of the Loan which is owing to that Lender;

"**Corporate Guarantee**" means an irrevocable and unconditional guarantee of the Borrowers' obligations and liabilities under this Agreement and the other Finance Documents executed or to be executed by the Corporate Guarantor in the Agreed Form;

"**Corporate Guarantor**" means Navios Maritime Partners L.P., a limited partnership formed in the Republic of the Marshall Islands whose registered address is at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960;

"**CRD IV**" means Directive 2013/36/EU of the European Union on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms;

"**Creditor Party**" means the Agent, the Security Trustee or any Lender, whether as at the date of this Agreement or at any later time;

"**CRR**" means and Regulation (EU) No 575/2013 of the European Union on prudential requirements for credit institutions and investment firms;

"**DAC6**" has the meaning given to it in Clause 11.23 (*DAC6*);

"**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 Loan (or otherwise in order for the transactions contemplated by the Finance Documents to be carried out) which disruption is not caused by, and is beyond the control of, any of the parties or, if applicable, any Security Party; or
- (b) the occurrence of any other event which results in a disruption (of a technical or systems-related nature) to the treasury or payments operations of a party or, if applicable, any Security Party preventing that, or any other, Party or, if applicable, any Security Party:
 - (i) from performing its payment obligations under the Finance Documents; or
 - (ii) from communicating with other parties or, if applicable, any Security Party in accordance with the terms of the Finance Documents,

and which (in either such case) is not caused by, and is beyond the control of, the Party or, if applicable, any Security Party whose operations are disrupted;

"**Dollars**" and "**\$**" means the lawful currency for the time being of the United States of America;

"Drawdown Date" means, in relation to an Advance, the date requested by the Borrowers for the Advance to be made, or (as the context requires) the date on which the Advance is actually made;

"Drawdown Notice" means a notice in the form set out in Schedule 2 (*Drawdown Notice*) (or in any other form which the Agent approves or reasonably requires);

"Earnings" means, in relation to a Ship, all moneys whatsoever which are now, or later become, payable (actually or contingently) to the Borrower owning that Ship or the Security Trustee and which arise out of or in connection with or relate to the use or operation of that Ship, including (but not limited to):

- (a) except to the extent that they fall within paragraph (b);
 - (i) all freight, hire and passage moneys;
 - (ii) compensation payable to that Borrower or the Security Trustee in the event of requisition of that Ship for hire;
 - (iii) remuneration for salvage and towage services;
 - (iv) demurrage and detention moneys;
 - (v) damages for breach (or payments for variation or termination) of any charterparty or other contract for the employment of that Ship;
 - (vi) all monies which are at any time payable under any Insurances in respect of loss of hire; and
 - (vii) all monies which are at any time payable to that Borrower in relation to general average contribution; and
- (b) if and whenever that Ship is employed on terms whereby any moneys falling within sub-paragraphs (i) to (vii) of paragraph (a) above are pooled or shared with any other person, that proportion of the net receipts of the relevant pooling or sharing arrangement which is attributable to that Ship;

"Earnings Account" means, in relation to a Borrower, an account in the name of the Borrower owning that Ship with the Account Bank designated "*[Name of Borrower]* - Earnings Account", or any other account with the Account Bank which is designated by the Agent as the Earnings Account for the purposes of this Agreement;

"Earnings Account Security Deed" means, in relation to an Earnings Account, a deed creating security in respect of that Earnings Account in the Agreed Form;

"EEA Member Country" means any member state of the European Union, Iceland, Liechtenstein and Norway;

"Environmental Claim" means:

- (a) any claim by any governmental, judicial or regulatory authority which arises out of an Environmental Incident or an alleged Environmental Incident or which relates to any Environmental Law; or

(b) any claim by any other person which relates to an Environmental Incident or to an alleged Environmental Incident,

and "**claim**" means a claim for damages, compensation, fines, penalties or any other payment of any kind whether or not similar to the foregoing; an order or direction to take, or not to take, certain action or to desist from or suspend certain action; and any form of enforcement or regulatory action, including the arrest or attachment of any asset;

"**Environmental Incident**" means, in relation to a Ship:

- (a) any release of Environmentally Sensitive Material from that Ship; or
- (b) any incident in which Environmentally Sensitive Material is released from a vessel other than a Ship and which involves a collision between that Ship and such other vessel or some other incident of navigation or operation, in either case, in connection with which that Ship is actually or potentially liable to be arrested, attached, detained or enjoined and/or that Ship and/or the relevant Borrower and/or any operator or manager of that Ship 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 otherwise than from a Ship and in connection with which that Ship is actually or potentially liable to be arrested and/or where the relevant Borrower and/or any operator or manager of that Ship is at fault or allegedly at fault or otherwise liable to any legal or administrative action;

"**Environmental Law**" means any present or future law relating to vessel disposal, energy efficiency, carbon reduction, emissions, emissions trading, pollution or protection of human health or the environment, to conditions in the workplace, to the carriage, generation, handling, storage, use, release or spillage of Environmentally Sensitive Material or to actual or threatened releases of Environmentally Sensitive Material;

"**Environmentally Sensitive Material**" means oil, oil products and any other substance (including any chemical, gas or other hazardous or noxious substance) which is (or is capable of being or becoming) polluting, toxic or hazardous;

"**EU Bail-In Legislation Schedule**" means the document described as such and published by the Loan Market Association (or any successor person) from time to time;

"**Event of Default**" means any of the events or circumstances described in Clause 19.1 (*Events of Default*);

"**FATCA**" means:

- (a) sections 1471 to 1474 of the Code or any associated regulations;
- (b) any treaty, law or regulation of any other jurisdiction, or relating to an intergovernmental agreement between the US and any other jurisdiction, which (in either case) facilitates the implementation of any law or regulation referred to in paragraph (a) above; or

- (c) any agreement pursuant to the implementation of any treaty, law or regulation referred to in paragraphs (a) or (b) above with the 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 any Finance Document required by FATCA;

"FATCA Exempt Party" means a party to a Finance Document that is entitled to receive payments free from any FATCA Deduction;

"Final Repayment Date" means:

- (a) In relation to Advance A, the date falling on earlier of (i) the fourth anniversary from the Drawdown Date of Advance A and (ii) 30 December 2028; and
- (b) In relation to Advance B, the date falling on earlier of (i) the sixth anniversary from the Drawdown Date of Advance B and (ii) 30 December 2030;

"Finance Documents" means:

- (a) this Agreement;
- (b) the Agency and Trust Deed;
- (c) the Corporate Guarantee;
- (d) the General Assignments;
- (e) the Mortgages;
- (f) the Earnings Account Security Deeds;
- (g) the Cash Collateral Account Security Deeds;
- (h) the Retention Account Security Deed;
- (i) any Charterparty Assignment;
- (j) the Approved Manager's Undertakings;
- (k) any Approved Third Party Manager's Undertaking; and
- (l) any other document (whether creating a Security Interest or not) which is executed at any time by the Borrowers, any Approved Manager, any Approved Third Party Manager, the Corporate Guarantor or any other person as security for, or to establish any form of subordination or priorities arrangement in relation to, any amount payable to the Lenders under this Agreement or any of the other documents referred to in this definition;

"Financial Indebtedness" means, in relation to a person (the "**debtor**"), a liability of the debtor:

- (a) for principal, interest or any other sum payable in respect of any moneys borrowed or raised by the debtor;

- (b) under any loan stock, bond, note or other security issued by the debtor;
- (c) under any acceptance credit, guarantee or letter of credit facility or dematerialised equivalent made available to the debtor;
- (d) under a financial lease, a deferred purchase consideration arrangement or any other agreement having the commercial effect of a borrowing or raising of money by the debtor;
- (e) under any foreign exchange transaction, any interest or currency swap or any other kind of derivative transaction entered into by the debtor or, if the agreement under which any such transaction is entered into requires netting of mutual liabilities, the liability of the debtor for the net amount; or
- (f) under a guarantee, indemnity or similar obligation entered into by the debtor in respect of a liability of another person which would fall within paragraphs (a) to (e) if the references to the debtor referred to the other person;

"**Financial Year**" means each period of 1 year ending on 31 December in respect of which the Corporate Guarantor's annual audited financial statements are or ought to be prepared;

"**Fixing Period**" has the meaning given to it in Clause 5.5 (*Pledged Cash Amount*);

"**Funding Rate**" means any individual rate notified by a Lender to the Agent pursuant to sub-paragraph (ii) of paragraph (a) of Clause 7.3 (*Cost of funds*);

"**GAAP**" means generally accepted accounting principles in the US;

"**General Assignment**" means, in relation to a Ship, a general assignment creating security over the Earnings, the Insurances and any Requisition Compensation of that Ship in the Agreed Form;

"**Group**" means the Borrowers, their parents, the Corporate Guarantor and its Subsidiaries from time to time during the Security Period and "**member of the Group**" shall be construed accordingly;

"**Guarantor's Cash Collateral Account**" means an account in the name of the Corporate Guarantor with the Account Bank designated "*Navios Maritime Partners L.P. – Cash Collateral Account*", or any other account (with that or another office of the Account Bank) which is designated by the Agent as the Guarantor's Cash Collateral Account for the purpose of this Agreement;

"**Guarantor's Cash Collateral Account Security Deed**" means a deed creating security in respect of the Guarantor's Cash Collateral Account in the Agreed Form;

"**Half Year**" each period of six months ending on 30 June in respect of which the Corporate Guarantor's semi-annual management accounts are or ought to be prepared;

"**Historic Term SOFR**" means, in relation to an Advance, the most recent applicable Term SOFR for a period equal in length to the Interest Period of that Advance and which is as of a day which is no more than three US Government Securities Business Days before the Quotation Day;

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

"**IACS**" means the International Association of Classification Societies;

"**Initial Market Value**" means in relation to each Ship, the Market Value thereof, calculated in accordance with the valuation relative thereto dated not earlier than 30 days prior to the Drawdown Date in respect of that Ship referred to in paragraph 7 of Part A of Schedule 3 (*Condition Precedent Documents*);

"**Insurances**" means, in relation to a Ship:

- (a) all policies and contracts of insurance, including entries of that Ship in any protection and indemnity or war risks association, effected in respect of that Ship, its Earnings or otherwise in relation to it, whether before, on or after the date of this Agreement; and
- (b) all rights and other assets relating to, or derived from, any of the foregoing, including any rights to a return of a premium and any rights in respect of any claim whether or not the relevant policy, contract of insurance or entry has expired on or before the date of this Agreement;

"**Interest Period**" means a period determined in accordance with Clause 6 (*Interest Periods*);

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

- (a) either:
 - (i) the most recent applicable Term SOFR (as of a day which is not more than three US Government Securities Business Days before the Quotation Day) for the longest period (for which Term SOFR is available) which is less than the Interest Period of that Advance; or
 - (ii) if no such Term SOFR is available for a period which is less than the Interest Period of that Advance, SOFR for a day which is no more than six US Government Securities Business Days (and no less than three US Government Securities Business Days) before the Quotation Day; and
- (b) the most recent applicable Term SOFR (as of a day which is not more than three US Government Securities Business Days before the Quotation Day) for the shortest period (for which Term SOFR is available) which exceeds the Interest Period of that Advance;

"**Initial Charter**" has the meaning given to that term in Schedule 5 (*Details of the Ships and Other Definitions*);

"**Initial Charterer**" has the meaning given to that term in Schedule 5 (*Details of the Ships and Other Definitions*);

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

(a) either:

(i) the applicable Term SOFR (as of the Specified Time) for the longest period (for which Term SOFR is available) which is less than the Interest Period of that Advance; or

(ii) if no such Term SOFR is available for a period which is less than the Interest Period of that Advance, SOFR for the day which is three US Government Securities Business Days before the Quotation Day; and

(b) the applicable Term SOFR (as of the Specified Time) for the shortest period (for which Term SOFR is available) which exceeds the Interest Period of that Advance;

"**ISM Code**" means the International Safety Management Code (including the guidelines on its implementation), adopted by the International Maritime Organisation as the same may be amended, supplemented or superseded from time to time (and the terms "**safety management system**", "**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 as 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;

"**Lender**" means, subject to Clause 26.6 (*Lender re-organisation; waiver of Transfer Certificate*), a bank or financial institution listed in Schedule 1 (*Lenders and Commitments*) and acting through its branch indicated in Schedule 1 (*Lenders and Commitments*) (or through another branch notified to the Agent under Clause 26.14 (*Change of lending office*)) or its transferee, successor or assign);

"**Loan**" means the principal amount for the time being outstanding under this Agreement;

"**Major Casualty**" means, in relation to a Ship, any casualty to that Ship in respect of which the claim or the aggregate of the claims against all insurers, before adjustment for any relevant franchise or deductible, exceeds, in relation to Ship A, Ship B and Ship D, \$750,000, and, in relation to Ship C, \$1,000,000 or the equivalent in any other currency;

"**Majority Lenders**" means:

(a) before an Advance has been made, Lenders whose Commitments total 66.67 per cent. of the Total Commitments; and

(b) after an Advance has been made, Lenders whose Contributions total 66.67 per cent. of the Loan;

"**Mandatory Cost**" means the cost incurred by the Lenders in respect of the Loan in complying with any applicable regulations of any relevant regulatory authority;

"**Margin**" means:

(a) at all times, subject to paragraph (b) below, 1.75 per cent. per annum; and

(b) if the Borrowers exercise their right pursuant to Clause 5.5 (*Pledged Cash amount*), 0.70 per cent. per annum in respect of the amount of the Loan which is equal to the Pledged Cash Amount for the duration of the Fixing Period;

"**Market Disruption Rate**" means the percentage rate per annum which is the Reference Rate;

"**Market Value**" means, in relation to a Ship, the market value of that Ship determined in accordance with Clause 15.3 (*Valuation of the Ships*);

"**Material Adverse Effect**" means, in the reasonable opinion of the Majority Lenders, a material adverse effect on:

- (a) the business, operations, property, condition (financial or otherwise) or prospects of any Security Party taken as a whole;
or
- (b) the ability of a Security Party to perform its obligations under the Finance Documents; or
- (c) the legality, validity or enforceability of, or the effectiveness or ranking of, any Security Interest granted or purporting to be granted pursuant to any of the Finance Documents, or the rights or remedies of any Creditor Party under any of the Finance Documents;

"**Minimum Liquidity Amount**" has the meaning given in Clause 12.4 (*Minimum Liquidity*);

"**Mortgage**" means, in relation to a Ship, the first priority, or as the case may be, preferred ship mortgage on that Ship executed by the relevant Borrower in favour of the Security Trustee and, if required by the laws of the relevant Approved Flag State, the deed of covenant collateral to that mortgage in the Agreed Form;

"**Notifying Lender**" has the meaning given in Clause 23.1 (*Illegality*) or Clause 24.1 (*Increased costs*) as the context requires;

"**Party**" means a party to this Agreement;

"**Payment Currency**" has the meaning given in Clause 21.4 (*Currency indemnity*);

"**Permitted Security Interests**" means:

- (a) in relation to Ship D, until the Drawdown Date of Advance B, any Security Interest over Ship D;
- (b) Security Interests created by the Finance Documents;
- (c) liens for unpaid master's and crew's wages in accordance with usual maritime practice;
- (d) liens for salvage;
- (e) liens arising by operation of law for not more than 2 months' prepaid hire under any charter in relation to a Ship not prohibited by this Agreement;
- (f) liens for master's disbursements incurred in the ordinary course of trading and any other lien arising by operation of law or otherwise in the ordinary course of the operation, repair or maintenance of a Ship, provided such liens do not secure amounts

more than 30 days overdue (unless the overdue amount is being contested by the relevant Borrower in good faith by appropriate steps) and subject, in the case of liens for repair or maintenance, to paragraph (g) of Clause 14.13 (*Restrictions on chartering, appointment of managers etc.*);

- (g) any Security Interest created in favour of a plaintiff or defendant in any proceedings or arbitration as security for costs and expenses while a Borrower is actively prosecuting or defending such proceedings or arbitration in good faith; and
- (h) Security Interests arising by operation of law in respect of taxes which are not overdue for payment or in respect of taxes being contested in good faith by appropriate steps and in respect of which appropriate reserves have been made;

"Pertinent Document" means:

- (a) any Finance Document;
- (b) any policy or contract of insurance contemplated by or referred to in Clause 13 (*Insurance*) or any other provision of this Agreement or another Finance Document;
- (c) any other document contemplated by or referred to in any Finance Document; and
- (d) any document which has been or is at any time sent by or to a Servicing Bank in contemplation of or in connection with any Finance Document or any policy, contract or document falling within paragraphs (b) or (c);

"Pertinent Jurisdiction", in relation to a company, means:

- (a) England and Wales;
- (b) the country under the laws of which the company is incorporated or formed;
- (c) a country in which the company has the centre of its main interests or in which the company's central management and control is or has recently been exercised;
- (d) a country in which the overall net income of the company is subject to corporation tax, income tax or any similar tax;
- (e) a country in which assets of the company (other than securities issued by, or loans to, related companies) having a substantial value are situated, in which the company maintains a branch or a permanent place of business, or in which a Security Interest created by the company must or should be registered in order to ensure its validity or priority; and
- (f) a country the courts of which have jurisdiction to make a winding up, administration or similar order in relation to the company, whether as main or territorial or ancillary proceedings, or which would have such jurisdiction if their assistance were requested by the courts of a country referred to in paragraphs (b) or (c) above;

"Pertinent Matter" means:

- (a) any transaction or matter contemplated by, arising out of, or in connection with a Pertinent Document; or

(b) any statement relating to a Pertinent Document or to a transaction or matter falling within paragraph (a),

and covers any such transaction, matter or statement, whether entered into, arising or made at any time before the signing of this Agreement or on or at any time after that signing;

"Pledged Cash Amount" means the aggregate amount of any cash pledged by the Borrowers to the Lenders in accordance with Clause 5.5 (*Pledged Cash Amount*);

"Potential Event of Default" means an event or circumstance which, with the giving of any notice, the lapse of time, a reasonable determination of the Majority Lenders and/or the satisfaction of any other condition, would constitute an Event of Default;

"Prohibited Person" means any person (whether designated by name or by reason of being included in a class of persons) against whom Sanctions are directed;

"Quotation Day" means, in relation to any period for which an interest rate is to be determined, two US Government Securities Business Days before the first day of that period, unless market practice differs in the relevant syndicated loan market, in which case the Quotation Day will be determined by the Agent in accordance with that market practice (and if quotations would normally be given on more than one day, the Quotation Day will be the last of those days);

"Reference Rate" means, in relation to an Advance:

(a) the applicable Term SOFR as of the Specified Time and for a period equal in length to the Interest Period of that Advance;
or

(b) as otherwise determined pursuant to Clause 7.1 (*Unavailability of Term SOFR*),

and if, in either case, that rate is less than zero, the Reference Rate shall be deemed to be zero;

"Relevant Person" has the meaning given in Clause 19.9 (*Relevant Persons*);

"Repayment Date" means a date on which a repayment is required to be made under Clause 8 (*Repayment and Prepayment*);

"Repayment Instalment" has the meaning given in Clause 8.1 (*Amount of repayment instalments*);

"Requisition Compensation" includes all compensation or other moneys payable by reason of any act or event such as is referred to in paragraph (b) of the definition of "Total Loss";

"Resolution Authority" means any body which has authority to exercise any Write-down and Conversion Powers.

"Retention Account" means an account in the joint name of the Borrowers with the Account Bank designated "*Theros Ventures Limited, Samothrace Shipping Corporation, Fantastiks Shipping Corporation and Spetses Marine Shipping Corporation – Retention Account*", or any other account with the Account Bank which is designated by the Agent as the Retention Account for the purposes of this Agreement;

"Retention Account Security Deed" means a deed creating security in respect of the Retention Account in the Agreed Form;

"Russian Oil Price Cap Measures" means the Russian oil price cap restrictions and requirements imposed by law or regulation of the United Kingdom, the Council of the European Union and the United States of America and any other similar restrictions on the supply or delivery or maritime transportation of Russian Oil Products applicable to Borrower B and any Security Party.

"Russian Oil Products" means oil and oil products falling within commodity codes 2709 or 2710 which originate in or are consigned from Russia;

"Sanctioned Country" means a country or territory that is subject to comprehensive country-wide or territory-wide Sanctions;

"Sanctioned Ship" means a ship which is the subject of Sanctions;

"Sanctions" means any sanctions (including US "secondary sanctions"), embargoes, freezing provisions, prohibitions or other restrictions relating to trading, doing business, investment, exporting, financing or making assets available (or other activities similar to or connected with any of the foregoing):

- (a) imposed by law or regulation of the United Kingdom, the Council of the European Union, the United Nations or its Security Council or the United States of America; or
- (b) otherwise imposed by any law or regulation binding on a Borrower, an Approved Manager, an Approved Third Party Manager or a Security Party or to which a Borrower or an Approved Manager or an Approved Third Party Manager or a Security Party is subject;

"Secured Liabilities" means all liabilities which the Borrowers, the Security Parties, an Approved Manager, an Approved Third Party Manager or any of them have, at the date of this Agreement or at any later time or times, under or in connection with any Finance Document or any judgment relating to any Finance Document; and for this purpose, there shall be disregarded any total or partial discharge of these liabilities, or variation of their terms, which is effected by, or in connection with, any bankruptcy, liquidation, arrangement or other procedure under the insolvency laws of any country;

"Security Interest" means:

- (a) a mortgage, charge (whether fixed or floating) or pledge, any maritime or other lien or any other security interest of any kind;
- (b) the security rights of a plaintiff under an action *in rem*; and
- (c) any arrangement entered into by a person (A) the effect of which is to place another person (B) in a position which is similar, in economic terms, to the position in which B would have been had he held a security interest over an asset of A,

but paragraph (c) above does not apply to a right of set off or combination of accounts conferred by the standard terms of business of a bank or financial institution;

"Security Party" means a Borrower, the Corporate Guarantor and any other person (except a Creditor Party, an Approved Manager and an Approved Third Party Manager) who, as a surety or mortgagor, as a party to any subordination or priorities arrangement, or in any similar capacity, executes a document falling within the definition of "Finance Documents";

"Security Period" means the period commencing on the date of this Agreement and ending on the date on which the Agent notifies the Borrowers, the Security Parties and the other Creditor Parties that:

- (a) all amounts which have become due for payment by any Borrower or any Security Party under the Finance Documents have been paid;
- (b) no amount is owing or has accrued (without yet having become due for payment) under any Finance Document;
- (c) neither any Borrower nor any Security Party has any future or contingent liability under Clauses 20 (*Fees and Expenses*), 21 (*Indemnities*) or 22 (*No Set-Off or Tax Deduction; FATCA*) or any other provision of this Agreement or another Finance Document; and
- (d) the Agent, the Security Trustee and the Majority Lenders do not consider that there is a significant risk that any payment or transaction under a Finance Document would be set aside, or would have to be reversed or adjusted, in any present or possible future bankruptcy of a Borrower or a Security Party or in any present or possible future proceeding relating to a Finance Document or any asset covered (or previously covered) by a Security Interest created by a Finance Document;

"Security Trustee" means Eurobank S.A. acting in such capacity through its shipping branch at 83 Akti Miaouli & Flessa Str., Piraeus 185 38, Greece, or any successor of it appointed under clause 5 of the Agency and Trust Deed;

"Servicing Bank" means the Agent or the Security Trustee;

"Shareholder" means:

- (a) in relation to Borrower A, Boheme Navigation Company, a corporation incorporated in the Marshall Islands having its registered address at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960;
- (b) in relation to Borrower B, Navios Maritime Midstream Operating LLC, a limited liability company formed in the Marshall Islands having its registered address at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960; and
- (c) in relation to Borrower C and Borrower D, Navios Maritime Operating L.L.C., a limited liability company formed in the Marshall Islands having its registered address at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960;

"Ship" means each of Ship A, Ship B, Ship C or Ship D;

"Ship A" has the meaning given to that term in Schedule 5 (*Details of the Ships and Other Definitions*);

"**Ship B**" has the meaning given to that term in Schedule 5 (*Details of the Ships and Other Definitions*);

"**Ship C**" has the meaning given to that term in Schedule 5 (*Details of the Ships and Other Definitions*);

"**Ship D**" has the meaning given to that term in Schedule 5 (*Details of the Ships and Other Definitions*);

"**Statement of Compliance**" has the meaning given to it in Clause 14.21 (*Annex VI*).

"**SOFR**" means the secured overnight financing rate (SOFR) administered by the Federal Reserve Bank of New York (or any other person which takes over the administration of that rate) published (before any correction, recalculation or republication by the administrator) by the Federal Reserve Bank of New York (or any other person which takes over the publication of that rate);

"**Specified Time**" means a day or time determined in accordance with Schedule 6 (*Timetables*) or any other day or time agreed by the Agent;

"**Term SOFR**" means the term SOFR reference rate administered by CME Group Benchmark Administration Limited (or any other person which takes over the administration of that rate) for the relevant period published (before any correction, recalculation or republication by the administrator) by CME Group Benchmark Administration Limited (or any other person which takes over the publication of that rate);

"**Total Loss**" means, in relation to a Ship:

- (a) actual, constructive, compromised, agreed or arranged total loss of that Ship;
- (b) any expropriation, confiscation, requisition or acquisition of that Ship, whether for full consideration, a consideration less than her proper value, a nominal consideration or without any consideration, which is effected by any government or official authority or by any person or persons claiming to be or to represent a government or official authority, excluding a requisition for hire for a fixed period not exceeding one year without any right to an extension;
- (c) any condemnation of that Ship by any tribunal or by any person or person claiming to be a tribunal; and
- (d) any arrest, capture, seizure, confiscation or detention of that Ship (including any hijacking, theft or act of piracy), unless it is redelivered within 90 days to the full control of the Borrower owning that Ship and, in respect of an act of piracy, if the relevant underwriters confirm to the Agent in writing prior to the end of such 90-day period that that Ship is subject to an approved piracy insurance cover, the earlier of 270 days after the date on which that Ship is captured by pirates and the date on which the piracy insurance cover expires;

"**Total Loss Date**" means, in relation to a Ship:

- (a) in the case of an actual loss of that Ship, the date on which it occurred or, if that is unknown, the date when that Ship was last heard of;

- (b) in the case of a constructive, compromised, agreed or arranged total loss of that Ship, the earliest of:
- (i) the date on which a notice of abandonment is given to the insurers; and
 - (ii) the date of any compromise, arrangement or agreement made by or on behalf of the Borrower owning that Ship with that Ship's insurers in which the insurers agree to treat that Ship as a total loss; and
- (c) in the case of any other type of total loss, on the date (or the most likely date) on which it appears to the Agent that the event constituting the total loss occurred;

"Transfer Certificate" has the meaning given in Clause 26.2 (*Transfer by a Lender*);

"Trust Property" has the meaning given in clause 3.1 of the Agency and Trust Deed;

"UK Bail-In Legislation" means Part 1 of the United Kingdom Banking Act 2009 and any other law or regulation applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutes or their affiliates (otherwise than through liquidation, administration or other insolvency proceedings);

"Unpaid Sum" means any sum due and payable but unpaid by the Borrowers or a Security Party under the Finance Documents;

"US" means the United States of America;

"US Government Securities Business Day" means any day other than:

- (a) a Saturday or a Sunday; and
- (b) a day on which the Securities Industry and Financial Markets Association (or any successor organisation) recommends that the fixed income departments of its members be closed for the entire day for the purposes of trading in the US Government securities;

"US Tax Obligor" means:

- (a) a Borrower if it is resident for tax purposes in the US; or
- (b) a Borrower or a Security Party, some or all of whose payments under the Finance Documents are from sources within the US for US federal income tax purposes; and

"Write-down and Conversion Powers" means:

- (a) in relation to any Bail-In Legislation described in the EU Bail-In Legislation Schedule from time to time, the powers described as such in relation to that Bail-In Legislation in the EU Bail-In Legislation Schedule;
- (b) in relation to the UK Bail-In Legislation, any powers under that UK Bail-In Legislation to cancel, transfer or dilute shares issued by a person that is a bank or investment firm or other financial institution or affiliate of a bank, investment firm or other financial institution, to cancel, reduce, modify or change the form of a liability of such a person or any contract or instrument under which that liability arises, to convert all or part of

that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that UK Bail-In Legislation that are related to or ancillary to any of those powers; and

(c) in relation to any other applicable Bail-In Legislation:

(i) any powers under that Bail-In Legislation to cancel, transfer or dilute shares issued by a person that is a bank or investment firm or other financial institution or affiliate of a bank, investment firm or other financial institution, to cancel, reduce, modify or change the form of a liability of such a person or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers; and

(ii) any similar or analogous powers under that Bail-In Legislation.

1.2 Construction of certain terms

(a) In this Agreement:

"**approved**" means, for the purposes of Clause 13 (*Insurance*), approved in writing by the Agent;

"**asset**" includes every kind of property, asset, interest or right, including any present, future or contingent right to any revenues or other payment;

"**company**" includes any partnership, joint venture and unincorporated association;

"**consent**" includes an authorisation, consent, approval, resolution, licence, exemption, filing, registration, notarisation and legalisation;

"**contingent liability**" means a liability which is not certain to arise and/or the amount of which remains unascertained;

a Lender's "**cost of funds**" in relation to its participation in the Loan or an Advance is a reference to the average cost (determined either on an actual or a notional basis) which that Lender would incur if it were to fund, from whatever source(s) it may reasonably select, an amount equal to the amount of that participation in the Loan or in an Advance for a period equal in length to the Interest Period of the Loan or that Advance;

"**document**" includes a deed; also a letter or fax;

"**excess risks**" means, in relation to a Ship, the proportion of claims for general average, salvage and salvage charges not recoverable under the hull and machinery policies in respect of that Ship in consequence of its insured value being less than the value at which that Ship is assessed for the purpose of such claims;

"**expense**" means any kind of cost, charge or expense (including all legal costs, charges and expenses) and any applicable value added or other tax;

"**law**" includes any order or decree, any form of delegated legislation, any treaty or international convention and any regulation or resolution of the Council of the European Union, the European Commission, the United Nations or its Security Council;

"**legal or administrative action**" means any legal proceeding or arbitration and any administrative or regulatory action or investigation;

"**liability**" includes every kind of debt or liability (present or future, certain or contingent), whether incurred as principal or surety or otherwise;

"**months**" shall be construed in accordance with Clause 1.3 (*Meaning of "month"*);

"**obligatory insurances**" means, in relation to a Ship, all insurances effected, or which that Borrower owning that Ship is obliged to effect, under Clause 13 (*Insurance*) or any other provision of this Agreement or another Finance Document;

"**parent company**" has the meaning given in Clause 1.4 (*Meaning of "subsidiary"*);

"**person**" includes any company; any state, political sub-division of a state and local or municipal authority; and any international organisation;

"**policy**" in relation to any insurance, includes a slip, cover note, certificate of entry or other document evidencing the contract of insurance or its terms;

"**protection and indemnity risks**" means the usual risks covered by a protection and indemnity association being a member of the International Group of Protection and Indemnity Associations (or any successor organisation), 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 (Hulls) (1/11/95) or clause 8 of the Institute Time Clauses (Hulls) (1/10/83) or the Institute Amended Running Down Clause (1/10/71) or any equivalent provision;

"**regulation**" includes any regulation, rule, official directive, request or guideline whether or not having the force of law of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;

"**subsidiary**" has the meaning given in Clause 1.4 (*Meaning of "subsidiary"*);

"**successor**" includes any person who is entitled (by assignment, novation, merger or otherwise) to any other person's rights under this Agreement or any other Finance Document (or any interest in those rights) or who, as administrator, liquidator or otherwise, is entitled to exercise those rights; and in particular references to a successor include a person to whom those rights (or any interest in those rights) are transferred or pass as a result of a merger, division, reconstruction or other reorganisation of it or any other person;

"**tax**" includes any present or future tax, duty, impost, levy or charge of any kind which is imposed by any state, any political sub-division of a state or any local or municipal authority (including any such imposed in connection with exchange controls), and any connected penalty, interest or fine;

"war risks" includes the risk of mines and all risks excluded by clauses 29, 30 or 31 of the International Hull Clauses (1/11/02), clauses 29 or 30 of the International Hull Clauses (1/11/03), clauses 24, 25 or 26 of the Institute Time Clauses (Hulls) (1/11/95) or clauses 23, 24 or 25 of the Institute Time Clauses (Hulls) (1/10/83) or any equivalent provision; and

A Potential Event of Default is "**continuing**" if it has not been remedied or waived and, an Event of Default is "**continuing**" if it has not been waived.

- (b) The determination of the extent to which a rate is "**for a period equal in length**" to an Interest Period shall disregard of any inconsistency arising from the last day of that Interest Period being determined pursuant to the terms of this Agreement.

1.3 Meaning of "month"

A period of one or more "**months**" ends on the day in the relevant calendar month numerically corresponding to the day of the calendar month on which the period started ("**the numerically corresponding day**"), but:

- (a) on the Business Day following the numerically corresponding day if the numerically corresponding day is not a Business Day or, if there is no later Business Day in the same calendar month, on the Business Day preceding the numerically corresponding day; or
- (b) on the last Business Day in the relevant calendar month, if the period started on the last Business Day in a calendar month or if the last calendar month of the period has no numerically corresponding day,

and "**month**" and "**monthly**" shall be construed accordingly.

1.4 Meaning of "subsidiary"

A company (S) is a subsidiary of another company (P) if a majority of the issued shares in S (or a majority of the issued shares in S which carry unlimited rights to capital and income distributions) are directly owned by P or are indirectly attributable to P and any company of which S is a subsidiary is a parent company of S.

1.5 General Interpretation

- (a) In this Agreement:
- (i) references to, or to a provision of, a Finance Document or any other document are references to it as amended or supplemented (following the agreement of the parties thereto), whether before the date of this Agreement or otherwise;
- (ii) references to, or to a provision of, any law include any amendment, extension, re-enactment or replacement, whether made before the date of this Agreement or otherwise;
- (iii) words denoting the singular number shall include the plural and vice versa; and
- (iv) where a determination or opinion is stated to be "conclusive" it shall be binding on the relevant party save for manifest error;

- (b) Clauses 1.1 (*Definitions*) to 1.4 (*Meaning of "subsidiary"*) and paragraph (a) of this Clause 1.5 (*General Interpretation*) apply unless the contrary intention appears.
- (c) In the case of any conflict between this Agreement and the other Finance Documents, the provisions of this Agreement shall prevail.
- (d) The clause headings shall not affect the interpretation of this Agreement.
- (e) Any consent or permission to be granted pursuant to the terms of this Agreement shall be in writing.

1.6 Headings

In interpreting a Finance Document or any provision of a Finance Document, all clause, sub-clause and other headings in that and any other Finance Document shall be entirely disregarded.

2 POSITION OF THE LENDERS

2.1 Interests of Lenders several

The rights of the Lenders under this Agreement are several.

2.2 Individual Lender's right of action

Each Lender shall be entitled to sue for any amount which has become due and payable by the Borrowers to it under this Agreement without joining the Agent, the Security Trustee or any other Creditor Party as additional parties in the proceedings.

2.3 Proceedings by individual Lender requiring Majority Lenders' consent

Except as provided in Clause 2.2 (*Individual Lender's right of action*), no Lender may commence proceedings against any Borrower or any Security Party in connection with a Finance Document without the prior consent of the Majority Lenders.

2.4 Obligations of Lenders several

The obligations of the Lenders under this Agreement are several; and a failure of a Lender to perform its obligations under this Agreement shall not result in:

- (a) the obligations of the other Lenders being increased; nor
- (b) any Borrower, any Security Party or any other Lender being discharged (in whole or in part) from its obligations under any Finance Document,

and in no circumstances shall a Lender have any responsibility for a failure of another Lender to perform its obligations under this Agreement.

3 FACILITY

3.1 Amount of facility

Subject to the other provisions of this Agreement, the Lenders shall make available to the Borrowers a secured term loan facility in an aggregate principal amount not exceeding (i)

\$48,000,000 and (ii) 55 per cent. of the aggregate Initial Market Value of the Ships to be used by the Borrowers for the purpose of refinancing part of the shareholders' equity provided to repay indebtedness in relation to Ship A, Ship B and Ship C and to pay the acquisition cost of Ship D and providing general working capital to the Borrowers and/or the Group.

3.2 Lenders' participations in Advance

Subject to the other provisions of this Agreement, each Lender shall participate in each Advance in the proportion which, as at the relevant Drawdown Date, its Commitment bears to the Total Commitments.

3.3 Purpose of Advances

The Borrowers undertake with each Creditor Party to use each Advance only for the purpose stated in the preamble to this Agreement.

4 DRAWDOWN

4.1 Request for Advance

Subject to the following conditions, the Borrowers may request an Advance to be made by ensuring that the Agent receives a completed Drawdown Notice not later than the Specified Time.

4.2 Availability

The conditions referred to in Clause 4.1 (*Request for Advance*) are that:

- (a) a Drawdown Date has to be a Business Day during the Availability Period;
- (b) each Advance shall be used for the purpose referred to in Clause 3.3 (*Purpose of Advances*);
- (c) each Advance shall be advanced in a single amount;
- (d) each Advance shall not exceed:
 - (i) in relation to Advance A, a principal amount of up to the lesser of (i) \$30,000,000 and (ii) 45 per cent. of the aggregate Initial Market Value of Ship A, Ship B and Ship C; and
 - (ii) Advance B to be in a principal amount of up to the lesser of (i) \$18,000,000, (ii) 65 per cent. of the Initial Market Value of Ship D and (iii) a principal amount, which when aggregated with the Advance under Advance A outstanding not exceeding an amount equal to 55 per cent. of the aggregate Market Value of the Ships.
- (e) the aggregate amount of the Advances shall not exceed the lesser of (i) \$48,000,000 and (ii) 55 per cent. of the aggregate of the Initial Market Value of the Ships;
- (f) any amount of an Advance which is not drawn at the relevant Drawdown Date shall be cancelled and may not be borrowed by the Borrowers at a later date.

4.3 Notification to Lenders of receipt of a Drawdown Notice

The Agent shall promptly notify the Lenders that it has received a Drawdown Notice and shall inform each Lender of:

- (a) the amount of the Advance and the Drawdown Date;
- (b) the amount of that Lender's participation in the Advance; and
- (c) the duration of the first Interest Period.

4.4 Drawdown Notice irrevocable

A Drawdown Notice must be signed by a duly authorised person on behalf of each Borrower; and once served, a Drawdown Notice cannot be revoked without the prior consent of the Agent, acting on the authorisation of the Majority Lenders.

4.5 Lenders to make available Contributions

Subject to the provisions of this Agreement, each Lender shall, on and with value on each Drawdown Date, make available to the Agent for the account of the Borrowers the amount due from that Lender on that Drawdown Date under Clause 3.2 (*Lenders' participations in Advance*).

4.6 Disbursement of Advance

Subject to the provisions of this Agreement, the Agent shall on each Drawdown Date make available to the Borrowers the amounts which the Agent receives from the Lenders under Clause 4.5 (*Lenders to make available Contributions*); and payment to the Borrowers shall be made:

- (a) to the account which the Borrowers specify in the Drawdown Notice; and
- (b) in the like funds as the Agent received the payments from the Lenders.

4.7 Disbursement of Advance to third party

The payment by the Agent under Clause 4.6 (*Disbursement of Advance*) to the account which the Borrowers specify in the Drawdown Notice shall constitute the making of the Advance and the Borrowers shall at that time become indebted, as principal and direct obligors, to each Lender in an amount equal to that Lender's Contribution.

5 INTEREST

5.1 Calculation of Interest

Subject to the provisions of this Agreement, the rate of interest on each Advance in respect of each Interest Period relative to that Advance is the percentage rate per annum which is the aggregate of the applicable:

- (a) Margin;
- (b) Reference Rate; and
- (c) the Mandatory Cost (if any).

5.2 Payment of interest

- (a) The Borrowers shall pay accrued interest on each Advance on the last day of the Interest Period relating to that Advance.
- (b) If an Interest Period is longer than three (3) Months, the Borrowers shall also pay interest then accrued on that Advance on the dates falling at three (3) Monthly intervals after the first day of the Interest Period relating to that Advance.

5.3 Default Interest

- (a) If a Borrower or a Security Party fails to pay any amount payable by it under a Finance 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, subject to paragraph (b) below, is two point five (2.5) per cent. per annum, save for any Contributions of Eurobank Cyprus Ltd and interest accruing on such Contributions, where such rate will be two (2) per cent. per annum, higher than the rate which would have been payable if the Unpaid Sum had, during the period of non-payment, constituted part of the Loan in the currency of the Unpaid Sum for successive Interest Periods, each of a duration selected by the Agent. Any interest accruing under this Clause 5.3 (*Default Interest*) shall be immediately payable by the Borrowers and the Security Parties on demand by the Agent.
- (b) If an Unpaid Sum consists of all or part of the Loan which became due on a day which was not the last day of an Interest Period relating to the Loan or that part of the Loan:
 - (i) the first Interest Period for that Unpaid Sum shall have a duration equal to the unexpired portion of the current Interest Period relating to the Loan or that part of the Loan; and
 - (ii) the rate of interest applying to that Unpaid Sum during that first Interest Period shall be two point five (2.5) per cent. per annum or two per cent., as the case may be (in accordance with paragraph (a) above), higher than the rate which would have applied if that Unpaid Sum had not become due.
- (c) Default interest (if unpaid) arising on an Unpaid Sum will be compounded with the Unpaid Sum at the end of each Interest Period applicable to that Unpaid Sum but will remain immediately due and payable.

5.4 Notification of rates of interest

- (a) The Agent shall notify each Lender and the Borrowers of the determination of a rate of interest under this Agreement.
- (b) The Agent shall notify the Borrowers of each Funding Rate relating to the Loan, an Advance or any Unpaid Sum.

5.5 Pledged Cash Amount

The Borrowers or, as the case may be, the Corporate Guarantor, may, at their option and subject to:

- (a) serving a written notice to the Agent not less than 2 Business Days prior to the commencement of an Interest Period (or at any other time during an Interest Period as the Agent may agree in its absolute discretion) (the "**Commencement Date**");
- (b) executing the Borrowers' Cash Collateral Account Security Deed or, as the case may be, the Corporate Guarantor executing the Guarantor's Cash Collateral Account Security Deed and delivering to the Agent documents equivalent to those referred to in paragraphs 2, 3, 4, 5, 10 and 11 of Part A of Schedule 3 (*Condition Precedent Documents*);
- (c) no Event of Default being continuing; and
- (d) the crediting of the Pledged Cash Amount not resulting in the occurrence of an Event of Default,

credit the Borrowers' Cash Collateral Account or, as the case may be, the Guarantor's Cash Collateral Account with an amount equal to the Loan or any part of the Loan (the "**Pledged Cash Amount**") and apply the Pledged Cash Amount on the Commencement Date in reducing the Margin to 0.70 per cent. per annum and such reduced Margin shall apply to the amount of the relevant Advance equal to the Pledged Cash Amount for the duration of that Interest Period (the "**Fixing Period**"). The Pledged Cash Amount (or any part thereof) may only be withdrawn or transferred at end of any Fixing Period and at the request of the Borrowers and/or, as the case may be, the Corporate Guarantor to the Agent, which the Agent shall approve provided that (i) no Event of Default has occurred and is continuing and (ii) no Event of Default will result from the withdrawal or transfer of the Pledged Cash Amount (or any part thereof).

6 INTEREST PERIODS

6.1 Interest Periods

- (a) The first Interest Period applicable to an Advance shall commence on the Drawdown Date of that Advance and each subsequent Interest Period shall commence on the expiry of the preceding Interest Period.
- (b) Each Interest Period shall be:
 - (i) three (3) or six (6) Months (as notified by the Borrowers to the Agent no later than 11.00 a.m. (Athens time) 2 Business Days before the commencement of the Interest Period in respect of that Advance); or
 - (ii) three (3) Months, if the Borrowers fail to notify the Agent by the time specified in paragraph (i); or
 - (iii) such longer or shorter period as the Agent may in its sole discretion, agree with the Borrowers.
- (c) An Interest Period in respect of an Advance shall not extend beyond the Final Repayment Date in relation to that Advance.

6.2 Changes to Interest Periods

In respect of a Repayment Instalment, prior to determining the interest rate for the relevant Advance, the Agent may establish an Interest Period for the relevant Advance equal to such Repayment Instalment to end on the Repayment Date relating to it.

6.3 Non-Business Days

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

7 CHANGES TO CALCULATION OF INTEREST

7.1 Unavailability of Term SOFR

- (a) *Interpolated Term SOFR*: If no Term SOFR is available for the Interest Period of an Advance, the applicable Reference Rate shall be the Interpolated Term SOFR for a period equal in length to the Interest Period of that Advance.
- (b) *Historic Term SOFR*: If no Term SOFR is available for the Interest Period of an Advance and it is not possible to calculate the Interpolated Term SOFR, the applicable Reference Rate shall be the Historic Term SOFR for that Advance.
- (c) *Interpolated Historic Term SOFR*: If paragraph (b) above applies but no Historic Term SOFR is available for the Interest Period of an Advance, the applicable Reference Rate shall be the Interpolated Historic Term SOFR for a period equal in length to the Interest Period of that Advance.
- (d) *Cost of funds*: If paragraph (c) above applies but it is not possible to calculate the Interpolated Historic Term SOFR, there shall be no Reference Rate for the Loan or an Advance (as applicable) and Clause 7.3 (*Cost of funds*) shall apply to the Loan or an Advance for that Interest Period.

7.2 Market disruption

If before close of business in Athens on the Quotation Day for the relevant Interest Period, the Agent receives notification from a Lender or Lenders (whose participations in the Loan or an Advance exceed 35 per cent. of the Loan or that Advance as appropriate) that its cost of funds relating to its participation in the Loan or that Advance would be in excess of the Market Disruption Rate, then Clause 7.3 (*Cost of funds*) shall apply to the Loan or that Advance (as applicable) for the relevant Interest Period.

7.3 Cost of funds

- (a) If this Clause 7.3 (*Cost of funds*) applies, the rate of interest on each Lender's share of the Loan or the relevant Advance for the relevant Interest Period shall be the percentage rate per annum which is the sum of:
 - (i) the applicable Margin; and
 - (ii) the rate notified to the Agent (and the Borrowers) by that Lender as soon as practicable and in any event before interest is due to be paid in respect of that Interest Period to be that which expresses as a percentage rate per annum its cost of funds relating to its participation in the Loan or that Advance.
- (b) If this Clause 7.3 (*Cost of funds*) applies and the Agent or the Borrowers so require, the Agent and the Borrowers shall enter into negotiations (for a period of not more than 30 days) with a view to agreeing a substitute basis for determining the rate of interest or (as the case may be) an alternative basis for funding.

- (c) Subject to Clause 28.9 (*Meaning of "notice"*), any substitute or alternative basis agreed pursuant to paragraph (b) above shall, with the prior consent of all the Lenders and the Borrowers, be binding on all Parties.
- (d) If paragraph (e) below does not apply and any rate notified to the Agent under sub-paragraph (ii) of paragraph (a) above is less than zero, the relevant rate shall be deemed to be zero.
- (e) If this Clause 7.3 (*Cost of funds*) applies pursuant to Clause 7.2 (*Market Disruption*) and:
- (i) a Lender's Funding Rate is less than the Market Disruption Rate; or
 - (ii) a Lender does not notify a rate by the time specified in sub-paragraph (ii) of paragraph (a) above,
- that Lender's cost of funds relating to its participation in the Loan or the relevant Advance for that Interest Period shall be deemed, for the purposes of paragraph (a) above, to be the Market Disruption Rate.

7.4 Break Costs

- (a) The Borrowers shall, within three (3) Business Days of demand by a Creditor Party, pay to that Creditor Party its Break Costs attributable to all or any part of the Loan or Unpaid Sum being paid by the Borrowers on a day prior to the last day of an Interest Period for the Loan, the relevant part of the Loan or that Unpaid Sum.
- (b) Each Lender shall, as soon as reasonably practicable after a demand by the Agent, provide a certificate confirming the amount of its Break Costs for any Interest Period in respect of which they become or may become payable.

8 REPAYMENT AND PREPAYMENT

8.1 Amount of repayment instalments

The Borrowers shall repay the Loan as follows:

- (a) Advance A by 16 equal consecutive principal quarterly instalments in the amount of \$1,050,000 each (together, "**Repayment Instalments A**") and a balloon instalment in the amount of \$13,200,000 ("**Balloon Instalment A**"); and
- (b) Advance B by 24 equal consecutive principal quarterly instalments in the amount of \$400,000 each (together, "**Repayment Instalments B**") and together with Repayment Instalments A, the "**Repayment Instalments**") and a balloon instalment in the amount of \$8,400,000 ("**Balloon Instalment B**" and together with Balloon Instalment A, the "**Balloon Instalments**"),

Provided that if the Borrowers do not draw down the maximum amount of an Advance, the Repayment Instalments and the Balloon Instalment in respect of that Advance, will be reduced *pro rata* by an amount equal to the undrawn amount of that Advance.

8.2 Repayment Dates

The first Repayment Instalment in respect of an Advance shall be repaid on the date falling on the earlier of (i) 3 months after the relevant Drawdown Date and (ii) 31 March 2025, and each subsequent Repayment Instalment in respect of that Advance shall be repaid at 3-monthly

intervals thereafter and the last Repayment Instalment, together with the relevant Balloon Instalment, in respect of that Advance shall be repaid on the Final Repayment Date relating to that Advance.

8.3 Final Repayment Date

On each Final Repayment Date, the Borrowers shall additionally pay to the Agent for the account of the Creditor Parties all other sums then accrued or owing under any Finance Document.

8.4 Voluntary prepayment

Subject to the following conditions, the Borrowers may prepay the whole or any part of the Loan at any time, subject to payment of any Break Costs payable under paragraph (b) of Clause 21.1 (*Indemnities regarding borrowing and repayment of Loan*) and Clause 21.2 (*Break Costs*) if the prepayment is not made on the last day of an Interest Period.

8.5 Conditions for voluntary prepayment

The conditions referred to in Clause 8.4 (*Voluntary prepayment*) are that:

- (a) a partial prepayment shall be in the amount of \$500,000 or a higher integral multiple thereof (or such other amount as the Agent may agree);
- (b) the Agent has received from the Borrowers at least 10 days' prior written notice specifying the amount to be prepaid and the date on which the prepayment is to be made; and
- (c) the Borrowers have provided evidence satisfactory to the Agent that any consent required by the Borrowers or any Security Party in connection with the prepayment has been obtained and remains in force, and that any regulation relevant to this Agreement which affects any Borrower or any Security Party has been complied with.

8.6 Effect of notice of prepayment

A prepayment notice may not be withdrawn or amended without the consent of the Agent, given with the authorisation of the Majority Lenders, and the amount specified in the prepayment notice shall become due and payable by the Borrowers on the date for prepayment specified in the prepayment notice.

8.7 Notification of notice of prepayment

The Agent shall notify the Lenders promptly upon receiving a prepayment notice, and shall provide any Lender which so requests with a copy of any document delivered by the Borrowers under paragraph (c) of Clause 8.5 (*Conditions for voluntary prepayment*).

8.8 Mandatory prepayment in the case of sale or Total Loss

- (a) The Borrowers shall be obliged to prepay the Relevant Amount of the Loan if a Ship is sold or becomes a Total Loss:
 - (i) in the case of a sale, on or before the date on which the sale is completed by delivery of that Ship to the buyer; or

(ii) in the case of a Total Loss, on the earlier of (i) the date falling 180 days after the Total Loss Date and (ii) the date of receipt by the Security Trustee of the proceeds of insurance relating to such Total Loss.

(b) In this Clause 8.8 (*Mandatory prepayment in the case of sale or Total Loss*), "**Relevant Amount**" means:

(i) in relation to Ship A, Ship B and Ship C, an amount which after prepayment to be made pursuant to paragraph (a) of Clause 8.8 (*Mandatory prepayment in the case of sale or Total Loss*) results in the Asset Cover Ratio being equal to the higher of (i) the Asset Cover Ratio required to be maintained pursuant to Clause 15.1 (*Minimum required security cover*) and (ii) the Asset Cover Ratio maintained immediately prior to the event described in paragraph (a) of Clause 8.8 (*Mandatory prepayment in the case of sale or Total Loss*); and

(ii) in relation to Ship D, the full of amount of Advance B.

8.9 Amounts payable on prepayment

A prepayment shall be made together with accrued interest (and any other amount payable under Clause 21 (*Indemnities*) (including, without limitation, under Clause 21.2 (*Break Costs*) or otherwise)) in respect of the relevant Advance and, if the prepayment is not made on the last day of an Interest Period together with any sums payable under paragraph (b) of Clause 21.1 (*Indemnities regarding borrowing and repayment of Loan*) but without premium or penalty.

8.10 Application of partial prepayment

Each partial prepayment pursuant to:

(a) Clause 8.4 (*Voluntary prepayment*) shall be applied at the Borrowers' option; and

(b) Clause 8.8 (*Mandatory prepayment in the case of sale or Total Loss*) shall be applied:

(i) in relation to Advance A, in reducing *pro rata* the outstanding Repayment Instalments A and Balloon Instalment A and any balance thereafter shall be applied in reducing *pro rata* the outstanding Repayment Instalments B and the Balloon Instalment B; and

(ii) in relation to Advance B, against Advance B.

8.11 Voluntary cancellation of Commitments

Subject to the following conditions, the Borrowers may cancel the whole or any part of the Total Commitments.

8.12 Conditions for cancellation of Commitments

Those conditions are:

(a) that a partial cancellation shall be in the minimum amount of \$500,000 (or such other amount as the Agent may agree); and

- (b) that the Agent has received from the Borrowers at least 10 Business Days' prior written notice specifying the amount of the Total Commitments to be cancelled and the date on which the cancellation is to take effect.

8.13 Effect of notice of cancellation

A cancellation notice may not be withdrawn or amended without the consent of the Agent, given with the authority of the Lenders and the service of a cancellation notice shall cause the amount of the Total Commitments specified in the notice to be permanently cancelled and any partial cancellation shall be applied against the Commitments of each Lender pro rata.

8.14 No reborrowing

No amount repaid, prepaid or cancelled may be reborrowed.

9 CONDITIONS PRECEDENT

9.1 Documents, fees and no default

Each Lender's obligation to contribute to an Advance is subject to the following conditions precedent:

- (a) that, on or before the service of each Drawdown Notice, the Agent receives the documents described in Part A of Schedule 3 (*Condition Precedent Documents*) in form and substance satisfactory to the Agent and its lawyers;
- (b) that, on each Drawdown Date but prior to making each Advance available, the Agent receives or is satisfied that it will receive on the making of that Advance the documents described in Part B of Schedule 3 (*Condition Precedent Documents*) in form and substance satisfactory to it and its lawyers;
- (c) that, the Agent has received, on or before the relevant Drawdown Date, payment in full of all accrued commitment fee payable pursuant to Clause 20.1 (*Commitment fee*), the evaluation costs pursuant to Clause 20.2 (*Evaluation costs and expenses*) and the expenses referred to in Clause 20.3 (*Costs of negotiation, preparation etc.*);
- (d) that both at the date of each Drawdown Notice and at each Drawdown Date:
- (i) no Event of Default or Potential Event of Default has occurred or would result from the borrowing of the Advance;
 - (ii) the representations and warranties in Clause 10.1 (*General*) and those of any Borrower or any Security Party which are set out in the other Finance Documents would be true and not misleading if repeated on each of those dates with reference to the circumstances then existing;
 - (iii) none of the circumstances contemplated by Clause 7.2 (*Market Disruption*) has occurred and is continuing; and
 - (iv) there has been no material adverse change in the financial condition and operations of the Borrowers, the Corporate Guarantor or any other Security Party in the light of which the Agent considers that there is a significant risk that the Borrowers, the Corporate Guarantor or any of the Security Parties will later become unable to

discharge its liabilities under the Finance Documents to which it is a party as they fall due; and

- (e) that the Agent has received, and found to be acceptable to it, any further opinions, consents, agreements and documents in connection with the Finance Documents which the Agent may, with the authorisation of the Majority Lenders, request by notice to the Borrowers prior to the relevant Drawdown Date.

9.2 Waiver of conditions precedent

If the Majority Lenders, at their discretion, permit an Advance to be borrowed before certain of the conditions referred to in Clause 9.1 (*Documents, fees and no default*) are satisfied, the Borrowers shall ensure that those conditions are satisfied within 5 Business Days after the relevant Drawdown Date (or such longer period as the Agent may, with the authorisation of the Majority Lenders, specify).

10 REPRESENTATIONS AND WARRANTIES

10.1 General

Each Borrower represents and warrants to each Creditor Party as follows.

10.2 Status

Each Borrower is duly incorporated, validly existing and in good standing under the laws of the Republic of the Marshall Islands.

10.3 Share capital and ownership

- (a) Borrower A is authorised to issue 500 registered and/or bearer shares without par value, all of which shares have been issued in registered form and are fully paid and non-assessable and the legal title, beneficial ownership and voting rights of all such shares is held, free of any Security Interest or other claim, by the relevant Shareholder.
- (b) Borrower B is authorised to issue 100 registered shares with a par value of \$1.00 per share, all of which shares have been issued in registered form and are fully paid and non-assessable and the legal title, beneficial ownership and voting rights of all such shares is held, free of any Security Interest or other claim, by the relevant Shareholder.
- (c) Borrower C is authorised to issue 50,000 registered shares with a par value of \$1.00 per share, all of which shares have been issued in registered form and are fully paid and non-assessable and the legal title, beneficial ownership and voting rights of all such shares is held, free of any Security Interest or other claim, by the relevant Shareholder.
- (d) Borrower D is authorised to issue 500 registered shares with a par value of \$1.00 per share, all of which shares have been issued in registered form and are fully paid and non-assessable and the legal title, beneficial ownership and voting rights of all such shares is held, free of any Security Interest or other claim, by the relevant Shareholder.
- (e) Each Borrower shall remain a 100 per cent. directly or indirectly owned Subsidiary of the Corporate Guarantor.

10.4 Corporate power

Each Borrower has the corporate capacity, and has taken all corporate action and obtained all consents necessary for it:

- (a) to register its Ship in its name under an Approved Flag;
- (b) to execute the Finance Documents to which it is a party; and
- (c) to borrow under this Agreement and to make all the payments contemplated by, and to comply with, those Finance Documents to which it is a party.

10.5 Consents in force

All the consents referred to in Clause 10.4 (*Corporate power*) remain in force and nothing has occurred which makes any of them liable to revocation.

10.6 Legal validity; pari passu ranking; effective Security Interests

The Finance Documents to which each Borrower is a party, do now or, as the case may be, will, upon execution and delivery (and, where applicable, registration as provided for in the Finance Documents or required by applicable law):

- (a) constitute that Borrower's legal, valid and binding obligations enforceable against that Borrower in accordance with their respective terms;
- (b) rank at least *pari passu* with all its other present and future unsecured liabilities, except for liabilities which are mandatorily preferred by law; and
- (c) create legal, valid and binding Security Interests enforceable in accordance with their respective terms over all the assets to which they, by their terms, relate,

subject to any relevant insolvency laws affecting creditors' rights generally.

10.7 No third party Security Interests

Without limiting the generality of Clause 10.6 (*Legal validity; pari passu ranking; effective Security Interests*), at the time of the execution and delivery of each Finance Document:

- (a) each Borrower will have the right to create all the Security Interests which the Finance Documents to which it is a party purports to create; and
- (b) no third party will have any Security Interest (except for Permitted Security Interests) or any other interest, right or claim over, in or in relation to any asset to which any such Security Interest, by its terms, relates.

10.8 No conflicts

The execution by each Borrower of each Finance Document to which it is a party, the borrowing by each Borrower of the Loan and its compliance with each Finance Document to which it is a party will not involve or lead to a contravention of:

- (a) any law or regulation; or

(b) the constitutional documents of that Borrower; or

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

10.9 No withholding taxes

All payments which each Borrower is liable to make under the Finance Documents to which it is a party may be made without deduction or withholding for or on account of any tax payable under any law of any Pertinent Jurisdiction.

10.10 No default

No Event of Default or Potential Event of Default has occurred and is continuing.

10.11 Information

All information which has been provided in writing by or on behalf of the Borrowers or any Security Party or any Approved Manager or any Approved Third Party Manager to any Creditor Party in connection with any Finance Document satisfied the requirements of Clause 11.5 (*Information provided to be accurate*); all audited and unaudited financial statements which have been so provided satisfied the requirements of Clause 11.7 (*Form of financial statements*); and there has been no material adverse change in the financial position or state of affairs of any Borrower or the Corporate Guarantor from that disclosed in the latest of those accounts.

10.12 No litigation

No legal or administrative action involving any Borrower (including any action relating to any alleged or actual breach of the ISM Code or the ISPS Code) has been commenced or taken or, to any Borrower's knowledge, is likely to be commenced or taken which, in either case, would be likely to have a Material Adverse Effect.

10.13 Compliance with certain undertakings

At the date of this Agreement, the Borrowers are in compliance with Clauses 11.2 (*Title; negative pledge; pari passu ranking*), 11.3 (*No disposal of assets*), 11.4 (*No other liabilities or obligations to be incurred*), 11.9 (*Consents*), 11.12 (*Principal place of business*) and 11.13 (*Confirmation of no default*).

10.14 Taxes paid

Each Borrower has paid all taxes applicable to, or imposed on or in relation to that Borrower, its business or the Ship to be owned by it.

10.15 ISM Code and ISPS Code compliance

All requirements of the ISM Code and the ISPS Code as they relate to the Borrowers, an Approved Manager, an Approved Third Party Manager and each Ship (in relation to Ship D, on and from the Drawdown Date of Advance B) have been complied with.

10.16 No immunity

Neither the Borrowers, nor any of their assets are entitled to immunity on the grounds of sovereignty or otherwise from any legal action or other proceedings (which shall include, without limitation, suit, attachment prior to the judgement, execution or other enforcement).

10.17 No money laundering

Without prejudice to the generality of Clause 2.2 (*Individual Lender's right of action*), in relation to the borrowing by the Borrowers of the Loan, the performance and discharge of their respective obligations and liabilities under the Finance Documents, and the transactions and other arrangements effected or contemplated by the Finance Documents to which each Borrower is a party, the Borrowers confirm that (i) they are acting for their own account, (ii) they will use the proceeds of the Loan for their own benefit, under their full responsibility and exclusively for the purposes specified in this Agreement and (iii) the foregoing will not involve or lead to contravention of any law, official requirement or other regulatory measure or procedure implemented to combat "money laundering" (as defined in Article 1 of Directive 2015/849/EC of the European Parliament and of the Council).

10.18 Submission to jurisdiction and choice of laws

Each submission to jurisdiction, and choice of law, by the Borrowers contained in any Finance Document is effective.

10.19 Sanctions

(a) None of the Borrowers, the other Security Parties, an Approved Manager or an Approved Third Party Manager:

- (i) is a Prohibited Person;
- (ii) has an officer, director or, to the knowledge of the Borrowers, any Security Party, any Approved Manager or any Approved Third Party Manager, employee or agent that is Prohibited Person;
- (iii) is owned or controlled by, or acting directly or indirectly on behalf of or for the benefit of, a Prohibited Person;
- (iv) owns or controls a Prohibited Person;
- (v) has received notice of, or is aware of, any claim, action, suit, proceeding or investigation against it with respect to Sanctions; or
- (vi) has taken any action that is reasonably likely to result in such party becoming a Prohibited Person.

(b) The Borrowers, the Security Parties, each Approved Manager and each Approved Third Party Manager have implemented and maintain in effect policies and procedures designed to ensure compliance by them, their subsidiaries and their respective directors, officers, employees and agents with Sanctions, and they, their subsidiaries and their respective directors, officers and employees and, to the knowledge of the Borrowers, the Security Parties, each Approved Manager and each Approved Third Party Manager employees and agents, are in compliance

with Sanctions in all material respects and are not knowingly engaged in any activity that would reasonably be expected to result in such party being designated as a Prohibited Person.

10.20 FATCA

None of the Borrowers nor any Security Party is a US Tax Obligor.

10.21 Labour and Employment

Each Borrower is in compliance in all material respects with any law or regulation applicable to it and pertaining to the labour and employment conditions, the occupational health and safety and the public safety, safety and security and implementing the necessary measures and carry out any necessary and designated action for the effective dealing with any remedy of the issues which, in the course of ordinary audits, are indicated to that Borrower either from the competent authorities of their jurisdiction of incorporation or from advisors specialised in this field having the required expertise.

10.22 Private and commercial acts

Execution by each of the Borrowers, any Security Party, any Approved Manager and any Approved Third Party Manager of the Finance Documents to which it is a party constitutes, and its exercise of its rights and performance of its obligations thereunder will constitute private and commercial acts done and performed for private and commercial purposes.

10.23 Privacy and data security

The Borrowers are in compliance in all material respects with any law or regulation applicable to any of them and pertaining to the protection of the individual from the processing of personal data and no claim, notice or other communication is received by any of them in respect of any actual or alleged breach of, or liability under, any such law or regulation which have or are reasonably likely to have a Material Adverse Effect on the Borrowers' ability to satisfy timely any of their payment obligations under any of the Finance Documents.

10.24 No employees

The Borrower does not have any employees.

10.25 Insolvency

No corporate action, legal proceedings, creditor's process or other procedure or step described in paragraph (g) of Clause 19.1 (*Events of Default*) has been taken or, to its knowledge, threatened in relation to the Borrower and/or any Security Party; and none of the circumstances described in paragraph (g) of Clause 19.1 (*Events of Default*) applies to the Borrower and/or any Security Party.

10.26 No filing or stamp taxes

Under the laws of its Pertinent Jurisdictions it is not necessary that the Finance Documents to which it is a party be registered, filed, recorded, notarised or enrolled with any court or other authority in that jurisdiction or that any stamp, registration, notarial or similar Taxes or fees be paid on or in relation to the Finance Documents to which it is a party or the transactions contemplated by those Finance Documents except:

- (a) permanent registration of the Mortgage relating to Ship B at the registry of the Approved Flag of Ship B;
- (b) permanent registration of the Mortgage relating to Ship C at the registry of the Approved Flag of Ship C; and
- (c) permanent registration of the Mortgage relating to Ship D at the registry of the Approved Flag of Ship D,

which registration will be made promptly after the date of the relevant Finance Documents.

10.27 No proceedings pending or threatened

- (a) No litigation, arbitration or administrative proceedings or investigations (including proceedings or investigations relating to any alleged or actual breach of the ISM Code or of the ISPS Code) of or before any court, arbitral body or agency which, if adversely determined, might reasonably be expected to have a Material Adverse Effect on a Borrower's ability to satisfy timely any of their payment obligations under any of the Finance Documents (to the best of its knowledge and belief (having made due and careful enquiry)) been started or threatened against a Borrower, any Security Party or any member of the Group.
- (b) No judgement or order of a court, arbitral tribunal or other tribunal or any order or sanction of any governmental or other regulatory body which might reasonably be expected to have a Material Adverse Effect on a Borrower's ability to satisfy timely any of their payment obligations under any of the Finance Documents has (to the best of its knowledge and belief (having made due and careful enquiry)) been made against a Borrower, any Security Party or any member of the Group.

10.28 No breach of laws

It has not (and, to the best of its knowledge, no other member of the Group has), breached any law or regulation which breach has or is reasonably likely to have a Material Adverse Effect on a Borrower's ability to satisfy timely any of their payment obligations under any of the Finance Documents.

10.29 Compliance with Environmental Laws

All Environmental Laws relating to the ownership, operation and management of each Ship and to the business of each member of the Group (as now conducted and as reasonably anticipated to be conducted in the future) and the terms of all Environmental Approvals have been complied with.

10.30 Good title to assets

It has good, valid and marketable title to, or valid leases or licences of, and all appropriate Authorisations to use, the assets necessary to carry on its business as presently conducted.

10.31 No change to centre of main interests

Each Borrower has not changed the location of its centre of main interest (as that term is used in Article 3(1) of the Regulation) to the US or the United Kingdom and it has not created an "establishment" (as that term is used in Article 2(10) of the Regulation) in any other jurisdiction.

10.32 Validity and admissibility in evidence

All Authorisations required or desirable:

- (a) to enable it lawfully to enter into, exercise its rights and comply with its obligations in the Finance Documents to which it is a party; and
- (b) to make the Finance Documents to which it is a party admissible in evidence in its Pertinent Jurisdictions, have been obtained or effected and are in full force and effect.

10.33 Governing law and enforcement

- (a) The choice of governing law of each Finance Document to which it is a party will be recognised and enforced in its Pertinent Jurisdictions.
- (b) Any judgment obtained in relation to a Finance Document to which it is a party in the jurisdiction of the governing law of that Finance Document will be recognised and enforced in its Pertinent Jurisdictions.

10.34 Financial Indebtedness

No Borrower has any Financial Indebtedness other than as permitted under this Agreement and the other Finance Documents.

10.35 Repetition of representations and warranties

The representations and warranties set out in this Clause 10 (*Representations and Warranties*) would be true and not misleading if repeated on the date of each Drawdown Notice, on each Drawdown Date and on the first day of each Interest Period.

11 GENERAL UNDERTAKINGS

11.1 General

Each Borrower undertakes with each Creditor Party to comply with the following provisions of this Clause 11 (*General Undertakings*) at all times during the Security Period except as the Agent may, with the authorisation of the Majority Lenders, otherwise permit in writing.

11.2 Title; negative pledge; pari passu ranking

Each Borrower will:

- (a) on and from the Utilisation Date, hold the legal title to, and own the entire beneficial interest in the Ship owned by it, its Insurances and Earnings in respect of that Ship free from all Security Interests and other interests and rights of every kind, except for those created by the Finance Documents and the effect of assignments contained in the Finance Documents and except for Permitted Security Interests;
- (b) not create or permit to arise any Security Interest (except for Permitted Security Interests) over any other asset, present or future; and

- (c) procure, and shall ensure that the Corporate Guarantor shall procure, that its liabilities under the Finance Documents to which it is a party do and will rank at least *pari passu* with all its other present and future unsecured liabilities, except for liabilities which are mandatorily preferred by law.

11.3 No disposal of assets

No Borrower will transfer, lease or otherwise dispose of:

- (a) all or a substantial part of its assets, whether by one transaction or a number of transactions, whether related or not; or
- (b) any debt payable to it or any other right (present, future or contingent right) to receive a payment, including any right to damages or compensation,

but paragraph (a) does not apply to any charter of a Ship as to which Clause 14.13 (*Restrictions on chartering, appointment of managers etc.*) applies.

11.4 No other liabilities or obligations to be incurred

No Borrower will incur any liability or obligation except:

- (a) liabilities and obligations under the Finance Documents to which each is a party; and
- (b) liabilities or obligations reasonably incurred in the normal course of its business of trading, operating and chartering, maintaining and repairing the Ship owned by it.

11.5 Information provided to be accurate

All financial and other information which is provided in writing by or on behalf of a Borrower under or in connection with any Finance Document will be true and not misleading and will not omit any material fact or consideration.

11.6 Provision of financial statements

The Borrowers will send, or procure that the following are sent, to the Agent:

- (a) as soon as possible, but in no event later than 180 days after the end of each Financial Year of the Corporate Guarantor (commencing with the Financial Year ending on 31 December 2024), the annual audited consolidated financial statements of the Corporate Guarantor;
- (b) as soon as possible, but in no event later than 90 days after the end of each Half Year of the Corporate Guarantor (commencing with the Half Year ending on 30 June 2025), the semi-annual management accounts of the Corporate Guarantor; and
- (c) promptly after each request by the Agent, any reasonable information regarding the financial condition of, and any major financial developments relating to, the Borrowers, the Corporate Guarantor, the Security Parties, the Ships and the Group (including, without limitation, any information in respect of any actual or proposed purchases or sales of any vessels, any contracts for term employment of any vessel, the borrowing of any new loans, sale and leaseback transactions or the refinancing or restructuring of any existing loans (or similar financing arrangements) and any form of issuance of debt instruments or equity in each case by any member of the Group) which the Agent may reasonably require from time to time.

11.7 Form of financial statements

All accounts delivered under Clause 11.6 (*Provision of financial statements*) will:

- (a) be prepared in accordance with all applicable laws and GAAP consistently applied;
- (b) give a true and fair view of the state of affairs of the Corporate Guarantor at the date of those accounts and of its profit for the period to which those accounts relate; and
- (c) fully disclose or provide for all significant liabilities of the Corporate Guarantor.

11.8 Shareholder and creditor notices

Upon the Agent's written request, each Borrower will send to the Agent, at the same time as they are despatched, copies of all communications which are despatched to each Borrower's shareholders or creditors or any class of them.

11.9 Consents

Each Borrower will maintain in force and promptly obtain or renew, and will promptly send certified copies to the Agent of, all consents required:

- (a) for that Borrower to perform its obligations under any Finance Document to which it is a party;
- (b) for the validity or enforceability of any Finance Document and to which it is a party;
- (c) for that Borrower to continue to own and operate the Ship owned by it,

and that Borrower will comply with the terms of all such consents.

11.10 Maintenance of Security Interests

Each Borrower will:

- (a) at its own cost, do all that it reasonably can to ensure that any Finance Document validly creates the obligations and the Security Interests which it purports to create; and
- (b) without limiting the generality of paragraph (a), at its own cost, promptly register, file, record or enrol any Finance Document with any court or authority in all Pertinent Jurisdictions or such other jurisdiction which the Agent may require, pay any stamp, registration or similar tax in all Pertinent Jurisdictions in respect of any Finance Document, give any notice or take any other step which, in the opinion of the Majority Lenders, is or has or may become necessary or desirable for any Finance Document to be valid, enforceable or admissible in evidence or to ensure or protect the priority of any Security Interest which it creates.

11.11 Notification of litigation

Each Borrower will provide the Agent with details of any legal or administrative action involving that Borrower, any Security Party, any Approved Manager or the Ship owned by it, the Earnings or the Insurances as soon as such action is instituted or it becomes apparent to that Borrower that it is likely to be instituted, unless it is clear that the legal or administrative action cannot be considered material in the context of any Finance Document.

11.12 Principal place of business

Each Borrower will maintain its place of business, and keep its corporate documents and records, in Monaco (though it may change its place of business with the prior approval of the Agent); and no Borrower will establish, or do anything as a result of which it would be deemed to have, a place of business in either the United Kingdom or the US.

11.13 Confirmation of no default

- (a) Each Borrower will, within five Business Days after service by the Agent of a written request, serve on the Agent a notice which is signed by any officer of that Borrower and which:
- (i) states that no Event of Default has occurred and is continuing; or
 - (ii) states that no Event of Default has occurred and is continuing, except for a specified event or matter, of which all material details are given.
- (b) The Agent may serve requests under this Clause 11.13 (*Confirmation of no default*) from time to time but only if asked to do so by a Lender or Lenders having Contributions exceeding 50 per cent. of the Loan or (if no Advances have been made) Commitments exceeding 50 per cent. of the Total Commitments; and this Clause 11.13 (*Confirmation of no default*) does not affect the Borrowers' obligations under Clause 11.14 (*Notification of default*).

11.14 Notification of default

Each Borrower will notify the Agent as soon as that Borrower becomes aware of:

- (a) the occurrence of an Event of Default or a Potential Event of Default; or
- (b) any matter which indicates that an Event of Default or a Potential Event of Default may have occurred, and will keep the Agent fully up-to-date with all developments.

11.15 Provision of further information

The Borrowers will, and shall procure that the Corporate Guarantor will, as soon as practicable after receiving the request, provide the Agent with any additional financial or other information relating:

- (a) to the Borrowers, any other Security Party, the Ships, the Earnings or the Insurances or the Group; or
- (b) to any other matter relevant to, or to any provision of, a Finance Document; or
- (c) to actual or proposed purchases or sales of any ship, vessel or other asset or contracts of employment of any vessel or the incurrence of any Financial Indebtedness by, or any other major financial developments or transactions of any member of the Group including, but not limited to, borrowing by any of them of a loan or any other substantial financial commitment or re-structuring,

which may be requested by the Agent at any time.

11.16 "Know your customer" checks

If:

- (a) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation made after the date of this Agreement;
- (b) any change in the status of any Borrower or any Security Party after the date of this Agreement; or
- (c) a proposed assignment or transfer by a Lender of any of its rights and obligations under this Agreement to a party that is not a Lender prior to such assignment or transfer,

obliges the Agent or any Lender (or, in the case of paragraph (c), any prospective new Lender) to comply with "know your customer" or similar identification procedures in circumstances where the necessary information is not already available to it, each Borrower shall promptly upon the request of the Agent or the Lender concerned supply (or in the case of a Security Party procure the supply of), such documentation and other evidence as is reasonably requested by the Agent (for itself or on behalf of any Lender) or the Lender concerned (for itself or, in the case of the event described in paragraph (c), on behalf of any prospective new Lender) in order for the Agent, the Lender concerned or, in the case of the event described in paragraph (c), any prospective new Lender to carry out and be satisfied it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in the Finance Documents.

11.17 No VAT group

No Borrower shall be a member of a VAT (value added tax) group.

11.18 No change of business

The Borrowers shall, and shall procure that the Corporate Guarantor and any Approved Manager, will:

- (a) not change its business; and
- (b) engage only in shipping and corporate activities in accordance with its constitutional documents.

11.19 Provision of copies and translation of documents

Upon the Agent's request, the Borrowers will supply the Agent with a sufficient number of copies of the documents referred to above and if the Agent so requires in respect of any of the documents referred to above, the Borrowers will provide a certified English translation prepared by a translator approved by the Agent.

11.20 Application of FATCA

Each Borrower shall procure that no Borrower and no Security Party shall become a US Tax Obligor.

11.21 Labour and employment

- (a) The Borrowers shall comply with the applicable from time to time legislation which relates to the labour and employment conditions, the occupational health and safety and the public health, safety and security, in each case, where failure to do so has or is reasonably likely to have a Material Adverse Effect on the Borrowers' ability to satisfy timely any of their payment obligations under any of the Finance Documents. The Borrowers shall ensure that no claim, notice or other communication is received by any of them in respect of any actual or alleged breach of, or liability under, any such law or regulation where any such breach or liability has or is reasonably likely to have a Material Adverse Effect on the Borrowers' ability to satisfy timely any of their payment obligations under any of the Finance Documents.
- (b) The Borrowers shall promptly upon becoming aware of the same, inform the Agent in writing of any claim against any Borrower which is current, pending or threatened or any communication, notice or the imposition of any fine against any Borrower in respect of any actual or alleged breach of, or liability under, any such law or regulation.
- (c) The Borrowers must deliver to the Agent, as soon as requested, all the documents and details deemed necessary by the latter, in order to ascertain that the Borrowers comply with their obligations as stated in this Clause 11.21 (*Labour and employment*). Similarly to the above, the Borrowers are obliged to accept whenever deemed necessary (in the reasonable opinion of the Agent), any inspection carried out by the Agent's directors, officers or employees or by third parties having the desired and necessary expertise and provide to the aforementioned persons every required assistance for the purposes of this Clause. The relevant cost shall be borne by the Borrowers. For any action taken by the Agent under this Clause 11.21 (*Labour and employment*), the Agent may be entitled but not obliged to request the prior written consent of the Majority Lenders.

11.22 Privacy and data security

The Borrowers shall comply with any law or regulation applicable to any of them and pertaining on the protection of the individual from the processing of personal data where failure to do so has or is reasonably likely to have a Material Adverse Effect on the Borrowers' ability to satisfy timely any of their payment obligations under any of the Finance Documents. The Borrowers shall ensure that no claim, notice or other communication is received by any of them in respect of any actual or alleged breach of, or liability under, any such law or regulation where any such breach or liability has or is reasonably likely to have a Material Adverse Effect on the Borrowers' ability to satisfy timely any of their payment obligations under any of the Finance Documents. The Borrowers shall promptly upon becoming aware of the same, inform the Agent in writing of any claim against any Borrower which is current, pending or threatened or any communication, notice or the imposition of any fine against such Borrower in respect of any actual or alleged breach of, or liability under, any such law or regulation.

11.23 DAC6

- (a) In this Clause 11.23 (*DAC6*), "DAC6" means the Council Directive of 25 May 2018 (2018/822/EU) amending Directive 2011/16/EU or any replacement legislation applicable in the United Kingdom.
- (b) The Borrowers shall supply to the Agent (in sufficient copies for all the Lenders, if the Agent so requests):

- (i) promptly upon the making of such analysis or the obtaining of such advice, any analysis made or advice obtained on whether any transaction contemplated by the Finance Documents or any transaction carried out (or to be carried out) in connection with any transaction contemplated by the Finance Documents contains a hallmark as set out in Annex IV of DAC6; and
- (ii) promptly upon the making of such reporting and to the extent permitted by applicable law and regulation, any reporting made to any governmental or taxation authority by or on behalf of any member of the Group or by any adviser to such member of the Group in relation to DAC6 or any law or regulation which implements DAC6 and any unique identification number issued by any governmental or taxation authority to which any such report has been made (if available).

11.24 Use of proceeds

The Borrowers shall use the Loan exclusively for the purposes specified in Clause 3.3 (*Purpose of Advances*).

12 CORPORATE UNDERTAKINGS

12.1 General

Each Borrower also undertakes with each Creditor Party to comply with the following provisions of this Clause 12 (*Corporate Undertakings*) at all times during the Security Period except as the Agent may, with the authorisation of the Majority Lenders, otherwise permit.

12.2 Maintenance of status

Each Borrower will maintain its separate corporate existence and remain in good standing under the laws of the Republic of the Marshall Islands.

12.3 Negative undertakings

No Borrower will:

- (a) change the nature of its business;
- (b) carry on any business other than the ownership, chartering and operation of the Ship owned by it;
- (c) declare or pay any dividend or make any other form of distribution or effect any form of redemption, purchase or return of its shares **Provided that** a Borrower may pay dividends if:
 - (i) no Event of Default has occurred and is continuing at the relevant time;
 - (ii) no Event of Default will result from the payment of such dividend; and
 - (iii) the Minimum Liquidity Amount is maintained at such time in the relevant account;
- (d) provide any form of credit or financial assistance to any person, or company, including without limitation:
 - (i) a person who is directly or indirectly interested in that Borrower's share or loan capital; or

- (ii) any company in or with which such a person is directly or indirectly interested or connected,
or enter into any transaction with or involving such a person or company on terms which are, in any respect, less favourable to that Borrower than those which it could obtain in a bargain made at arms' length;
- (e) open or maintain any account with any bank or financial institution except accounts with the Account Bank for the purposes of the Finance Documents;
- (f) issue, allot or grant any person a right to any of its issued shares in or repurchase or reduce its issued shares, change the number of its authorised shares, change the par value of such shares (if any) or issue any new class of shares;
- (g) incur any Financial Indebtedness, other than pursuant to this Agreement and the other Finance Documents and in the normal course of owning and operating its Ship, without the prior written consent of the Agent and, if the Agent consents to the incurrence by any Borrower of any Financial Indebtedness, then that Borrower shall ensure that any such Financial Indebtedness shall at all times be subordinated in priority to the obligations of that Borrower under this Agreement and the other Finance Documents;
- (h) acquire any shares or other securities other than US or UK Treasury bills and certificates of deposit issued by major North American or European banks, or enter into any transaction in a derivative; or
- (i) enter into any form of amalgamation, merger or de-merger or any form of reconstruction or reorganisation which would (in the case of a Borrower) give rise to a Change of Control (without the prior written consent of the Agent, such consent not to be unreasonably withheld); or
- (j) amend or vary its constitutional documents in a manner that may lead to a material adverse change in the state of affairs of any Borrower.

12.4 Minimum Liquidity

The Borrowers undertake to maintain or, as the case may be, procure that the Corporate Guarantor or any other member of the Group acceptable to the Agent maintains, an amount equal to \$500,000 per each Ship subject to a Mortgage (the "**Minimum Liquidity Amount**") to the credit of the accounts (including, any Pledged Cash Amount, any credit balances in the Earnings Accounts and any credit balance in the Retention Account) in the name of any Borrower, the Corporate Guarantor or any other member of the Group acceptable to the Agent with the Account Bank or any of its Affiliates as minimum liquidity, starting from the first Drawdown Date and, tested on a quarterly basis, at all times thereafter during the Security Period.

12.5 Listing

The Borrowers shall procure that the Corporate Guarantor maintains its listing on the New York Stock Exchange or any other US stock exchange acceptable to the Agent.

13 INSURANCE

13.1 General

Each Borrower also undertakes with each Creditor Party to comply with the following provisions of this Clause 13 (*Insurance*) at all times during the Security Period (in relation to Ship D, on and from the Drawdown Date of Advance B) except as the Agent may, with the authorisation of the Majority Lenders, otherwise permit.

13.2 Maintenance of obligatory insurances

Each Borrower shall keep the Ship owned by it insured at the expense of that Borrower against:

- (a) fire and usual marine risks (including, without limitation, hull and machinery and excess risks);
- (b) war risks (including, without limitation, terrorism, piracy, kidnap and ransom);
- (c) protection and indemnity risks (including liability for oil pollution, excess war risk P&I cover and the proportion (if any) of any collision liability not covered under the terms of the hull cover) on standard club rules, covered by a Protection and Indemnity association which is a member of the International Group of Protection and Indemnity Associations ("**IGA**") (or, if IGA ceases to exist, any other leading protection and indemnity association or other leading provider of protection and indemnity insurance acceptable to the Agent);
- (d) at the Agent's option, freight, demurrage and defence risks; and
- (e) any other risks against which the Security Trustee considers, having regard to practices and other circumstances prevailing at the relevant time, it would in the opinion of the Security Trustee be reasonable for that Borrower to insure and which are specified by the Security Trustee by notice to that Borrower.

13.3 Terms of obligatory insurances

Each Borrower shall effect such insurances:

- (a) in Dollars;
- (b) in the case of fire and usual marine risks and war risks, in an amount on an agreed value basis of at least the greater of (i) the Market Value of the Ship owned by it and (ii) an amount which, when aggregated with the amount for which the other Ships subject to a Mortgage is insured, is equal to at least 120 per. cent of the Loan;
- (c) in the case of oil pollution liability risks, for an aggregate amount equal to 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 \$1,000,000,000);
- (d) in relation to protection and indemnity risks in respect of the full tonnage of the Ship owned by it;
- (e) on approved terms; and

- (f) through approved brokers and with approved insurance companies and/or underwriters or, in the case of war risks and protection and indemnity risks, in approved war risks and protection and indemnity risks associations.

13.4 Further protections for the Creditor Parties

In addition to the terms set out in Clause 13.3 (*Terms of obligatory insurances*), each Borrower shall procure that the obligatory insurances effected by it shall:

- (a) subject always to paragraph (b), name that Borrower as the sole named assured unless the interest of every other named assured is limited:
- (i) in respect of any obligatory insurances for hull and machinery and war risks;
 - (A) to any provable out-of-pocket expenses that it has incurred and which form part of any recoverable claim on underwriters; and
 - (B) to any third party liability claims where cover for such claims is provided by the policy (and then only in respect of discharge of any claims made against it); and
 - (ii) in respect of any obligatory insurances for protection and indemnity risks, to any recoveries it is entitled to make by way of reimbursement following discharge of any third party liability claims made specifically against it;
- (b) and every other named assured has undertaken in writing to the Security Trustee (in such form as it requires) that any deductible shall be apportioned between that Borrower and every other named assured in proportion to the gross claims made or paid by each of them and that it shall do all things necessary and provide all documents, evidence and information to enable the Security Trustee to collect or recover any moneys which at any time become payable in respect of the obligatory insurances;
- (c) whenever the Security Trustee requires, name (or be amended to name) the Security Trustee as additional named assured for its rights and interests, warranted no operational interest and with full waiver of rights of subrogation against the Security Trustee, but without the Security Trustee thereby being liable to pay (but having the right to pay) premiums, calls or other assessments in respect of such insurance;
- (d) name the Security Trustee as loss payee with such directions for payment as the Security Trustee may specify;
- (e) provide that all payments by or on behalf of the insurers under the obligatory insurances to the Security Trustee shall be made without set-off, counterclaim or deductions or condition whatsoever;
- (f) provide that such obligatory insurances shall be primary without right of contribution from other insurances which may be carried by the Security Trustee or any other Creditor Party; and
- (g) provide that the Security Trustee may make proof of loss if that Borrower fails to do so.

13.5 Renewal of obligatory insurances

Each Borrower shall:

- (a) at least 21 days before the expiry of any obligatory insurance effected by it:
 - (i) notify the Security Trustee of the brokers (or other insurers) and any protection and indemnity or war risks association through or with whom that Borrower proposes to renew that obligatory insurance and of the proposed terms of renewal; and
 - (ii) obtain the Security Trustee's approval to the matters referred to in paragraph (i);
- (b) at least 14 days before the expiry of any obligatory insurance effected by it, renew that obligatory insurance in accordance with the Security Trustee's approval pursuant to paragraph (a); and
- (c) procure that the approved brokers and/or the war risks and protection and indemnity associations with which such a renewal is effected shall promptly after the renewal notify the Security Trustee in writing of the terms and conditions of the renewal.

13.6 Copies of policies; letters of undertaking

Each Borrower shall ensure that all approved brokers provide the Security Trustee with pro forma copies of all policies relating to the obligatory insurances which they are to effect or renew and with a letter or letters of undertaking in a form approved by the Security Trustee and including undertakings by the approved brokers that:

- (a) they will have endorsed on each policy, immediately upon issue, a loss payable clause and a notice of assignment complying with the provisions of Clause 13.4 (*Further protections for the Creditor Parties*);
- (b) they will hold such policies, and the benefit of such insurances, to the order of the Security Trustee in accordance with the said loss payable clause;
- (c) they will advise the Security Trustee without undue delay of any material change to the terms of the obligatory insurances;
- (d) they will notify the Security Trustee, not less than 14 days before the expiry of the obligatory insurances, in the event of their not having received notice of renewal instructions from that Borrower or its agents and, in the event of their receiving instructions to renew, they will promptly notify the Security Trustee of the terms of the instructions; and
- (e) they will not set off against any sum recoverable in respect of a claim relating to the Ship owned by that Borrower under such obligatory insurances any premiums or other amounts due to them or any other person whether in respect of that Ship or otherwise, they waive any lien on the policies, or any sums received under them, which they might have in respect of such premiums or other amounts, and they will not cancel such obligatory insurances by reason of non-payment of such premiums or other amounts, and will arrange for a separate policy to be issued in respect of that Ship forthwith upon being so requested by the Security Trustee.

13.7 Copies of certificates of entry

Each Borrower shall ensure that any protection and indemnity and/or war risks associations in which the Ship owned by it is entered provides the Security Trustee with:

- (a) a certified copy of the certificate of entry for that Ship;

- (b) a letter or letters of undertaking in such form as may be required by the Agent;
- (c) where required to be issued under the terms of insurance/indemnity provided by that Borrower's protection and indemnity association, a certified copy of each United States of America voyage quarterly declaration (or other similar document or documents) made by that Borrower in relation to the Ship owned by it in accordance with the requirements of such protection and indemnity association; and
- (d) a certified copy of each certificate of financial responsibility for pollution by oil or other Environmentally Sensitive Material issued by the relevant certifying authority in relation to that Ship.

13.8 Deposit of policies

Each Borrower shall ensure that all policies relating to obligatory insurances effected by it are deposited with the approved brokers through which the insurances are effected or renewed.

13.9 Payment of premiums

Each Borrower shall punctually pay all premiums or other sums payable in respect of the obligatory insurances effected by it and produce all relevant receipts when so required by the Security Trustee.

13.10 Guarantees

Each Borrower shall ensure that any guarantees required by a protection and indemnity or war risks association are promptly issued and remain in full force and effect.

13.11 Restrictions on employment

Each Borrower shall not employ the Ship owned by it, nor permit her to be employed, outside the cover provided by any obligatory insurances.

13.12 Compliance with terms of insurances

No Borrower shall do nor omit to do (nor permit to be done or not to be done) any act or thing which would or might render any obligatory insurance invalid, void, voidable or unenforceable or render any sum payable under an obligatory insurance repayable in whole or in part; and, in particular:

- (a) each Borrower shall take all necessary action and comply with all requirements which may from time to time be applicable to the obligatory insurances, and (without limiting the obligation contained in paragraph (c) of Clause 13.6 (*Copies of policies; letters of undertaking*)) ensure that the obligatory insurances are not made subject to any exclusions or qualifications to which the Security Trustee has not given its prior approval;
- (b) no Borrower shall make any changes relating to the classification or classification society or manager or operator of the Ship owned by it unless approved by the underwriters of the obligatory insurances;
- (c) each Borrower shall make (and promptly supply copies to the Agent of) all quarterly or other voyage declarations which may be required by the protection and indemnity risks association in which the Ship owned by it is entered to maintain cover for trading to the United States of

America and Exclusive Economic Zone (as defined in the United States Oil Pollution Act 1990 or any other applicable legislation); and

- (d) no Borrower shall employ the Ship owned by it, nor allow it to be employed, otherwise than in conformity with the terms and conditions of the obligatory insurances, without first obtaining the consent of the insurers and complying with any requirements (as to extra premium or otherwise) which the insurers specify.

13.13 Alteration to terms of insurances

No Borrower shall either make or agree to any alteration to the terms of any obligatory insurance nor waive any right relating to any obligatory insurance.

13.14 Settlement of claims

No Borrower shall settle, compromise or abandon any claim under any obligatory insurance for Total Loss or for a Major Casualty, and shall do all things necessary and provide all documents, evidence and information to enable the Security Trustee to collect or recover any moneys which at any time become payable in respect of the obligatory insurances.

13.15 Provision of copies of communications

Each Borrower shall, on the Agent's written request, provide the Security Trustee copies of all written communications between that Borrower and:

- (a) the approved brokers;
- (b) the approved protection and indemnity and/or war risks associations; and
- (c) the approved insurance companies and/or underwriters, which relate directly or indirectly to:
 - (i) that Borrower's obligations relating to the obligatory insurances including, without limitation, all requisite declarations and payments of additional premiums or calls;
 - (ii) any credit arrangements made between that Borrower and any of the persons referred to in paragraphs (a) or (b) relating wholly or partly to the effecting or maintenance of the obligatory insurances; and
 - (iii) a claim under any obligatory insurances of the Ship owned by that Borrower for a Total Loss or Major Casualty.

13.16 Provision of information

In addition, each Borrower shall promptly provide the Security Trustee (or any persons which it may designate) with any information which the Security Trustee (or any such designated person) requests for the purpose of:

- (a) obtaining or preparing any report from an independent marine insurance broker as to the adequacy of the obligatory insurances effected or proposed to be effected; and/or
- (b) effecting, maintaining or renewing any such insurances as are referred to in Clause 13.17 (*Mortgagee's interest and additional perils insurance*) or dealing with or considering any matters relating to any such insurances,

and the Borrowers shall, forthwith upon demand, indemnify the Security Trustee in respect of all fees and other expenses incurred by or for the account of the Security Trustee in connection with any such report as is referred to in paragraph (a) above.

13.17 Mortgagee's interest and additional perils insurances

The Security Trustee shall be entitled from time to time to effect, maintain and renew all or any of the following insurances, on such terms, through such insurers and generally in such manner as the Security Trustee may from time to time consider appropriate:

- (a) a mortgagee's interest marine insurance in an amount of not less than 110 per cent. of the Loan providing for the indemnification of the Creditor Parties for any losses under or in connection with any Finance Document which directly or indirectly result from loss of or damage to a Ship or a liability of a Ship or of a Borrower, being a loss or damage which is prima facie covered by an obligatory insurance but in respect of which there is a non-payment (or reduced payment) by the underwriters by reason of, or on the basis of an allegation concerning:
 - (i) any act or omission on the part of a Borrower, of any operator, charterer, manager or sub-manager of a Ship or of any officer, employee or agent of a Borrower or of any such person, including any breach of warranty or condition or any non-disclosure relating to such obligatory insurance;
 - (ii) any act or omission, whether deliberate, negligent or accidental, or any knowledge or privity of a Borrower, any other person referred to in paragraph (i) above, or of any officer, employee or agent of a Borrower or of such a person, including the casting away or damaging of a Ship and/or a Ship being unseaworthy; and/or
 - (iii) any other matter capable of being insured against under a mortgagee's interest marine insurance policy whether or not similar to the foregoing;
- (b) a mortgagee's interest additional perils insurance in an amount of not less than 110 per cent. of the Loan as may be required by the Agent providing for the indemnification of the Creditor Parties against, among other things, any possible losses or other consequences of any Environmental Claim, including the risk of expropriation, arrest or any form of detention of any Ship, the imposition of any Security Interest over any Ship and/or any other matter capable of being insured against under a mortgagee's interest additional perils policy whether or not similar to the foregoing,

and the Borrowers shall upon demand fully indemnify the Security Trustee in respect of all premiums and other expenses which are incurred in connection with or with a view to effecting, maintaining or renewing any such insurance or dealing with, or considering, any matter arising out of any such insurance.

13.18 Review of insurance requirements

The Security Trustee shall be entitled to review the requirements of this Clause 13 (*Insurance*) from time to time in order to take account of any changes in circumstances after the date of this Agreement which are, in the opinion of the Security Trustee, significant and capable of affecting any Borrower or any Ship and its insurance (including, without limitation, changes in the availability or the cost of insurance coverage or the risks to which a Borrower may be subject) and the Borrowers shall upon demand fully indemnify the Agent in respect of all fees

and other expenses incurred by or for the account of the Agent in appointing an independent marine insurance broker or adviser to conduct such review.

13.19 Modification of insurance requirements

The Security Trustee shall notify the Borrowers of any proposed modification under Clause 13.18 (*Review of insurance requirements*) to the requirements of this Clause 13 (*Insurances*) which the Security Trustee reasonably considers appropriate in the circumstances, and such modification shall take effect on and from the date it is notified in writing to the Borrowers as an amendment to this Clause 13 (*Insurance*) and shall bind the Borrowers accordingly.

13.20 Compliance with mortgagee's instructions

The Security Trustee shall be entitled (without prejudice to or limitation of any other rights which it may have or acquire under any Finance Document) to require any Ship to remain at any safe port or to proceed to and remain at any safe port designated by the Security Trustee until the Borrower owing that Ship implements any amendments to the terms of the obligatory insurances and any operational changes required as a result of a notice served under Clause 13.19 (*Modification of insurance requirements*).

14 SHIP COVENANTS

14.1 General

Each Borrower also undertakes with each Creditor Party to comply with the following provisions of this Clause 14 (*Ship covenants*) at all times during the Security Period (in relation to Ship D, on and from the Drawdown Date of Advance B) except as the Agent, with the authorisation of the Majority Lenders, may otherwise permit.

14.2 Ship's name and registration

Each Borrower shall keep the Ship owned by it registered in its name under an Approved Flag; shall not do, omit to do or allow to be done anything as a result of which such registration might be cancelled or imperilled; and shall not change the flag or port of registry or the name of the Ship owned by it without the Agent's prior written consent (such consent not be unreasonably withheld).

14.3 Repair and classification

Each Borrower shall keep the Ship owned by it in a good and safe condition and state of repair and, in the case of paragraph (b) below shall provide the Agent, following the Agent's request, with documentary evidence, in such form as the Agent may reasonably request of its compliance with such paragraph:

- (a) consistent with first-class ship ownership and management practice;
- (b) so as to maintain its Ship with the highest class with relevant classification society or such other first class classification society which is a member of IACS as may be acceptable to the Agent, acting with the authorisation of the Lenders, free of all overdue recommendations and conditions affecting class; and

- (c) so as to comply with all laws and regulations applicable to vessels registered under the applicable Approved Flag State or to vessels trading to any jurisdiction to which that Ship may trade from time to time, including but not limited to the ISM Code and the ISPS Code.

14.4 Classification society undertaking

Each Borrower shall instruct the classification society referred to in paragraph (b) of Clause 14.3 (*Repair and classification*) of the Ship owned by it to do all or any of the following (and procure that the classification society undertakes with the Security Trustee):

- (a) to send to the Security Trustee, following receipt of a written request from the Security Trustee, certified true copies of all original class records held by the classification society in relation to that Ship;
- (b) to allow the Security Trustee (or its agents), at any time and from time to time, to inspect the original class and related records of that Borrower and that Ship at the offices of the classification society and to take copies of them;
- (c) to notify the Security Trustee immediately in writing if the classification society:
 - (i) receives notification from that Borrower or any other person that its Ship's classification society is to be changed; or
 - (ii) becomes aware of any facts or matters which may result in or have resulted in a change, suspension, discontinuance, withdrawal or expiry of that Ship's class under the rules or terms and conditions of that Borrower's or that Ship's membership of the classification society; and
- (d) following receipt of a written request from the Security Trustee:
 - (i) to confirm that that Borrower is not in default of any of its contractual obligations or liabilities to the classification society and, without limiting the foregoing, that it has paid in full all fees or other charges due and payable to the classification society; or
 - (ii) if that Borrower is in default of any of its contractual obligations or liabilities to the classification society, to specify to the Security Trustee in reasonable detail the facts and circumstances of such default, the consequences of such default, and any remedy period agreed or allowed by the classification society.

14.5 Modification

No Borrower shall, and the Borrowers shall procure that an Approved Manager shall not, make any modification or repairs to, or replacement of, the Ship owned by it or equipment installed on it which would or might materially alter the structure, type or performance characteristics of that Ship or materially reduce its value.

14.6 Removal of parts

No Borrower shall, and the Borrowers shall procure that an Approved Manager shall not, remove any material part of any Ship, or any item of equipment installed on, any Ship unless the part or item so removed is forthwith replaced by a suitable part or item which is in the same condition as or better condition than the part or item removed, is free from any Security Interest or any right in favour of any person other than the Security Trustee and becomes on

installation on the relevant Ship the property of the relevant Borrower and subject to the security constituted by the relevant Mortgage **Provided that** a Borrower may install equipment owned by a third party if the equipment can be removed without any risk of damage to the Ship owned by it.

14.7 Surveys

Each Borrower shall submit the Ship owned by it regularly to all periodical or other surveys which may be required for classification purposes and, if so required by the Security Trustee provide the Security Trustee, with copies of all survey reports.

14.8 Inspection

Each Borrower shall permit the Security Trustee (by surveyors or other persons appointed by it for that purpose) to board the Ship owned by it once per year and at a place where it is practically convenient based on that Ship's schedule and without interfering with the operation of that Ship or causing her delay, to inspect her about proposed or executed repairs and shall afford all proper facilities for such inspections and shall make available to the Security Trustee or its surveyor on request all records (on board or on shore) relating to its Ship. All reasonable fees and expenses reasonably incurred in relation to the appointment of the surveyor or surveyors once per year and the preparation and issue of all technical reports pursuant to this Clause 14.8 (*Inspection*) shall be for the account of the Borrowers.

14.9 Prevention of and release from arrest

Each Borrower shall promptly discharge:

- (a) all liabilities which give or may give rise to maritime or possessory liens on or claims enforceable against the Ship owned by it, the Earnings or the Insurances;
- (b) all taxes, dues and other amounts charged in respect of the Ship owned by it, the Earnings or the Insurances; and
- (c) all other outgoings whatsoever in respect of the Ship owned by it, the Earnings or the Insurances,

and, forthwith upon receiving notice of the arrest of the Ship owned by it, or of its detention in exercise or purported exercise of any lien or claim, that Borrower shall procure its release by providing bail or otherwise as the circumstances may require.

14.10 Compliance with laws etc.

Each Borrower shall, and shall procure that each Approved Manager and each Approved Third Party Manager shall:

- (a) comply, or procure compliance with the ISM Code, the ISPS Code, Sanctions, all Environmental Laws and all other laws or regulations relating to the Ship owned by it, its ownership, operation and management or to the business of that Borrower and that Approved Manager;
- (b) not employ the Ship owned by it nor allow its employment in any manner contrary to any law or regulation in any relevant jurisdiction (including but not limited to Sanctions), the ISM Code and the ISPS Code; and

- (c) in the event of hostilities in any part of the world (whether war is declared or not), not cause or permit the Ship owned by it to enter or trade to any zone which is declared a war zone by any government or by that Ship's war risks insurers unless the prior written consent of the Security Trustee has been given and that Borrower has (at its expense) effected any special, additional or modified insurance cover which the Security Trustee may require; and
- (d) maintain in full force and effect all trading certificates required by all applicable laws in respect of the Borrowers, the Ships, each Approved Manager and the relevant Approved Flag.

14.11 Provision of information

Each Borrower shall promptly provide the Security Trustee with any information which it requests regarding:

- (a) the Ship owned by it, its employment, position, engagements and its Insurances;
- (b) the Earnings and payments and amounts due to the master and crew of the Ship owned by it;
- (c) any expenses incurred, or likely to be incurred, in connection with the operation, maintenance or repair of the Ship owned by it and any payments made in respect of that Ship;
- (d) any towages and salvages; and
- (e) its compliance, each Approved Manager's compliance, each Approved Third Party Manager's compliance and the compliance of the Ship owned by it with the ISM Code and the ISPS Code,

and, upon the Security Trustee's request, provide copies of any current charter relating to the Ship owned by it, of any current charter guarantee and copies of that Borrower's or, as the case may be, that Approved Manager's Document of Compliance.

14.12 Notification of certain events

Each Borrower shall immediately notify the Security Trustee by fax, confirmed forthwith by letter, of:

- (a) any casualty which is or is likely to be or to become a Major Casualty;
- (b) any occurrence as a result of which the Ship owned by it has become or is, by the passing of time or otherwise, likely to become a Total Loss;
- (c) any requirement or recommendation made by any insurer or classification society or by any competent authority which is not immediately complied with;
- (d) any arrest or detention of the Ship owned by it, any exercise or purported exercise of any lien on that Ship or its Earnings or its Insurances or any requisition of that Ship for hire;
- (e) any intended dry docking of the Ship owned by it;
- (f) any Environmental Claim made against that Borrower or in connection with the Ship owned by it, or any Environmental Incident;
- (g) any claim for breach of the ISM Code or the ISPS Code being made against that Borrower, any Approved Manager and any Approved Third Party Manager or otherwise in connection with the Ship owned by it; or

- (h) any other matter, event or incident, actual or threatened, the effect of which will or could lead to the ISM Code or the ISPS Code not being complied with,

and that Borrower shall keep the Security Trustee advised in writing on a regular basis and in such detail as the Security Trustee shall require of that Borrower's, an Approved Manager's, an Approved Third Party Manager's or any other person's response to any of those events or matters.

14.13 Restrictions on chartering, appointment of managers etc.

No Borrower shall, in relation to the Ship owned by it:

- (a) let that Ship on demise charter for any period;
- (b) enter into any time or consecutive voyage charter in respect of that Ship for a term which exceeds, or which by virtue of any optional extensions may exceed, 12 months;
- (c) enter into any charter in relation to that Ship under which more than 2 months' hire (or the equivalent) is payable in advance;
- (d) charter that Ship otherwise than on bona fide arm's length terms at the time when that Ship is fixed;
- (e) appoint a manager of that Ship other than an Approved Manager or an Approved Third Party Manager or agree to any substantial alteration to the terms of that Approved Manager's or that Approved Third Party Manager's appointment;
- (f) de-activate or lay up that Ship; or
- (g) put that Ship into the possession of any person for the purpose of work being done upon it in an amount exceeding or likely to exceed \$500,000 (or the equivalent in any other currency).

14.14 Notice of Mortgage

Each Borrower shall keep the relevant Mortgage registered against the Ship owned by it as a valid first priority (or, as the case may be, preferred) mortgage, carry on board of the Ship a certified copy of the Mortgage and place and maintain in a conspicuous place in the navigation room and the Master's cabin of that Ship a framed printed notice stating that that Ship is mortgaged by that Borrower to the Security Trustee.

14.15 Sharing of Earnings

No Borrower shall enter into any agreement or arrangement for:

- (a) the sharing of any Earnings;
- (b) the postponement of any date on which any Earnings are due, the reduction of the amount of any Earnings or otherwise for the release or adverse alteration of any right of that Borrower to any Earnings; or
- (c) the release of, or adverse alteration to, any guarantee or Security Interest relating to any Earnings,

apart from any profit sharing arrangements with charterer which are permitted on an arm's length basis and at normal market rates.

14.16 ISPS Code

Each Borrower shall comply with the ISPS Code and in particular, without limitation, shall:

- (a) procure that the Ship owned by it and the company responsible for that Ship's compliance with the ISPS Code comply with the ISPS Code; and
- (b) maintain for the Ship owned by it an ISSC; and
- (c) notify the Agent immediately in writing of any actual or threatened withdrawal, suspension, cancellation or modification of the ISSC.

14.17 Charterparty Assignment

If a Borrower enters into any Assignable Charter (subject to the Agent's approval) pursuant to paragraph (b) of Clause 14.13 (*Restrictions on chartering, appointment of managers etc.*), that Borrower shall, on the date on which it enters into such Assignable Charter:

- (a) provide the Agent with a certified true (if requested by the Agent) copy of such Assignable Charter;
- (b) execute in favour of the Security Trustee a Charterparty Assignment in respect of that Assignable Charter (such Charterparty Assignment to be notified to, and acknowledged by, the relevant charterer and any charter guarantor); and
- (c) without limiting the generality of the above, if that Assignable Charter is a bareboat charter, procure that the bareboat charterer shall promptly execute in favour of the Security Trustee an assignment of (*inter alia*) all its rights, title and interest in and to the Insurances in respect of that Ship effected either by that Borrower owning that Ship or by the bareboat charterer and a letter of undertaking in favour of the Security Trustee whereby (*inter alia*) the interests of the bareboat charterer under the bareboat charter are fully subordinated to the interests of the Security Trustee and the other Creditor Parties under the Finance Documents, each to be in an Agreed Form,

and shall deliver to the Agent such other documents equivalent to those referred to at paragraphs 2, 3, 4, 5, 6 and 8 of Part A of Schedule 3 (*Condition Precedent Documents*), as the Agent may require.

14.18 Trading

Each Borrower shall ensure that the Ship owned by it shall not trade in any trading area prohibited from time to time by the government of the relevant Approved Flag, the government of that Borrower's jurisdiction or the government of the nationality of the officers and crew of that Ship.

14.19 Sanctions

- (a) Each Borrower shall ensure that no proceeds of the Loan will be made available, directly or indirectly, to or for the benefit of a Prohibited Person or otherwise be, directly or indirectly, applied in a manner or for a purpose prohibited by Sanctions or fund any activity in a

Sanctioned Country or in any manner which would cause any Creditor Party to be in breach of or made subject to Sanctions, or at risk of being in breach of or made subject to Sanctions.

- (b) No Borrower shall (i) fund all or part of any repayment under the Loan out of proceeds derived directly or indirectly derived from any activity in a Sanctioned Country or any transaction with a Prohibited Person, or out of proceeds directly or indirectly derived from any other transactions which would be prohibited by Sanctions or in any other manner which would cause any Creditor Party to be in breach of or made subject to Sanctions, or at risk of being in breach of or made subject to Sanctions and no such proceeds shall be paid into any Account or (ii) engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or breaches or attempts to breach, directly or indirectly, any Sanctions.
- (c) Without limiting Clause 14.19 (*Sanctions*), each Borrower shall ensure:
- (i) that the Ship owned by it shall not be used by or for the benefit of a Prohibited Person or in trading to or from a Sanctioned Country;
 - (ii) that the Ship owned by it shall not be used in trading in any manner contrary to Sanctions or in a manner that creates a risk that that Borrower or a Security Party will become a Prohibited Person or in any manner which would cause any Creditor Party to be in breach of or made subject to Sanctions, or at risk of being in breach of or made subject to Sanctions (or which could be contrary to Sanctions if Sanctions were binding on each Security Party);
 - (iii) that the Ship owned by it shall not be used in trading in any manner that creates a risk that the Ship will become a Sanctioned Ship;
 - (iv) that the Ship owned by it shall not be traded in any manner which would trigger the operation of any sanctions limitation or exclusion clause (or similar) in the Insurances; and
 - (v) without prejudice to the above provisions of this Clause 14.19 (*Sanctions*), that each time charterparty in respect of the Ship owned by it shall contain, for the benefit of that Borrower, language which gives effect to the provisions of paragraph (a) of Clause 14.10 (*Compliance with laws etc.*) as regards Sanctions and the foregoing provisions of this paragraph (c) of this Clause 14.19 (*Sanctions*) and which charterparty permits refusal of employment or voyage orders if such employment or compliance with such orders either results, or risks resulting in non-compliance with such provisions or breaches, or risks breaching (in the opinion of that Borrower) Sanctions.

14.20 Russian oil price cap

- (a) Borrower B undertakes that it will, at all times comply, and require compliance by:
- (i) all charterers and sub-charterers of Ship B owned by it;
 - (ii) all parties with whom Borrower B or a Security Party, a charterer or a sub-charterer enters into a contract of carriage in respect of the Ship owned by it,
- with the Russian Oil Price Cap Measures.

- (b) Without prejudice to the generality of paragraph (a) above, Borrower B undertakes that it will ensure that prior to Ship B commencing loading (including any ship-to-ship or similar transfer) of Russian Oil Products obtain:
- (i) price information demonstrating that the Russian Oil Products were purchased at or below the applicable price cap; or
 - (ii) a signed attestation from its applicable counterparty that the Russian Oil Products were purchased at or below the applicable price cap; or
 - (iii) a signed attestation from its applicable counterparty or other appropriate documentary evidence that the purchase of the Russian Oil Products was pursuant to a licence or an exception granted by the relevant authority on each applicable jurisdiction.
- (c) Without prejudice to the generality of paragraph (a) above, Borrower B shall promptly, and in any event no later than 30 days after Ship B owned by it commencing loading (including any ship-to-ship or similar transfer) of Russian Oil Products provide to the Agent:
- (i) price information demonstrating that the Russian Oil Products were purchased at or below the applicable price cap; or
 - (ii) an attestation signed by an authorised signatory in such form as may be agreed by the Agent confirming that it has complied in all respects with the Russian Oil Price Cap Measures; or
 - (iii) documentary evidence that the purchase of the Russian Oil Products was pursuant to a licence or an exception granted by the relevant authority in each applicable jurisdiction.
- (d) Without prejudice to the generality of paragraph (a) above, Borrower B undertakes to the Agent in respect of Ship B that it will not carry Russian Oil Products unless the relevant charterparty includes or the benefit of Borrower B provisions requiring the charterer (i) to comply with the Russian Oil Price Cap Measures and to provide such information and documentation at such times as is necessary for such Borrower to comply with this Clause 14.20 (*Russian oil price cap*) and (ii) to procure that such provisions are incorporated into all sub-charters and any bills of lading, waybills or other documents evidencing contacts of carriage issued pursuant to that charterparty.
- (e) Borrower B undertakes that it will:
- (i) provide the Agent with such information, and at such times, as it may require for the purposes of the Agent or any Creditor Party satisfying any record keeping obligations applicable to it under the Russian Oil Price Cap Measures;
 - (ii) within 30 days of any request provide the Agent with such other information in relation to compliance with the Russian Oil Price Cap Measures as the Agent may from time to time reasonably request including without limitation any information relating to ancillary costs as may be specified from time to time pursuant to the Russian Oil Price Cap Measures; and
 - (iii) comply with such further or additional requirements as the Agent may from time to time require in writing, acting reasonably, in response to changes to any of the Russian

Oil Price Cap Measures, or the introduction of similar measures relating to Russian Oil Products, or changes to any guidance, application, interpretation or market practice in respect of the Russian Oil Price Cap Measures.

The obligations in this paragraph (e) are continuing and, in particular, shall survive and remain binding on Borrower B until all attestations and such other information as may be requested pursuant to paragraph (e) have been received in satisfactory form by the Agent.

- (f) Borrower B will undertake appropriate due diligence on its counterparties to satisfy itself, based on the information available, of the reliability and accuracy of any information provided by such counterparties for the purposes of or relating to satisfying the requirements of paragraph (b) above.
- (g) Borrower B agrees that each Creditor Party may forward all attestations and other documents which any Borrower may from time to time deliver to the Agent or such Creditor Party pursuant to paragraphs (c) and (e) above to any applicable regulators or to any other party to which the Agent or such Creditor Party may be required to forward or disclose such attestations or other documents in accordance with the Russian Oil Price Cap Measures.

14.21 Annex VI

- (a) Each Borrower shall, upon the request of the Agent or any Lender and at the cost of that Borrower, on or before 31st July in each calendar year, supply or procure the supply by the relevant classification society or any organization duly authorized by it (as specified by the relevant Lender) to the Agent (on behalf of that Lender) of all ship fuel oil consumption data required to be collected and reported in accordance with Regulations 27 and 28 of Annex VI and any Statement of Compliance and, to the extent available, a Carbon Intensity and Climate Alignment Certificate, in each case relating to the Ship owned by it for the preceding calendar year, and each Borrower acknowledges and accepts that such information will be used for the purpose of the Lender's calculating its portfolio climate alignment and may be published.

- (b) For the purpose of this Clause 14.21 (*Annex VI*):

"**Annex VI**" means Annex VI of the Protocol of 1997 (as subsequently amended from time to time) to amend the International Convention for the Prevention of Pollution from Ships 1973 ("MARPOL"), as modified by the Protocol of 1978 relating thereto;

"**Carbon Intensity and Climate Alignment Certificate**" means a certificate from a Recognised Organisation relating to each Ship and a calendar year setting out:

- (a) the average efficiency ration of each Ship for all voyages performed by it over that calendar year using ship fuel oil consumption data required to be collected and reported in accordance with regulations 27 and 28 of Annex VI in respect of that calendar year; and
- (b) the climate alignment of each Ship for such calendar year;

"**Recognised Organisation**" means, in respect of each Ship, an organisation which is likely to be the classification society representing each Ship's flag state and, for the purposes of this Clause 14.21 (*Annex VI*), duly authorised to determine whether the Borrowers have complied with regulations 27 and 28 of Annex VI; and

"**Statement of Compliance**" means a Statement of Compliance related to fuel oil consumption pursuant to regulations 6.6 and 6.7 of Annex VI.

15 SECURITY COVER

15.1 Minimum required security cover

Clause 15.2 (*Provision of additional security; prepayment*) applies if the Agent notifies the Borrowers that:

- (a) the aggregate of the Market Values (determined as provided in Clause 15.3 (*Valuation of the Ships*)) of the Ships then subject to a Mortgage and any Pledged Cash Amount; plus
- (b) the net realisable value of any additional security previously provided under this Clause 15 (*Security Cover*),
is below 120 per cent. of the Loan.

15.2 Provision of additional security; prepayment

If the Agent serves a notice on the Borrowers under Clause 15.1 (*Minimum required security cover*), the Borrowers shall prepay such part (at least) of the Loan as will eliminate the shortfall on or before the date falling 45 days after the date on which the Agent's notice is served under Clause 15.1 (*Minimum required security cover*) (the "**Prepayment Date**") unless at least 1 Business Day before the Prepayment Date the Borrowers have provided, or ensured that a third party has provided, additional security (including, without limitation, cash pledged in favour of the Security Trustee or, as applicable, the Creditor Parties or a first preferred or priority (as applicable) mortgage over a collateral ship acceptable to the Agent, acting on the instructions of the Majority Lenders) which, in the opinion of the Agent, acting on the instructions of the Majority Lenders, has a net realisable value at least equal to the shortfall and which has been documented in such terms as the Agent may approve or require.

15.3 Valuation of the Ships

The Market Value of a Ship at any date is that shown by a valuation, addressed to the Agent, prepared:

- (a) as at a date not more than 30 days previously;
- (b) by an Approved Valuer which the Borrowers have selected and appointed for the purpose;
- (c) with or without physical inspection of that Ship (as the Agent may require); and
- (d) on the basis of a sale for prompt delivery for cash on normal arm's length commercial terms as between a willing seller and a willing buyer, free of any existing charter or other contract of employment.

15.4 Value of additional vessel security

The net realisable value of any additional security which is provided under Clause 15.2 (*Provision of additional security; prepayment*) and which consists of a Security Interest over a vessel shall be that shown by a valuation complying with the requirements of Clause 15.3 (*Valuation of the Ships*).

15.5 Valuations binding

Any valuation under Clauses 15.2 (*Provision of additional security; prepayment*), 15.3 (*Valuation of the Ships*) or 15.4 (*Value of additional vessel security*) shall be binding and conclusive as regards the Borrowers, as shall be any valuation which the Majority Lenders make of any additional security which does not consist of or include a Security Interest.

15.6 Provision of information

The Borrowers shall promptly provide the Agent and any Approved Valuer or expert acting under Clause 15.3 (*Valuation of the Ships*) or 15.4 (*Value of additional vessel security*) with any information which the Agent or the Approved Valuer or expert may request for the purposes of the valuation; and, if the Borrowers fail to provide the information by the date specified in the request, the valuation may be made on any basis and assumptions which the Approved Valuer or the Majority Lenders (or the expert appointed by them) consider prudent.

15.7 Frequency of valuations

The Borrowers acknowledge and agree that the Agent may commission valuations of each Ship at such times as the Agent shall deem necessary and, in any event, not less than once annually during the Security Period.

15.8 Payment of valuation expenses

Without prejudice to the generality of the Borrowers' obligations under Clauses 20.2 (*Evaluation costs and expenses*), 20.3 (*Costs of negotiation, preparation etc.*), 20.4 (*Costs of variations, amendments, enforcement etc.*) and 21.3 (*Miscellaneous indemnities*), the Borrowers shall, on demand, pay the Agent the amount of the fees and expenses of any Approved Valuer or expert instructed by the Agent under this Clause and all legal and other expenses incurred by any Creditor Party in connection with any matter arising out of this Clause 15 (*Security Cover*) **Provided that** so long as no Event of Default has occurred, the Borrowers shall not be obliged to pay any such fees and expenses in respect of more than one valuation of each Ship carried out in each calendar year pursuant to Clause 15.3 (*Valuation of the Ships*) (in addition to the valuations to determine the Initial Market Value of each Ship for the purposes of drawdown).

15.9 Application of prepayment

Any prepayment pursuant to Clause 15.2 (*Provision of additional security; prepayment*) shall be applied *pro rata* against the Advances and within each Advance shall be applied in reducing *pro rata* the then outstanding Repayments Instalments and the Balloon Instalments of such Advance.

16 PAYMENTS AND CALCULATIONS

16.1 Currency and method of payments

Unless otherwise directed by the Agent (acting on the instructions of the Lenders), all payments to be made by the Lenders or by any Borrower under a Finance Document shall be made to the Agent or to the Security Trustee, in the case of an amount payable to it:

- (a) by not later than 1.00 p.m. (Athens time) on the due date;

- (b) in same day Dollar funds settled through the New York Clearing House Interbank Payments System (or in such other Dollar funds and/or settled in such other manner as the Agent shall specify as being customary at the time for the settlement of international transactions of the type contemplated by this Agreement);
- (c) in the case of an amount payable by a Lender to the Agent or by any Borrower to the Agent or any Lender, to the account of the Agent at DEUTSCHE BANK TRUST COMPANY AMERICAS (BKTRUS33), New York, USA or to such other account with such other bank as the Agent may from time to time notify to the Borrowers and the other Creditor Parties; and
- (d) in the case of an amount payable to the Security Trustee, to such account as it may from time to time notify to the Borrowers and the other Creditor Parties.

16.2 Payment on non-Business Day

If any payment by any Borrower under a Finance Document would otherwise fall due on a day which is not a Business Day:

- (a) the due date shall be extended to the next succeeding Business Day; or
- (b) if the next succeeding Business Day falls in the next calendar month, the due date shall be brought forward to the immediately preceding Business Day,

and interest shall be payable during any extension under paragraph (a) at the rate payable on the original due date.

16.3 Basis for calculation of periodic payments

All interest and commitment fee and any other payments under any Finance Document which are of an annual or periodic nature shall accrue from day to day and shall be calculated on the basis of the actual number of days elapsed and a 360 day year.

16.4 Distribution of payments to Creditor Parties

Subject to Clauses 16.5 (*Permitted deductions by Agent*), 16.6 (*Agent only obliged to pay when monies received*) and 16.7 (*Refund to Agent of monies not received*):

- (a) any amount received by the Agent under a Finance Document for distribution or remittance to a Lender or the Security Trustee shall be made available by the Agent to that Lender or, as the case may be, the Security Trustee by payment, with funds having the same value as the funds received, to such account as that Lender or the Security Trustee may have notified to the Agent not less than 5 Business Days previously; and
- (b) amounts to be applied in satisfying amounts of a particular category which are due to the Lenders generally shall be distributed by the Agent to each Lender *pro rata* to the amount in that category which is due to it.

16.5 Permitted deductions by Agent

Notwithstanding any other provision of this Agreement or any other Finance Document, the Agent may, before making an amount available to a Lender, deduct and withhold from that amount (i) any sum which is then due and payable to the Agent from that Lender under any Finance Document or any sum which the Agent is then entitled under any Finance Document

to require that Lender to pay on demand and (ii) any amount the Agent determines is required to be deducted and withheld under FATCA.

16.6 Agent only obliged to pay when monies received

Notwithstanding any other provision of this Agreement or any other Finance Document, the Agent shall not be obliged to make available to any Borrower or any Lender any sum which the Agent is expecting to receive for remittance or distribution to that Borrower or that Lender until the Agent has satisfied itself that it has received that sum.

16.7 Refund to Agent of monies not received

If and to the extent that the Agent makes available a sum to a Borrower or a Lender, without first having received that sum, that Borrower or (as the case may be) the Lender concerned shall, on demand:

- (a) refund the sum in full to the Agent; and
- (b) pay to the Agent the amount (as certified by the Agent) which will indemnify the Agent against any funding or other loss, liability or expense incurred by the Agent as a result of making the sum available before receiving it.

16.8 Agent may assume receipt

Clause 16.7 (*Refund to Agent of monies not received*) shall not affect any claim which the Agent has under the law of restitution, and applies irrespective of whether the Agent had any form of notice that it had not received the sum which it made available.

16.9 Creditor Party accounts

Each Creditor Party shall maintain accounts showing the amounts owing to it by the Borrowers and each Security Party under the Finance Documents and all payments in respect of those amounts made by the Borrowers and any Security Party.

16.10 Agent's memorandum account

The Agent shall maintain a memorandum account showing the amounts advanced by the Lenders and all other sums owing to the Agent, the Security Trustee and each Lender from the Borrowers and each Security Party under the Finance Documents and all payments in respect of those amounts made by the Borrowers and any Security Party.

16.11 Accounts prima facie evidence

If any accounts maintained under Clauses 16.9 (*Creditor Party accounts*) and 16.10 (*Agent's memorandum account*) show an amount to be owing by a Borrower or a Security Party to a Creditor Party, those accounts shall be prima facie evidence that that amount is owing to that Creditor Party.

17 APPLICATION OF RECEIPTS

17.1 Normal order of application

Except as any Finance Document may otherwise provide, any sums which are received or recovered by any Creditor Party under or by virtue of any Finance Document shall be applied:

- (a) FIRST: in or towards satisfaction of any amounts then due and payable under the Finance Documents in the following order and proportions:
 - (i) first, in or towards satisfaction pro rata of all amounts then due and payable to the Creditor Parties under the Finance Documents other than those amounts referred to in paragraphs (ii) and (iii) (including, but without limitation, all amounts payable by the Borrowers under Clauses 20 (*Fees and Expenses*), 21 (*Indemnities*) and 22 (*No Set-Off or Tax Deductions; FATCA*) of this Agreement or by the Borrowers or any Security Party under any corresponding or similar provision in any other Finance Document);
 - (ii) secondly, in or towards satisfaction pro rata of any and all amounts of interest or default interest payable to the Creditor Parties under the Finance Documents; and
 - (iii) thirdly, in or towards satisfaction of the Loan;
- (b) SECONDLY: in retention of an amount equal to any amount not then due and payable under any Finance Document but which the Agent, by notice to the Borrowers and the Security Parties and the other Creditor Parties, states in its opinion will or may become due and payable in the future and, upon those amounts becoming due and payable, in or towards satisfaction of them in accordance with the provisions of paragraph (a) of Clause 17.1 (*Normal order of application*); and
- (c) THIRDLY: any surplus shall be paid to the Borrowers or to any Security Party entitled to it.

17.2 Variation of order of application

The Agent may, with the authorisation of the Majority Lenders, by notice to the Borrowers, the Security Parties and the other Creditor Parties provide for a different manner of application from that set out in Clause 17.1 (*Normal order of application*) either as regards a specified sum or sums or as regards sums in a specified category or categories.

17.3 Notice of variation of order of application

The Agent may give notices under Clause 17.2 (*Variation of order of application*) from time to time; and such a notice may be stated to apply not only to sums which may be received or recovered in the future, but also to any sum which has been received or recovered on or after the third Business Day before the date on which the notice is served.

17.4 Appropriation rights overridden

This Clause 17 (*Application of Receipts*) and any notice which the Agent gives under Clause 17.2 (*Variation of order of application*) shall override any right of appropriation possessed, and any appropriation made, by any Borrower or any Security Party.

18 APPLICATION OF EARNINGS

18.1 Payment of Earnings

Each Borrower undertakes with each Creditor Party to ensure that, commencing from the first Drawdown Date and throughout the Security Period (subject only to the provisions of the General Assignment to which that Borrower is a party), all the Earnings of the Ship owned by it are paid to the Earnings Account for that Ship.

18.2 Monthly retentions

Each Borrower undertakes with each Creditor Party to ensure that, in each calendar month of the Security Period after a Drawdown Notice is served in respect of an Advance, on such dates as the Agent may from time to time specify, there is transferred to the Retention Account out of the Earnings received in each of the Earnings Accounts during the preceding calendar month:

- (a) one-third of the amount of the Repayment Instalment under that Advance falling due under Clause 8 (*Repayment and Prepayment*) on the next Repayment Date; and
- (b) the relevant fraction of the aggregate amount of interest on that Advance which is payable on the next due date for payment of interest under this Agreement.

The "**relevant fraction**" is a fraction of which the numerator is 1 and the denominator the number of months comprised in the then current Interest Period (or, if the period is shorter, the number of months from the later of the commencement of the current Interest Period or the last due date for payment of interest to the next due date for payment of interest under this Agreement).

18.3 Shortfall in Earnings

If the aggregate Earnings received in the Earnings Accounts are insufficient in any month for the required amount to be transferred to the Retention Account under Clause 18.2 (*Monthly retentions*), the Borrowers shall make up the amount of the insufficiency on demand from the Agent; but, without thereby prejudicing the Agent's right to make such demand at any time, the Agent may, if so authorised by the Majority Lenders, permit the Borrowers to make up all or part of the insufficiency by increasing the amount of any transfer under Clause 18.2 (*Monthly retentions*) from the Earnings received in the next or subsequent months.

18.4 Application of retentions

Until an Event of Default or a Potential Event of Default occurs, the Agent shall on each Repayment Date and on each due date for the payment of interest under this Agreement apply, in accordance with Clause 15.1 (*Minimum required security cover*) so much of the balance in the Retention Account as equals:

- (a) the Repayment Instalment due on that Repayment Date; or
- (b) the amount of interest payable on that interest payment date,

in discharge of the Borrowers' liability for that Repayment Instalment or that interest and the Borrowers hereby authorise the Agent to debit the Retention Account and make distributions in accordance with this Clause 18.4 (*Application of retentions*).

18.5 Interest accrued on Retention Account

Any credit balance in the Retention Account shall bear interest at the rate from time to time offered by the Account Bank to its customers for Dollar deposits of similar amounts and for periods similar to those for which such balances appear to the Account Bank likely to remain on the Retention Account.

18.6 No release of accrued interest

Interest accruing under Clause 18.5 (*Interest accrued on Retention Account*) shall be credited to the Retention Account but shall not be released to the Borrowers until the end of the Security Period.

18.7 Location of accounts

Each Borrower shall and, shall procure that the Corporate Guarantor shall, promptly:

- (a) comply with any requirement of the Agent as to the location or re-location of the Earnings Accounts, the Retention Account and the Cash Collateral Accounts (or any of them); and
- (b) execute any documents which the Agent specifies to create or maintain in favour of the Security Trustee a Security Interest over (and/or rights of set-off, consolidation or other rights in relation to) the Earnings Accounts, the Retention Account and the Cash Collateral Accounts (or any of them).

18.8 Debits for expenses etc.

The Agent shall be entitled (but not obliged) from time to time, to debit, or authorise any Creditor Party to debit any Earnings Account without prior notice in order to discharge any amount due and payable under Clause 20 (*Fees and Expenses*) or 21 (*Indemnities*) to a Creditor Party or payment of which any Creditor Party has become entitled to demand under Clause 20 (*Fees and Expenses*) or 21 (*Indemnities*).

18.9 Borrowers' obligations unaffected

The provisions of this Clause 18 (*Application of Earnings*) do not affect:

- (a) the liability of the Borrowers to make payments of principal and interest on the due dates; or
- (b) any other liability or obligation of the Borrowers or any Security Party under any Finance Document.

18.10 Withdrawals from Earnings Account

Subject to the terms of the relevant Earnings Account Security Deed, each Borrower shall be entitled to withdraw any balance standing to the credit of its Earnings Account for the purpose of complying with its obligations under this Agreement and the other Finance Documents, to cover the operating expenses of the Ship owned by it which are due and payable on or prior to the date of such withdrawal (including any general and administrative expenses) attributable to or owed by that Borrower and to pay dividends (subject to compliance with paragraph (c) of Clauses 12.3 (*Negative Undertakings*) and Clause 12.4 (*Minimum Liquidity*)) **Provided that** no Event of Default has occurred and is continuing at that time or will result from such withdrawal.

18.11 Withdrawals from the Retention Account

Subject to the terms of the Retention Account Security Deed, each Borrower shall not be entitled to withdraw any funds from the Retention Account.

18.12 Cash Collateral Account

Subject to the terms of each Cash Collateral Account Security Deed, each Borrower or, as the case may be, the Corporate Guarantor shall not be entitled to withdraw any funds from the Borrowers' Cash Collateral Account Security Deed or, as the case may be, the Guarantor's Cash Collateral Account Security Deed, other than in accordance with Clause 5.5 (*Pledged Cash Amount*).

18.13 Other accounts

Each Lender is hereby authorised to open and maintain as many loan and/or contingent and/or suspense and/or intermediary accounts as necessary for the purpose of facilitating the accounting monitoring of the Loan in its books. In this respect each Lender is authorised to merge and/or divide and/or transfer the balances of any such accounts to other such accounts. In any litigation proceedings arising out of or in connection with a Finance Document, the entries made in the accounts maintained by the relevant Lender in accordance with its usual practice are conclusive evidence of the matters to which they relate save in the case of manifest error.

19 EVENTS OF DEFAULT

19.1 Events of Default

An Event of Default occurs if:

- (a) any Borrower or any Relevant Person fails to pay when due or (if so payable) on demand any sum payable under a Finance Document or under any document relating to a Finance Document unless (i) its failure is caused by administrative or technical error or a Disruption Event and (ii) payment is made within three Business Days of its due date; or
- (b) any breach occurs of Clause 9.2 (*Waiver of conditions precedent*), 11.2 (*Title; negative pledge; pari passu ranking*), 11.3 (*No disposal of assets*), 12.2 (*Maintenance of status*), 12.3 (*Negative undertakings*), 12.4 (*Minimum Liquidity*), 13 (*Insurance*), 14.2 (*Ship's name and registration*), 14.3 (*Repair and classification*), 14.10 (*Compliance with laws, etc.*), 14.12 (*Notification of certain events*), 14.16 (*ISPS Code*), 14.19 (*Sanctions*) or 15.2 (*Provision of additional security; prepayment*); or
- (c) any breach by any Borrower or any Relevant Person occurs of any provision of a Finance Document (other than a breach covered by paragraphs (a) or (b)) if, in the opinion of the Majority Lenders, is capable of remedy, and such default continues unremedied 20 days after written notice from the Agent requesting action to remedy the same; or
- (d) (subject to any applicable grace period specified in any Finance Document) any breach by any Borrower or any Relevant Person occurs of any provision of a Finance Document (other than a breach falling within paragraphs (a), (b) or (c) above); or
- (e) any representation, warranty or statement made or repeated by, or by an officer of, a Borrower or a Relevant Person in a Finance Document or in a Drawdown Notice or any other

notice or document relating to a Finance Document is untrue or misleading when it is made or repeated; or

- (f) any of the following occurs in relation to any Financial Indebtedness (exceeding \$10,000,000 in respect of the Corporate Guarantor, \$500,000 in respect of a Borrower and \$1,000,000 in respect of all other Relevant Persons) of a Relevant Person:
- (i) any Financial Indebtedness of a Relevant Person is not paid when due or, if so payable, on demand; or
 - (ii) any Financial Indebtedness of a Relevant Person becomes due and payable or capable of being declared due and payable prior to its stated maturity date as a consequence of any event of default; or
 - (iii) a lease, hire purchase agreement or charter creating any Financial Indebtedness of a Relevant Person is terminated by the lessor or owner or becomes capable of being terminated as a consequence of any termination event; or
 - (iv) any overdraft, loan, note issuance, acceptance credit, letter of credit, guarantee, foreign exchange or other facility, or any swap or other derivative contract or transaction, relating to any Financial Indebtedness of a Relevant Person ceases to be available or becomes capable of being terminated as a result of any event of default, or cash cover is required, or becomes capable of being required, in respect of such a facility as a result of any event of default; or
 - (v) any Security Interest securing any Financial Indebtedness of a Relevant Person becomes enforceable; or
- (g) any of the following occurs in relation to a Relevant Person:
- (i) a Relevant Person becomes, in the reasonable opinion of the Majority Lenders, unable to pay its debts as they fall due; or
 - (ii) any assets of a Relevant Person are subject to any form of execution, attachment, arrest, sequestration or distress in respect of a sum of, or sums aggregating, \$10,000,000 or more in respect of the Corporate Guarantor, \$500,000 or more in respect of a Borrower and \$1,000,000 or more for all other Relevant Persons or the equivalent in another currency and, in respect of a Relevant Person other than a Security Party, the same is not lifted within 30 days; or
 - (iii) any administrative or other receiver is appointed over any asset of a Relevant Person unless contested in good faith and on substantial grounds; or
 - (iv) a Relevant Person makes any formal declaration of bankruptcy or any formal statement to the effect that it is insolvent or likely to become insolvent, or a winding up or administration order is made in relation to a Relevant Person, or the members or directors of a Relevant Person pass a resolution to the effect that it should be wound up, placed in administration or cease to carry on business, save that this paragraph does not apply to a fully solvent winding up of a Relevant Person which is, or is to be, effected for the purposes of an amalgamation or reconstruction previously approved by the Agent and effected not later than 3 months after the commencement of the winding up; or

- (v) a petition is presented in any Pertinent Jurisdiction for the winding up or administration, or the appointment of a provisional liquidator, of a Relevant Person unless the petition is being contested in good faith and on substantial grounds and is dismissed or withdrawn within 30 banking days of the presentation of the petition; or
 - (vi) a Relevant Person petitions a court, or presents any proposal for, any form of judicial or non-judicial suspension or deferral of payments, reorganisation of its debt (or certain of its debt) or arrangement with all or a substantial proportion (by number or value) of its creditors or of any class of them or any such suspension or deferral of payments, reorganisation or arrangement is effected by court order, contract or otherwise other than any re-organisation required pursuant to any new legislation passed by a relevant government; or
 - (vii) any meeting of the members or directors of a Relevant Person is summoned for the purpose of considering a resolution or proposal to authorise or take any action of a type described in paragraphs (iii), (iv), (v) or (vi) above; or
 - (viii) in a Pertinent Jurisdiction other than England, any event occurs or any procedure is commenced which, in the reasonable opinion of the Agent, is similar to any of the foregoing; or
- (h) any Relevant ceases or suspends carrying on its business or a part of its business which, in the opinion of the Majority Lenders, is material in the context of this Agreement; or
 - (i) it becomes unlawful in any Pertinent Jurisdiction or impossible:
 - (i) for any Relevant Person to discharge any liability under a Finance Document or to comply with any other obligation which the Majority Lenders consider material under a Finance Document; or
 - (ii) for any Creditor Party to exercise or enforce any right under, or to enforce any Security Interest created by, a Finance Document; or
 - (j) any consent, Authorisation, license, approval necessary to enable a Borrower to own, operate or charter the Ship owned by it or to enable a Borrower or any Security Party to comply with any provision which the Majority Lenders consider material of a Finance Document is not granted, expires without being renewed, is revoked or becomes liable to revocation or any condition of such a consent is not fulfilled; or
 - (k) any provision which the Majority Lenders consider material of a Finance Document proves to have been or becomes invalid or unenforceable, or a Security Interest created by a Finance Document proves to have been or becomes invalid or unenforceable or such a Security Interest proves to have ranked after, or loses its priority to, another Security Interest or any other third party claim or interest; or
 - (l) the security constituted by a Finance Document is in any way imperilled or in jeopardy; or
 - (m) any Security Party is in breach of or fails to observe any law, requirement, measure or procedure implemented to combat money laundering; or
 - (n) a Relevant Person becomes a Prohibited Person or a Ship becomes a Sanctioned Ship; or

- (o) the classification of a Ship is withdrawn by its classification society the Ship is not immediately granted a new classification by another classification society; or
- (p) any legal or administrative proceedings of any kind whatsoever have been commenced against a Borrower which could, in the opinion of the Majority Lenders be expected to have a Material Adverse Effect; or
- (q) an Environmental Incident occurs which gives rise, or may give rise, to an Environmental Claim which could, in the opinion of the Majority Lenders be expected to have a Material Adverse Effect; or
- (r) any other event occurs or circumstance arises (including, but not limited to, any global economic or political events, or events related to the international money or capital markets) which, in the opinion of the Agent, is likely materially and adversely to affect either (i) the ability of any Security Party to perform all or any of its obligations under or otherwise to comply with the terms of any of the Finance Documents or (ii) the security created by any of the Finance Documents; or
- (s) the Approved Flag State of a Ship becomes involved in hostilities or civil war or there is a seizure of power in the Approved Flag State of that Ship by unconstitutional means if, in any such case, such event could in the opinion of the Agent reasonably be expected to have a Material Adverse Effect on the security constituted by any of the Finance Documents and the Borrower owning that Ship has failed within thirty (30) days from receiving notice from the Agent to this effect, to (a) delete that Ship from its existing Approved Flag State, (b) re-register that Ship under another approved Flag State, approved by the Agent in its discretion through a relevant registry and (c) execute such other security (including a mortgage, deed of covenant and/or general assignment) in favour of the Security Trustee (and/or any other Creditor Party) over the Ship, its Earnings, Insurances and Requisition Compensation, in such form as the Agent may in its discretion require, in each case, at that Borrower's cost and expense; or
- (t) there shall occur a Change of Control; or
- (u) Mrs. Angeliki Frangou ceases to be Chairwoman and Chief Executive Officer of the Corporate Guarantor; or
- (v) any Security Party repudiates any of the Finance Documents or does or causes or permits to be done any act or thing evidencing an intention to repudiate any of the Finance Documents; or
- (w) the Corporate Guarantor ceases to be (aa) the Holding Company of ocean-going vessels, and (bb) listed and trading at New York Stock Exchange or other US stock exchange acceptable to the Agent; or
- (x) any other event occurs or any other circumstances arise or develop including, without limitation a material adverse change in the financial position, state of affairs or prospects of a Borrower or the Corporate Guarantor which affects its payment obligations under the Finance Documents to which it is a party in the light of which the Majority Lenders reasonably consider that a Borrower or any Relevant Person is, or will later become, unable to discharge its liabilities under the Finance Documents as they fall due.

19.2 Actions following an Event of Default

On, or at any time after, the occurrence of an Event of Default:

- (a) the Agent may, and if so instructed by the Majority Lenders, the Agent shall:
- (i) serve on the Borrowers a notice stating that all or part of the Commitments and of the other obligations of each Lender to the Borrowers under this Agreement are cancelled; and/or
 - (ii) serve on the Borrowers a notice stating that all or part of the Loan together with accrued interest and all other amounts accrued or owing under this Agreement are immediately due and payable or are due and payable on demand; and/or
 - (iii) take any other action which, as a result of the Event of Default or any notice served under paragraph (i) or (ii), the Agent and/or the Lenders are entitled to take under any Finance Document or any applicable law; and/or
- (b) the Security Trustee may, and if so instructed by the Agent, acting with the authorisation of the Majority Lenders, the Security Trustee shall take any action which, as a result of the Event of Default or any notice served under paragraph (a)(i) or (a)(ii), the Security Trustee, the Agent and/or the Lenders are entitled to take under any Finance Document or any applicable law.

19.3 Termination of Commitments

On the service of a notice under sub-paragraph (i) of paragraph (a) of Clause 19.2 (*Actions following an Event of Default*), all the Commitments and all other obligations of each Lender to the Borrowers under this Agreement shall be terminated.

19.4 Acceleration of Loan

On the service of a notice under sub-paragraph (ii) of paragraph (a) of Clause 19.2 (*Actions following an Event of Default*), all or, as the case may be, the part of the Loan specified in the notice together with accrued interest and all other amounts accrued or owing from the Borrowers or any Security Party under this Agreement and every other Finance Document shall become immediately due and payable or, as the case may be, payable on demand.

19.5 Multiple notices; action without notice

The Agent may serve notices under sub-paragraphs (i) and/or (ii) of paragraph (a) of Clause 19.2 (*Actions following an Event of Default*) simultaneously or on different dates and it and/or the Security Trustee may take any action referred to in Clause 19.2 (*Actions following an Event of Default*) if no such notice is served or simultaneously with or at any time after the service of both or either of such notices.

19.6 Notification of Creditor Parties and Security Parties

The Agent shall send to each Lender, the Security Trustee and each Security Party a copy or the text of any notice which the Agent serves on the Borrowers under Clause 19.2 (*Actions following an Event of Default*); but the notice shall become effective when it is served on the Borrowers, and no failure or delay by the Agent to send a copy or the text of the notice to any other person shall invalidate the notice or provide any Borrower or any Security Party with any form of claim or defence.

19.7 Lender's rights unimpaired

Nothing in this Clause shall be taken to impair or restrict the exercise of any right given to individual Lenders under a Finance Document or the general law; and, in particular, this Clause is without prejudice to Clause 3.1 (*Amount of facility*).

19.8 Exclusion of Creditor Party liability

No Creditor Party and no any receiver or manager appointed by the Security Trustee, shall have any liability to a Borrower or a Security Party:

- (a) for any loss caused by an exercise of rights under, or enforcement of a Security Interest created by, a Finance Document or by any failure or delay to exercise such a right or to enforce such a Security Interest; or
- (b) as mortgagee in possession or otherwise, for any income or principal amount which might have been produced by or realised from any asset comprised in such a Security Interest or for any reduction (however caused) in the value of such an asset,

except that this does not exempt a Creditor Party or a receiver or manager from liability for losses shown to have been caused directly and mainly by the dishonesty or the wilful misconduct of such Creditor Party's own officers and employees or (as the case may be) such receiver's or manager's own partners or employees.

19.9 Relevant Persons

In this Clause 19 (*Events of Default*), a "**Relevant Person**" means a Borrower, the Corporate Guarantor and each Security Party.

19.10 Interpretation

In paragraph (f) of Clause 19.1 (*Events of Default*) references to an event of default or a termination event include any event, howsoever described, which is similar to an event of default in a facility agreement or a termination event in a finance lease; and in paragraph (g) of Clause 19.1 (*Events of Default*) "**petition**" includes an application.

20 FEES AND EXPENSES

20.1 Commitment fee

The Borrowers shall pay directly to the Lenders or through the Agent (for the account of the Lenders, pro rata to each Lender's Contribution) a non-refundable commitment fee at the rate of 0.50 per cent. per annum on the undrawn Total Commitments, calculated quarterly in arrears for the period commencing on the date of this Agreement and ending on the earlier of (i) the last Drawdown Date, (ii) the last day of the Availability Period and (iii) the date of the Borrowers' written notification to the Agent that they do not intend to make use of a Commitment.

20.2 Evaluation costs and expenses

The Borrowers shall pay to the Agent on each Drawdown Date an amount equal to 0.75 per cent. of the amount of the Loan drawn, representing the Agent's cost and expenses for the evaluation of the Loan and the terms on which the Loan shall be made available (as outlined in

this Agreement) and the arrangement of the making of the Loan, whether in whole or in part, together with any VAT thereon (if applicable).

20.3 Costs of negotiation, preparation etc.

The Borrowers shall pay to the Agent on its demand the amount of all expenses incurred by the Agent or the Security Trustee in connection with the negotiation, preparation, execution or registration of any Finance Document or any related document or with any transaction contemplated by a Finance Document or a related document (including, but not limited to, any costs incurred by the Agent or the Security Trustee in connection with any insurance opinion to be provided to it in accordance with paragraph 4 of Part B of Schedule 3 (*Condition Precedent Documents*)).

20.4 Costs of variations, amendments, enforcement etc.

The Borrowers shall pay to the Agent, on the Agent's demand, for the account of the Creditor Party concerned the amount of all expenses incurred by a Creditor Party in connection with:

- (a) any amendment or supplement to a Finance Document, or any proposal for such an amendment to be made (including, without limitation, as contemplated in Clause 28.9 (*Meaning of "notice"*));
- (b) any consent or waiver by the Lenders, the Majority Lenders or the Creditor Party concerned under or in connection with a Finance Document, or any request for such a consent or waiver;
- (c) the valuation of any security provided or offered under Clause 15 (*Security Cover*) or any other matter relating to such security; or
- (d) any step taken by the Creditor Party concerned with a view to the protection, exercise or enforcement of any right or Security Interest created by a Finance Document or for any similar purpose.

There shall be recoverable under paragraph (d) the full amount of all legal expenses, whether or not such as would be allowed under rules of court or any taxation or other procedure carried out under such rules.

20.5 Documentary taxes

The Borrowers shall promptly pay any tax payable on or by reference to any Finance Document, and shall, on the Agent's demand, fully indemnify each Creditor Party against any claims, expenses, liabilities and losses resulting from any failure or delay by the Borrowers to pay such a tax.

20.6 Certification of amounts

A notice which is signed by an officer of a Creditor Party, which states that a specified amount, or aggregate amount, is due to that Creditor Party under this Clause 20 (*Fees and Expenses*) and which indicates (without necessarily specifying a detailed breakdown) the matters in respect of which the amount, or aggregate amount, is due shall be prima facie evidence that the amount, or aggregate amount, is due.

21 INDEMNITIES

21.1 Indemnities regarding borrowing and repayment of Loan

The Borrowers shall fully indemnify the Agent and each Lender on the Agent's demand and the Security Trustee on its demand in respect of all claims, expenses, liabilities and losses which are made or brought against or incurred by that Creditor Party, or which that Creditor Party reasonably and with due diligence estimates that it will incur, as a result of or in connection with:

- (a) an Advance not being borrowed on the date specified in the Drawdown Notice for any reason other than a default by the Lender claiming the indemnity;
- (b) the receipt or recovery of all or any part of the Loan or an overdue sum otherwise than on the last day of an Interest Period applicable to it or other relevant period;
- (c) any failure (for whatever reason) by the Borrowers to make payment of any amount due under a Finance Document on the due date or, if so payable, on demand (after giving credit for any default interest paid by the Borrowers on the amount concerned under Clause 5.3 (*Default Interest*)); and
- (d) the occurrence of an Event of Default or a Potential Event of Default and/or the acceleration of repayment of the Loan under Clause 19 (*Events of Default*),

and in respect of any tax (other than tax on its overall net income or a FATCA Deduction) for which a Creditor Party is liable in connection with any amount paid or payable to that Creditor Party (whether for its own account or otherwise) under any Finance Document.

21.2 Break Costs

Without limiting its generality, Clause 21.1 (*Indemnities regarding borrowing and repayment of Loan*) covers any claim, expense, Break Costs, liability or loss, including a loss of a prospective profit, incurred by a Lender:

- (a) in liquidating or employing deposits from third parties acquired or arranged to fund or maintain all or any part of its Contribution and/or any overdue amount (or an aggregate amount which includes its Contribution or any overdue amount); and
- (b) in terminating, or otherwise in connection with, any interest and/or currency swap or any other transaction entered into (whether with another legal entity or with another office or department of the Lender concerned) to hedge any exposure arising under this Agreement or that part which the Lender concerned determines is fairly attributable to this Agreement of the amount of the liabilities, expenses or losses (including losses of prospective profits) incurred by it in terminating, or otherwise in connection with, a number of transactions of which this Agreement is one.

21.3 Miscellaneous indemnities

The Borrowers shall fully indemnify each Creditor Party severally on their respective demands in respect of all claims, expenses, liabilities and losses which may be made or brought against or incurred by a Creditor Party, in any country, as a result of or in connection with:

- (a) any action taken, or omitted or neglected to be taken, under or in connection with any Finance Document by the Agent, the Security Trustee or any other Creditor Party or by any receiver appointed under a Finance Document; or
- (b) investigating any event which the Creditor Party concerned reasonably believed constitutes an Event of Default or a Potential Event of Default;
- (c) acting or relying on any notice, request or instruction which the Creditor Party concerned reasonably believed to be genuine, correct and appropriately authorised; or
- (d) any other Pertinent Matter,

other than claims, expenses, liabilities and losses which are shown to have been directly and mainly caused by the gross negligence or wilful misconduct of the officers or employees of the Creditor Party concerned.

Without prejudice to its generality, this Clause 21.3 (*Miscellaneous indemnities*) covers any claims, expenses, liabilities and losses which arise, or are asserted, under or in connection with any law relating to safety at sea, the ISM Code, the ISPS Code or any Environmental Law.

21.4 Currency indemnity

- (a) If any sum due from any Borrower or any Security Party to a Creditor Party under a Finance Document or under any order or judgment relating to a Finance Document has to be converted from the currency in which the Finance Document provided for the sum to be paid (the "**Contractual Currency**") into another currency (the "**Payment Currency**") for the purpose of:
 - (i) making or lodging any claim or proof against any Borrower or any Security Party, whether in its liquidation, any arrangement involving it or otherwise; or
 - (ii) obtaining an order or judgment from any court or other tribunal; or
 - (iii) enforcing any such order or judgment,

the Borrowers shall indemnify the Creditor Party concerned against the loss arising when the amount of the payment actually received by that Creditor Party is converted at the available rate of exchange into the Contractual Currency.

- (b) In this Clause 21.4 (*Currency indemnity*) the "**available rate of exchange**" means the rate at which the Creditor Party concerned is able at the opening of business (London time) on the Business Day after it receives the sum concerned to purchase the Contractual Currency with the Payment Currency.
- (c) The Borrowers waive any right they may have in any jurisdiction to pay any amount under the Finance Documents in a currency other than that in which it is expressed to be payable.
- (d) If any Creditor Party received any Sum in a currency other than the Contractual Currency, the Borrowers shall indemnify in full the Creditor Party concerned against any cost, loss or liability arising directly or indirectly from any conversion of such Sum to the Contractual Currency.
- (e) This Clause 21.4 (*Currency indemnity*) creates a separate liability of the Borrowers which is distinct from their other liabilities under the Finance Documents and which shall not be merged in any judgment or order relating to those other liabilities.

21.5 Certification of amounts

A notice which is signed by an officer of a Creditor Party, which states that a specified amount, or aggregate amount, is due to that Creditor Party under this Clause 21 (*Indemnities*) and which indicates (without necessarily specifying a detailed breakdown) the matters in respect of which the amount, or aggregate amount, is due shall be prima facie evidence that the amount, or aggregate amount, is due save in the case of a manifest error.

21.6 Sums deemed due to a Lender

For the purposes of this Clause 21 (*Indemnities*), a sum payable by the Borrowers to the Agent or the Security Trustee for distribution to a Lender shall be treated as a sum due to that Lender.

21.7 Notice of prepayment

If the Borrowers are not willing to continue to indemnify the Creditor Parties for any tax for which the Creditor Parties are liable under Clause 21.1 (*Indemnities regarding borrowing and repayment of Loan*), the Borrowers may give the Agent not less than 30 days' irrevocable notice of their intention to prepay the Loan at the end of an Interest Period.

22 NO SET-OFF OR TAX DEDUCTION; FATCA

22.1 No deductions

All amounts due from the Borrowers under a Finance Document shall be paid:

- (a) without any form of set-off, cross-claim or condition; and
- (b) free and clear of any tax deduction except a tax deduction which a Borrower is required by law to make.

22.2 Grossing-up for taxes

If a Borrower is required by law to make a tax deduction from any payment:

- (a) that Borrower shall notify the Agent as soon as it becomes aware of the requirement;
- (b) that Borrower shall pay the tax deducted to the appropriate taxation authority promptly, and in any event before any fine or penalty arises; and
- (c) the amount due in respect of the payment shall be increased by the amount necessary to ensure that each Creditor Party receives and retains (free from any liability relating to the tax deduction) a net amount which, after the tax deduction, is equal to the full amount which it would otherwise have received.

22.3 Evidence of payment of taxes

Within 1 month after making any tax deduction, the Borrower concerned shall deliver to the Agent documentary evidence satisfactory to the Agent that the tax had been paid to the appropriate taxation authority.

22.4 Exclusion of tax on overall net income

In this Clause 22 (*No Set-Off or Tax Deduction; FATCA*) "**tax deduction**" means any deduction or withholding for or on account of any present or future tax except tax on a Creditor Party's overall net income or a FATCA Deduction.

22.5 Notice of prepayment

If the Borrowers are not willing to continue to make a tax deduction under Clause 22.2 (*Grossing-up for taxes*), the Borrowers may give the Agent not less than 30 days' notice of their intention to prepay the Loan at the end of an Interest Period.

22.6 FATCA

(a) Subject to paragraph (c) below, each party to a Finance Document shall, within ten Business Days of a reasonable request by another such 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 (including US Internal Revenue Service Form W-8 or Form W-9 or any successor or substitute form, as applicable), documentation and other information relating to its status under FATCA as that other party reasonably requests for the purposes of that other party's compliance with FATCA; and

(iii) supply to that other party such forms, documentation and other information relating to its status as that other party reasonably requests for the purposes of that other party's compliance with any other law, regulation, or exchange of information regime.

(b) If a party to a Finance Document confirms to another such party pursuant to paragraph (a)(i) above that it is a FATCA Exempt Party or provides a US Internal Revenue Service Form W-8 or W-9 showing that it is a FATCA Exempt Party and it subsequently becomes aware that it is not or has ceased to be a FATCA Exempt Party or that the Form has ceased to be accurate or valid, that party shall notify that other party or provide a revised Form, as applicable, reasonably promptly.

(c) Paragraph (a) above shall not oblige any Creditor Party to do anything, and paragraph (a)(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;

provided that nothing in this paragraph shall excuse any Creditor Party from providing a true, complete and correct US Internal Revenue Service Form W-8 or W-9 (or any successor or substitute form where applicable).

- (d) If a party to a Finance Document fails to confirm whether or not it is a FATCA Exempt Party or to supply forms, documentation or other information requested in accordance with sub-paragraph (i) or (ii) of paragraph (a) above (including, for the avoidance of doubt, where paragraph (c) above applies), then such party shall be treated for the purposes of the Finance 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.

22.7 FATCA Deduction and gross-up by Borrower or Security Party

- (a) If a Borrower or a Security Party is required to make a FATCA Deduction, that party shall make that FATCA Deduction and any payment required in connection with that FATCA Deduction within the time allowed and in the minimum amount required by FATCA.
- (b) If a FATCA Deduction is required to be made by a Borrower or a Security Party, the amount of the payment due from that party shall be increased 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.
- (c) The Borrowers shall promptly upon becoming aware that a Borrower or a Security Party must make a FATCA Deduction (or that there is any change in the rate or the basis of a FATCA Deduction) notify the Agent accordingly. Similarly, a Creditor Party shall notify the Agent on becoming so aware in respect of a payment payable to that Creditor Party. If the Agent receives such notification from a Creditor Party it shall notify the Borrowers and the other Creditor Parties.
- (d) Within thirty days of making either a FATCA Deduction or any payment required in connection with that FATCA Deduction, a Borrower or Security Party making that FATCA Deduction or payment shall deliver to the Agent for the Creditor Party entitled to the payment evidence reasonably satisfactory to that Creditor Party that the FATCA Deduction has been made or (as applicable) any appropriate payment has been paid to the relevant governmental or taxation authority.

22.8 FATCA Deduction by a Creditor Party

- (a) Each Creditor Party may make any FATCA Deduction it is required by FATCA to make, and any payment required in connection with that FATCA Deduction, and no Creditor Party shall be required to increase any payment in respect of which it makes such a FATCA Deduction or otherwise compensate the recipient of the payment for that FATCA Deduction. A Creditor Party which becomes aware that it must make a FATCA Deduction in respect of a payment to another party to this Agreement (or that there is any change in the rate or the basis of such FATCA Deduction) shall notify that party and the Agent.
- (b) If the Agent is required to make a FATCA Deduction in respect of a payment to a Creditor Party under Clause 16.4 (*Distribution of payments to Creditor Parties*) which relates to a payment by a Borrower or a Security Party, the amount of the payment due from the Borrowers or that Security Party shall be increased to an amount which (after the Agent has made such FATCA Deduction), leaves the Agent with an amount equal to the payment which would have been made by the Agent if no FATCA Deduction had been required.
- (c) The Agent shall promptly upon becoming aware that it must make a FATCA Deduction in respect of a payment to a Creditor Party under Clause 16.4 (*Distribution of payments to Creditor Parties*) which relates to a payment by a Borrower or a Security Party (or that there is

any change in the rate or the basis of such a FATCA Deduction) notify the Borrowers and the relevant Creditor Party.

- (d) The Borrowers shall (within three Business Days of demand by the Agent), on a joint and several basis, pay to a Creditor Party an amount equal to the loss, liability or cost which that Creditor Party determines will be or has been (directly or indirectly) suffered by that Creditor Party as a result of another Creditor Party making a FATCA Deduction in respect of a payment due to it under a Finance Document. This paragraph shall not apply to the extent a loss, liability or cost is compensated for by an increased payment under paragraph (b) above.
- (e) A Creditor Party making, or intending to make, a claim under paragraph (d) above shall promptly notify the Agent of the FATCA Deduction which will give, or has given, rise to the claim, following which the Agent shall notify the Borrowers.
- (f) A Creditor Party must, on receiving a payment from a Borrower or a Security Party under this Clause, notify the Agent.

23 ILLEGALITY, ETC

23.1 Illegality

This Clause 23 (*Illegality, etc*) applies if a Lender (the "**Notifying Lender**") notifies the Agent that it has become, or will with effect from a specified date, become:

- (a) unlawful or prohibited as a result of the introduction of a new law, an amendment to an existing law or a change in the manner in which an existing law is or will be interpreted or applied; or
- (b) contrary to, or inconsistent with, any regulation,

for the Notifying Lender to maintain or give effect to any of its obligations under this Agreement in the manner contemplated by this Agreement or any other Finance Document, including, but not limited to, funding or maintaining its participation in the Loan or charge interest rates based upon Term SOFR.

23.2 Notification of illegality

The Agent shall promptly notify the Borrowers, the Security Parties, the Security Trustee and the other Lenders of the notice under Clause 23.1 (*Illegality*) which the Agent receives from the Notifying Lender.

23.3 Prepayment; termination of Commitment

On the Agent notifying the Borrowers under Clause 23.2 (*Notification of Illegality*), the Notifying Lender's Commitment shall terminate; and thereupon or, if later, on the date specified in the Notifying Lender's notice under Clause 23.1 (*Illegality*) as the date on which the notified event would become effective the Borrowers shall prepay the Notifying Lender's Contribution in full in accordance with Clause 8 (*Repayment and Prepayment*).

23.4 Mitigation

If circumstances arise which would result in a notification under Clause 23.1 (*Illegality*) then, without in any way limiting the rights of the Notifying Lender under Clause 23.3 (*Prepayment*;

termination of Commitment), the Notifying Lender shall use reasonable endeavours to transfer its obligations, liabilities and rights under this Agreement and the Finance Documents to another office or financial institution not affected by the circumstances but the Notifying Lender shall not be under any obligation to take any such action if, in its opinion, to do would or might:

- (a) have an adverse effect on its business, operations or financial condition; or
- (b) involve it in any activity which is unlawful or prohibited or any activity that is contrary to, or inconsistent with, any regulation; or
- (c) involve it in any expense (unless indemnified to its satisfaction) or tax disadvantage.

24 INCREASED COSTS

24.1 Increased costs

This Clause 24 (*Increased Costs*) applies if a Lender (the "**Notifying Lender**") notifies the Agent that the Notifying Lender considers that as a result of:

- (a) the introduction or alteration after the date of this Agreement of a law, regulation or an alteration after the date of this Agreement in the manner in which a law is interpreted or applied (disregarding any effect which relates to the application to payments under this Agreement of a tax on the Lender's overall net income); or
- (b) complying with any regulation (including any which relates to capital adequacy or liquidity controls or which affects the manner in which the Notifying Lender allocates capital resources to its obligations under this Agreement) which is introduced, or altered, or the interpretation or application of which is altered, after the date of this Agreement; or
- (c) the introduction, implementation, application or administration of or compliance with the Basel II Capital Accord, the Basel III Capital Accord or any other Basel II Regulation or Basel III Regulation or CRD IV or CRR (whether such implementation, application, administration or compliance is by a government, regulator, supervisory authority, the Notifying Lender or any of its Affiliates),

the Notifying Lender (or a Holding Company of it) has incurred or will incur an "**increased cost**" (in each case when compared to the cost of complying with such regulations as determined by the Notifying Lender (or Holding Company or Affiliate of it) on the date of this Agreement (whether such implementation, application or compliance is by a government, regulator, supervisory authority, the Notifying Lender or its Holding Company)).

24.2 Meaning of "increased cost"

In this Clause 24 (*Increased Costs*), "**increased cost**" means, in relation to a Notifying Lender:

- (a) an additional or increased cost incurred as a result of, or in connection with, the Notifying Lender having entered into, or being a party to, this Agreement or a Transfer Certificate, of funding or maintaining its Commitment or Contribution or performing its obligations under this Agreement, or of having outstanding all or any part of its Contribution or other unpaid sums;
- (b) a reduction in the amount of any payment to the Notifying Lender under this Agreement or in the effective return which such a payment represents to the Notifying Lender or on its capital;

- (c) an additional or increased cost of funding all or maintaining all or any of the advances comprised in a class of advances formed by or including the Notifying Lender's Contribution or (as the case may require) the proportion of that cost attributable to the Contribution; or
- (d) a liability to make a payment, or a return foregone, which is calculated by reference to any amounts received or receivable by the Notifying Lender under this Agreement,

but not an item attributable to a change in the rate of tax on the overall net income of the Notifying Lender (or a parent company of it) or an item covered by the indemnity for tax in Clause 21.1 (*Indemnities regarding borrowing and repayment of Loan*) or by Clause 22 (*No Set-Off or Tax Deduction; FATCA*) or a FATCA Deduction.

For the purposes of this Clause 24.2 (*Meaning of "increased cost"*) the Notifying Lender may in good faith allocate or spread costs and/or losses among its assets and liabilities (or any class of its assets and liabilities) on such basis as it considers appropriate.

24.3 Notification to Borrowers of claim for increased costs

The Agent shall notify the Borrowers and the Security Parties of the notice which the Agent received from the Notifying Lender under Clause 24.1 (*Increased costs*).

24.4 Payment of increased costs

The Borrowers shall pay to the Agent, on the Agent's demand, for the account of the Notifying Lender the amounts which the Agent from time to time notifies the Borrowers that the Notifying Lender has specified to be necessary to compensate the Notifying Lender for the increased cost.

24.5 Notice of prepayment

If the Borrowers are not willing to continue to compensate the Notifying Lender for the increased cost under Clause 24.4 (*Payment of increased costs*), the Borrowers may give the Agent not less than 30 days' notice of their intention to prepay the Notifying Lender's Contribution at the end of an Interest Period.

24.6 Prepayment; termination of Commitment

A notice under Clause 24.5 (*Notice of prepayment*) shall be irrevocable; the Agent shall promptly notify the Notifying Lender of the Borrowers' notice of intended prepayment; and:

- (a) on the date on which the Agent serves that notice, the Commitment of the Notifying Lender shall be cancelled; and
- (b) on the date specified in its notice of intended prepayment, the Borrowers shall prepay (without premium or penalty) the Notifying Lender's Contribution, together with accrued interest thereon at the applicable rate plus the applicable Margin and the Mandatory Cost (if any).

24.7 Application of prepayment

Clause 8 (*Repayment and Prepayment*) shall apply in relation to the prepayment.

25 SET-OFF

25.1 Application of credit balances

Each Creditor Party may without prior notice to the Borrowers:

- (a) apply any balance (whether or not then due) which at any time stands to the credit of any account in the name of a Borrower at any office in any country of that Creditor Party in or towards satisfaction of any sum then due from that Borrower to that Creditor Party and any other liability of that Borrower (whether actual or contingent) under any of the Finance Documents; and
- (b) for that purpose:
 - (i) break, or alter the maturity of, all or any part of a deposit of that Borrower;
 - (ii) convert or translate all or any part of a deposit or other credit balance into Dollars; and/or
 - (iii) enter into any other transaction, execute such document or make any entry in the name of the relevant Borrower and/or the Creditor Party with regard to the credit balance which the Creditor Party concerned considers appropriate.

25.2 Existing rights unaffected

No Creditor Party shall be obliged to exercise any of its rights under Clause 25.1 (*Application of credit balances*); and those rights shall be without prejudice and in addition to any right of set-off, combination of accounts, charge, lien or other right or remedy to which a Creditor Party is entitled (whether under the general law or any document).

25.3 Sums deemed due to a Lender

For the purposes of this Clause 25 (*Set-Off*), a sum payable by the Borrowers to the Agent or the Security Trustee for distribution to, or for the account of, a Lender shall be treated as a sum due to that Lender; and each Lender's proportion of a sum so payable for distribution to, or for the account of, the Lenders shall be treated as a sum due to such Lender.

25.4 No Security Interest

This Clause 25 (*Set-Off*) gives the Creditor Parties a contractual right of set-off only, and does not create any equitable charge or other Security Interest over any credit balance of any Borrower.

26 TRANSFER AND CHANGES IN LENDING OFFICES

26.1 Transfer by Borrowers

No Borrower may transfer any of its rights, liabilities or obligations under any Finance Document.

26.2 Transfer by a Lender

Subject to Clause 26.4 (*Effective Date of Transfer Certificate*), a Lender (the "**Transferor Lender**") may at any time, with 30-day prior notice to the Borrowers, but without requiring the consent of the Borrowers or any Security Party, cause:

- (a) its rights in respect of all or part of its Contribution; or
- (b) its obligations in respect of all or part of its Commitment; or
- (c) a combination of (a) and (b),

to be (in the case of its rights) transferred to, or (in the case of its obligations) assumed by, another bank or financial institution or a fund or trust or other entity which is regularly engaged in or established for the purpose of making, purchasing or investing in loans, securities or other financial assets (a "**Transferee Lender**") by delivering to the Agent a completed certificate in the form set out in Schedule 4 (*Transfer Certificate*) with any modifications approved or required by the Agent (a "**Transfer Certificate**") executed by the Transferor Lender and the Transferee Lender.

However any rights and obligations of the Transferor Lender in its capacity as Agent or Security Trustee will have to be dealt with separately in accordance with the Agency and Trust Deed.

26.3 Transfer Certificate, delivery and notification

As soon as reasonably practicable after a Transfer Certificate is delivered to the Agent, it shall (unless it has reason to believe that the Transfer Certificate may be defective):

- (a) sign the Transfer Certificate on behalf of itself, the Borrowers, the Security Parties, the Security Trustee and each of the other Lenders;
- (b) on behalf of the Transferee Lender, send to each Borrower and each Security Party letters or faxes notifying them of the Transfer Certificate and attaching a copy of it; and
- (c) send to the Transferee Lender copies of the letters or faxes sent under paragraph (b) above,

but the Agent shall only be obliged to execute a Transfer Certificate delivered to it by the Transferor Lender and the Transferee Lender once it is satisfied it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations in relation to the transfer to that Transferee Lender.

26.4 Effective Date of Transfer Certificate

A Transfer Certificate becomes effective on the date, if any, specified in the Transfer Certificate as its effective date, **Provided that** it is signed by the Agent under Clause 26.3 (*Transfer Certificate, delivery and notification*) on or before that date.

26.5 No transfer without Transfer Certificate

Except as provided in Clause 26.16 (*Security over Lenders' rights*), no assignment or transfer of any right or obligation of a Lender under any Finance Document is binding on, or effective in relation to, any Borrower, any Security Party, the Agent or the Security Trustee unless it is effected, evidenced or perfected by a Transfer Certificate.

26.6 Lender re-organisation; waiver of Transfer Certificate

However, if a Lender enters into any merger, de-merger or other reorganisation as a result of which all its rights or obligations vest in another person (the "**successor**"), the Agent may, if it sees fit, by notice to the successor and the Borrowers and the Security Trustee waive the need for the execution and delivery of a Transfer Certificate; and, upon service of the Agent's notice, the successor shall become a Lender with the same Commitment and Contribution as were held by the predecessor Lender.

26.7 Effect of Transfer Certificate

A Transfer Certificate takes effect in accordance with English law as follows:

- (a) to the extent specified in the Transfer Certificate, all rights and interests (present, future or contingent) which the Transferor Lender has under or by virtue of the Finance Documents are assigned to the Transferee Lender absolutely, free of any defects in the Transferor Lender's title and of any rights or equities which any Borrower or any Security Party had against the Transferor Lender;
- (b) the Transferor Lender's Commitment is discharged to the extent specified in the Transfer Certificate;
- (c) the Transferee Lender becomes a Lender with the Contribution previously held by the Transferor Lender and a Commitment of an amount specified in the Transfer Certificate;
- (d) the Transferee Lender becomes bound by all the provisions of the Finance Documents which are applicable to the Lenders generally, including those about pro-rata sharing and the exclusion of liability on the part of, and the indemnification of, the Agent and the Security Trustee and, to the extent that the Transferee Lender becomes bound by those provisions (other than those relating to exclusion of liability), the Transferor Lender ceases to be bound by them;
- (e) any part of the Loan which the Transferee Lender advances after the Transfer Certificate's effective date ranks in point of priority and security in the same way as it would have ranked had it been advanced by the transferor, assuming that any defects in the transferor's title and any rights or equities of any Borrower or any Security Party against the Transferor Lender had not existed;
- (f) the Transferee Lender becomes entitled to all the rights under the Finance Documents which are applicable to the Lenders generally, including but not limited to those relating to the Majority Lenders and those under Clause 7 (*Changes to calculation of interest*) and Clause 20 (*Fees and Expenses*), and to the extent that the Transferee Lender becomes entitled to such rights, the Transferor Lender ceases to be entitled to them; and
- (g) in respect of any breach of a warranty, undertaking, condition or other provision of a Finance Document or any misrepresentation made in or in connection with a Finance Document, the Transferee Lender shall be entitled to recover damages by reference to the loss incurred by it as a result of the breach or misrepresentation, irrespective of whether the original Lender would have incurred a loss of that kind or amount.

The rights and equities of any Borrower or any Security Party referred to above include, but are not limited to, any right of set off and any other kind of cross-claim.

26.8 Maintenance of register of Lenders

During the Security Period the Agent shall maintain a register in which it shall record the name, Commitment, Contribution and administrative details (including the lending office) from time to time of each Lender holding a Transfer Certificate and the effective date (in accordance with Clause 26.4 (*Effective Date of Transfer Certificate*)) of the Transfer Certificate; and the Agent shall make the register available for inspection by any Lender, the Security Trustee and the Borrowers during normal banking hours, subject to receiving at least 3 Business Days' prior notice.

26.9 Reliance on register of Lenders

The entries on that register shall, in the absence of manifest error, be conclusive in determining the identities of the Lenders and the amounts of their Commitments and Contributions and the effective dates of Transfer Certificates and may be relied upon by the Agent and the other parties to the Finance Documents for all purposes relating to the Finance Documents.

26.10 Authorisation of Agent to sign Transfer Certificates

Each Borrower, the Security Trustee and each Lender irrevocably authorise the Agent to sign Transfer Certificates on its behalf.

26.11 Registration fee

In respect of any Transfer Certificate, the Agent shall be entitled to recover a registration fee of \$3,000 from the Transferee Lender.

26.12 Sub-participation; subrogation assignment

A Lender may sub-participate all or any part of its rights and/or obligations under or in connection with the Finance Documents without the consent of, or any notice to, any Borrower, any Security Party, the Agent or the Security Trustee or any other Creditor Party; and the Lenders may assign, in any manner and terms agreed by the Majority Lenders, the Agent and the Security Trustee or any other Creditor Party, all or any part of those rights to an insurer or surety who has become subrogated to them.

26.13 Disclosure of information

The Borrowers irrevocably authorise each Creditor Party to give, divulge and reveal from time to time information and details relating to its accounts, the Ships, the Corporate Guarantor, the Finance Documents, the Loan and Commitment and any other agreement entered into by the Borrowers and/or the Corporate Guarantor or information provided by the Borrowers and/or the Corporate Guarantor in connection with the Finance Documents to:

- (a) any public or internationally recognised authorities that are entitled to and have requested to obtain such information and to whom it is mandatory to provide such information;
- (b) that Creditor Party's head office, branches and affiliates and professional advisors;
- (c) any other parties to the Finance Documents;
- (d) a rating agency or their professional advisers;

- (e) any person with whom they propose to enter (or contemplate entering) into contractual relations in relation to the Loan and/or Commitment; and
- (f) any other person regarding the funding, refinancing, transfer, assignment, sale, sub-participation or operational arrangement or other transaction in relation thereto, including without limitation, for purposes in connection with a securitisation (or similar transaction) or any enforcement, preservation, assignment, transfer, sale or sub-participation of any of that Creditor Party's rights and obligations.

In relation to paragraphs (b) to (f) (inclusive) above of this Clause 26.13 (*Disclosure of information*) the Creditor Parties undertake that a confidentiality agreement will be entered into between the Creditor Parties and such relevant persons.

Nothing in any Finance Document shall prevent disclosure of any confidential information or other matter to the extent that preventing that disclosure would otherwise cause any transaction contemplated by the Finance Documents or any transaction carried out in connection with any transaction contemplated by the Finance Documents to become an arrangement described in Part II A 1 of Annex IV of Directive 2011/16/EU.

26.14 Change of lending office

A Lender may change its lending office by giving notice to the Agent and the change shall become effective on the later of:

- (a) the date on which the Agent receives the notice; and
- (b) the date, if any, specified in the notice as the date on which the change will come into effect.

26.15 Notification

On receiving such a notice, the Agent shall notify the Borrowers and the Security Trustee; and, until the Agent receives such a notice, it shall be entitled to assume that a Lender is acting through the lending office of which the Agent last had notice.

26.16 Security over Lenders' rights

In addition to the other rights provided to the Lenders under this Clause 26 (*Transfer and Changes in Lending Offices*), each Lender may without consulting with or obtaining consent from any Borrower or any Security Party, at any time charge, assign or otherwise create a Security Interest in or over (whether by way of collateral or otherwise) all or any of its rights under any Finance Document to secure obligations of that Lender including, without limitation:

- (a) any charge, assignment or other Security Interest to secure obligations to a federal reserve or central bank; and
- (b) in the case of any Lender which is a fund, any charge, assignment or other Security Interest granted to any holders (or trustee or representatives of holders) of obligations owed, or securities issued, by that Lender as security for those obligations or securities;

except that no such charge, assignment or Security Interest shall:

- (i) release a Lender from any of its obligations under the Finance Documents or substitute the beneficiary of the relevant charge, assignment or Security Interest for the relevant Lender as a party to any of the Finance Documents; or
- (ii) require any payments to be made by any Borrower or any Security Party or grant to any person any more extensive rights than those required to be made or granted to the relevant Lender under the Finance Documents.

26.17 Borrowers' assistance

Each Borrower shall assist the Agent and/or any Lender in achieving an assignment or transfer (or similar transaction) in respect of the Loan and the Finance Documents in accordance with the terms of this Agreement and, if requested by the Agent, shall provide all necessary documentation for the completion of such assignment or transfer.

26.18 DAC6

Nothing in any Finance Document shall prevent disclosure of any confidential information or other matter to the extent that preventing that disclosure would otherwise cause any transaction contemplated by the Finance Documents or any transaction carried out in connection with any transaction contemplated by the Finance Documents to become an arrangement described in Part II A 1 of Annex IV of Directive 2011/16/EU.

27 VARIATIONS AND WAIVERS

27.1 Variations, waivers etc. by Majority Lenders

Subject to Clause 27.2 (*Variations, waivers etc. requiring agreement of all Lenders*), a document shall be effective to vary, waive, suspend or limit any provision of a Finance Document, or any Creditor Party's rights or remedies under such a provision or the general law, only if the document is signed, or specifically agreed to by fax, by the Borrowers, by the Agent on behalf of the Majority Lenders, by the Agent and the Security Trustee in their own rights, and, if the document relates to a Finance Document to which a Security Party is party, by that Security Party.

27.2 Variations, waivers etc. requiring agreement of all Lenders

However, as regards the following, Clause 27.1 (*Variations, waivers etc. by Majority Lenders*) applies as if the words "by the Agent on behalf of the Majority Lenders" were replaced by the words "by or on behalf of every Lender":

- (a) a reduction in the applicable Margin;
- (b) a postponement to the date for, or a reduction in the amount of, any payment of principal, interest, fees or other sum payable under this Agreement;
- (c) an increase in any Lender's Commitment;
- (d) a change to the definition of "**Majority Lenders**";
- (e) a change to Clause 3 (*Facility*) or this Clause 27 (*Variations and Waivers*);

- (f) any release of, or material variation to, a Security Interest, guarantee, indemnity or subordination arrangement set out in a Finance Document; and
- (g) any other change or matter as regards which this Agreement or another Finance Document expressly provides that each Lender's consent is required.

27.3 Exclusion of other or implied variations

Except for a document which satisfies the requirements of Clauses 27.1 (*Variations, waivers etc. by Majority Lenders*) and 27.2 (*Variations, waivers etc. requiring agreement of all Lenders*), no document, and no act, course of conduct, failure or neglect to act, delay or acquiescence on the part of the Creditor Parties or any of them (or any person acting on behalf of any of them) shall result in the Creditor Parties or any of them (or any person acting on behalf of any of them) being taken to have varied, waived, suspended or limited, or being precluded (permanently or temporarily) from enforcing, relying on or exercising:

- (a) a provision of this Agreement or another Finance Document; or
- (b) an Event of Default; or
- (c) a breach by a Borrower or a Security Party of an obligation under a Finance Document or the general law; or
- (d) any right or remedy conferred by any Finance Document or by the general law,

and there shall not be implied into any Finance Document any term or condition requiring any such provision to be enforced, or such right or remedy to be exercised, within a certain or reasonable time.

27.4 Changes to reference rates

- (a) Subject to paragraph (b) of Clause 27.2 (*Variations, waivers etc. requiring agreement of all Lenders*), any amendment or waiver which relates to:
 - (i) providing for the use of a Replacement Reference Rate; and
 - (ii)
 - (A) aligning any provision of any Finance Document to the use of that Replacement Reference Rate;
 - (B) enabling that Replacement Reference Rate to be used for the calculation of interest under this Agreement (including, without limitation, any consequential changes required to enable that Replacement Reference Rate to be used for the purposes of this Agreement);
 - (C) implementing market conventions applicable to that Replacement Reference Rate;
 - (D) providing for appropriate fallback (and market disruption) provisions for that Replacement Reference Rate; or

(E) adjusting the pricing to reduce or eliminate, to the extent reasonably practicable, any transfer of economic value from one Party to another as a result of the application of that Replacement Reference Rate (and if any adjustment or method for calculating any adjustment has been formally designated, nominated or recommended by the Relevant Nominating Body, the adjustment shall be determined on the basis of that designation, nomination or recommendation),

may be made with the consent of the Agent (acting on the instructions of the Majority Lenders) and the Borrowers.

(b) If any Lender fails to respond to a request for an amendment or waiver described in, or for any of the vote of the Lenders in relation to, paragraph (a) above within 5 Business Days (or such longer time period in relation to any request which the Borrowers and the Agent may agree) of that request being made:

(i) its Commitment or its participation in the Loan (as the case may be) shall not be included for the purpose of calculating the Total Commitments or the amount of the Loan (as applicable) when ascertaining whether any relevant percentage of Total Commitments or the aggregate of participations in the Loan (as applicable) has been obtained to approve that request; and

(ii) its status as a Lender shall be disregarded for the purpose of ascertaining whether the agreement of any specified group of Lenders has been obtained to approve that request.

(c) In this Clause 27.4 (*Changes to reference rates*):

"**Published Rate**" means:

(a) SOFR; or

(b) Term SOFR for any Quoted Tenor.

"**Quoted Tenor**" means, in relation to Term SOFR, any period for which that rate is customarily displayed on the relevant page or screen of an information service.

"**Relevant Nominating Body**" means any applicable central bank, regulator or other supervisory authority or a group of them, or any working group or committee sponsored or chaired by, or constituted at the request of, any of them or the Financial Stability Board.

"**Replacement Reference Rate**" means a reference rate which is:

(a) formally designated, nominated or recommended as the replacement for a Published Rate by:

(i) the administrator of that Published Rate (provided that the market or economic reality that such reference rate measures is the same as that measured by that Published Rate); or

(ii) any Relevant Nominating Body,

and if replacements have, at the relevant time, been formally designated, nominated or recommended under both paragraphs, the "**Replacement Reference Rate**" will be the replacement under paragraph (ii) above;

(b) in the opinion of the Majority Lenders and the Borrowers, generally accepted in the international or any relevant domestic syndicated loan markets as the appropriate successor or alternative to a Published Rate; or

(c) in the opinion of the Majority Lenders and the Borrowers, an appropriate successor or alternative to a Published Rate.

28 NOTICES

28.1 General

Unless otherwise specifically provided, any notice under or in connection with any Finance Document shall be given by letter or fax; and references in the Finance Documents to written notices, notices in writing and notices signed by particular persons shall be construed accordingly.

28.2 Addresses for communications

A notice by letter, email or fax shall be sent:

to the Borrowers: Email:
Fax No:
Attention:

(a) to a Lender: At the address below its name in Schedule 1 (*Lenders and Commitments*) or (as the case may require) in the relevant Transfer Certificate.

(b) to the Agent:

Email:
Fax No:

(c) to the Security Trustee:

Email:
Fax No:

or to such other address as the relevant party may notify the Agent or, if the relevant party is the Agent or the Security Trustee, the Borrowers, the Lenders and the Security Parties.

28.3 Effective date of notices

Subject to Clauses 28.4 (*Service outside business hours*) and 28.5 (*Illegible notices*):

(a) a notice which is delivered personally or posted shall be deemed to be served, and shall take effect, at the time when it is delivered; and

- (b) a notice which is sent by fax shall be deemed to be served, and shall take effect, 2 hours after its transmission is completed.

28.4 Service outside business hours

However, if under Clause 28.3 (*Effective date of notices*) a notice would be deemed to be served:

- (a) on a day which is not a business day in the place of receipt; or

- (b) on such a business day, but after 5 p.m. local time,

the notice shall (subject to Clause 28.5 (*Illegible notices*)) be deemed to be served, and shall take effect, at 9 a.m. on the next day which is such a business day.

28.5 Illegible notices

Clauses 28.3 (*Effective date of notices*) and 28.4 (*Service outside business hours*) do not apply if the recipient of a notice notifies the sender within 1 hour after the time at which the notice would otherwise be deemed to be served that the notice has been received in a form which is illegible in a material respect.

28.6 Valid notices

A notice under or in connection with a Finance Document shall not be invalid by reason that its contents or the manner of serving it do not comply with the requirements of this Agreement or, where appropriate, any other Finance Document under which it is served if:

- (a) the failure to serve it in accordance with the requirements of this Agreement or other Finance Document, as the case may be, has not caused any party to suffer any significant loss or prejudice; or

- (b) in the case of incorrect and/or incomplete contents, it should have been reasonably clear to the party on which the notice was served what the correct or missing particulars should have been.

28.7 Electronic communication

Any communication to be made between the Agent and a Lender under or in connection with the Finance Documents may be made by electronic mail or other electronic means, if the Agent and the relevant Creditor Party:

- (a) agree that, unless and until notified to the contrary, this is to be an accepted form of communication;

- (b) notify each other in writing of their electronic mail address and/or any other information required to enable the sending and receipt of information by that means; and

- (c) notify each other of any change to their respective addresses or any other such information supplied to them.

Any electronic communication made between the Agent and a Lender will be effective only when actually received in readable form and, in the case of any electronic communication

made by a Creditor Party to the Agent, only if it is addressed in such a manner as the Agent shall specify for this purpose.

28.8 English language

Any notice under or in connection with a Finance Document shall be in English.

28.9 Meaning of "notice"

In this Clause 28 (*Notices*), "**notice**" includes any demand, consent, authorisation, approval, instruction, waiver or other communication.

29 JOINT AND SEVERAL LIABILITY

29.1 General

All liabilities and obligations of the Borrowers under this Agreement shall, whether expressed to be so or not, be joint and several.

29.2 No impairment of Borrower's obligations

The liabilities and obligations of a Borrower shall not be impaired by:

- (a) this Agreement being or later becoming void, unenforceable or illegal as regards any other Borrower;
- (b) any Lender or the Security Trustee entering into any rescheduling, refinancing or other arrangement of any kind with any other Borrower;
- (c) any Lender or the Security Trustee releasing any other Borrower or any Security Interest created by a Finance Document; or
- (d) any combination of the foregoing.

29.3 Principal debtors

Each Borrower declares that it is and will, throughout the Security Period, remain a principal debtor for all amounts owing under this Agreement and the Finance Documents and no Borrower shall in any circumstances be construed to be a surety for the obligations of any other Borrower under this Agreement.

29.4 Subordination

Subject to Clause 29.5 (*Borrower's required action*), during the Security Period, no Borrower shall:

- (a) claim any amount which may be due to it from any other Borrower whether in respect of a payment made, or matter arising out of, this Agreement or any Finance Document, or any matter unconnected with this Agreement or any Finance Document; or
- (b) take or enforce any form of security from any other Borrower for such an amount, or in any other way seek to have recourse in respect of such an amount against any asset of any other Borrower; or

- (c) set off such an amount against any sum due from it to any other Borrower; or
- (d) prove or claim for such an amount in any liquidation, administration, arrangement or similar procedure involving any other Borrower or other Security Party; or
- (e) exercise or assert any combination of the foregoing.

29.5 Borrower's required action

If during the Security Period, the Agent, by notice to a Borrower, requires it to take any action referred to in paragraphs (a) to (d) of Clause 29.4 (*Subordination*), in relation to any other Borrower, that Borrower shall take that action as soon as practicable after receiving the Agent's notice.

30 SUPPLEMENTAL

30.1 Rights cumulative, non-exclusive

The rights and remedies which the Finance Documents give to each Creditor Party:

- (a) are cumulative;
- (b) may be exercised as often as appears expedient; and
- (c) shall not, unless a Finance Document explicitly and specifically states so, be taken to exclude or limit any right or remedy conferred by any law.

30.2 Severability of provisions

If any provision of a Finance Document is or subsequently becomes void, unenforceable or illegal, that shall not affect the validity, enforceability or legality of the other provisions of that Finance Document or of the provisions of any other Finance Document.

30.3 Counterparts

A Finance Document may be executed in any number of counterparts.

30.4 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.

31 BAIL-IN

31.1 Contractual recognition of bail-in

Notwithstanding any other term of any Finance Document or any other agreement, arrangement or understanding between the parties to a Finance Document, each Party acknowledges and accepts that any liability of any party to a Finance Document under or in connection with the Finance Documents may be subject to Bail-In Action by the relevant Resolution Authority and acknowledges and accepts to be bound by the effect of:

- (a) any Bail-In Action in relation to any such liability, including (without limitation):

- (i) a reduction, in full or in part, in the principal amount, or outstanding amount due (including any accrued but unpaid interest) in respect of any such liability;
 - (ii) a conversion of all, or part of, any such liability into shares or other instruments of ownership that may be issued to, or conferred on, it; and
 - (iii) a cancellation of any such liability; and
- (b) a variation of any term of any Finance Document to the extent necessary to give effect to any Bail-In Action in relation to any such liability.

32 LAW AND JURISDICTION

32.1 English law

This Agreement and any non-contractual obligations arising out of or in connection with it shall be governed by, and construed in accordance with, English law.

32.2 Exclusive English jurisdiction

Subject to Clause 32.3 (*Choice of forum for the exclusive benefit of the Creditor Parties*), the courts of England shall have exclusive jurisdiction to settle any Dispute.

32.3 Choice of forum for the exclusive benefit of the Creditor Parties

Clause 32.2 (*Exclusive English jurisdiction*) is for the exclusive benefit of the Creditor Parties, each of which reserves the right:

- (a) to commence proceedings in relation to any Dispute in the courts of any country other than England and which have or claim jurisdiction to that Dispute; and
- (b) to commence such proceedings in the courts of any such country or countries concurrently with or in addition to proceedings in England or without commencing proceedings in England.

No Borrower shall commence any proceedings in any country other than England in relation to a Dispute.

32.4 Process agent

Each Borrower irrevocably appoints Hill Dickinson Services (London) Limited at its registered office for the time being, presently at The Broadgate Tower 7th Floor, 20 Primrose Street, London, EC2A 2EW, England, to act as its agent to receive and accept on its behalf any process or other document relating to any proceedings in the English courts which are connected with a Dispute.

32.5 Creditor Party rights unaffected

Nothing in this Clause 32 (*Law and Jurisdiction*) shall exclude or limit any right which any Creditor Party may have (whether under the law of any country, an international convention or otherwise) with regard to the bringing of proceedings, the service of process, the recognition or enforcement of a judgment or any similar or related matter in any jurisdiction.

32.6 Meaning of "proceedings" and "Dispute"

In this Clause 32 (*Law and Jurisdiction*), "**proceedings**" means proceedings of any kind, including an application for a provisional or protective measure and a "**Dispute**" means any dispute arising out of or in connection with this Agreement (including a dispute relating to the existence, validity or termination of this Agreement) or any non-contractual obligation arising out of or in connection with this Agreement.

THIS AGREEMENT has been entered into on the date stated at the beginning of this Agreement.

EXECUTION PAGES

BORROWERS

SIGNED) /s/Eleni Georgiou
)

by **THEROS VENTURES LIMITED**)

acting by)

being an attorney-in-fact)

in the presence of:) /s/Marianna Psarrou

SIGNED)

) /s/Eleni Georgiou

by **SAMOTHRACE SHIPPING**)

CORPORATION)

acting by)

being an attorney-in-fact)

in the presence of:) /s/Marianna Psarrou

SIGNED)

) /s/Eleni Georgiou

by **FANTASTIKS SHIPPING**)

CORPORATION)

acting by)

being an attorney-in-fact)

in the presence of:) /s/Marianna Psarrou

SIGNED) /s/Eleni Georgiou

)

by **SPETSES MARINE**)

SHIPPING CORPORATION)

acting by)

being an attorney-in-fact)

in the presence of:) /s/Marianna Psarrou

LENDERS

SIGNED by))
) /s/Krikor Tzanikian
for and on behalf of)
EUROBANK S.A.)
in the presence of:) /s/Maria Gripaiou

SIGNED by) /s/Krikor Tzanikian
)
for and on behalf of)
EUROBANK CYPRUS LTD)
in the presence of:) /s/Maria Gripaiou

AGENT

SIGNED by) /s/Krikor Tzanikian
)
for and on behalf of)
EUROBANK S.A.)
in the presence of:) /s/Maria Gripaiou

SECURITY TRUSTEE

SIGNED by))
) /s/Krikor Tzanikian
for and on behalf of)
EUROBANK S.A.)
in the presence of:) /s/Maria Gripaiou

Dated 19 September 2024

up to \$130,000,000

TERM LOAN FACILITY

SAMOS SHIPPING CORPORATION
SHINYO SAOWALAK LIMITED
SHINYO KIERAN LIMITED
LEFKADA SHIPPING CORPORATION
JASPERO SHIPTRADE S.A.
THETIDA MARINE CO.
ELAFONISOS SHIPPING CORPORATION
as joint and several Borrowers

and

NATIONAL BANK OF GREECE S.A.
as Original Lender

FACILITY AGREEMENT

relating to

the refinancing of existing indebtedness secured on four oil tanker vessels and two container carrier vessels and the partial financing of the construction cost of a 115,000-dwt tanker vessel

WATSON FARLEY
&
WILLIAMS

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THIS AGREEMENT is made on 19 September 2024

PARTIES

- (1) **SAMOS SHIPPING CORPORATION**, a corporation incorporated in the Marshall Islands whose registered address is at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960 as a borrower ("**Borrower A**")
- (2) **SHINYO SAOWALAK LIMITED**, a BVI business company incorporated with limited liability under the laws of the British Virgin Islands with company 1473884 and having its registered office at Kingston Chambers, PO Box 173, Road Town, Tortola VG1110, British Virgin Islands as a borrower ("**Borrower B**")
- (3) **SHINYO KIERAN LIMITED**, a BVI business company incorporated with limited liability under the laws of the British Virgin Islands with company 1473676 and having its registered office at Kingston Chambers, PO Box 173, Road Town, Tortola VG1110, British Virgin Islands as a borrower ("**Borrower C**")
- (4) **LEFKADA SHIPPING CORPORATION**, a corporation incorporated in the Marshall Islands whose registered address is at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960 as a borrower ("**Borrower D**")
- (5) **JASPERO SHIPTRADE S.A.**, a corporation incorporated in the Marshall Islands whose registered address is at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960 as a borrower ("**Borrower E**")
- (6) **THTIDA MARINE CO.**, a corporation incorporated in the Marshall Islands whose registered address is at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960 as a borrower ("**Borrower F**")
- (7) **ELAFONISOS SHIPPING CORPORATION**, a corporation incorporated in the Marshall Islands whose registered address is at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960 as a borrower ("**Borrower G**")
- (8) **NATIONAL BANK OF GREECE S.A.** acting through its office at 2 Bouboulinas Street & Akti Miaouli, Piraeus 185 35, Greece as lender (the "**Original Lender**")

BACKGROUND

The Lender has agreed to make available to the Borrowers a term loan facility of up to \$130,000,000 for the purposes of:

- (A) refinancing the Existing Indebtedness in respect of Ship A, Ship B, Ship C, Ship D, Ship E and Ship F in a principal amount not exceeding the lesser of (i) 55 per cent. of the aggregate Initial Market Value of Ship A, Ship B, Ship C, Ship D, Ship E and Ship F, (ii) the Existing Indebtedness as at the Utilisation Date of Tranche A and (iii) \$85,000,000; and
- (B) financing in part the acquisition of cost of Ship G in a principal amount not exceeding the lesser of (i) 70 per cent. of the Initial Market Value of Ship G, (ii) 70 per cent. of the Contract Price, (iii) a principal amount, which when aggregated with the Advance under Tranche A outstanding equals an amount equal to 70 per cent. of the aggregate Market Value of the Ships at the Delivery Date and (iv) \$45,000,000.

OPERATIVE PROVISIONS

SECTION 1

INTERPRETATION

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement:

"**Account Bank**" means National Bank of Greece S.A. acting through its office at 2 Bouboulinas Street & Akti Miaouli, Piraeus 185 35, Greece or any replacement bank or other financial institution as may be approved by the Lender.

"**Accounts**" means the Earnings Accounts and the Retention Account.

"**Account Security**" means a document creating Security over the Retention Account in agreed form.

"**Advance**" means a borrowing of all or part of a Tranche under this Agreement.

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

"**Approved Brokers**" means any first class firm or firms of insurance brokers approved in writing by the Lender.

"**Approved Classification**" means, in relation to a Ship, as at the date of this Agreement, the classification in relation to that Ship specified in Schedule 4 (*Details of the Ships and Other Definitions*) with the relevant Approved Classification Society or the equivalent classification with another Approved Classification Society.

"**Approved Classification Society**" means, in relation to a Ship, as at the date of this Agreement, the classification society in relation to that Ship specified in Schedule 4 (*Details of the Ships and Other Definitions*) or any other classification society approved in writing by the Lender such approval not to be unreasonably withheld.

"**Approved Flag**" means, in relation to a Ship, as at the date of this Agreement, the flag in relation to that Ship specified in Schedule 4 (*Details of the Ships and Other Definitions*) or such other flag and, if applicable port of registry, approved in writing by the Lender and which approval shall not be withheld in the case of the Panamanian, Cypriot, Liberian, Maltese, Portuguese or Marshall Islands flags and a reference to "the Approved Flag" in respect of a Ship shall be a reference to the flag and, if applicable port of registry, under which that Ship is then flagged with the agreement of the Lender.

"**Approved Manager**" has the meaning given to it in Schedule 4 (*Details of the Ships and Other Definitions*).

"**Approved Valuer**" means Fearnleys, Clarksons, Howe Robinson, SSY, MB Shipbrokers, Gibson, Arrow, Braemar and Allied (or any Affiliate of such person through which valuations are commonly issued) and any other firm or firms of independent sale and purchase shipbrokers approved in writing by the Lender.

"**Article 55 BRRD**" means Article 55 of Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms.

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

"**Availability Period**" means the period from and including the date of this Agreement to and including:

- (a) in relation to Tranche A, 30 September 2024; and
- (b) in relation to Tranche B, 26 January 2026.

"**Available Facility**" means the Commitment minus:

- (a) the amount of the outstanding Loan; and
- (b) in relation to any proposed Utilisation, the amount of any Advance that is due to be made on or before the proposed Utilisation Date.

"**Bail-In Action**" means the exercise of any Write-down and Conversion Powers.

"**Bail-In Legislation**" means:

- (a) in relation to an EEA Member Country which has implemented, or which at any time implements, Article 55 BRRD, the relevant implementing law or regulation as described in the EU Bail-In Legislation Schedule from time to time;
- (b) in relation to any state other than such an EEA Member Country and the United Kingdom, any analogous law or regulation from time to time which requires contractual recognition of any Write-down and Conversion Powers contained in that law or regulation; and
- (c) in relation to the United Kingdom, the UK Bail-In Legislation.

"**Balloon Instalment**" has the meaning given to it in Clause 6.1 (*Repayment of Loan*).

"**Borrower**" means Borrower A, Borrower B, Borrower C, Borrower D, Borrower E, Borrower F or Borrower G.

"**Break Costs**" means:

- (a) in respect of any Term Rate Loan, the amount (if any) by which:
 - (i) the interest (excluding the Margin) which the Lender should have received for the period from the date of receipt of all or any part of the Loan or that Unpaid Sum to the last day of the current Interest Period in relation to the Loan, the relevant part of the Loan or that Unpaid Sum, had the principal amount or Unpaid Sum received been paid on the last day of that Interest Period
exceeds
 - (ii) the amount which the Lender would be able to obtain by placing an amount equal to the principal amount or Unpaid Sum received by it on deposit with a

leading bank for a period starting on the Business Day following receipt or recovery and ending on the last day of the current Interest Period; and

(b) in respect of any Compounded Rate Loan, any amount specified as such in the Reference Rate Terms.

"**Builder**" has the meaning given to it in Schedule 4 (*Details of the Ships and Other Definitions*).

"**Business Day**" means a day (other than a Saturday or Sunday) on which banks are open for general business in Athens, Piraeus and New York and, in relation to:

- (a) the fixing of an interest rate in respect of a Term Rate Loan;
- (b) any date for payment or purchase of an amount relating to a Compounded Rate Loan; or
- (c) the determination of the first day or the last day of an Interest Period for a Compounded Rate Loan or otherwise in relation to the determination of the length of such an Interest Period,

which is an RFR Banking Day relating to that Term Rate Loan or Compounded Rate Loan (as the case may be).

"**Central Bank Rate**" has the meaning given to that term in the Reference Rate Terms.

"**Central Bank Rate Adjustment**" has the meaning given to that term in the Reference Rate Terms.

"**Central Bank Rate Spread**" has the meaning given to that term in the Reference Rate Terms.

"**Change of Control**" has the meaning given to it in Clause 26.11 (*Change of control*).

"**Charter**" means, in relation to a Ship, any charter relating to that Ship, or other contract for its employment, whether or not already in existence.

"**Charter Assignment**" means an assignment of a Charter and any Charter Guarantee which is assignable pursuant to Clause 23.21 (*Charter assignment*) in favour of the Lender in form and substance satisfactory to the Lender.

"**Charter Guarantee**" means any guarantee, bond, letter of credit or other instrument (whether or not already issued) supporting a Charter.

"**Code**" means the US Internal Revenue Code of 1986.

"**Commitment**" means \$130,000,000, to the extent not cancelled or reduced under this Agreement.

"**Compounded Rate Interest Payment**" means the aggregate amount of interest that:

- (a) is, or is scheduled to become, payable under any Finance Document; and
- (b) relates to a Compounded Rate Loan.

"**Compounded Rate Loan**" means the Loan, part of the Loan or, if applicable, Unpaid Sum which is, or becomes, a "Compounded Rate Loan" pursuant to Clause 8 (*Rate Switch*).

"**Compounded Reference Rate**" means, in relation to any Interest Period of a Compounded Rate Loan, the percentage rate per annum which is the Cumulative Compounded RFR Rate for that Interest Period.

"**Compounding Methodology Supplement**" means, in relation to the Cumulative Compounded RFR Rate, a document which:

- (a) is agreed in writing by the Borrowers and the Lender;
- (b) specifies a calculation methodology for that rate; and
- (c) has been made available to the Borrowers.

"**Confidential Information**" means all information relating to any Transaction Obligor, the Group, the Finance Documents or the Facility of which the Lender becomes aware in its capacity as, or for the purpose of becoming, the Lender or which is received by the Lender in relation to, or for the purpose of becoming the Lender under, the Finance Documents or the Facility from any member of the Group or any of its advisers in whatever form, and includes information given orally and any document, electronic file or any other way of representing or recording information which contains or is derived or copied from such information but excludes:

- (a) information that:
 - (i) is or becomes public information other than as a direct or indirect result of any breach by the Lender of Clause 41 (*Confidential Information*);
 - (ii) is identified in writing at the time of delivery as non-confidential by any member of the Group or any of its advisers;
 - (iii) is known by the Lender before the date the information is disclosed to it by any member of the Group or any of its advisers or is lawfully obtained by the Lender after that date, from a source which is, as far as the Lender is aware, unconnected with the Group and which, in either case, as far as the Lender is aware, has not been obtained in breach of, and is not otherwise subject to, any obligation of confidentiality; or
 - (iv) in relation to the Guarantor, such information as the Guarantor is entitled to disclose by rules and regulations of the US Securities and Exchange Commission and any US stock exchange applicable to the Guarantor; and
- (b) any Funding Rate.

"**Confidentiality Undertaking**" means a confidentiality undertaking in substantially the appropriate form recommended by the LMA from time to time or in any other form agreed between the Borrowers and the Lender.

"**Contract Price**" means the price payable for Ship G under article II (*contract price*) of the Shipbuilding Contract, subject to adjustment as provided in article III (*adjustment of the*

contract price) of the Shipbuilding Contract and article V (modifications, changes and extras) of the Shipbuilding Contract.

"Cumulative Compounded RFR Rate" means, in relation to an Interest Period for a Compounded Rate Loan, the percentage rate per annum determined by the Lender in accordance with the methodology set out in Schedule 7 (*Cumulative Compounded RFR Rate*) or in any relevant Compounding Methodology Supplement.

"Daily Rate" means the rate specified as such in the Reference Rate Terms.

"Deed of Covenant" means, in relation to a Ship, if required by the laws of the Approved Flag of that Ship, the deed of covenant collateral to the Mortgage over that Ship and creating Security over that Ship in agreed form.

"Deed of Release" means a deed releasing the Existing Security in a form acceptable to the Lender.

"Default" means an Event of Default or a Potential Event of Default.

"Delegate" means any delegate, agent, attorney or co-trustee appointed by the Lender.

"Delivery Date" means the date on which Ship G is delivered by the Builder to Borrower G under the Shipbuilding Contract.

"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 Facility (or otherwise in order for the transactions contemplated by the Finance Documents to be carried out) which disruption is not caused by, and is beyond the control of, any of the Parties or, if applicable, any Transaction Obligor; or
- (b) the occurrence of any other event which results in a disruption (of a technical or systems-related nature) to the treasury or payments operations of a Party or, if applicable, any Transaction Obligor preventing that, or any other, Party or, if applicable, any Transaction Obligor:
 - (i) from performing its payment obligations under the Finance Documents; or
 - (ii) from communicating with other Parties or, if applicable, any Transaction Obligor in accordance with the terms of the Finance Documents,

and which (in either such case) is not caused by, and is beyond the control of, the Party or, if applicable, any Transaction Obligor whose operations are disrupted.

"Document of Compliance" has the meaning given to it in the ISM Code.

"dollars" and **"\$"** mean the lawful currency, for the time being, of the United States of America.

"Earnings" means, in relation to a Ship, all moneys whatsoever which are now, or later become, payable (actually or contingently) to a Borrower or the Lender and which arise out of or in connection with or relate to the use or operation of that Ship, including (but not limited to):

- (a) the following, save to the extent that any of them is, with the prior written consent of the Lender, pooled or shared with any other person:
 - (i) all freight, hire and passage moneys including, without limitation, all moneys payable under, arising out of or in connection with a Charter or a Charter Guarantee;
 - (ii) the proceeds of the exercise of any lien on sub-freights;
 - (iii) compensation payable to a Borrower or the Lender in the event of requisition of that Ship for hire or use;
 - (iv) remuneration for salvage and towage services;
 - (v) demurrage and detention moneys;
 - (vi) without prejudice to the generality of sub-paragraph (i) above, damages for breach (or payments for variation or termination) of any charterparty or other contract for the employment of that Ship;
 - (vii) all moneys which are at any time payable under any Insurances in relation to loss of hire;
 - (viii) all monies which are at any time payable to a Borrower in relation to general average contribution; and
- (b) if and whenever that Ship is employed on terms whereby any moneys falling within sub-paragraphs (i) to (viii) of paragraph (a) above are pooled or shared with any other person, that proportion of the net receipts of the relevant pooling or sharing arrangement which is attributable to that Ship.

"Earnings Account" means, in relation to a Borrower:

- (a) an account in the name of that Borrower with the Account Bank designated "Earnings Account";
- (b) any other account in the name of that Borrower with the Account Bank which may, with the prior written consent of the Lender, be opened in the place of the account referred to in paragraph (a) above, irrespective of the number or designation of such replacement account; or
- (c) any sub-account of any account referred to in paragraph (a) or (b) above.

"EEA Member Country" means any member state of the European Union, Iceland, Liechtenstein and Norway.

"Environmental Approval" means any present or future permit, ruling, variance or other Authorisation required under Environmental Law.

"**Environmental Claim**" means any claim by any governmental, judicial or regulatory authority or any other person which arises out of an Environmental Incident or an alleged Environmental Incident or which relates to any Environmental Law and, for this purpose, "**claim**" includes a claim for damages, compensation, contribution, injury, fines, losses and penalties or any other payment of any kind, including in relation to clean-up and removal, whether or not similar to the foregoing; an order or direction to take, or not to take, certain action or to desist from or suspend certain action; and any form of enforcement or regulatory action, including the arrest or attachment of any asset.

"**Environmental Incident**" means:

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

"**Environmental Law**" means any present or future law in force relating to vessel disposal, energy efficiency, carbon reduction, emissions, emissions trading, pollution or protection of human health or the environment, to conditions in the workplace, to the carriage, generation, handling, storage, use, release or spillage of Environmentally Sensitive Material or to actual or threatened releases of Environmentally Sensitive Material.

"**Environmentally Sensitive Material**" means and includes 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 Bail-In Legislation Schedule**" means the document described as such and published by the LMA from time to time.

"**EU Ship Recycling Regulation**" means Regulation (EU) No 1257/2013 of the European Parliament and of the Council of 20 November 2013 on ship recycling and amending Regulation (EC) No 1013/2006 and Directive 2009/16/EC.

"**Event of Default**" means any event or circumstance specified as such in Clause 26 (*Events of Default*).

"**Existing Agent**" has the meaning given to it in Schedule 4 (*Details of the Ships and Other Definitions*).

"**Existing Loan Agreement**" has the meaning given to it in Schedule 4 (*Details of the Ships and Other Definitions*).

"**Existing Indebtedness**" has the meaning given to it in Schedule 4 (*Details of the Ships and Other Definitions*).

"**Existing Security**" means any Security created to secure the Existing Indebtedness.

"**Facility**" means the term loan facility made available under this Agreement as described in Clause 2 (*The Facility*).

"**Facility Office**" means the office or offices through which the Lender will perform its obligations under this Agreement.

"**FATCA**" means:

- (a) sections 1471 to 1474 of the Code or any associated regulations;
- (b) any treaty, law or regulation of any other jurisdiction, or relating to an intergovernmental agreement between the US and any other jurisdiction, which (in either case) facilitates the implementation of any law or regulation referred to in paragraph (a) above; or
- (c) any agreement pursuant to the implementation of any treaty, law or regulation referred to in paragraph (a) or (b) above with the US Internal Revenue Service, the US government or any governmental or taxation authority in any other jurisdiction.

"**FATCA Deduction**" means a deduction or withholding from a payment under a Finance Document required by FATCA.

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

"**Fee Letter**" means any letter or letters dated on or about the date of this Agreement between any of the Lender and the Borrowers setting out fees referred to in Clause 12 (*Fees*).

"**Finance Document**" means:

- (a) this Agreement;
- (b) any Fee Letter;
- (c) each Utilisation Request;
- (d) any Reference Rate Supplement;
- (e) any Compounding Methodology Supplement;
- (f) any Security Document;
- (g) any Manager's Undertaking;
- (h) the Guarantee;

- (i) any other document which is executed for the purpose of establishing any priority or subordination arrangement in relation to the Secured Liabilities; or
- (j) any other document designated as such by the Lender and the Borrowers.

"Financial Indebtedness" means any indebtedness for or in relation to:

- (a) moneys borrowed;
- (b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (d) the amount of any liability in relation to 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 purchase agreement) of a type not referred to in any other paragraph of this definition having the commercial effect of a borrowing;
- (g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that derivative transaction, that amount) shall be taken into account);
- (h) any counter-indemnity obligation in relation to a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (i) the amount of any liability in relation to any guarantee or indemnity for any of the items referred to in paragraphs (a) to (h) above.

"Funding Rate" means any rate notified by the Lender to the Borrowers pursuant to sub-paragraph (ii) of paragraph (a) of Clause 11.4 (*Cost of funds*).

"GAAP" means generally accepted accounting principles in the US.

"General Assignment" means, in relation to a Ship, the general assignment creating Security over:

- (a) that Ship's Earnings, its Insurances and any Requisition Compensation in relation to that Ship;
- (b) any Charter and any Charter Guarantee in relation to that Ship; and
- (c) in the case of Ship G, the benefit of any warranties of quality in favour of Borrower G under the Shipbuilding Contract,

in agreed form.

"**Government Entity**" means any national or local government body, tribunal, court or regulatory or other agency and any organisation of which such body, tribunal, court or agency is a part or to which it is subject.

"**Group**" means, at any relevant time (excluding any Subsidiaries whose shares are listed on any public stock exchange and/or whose financial statements are not consolidated into the financial statements of the Group), the Borrowers, the Guarantor and their Subsidiaries and "**member of the Group**" shall be construed accordingly.

"**Guarantee**" means a guarantee executed by the Guarantor in agreed form.

"**Guarantor**" means Navios Maritime Partners L.P., a limited partnership formed in the Marshall Islands whose registered address is at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960.

"**Historic Term SOFR**" means, in relation to any Term Rate Loan, the most recent applicable Term SOFR for a period equal in length to the Interest Period of that Term Rate Loan and which is as of a day which is no more than three RFR Banking Days before the Quotation Day.

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

"**Indemnified Person**" has the meaning given to it in Clause 15.2 (*Other indemnities*).

"**Initial Charter**" has the meaning given to it in Schedule 4 (*Details of the Ships and Other Definitions*).

"**Initial Charterer**" has the meaning given to it in Schedule 4 (*Details of the Ships and Other Definitions*).

"**Initial Market Value**" means, in relation to a Ship, the Market Value of that Ship calculated in accordance with the valuation(s) relating to it referred to in paragraph 3.5 of Part B of Schedule 2 (*Conditions precedent*) and paragraph 2.6 of Part C of Schedule 2 (*Conditions precedent*).

"**Insurances**" means, in relation to a Ship:

- (a) all policies and contracts of insurance, including entries of that Ship in any protection and indemnity or war risks association, effected in relation to that Ship, the Earnings or otherwise in relation to that Ship whether before, on or after the date of this Agreement; and
- (b) all rights and other assets relating to, or derived from, any of such policies, contracts or entries, including any rights to a return of premium and any rights in relation to any claim whether or not the relevant policy, contract of insurance or entry has expired on or before the date of this Agreement.

"**Interest Payment Date**" has the meaning given to it in paragraph (a) of Clause 9.3 (*Payment of interest*).

"Interest Period" means, in relation to the Loan or any part of the Loan, each period determined in accordance with Clause 10 (*Interest Periods*) and, in relation to an Unpaid Sum, each period determined in accordance with Clause 9.4 (*Default interest*).

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

- (a) either:
 - (i) the most recent applicable Term SOFR (as of a day which is not more than three RFR Banking Days before the Quotation Day) for the longest period (for which Term SOFR is available) which is less than the Interest Period of that Term Rate Loan; or
 - (ii) if no such Term SOFR is available for a period which is less than the Interest Period of that Term Rate Loan, the most recent RFR for a day which is no more than five RFR Banking Days (and no less than two RFR Banking Days) before the Quotation Day; and
- (b) the most recent applicable Term SOFR (as of a day which is not more than three RFR Banking Days before the Quotation Day) for the shortest period (for which Term SOFR is available) which exceeds the Interest Period of that Term Rate Loan.

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

- (a) either:
 - (i) the applicable Term SOFR (as of the Specified Time) for the longest period (for which Term SOFR is available) which is less than the Interest Period of that Term Rate Loan; or
 - (ii) if no such Term SOFR is available for a period which is less than the Interest Period of that Term Rate Loan, the RFR for the day which is two RFR Banking Days before the Quotation Day; and
- (b) the applicable Term SOFR (as of the Specified Time) for the shortest period (for which Term SOFR is available) which exceeds the Interest Period of that Term Rate Loan.

"Inventory of Hazardous Materials" means, in relation to a Ship, an inventory certificate or statement of compliance (as applicable) issued by the relevant classification society or shipyard authority which is supplemented by a list of any and all materials known to be potentially hazardous utilised in the construction of, or otherwise installed on, that Ship, pursuant to the requirements of the EU Ship Recycling Regulation.

"ISM Code" means the International Safety Management Code for the Safe Operation of Ships and for Pollution Prevention (including the guidelines on its implementation), adopted by the International Maritime Organisation, as the same may be amended or supplemented from time to time.

"**ISPS Code**" means the International Ship and Port Facility Security (ISPS) Code as adopted by the International Maritime Organization's (IMO) Diplomatic Conference of December 2002, as the same may be amended or supplemented from time to time.

"**ISSC**" means an International Ship Security Certificate issued under the ISPS Code.

"**Lender**" means:

- (a) the Original Lender; and
- (b) any bank, financial institution, trust, fund or other entity which has become the Lender in accordance with Clause 27 (*Changes to the Lender*),

which in each case has not ceased to be a Party in accordance with this Agreement.

"**LMA**" means the Loan Market Association or any successor organisation.

"**Loan**" means the loan to be made available under the Facility or the aggregate principal amount outstanding for the time being of the borrowings under the Facility and a "**part of the Loan**" means an Advance, a Tranche, a part of a Tranche or any other part of the Loan as the context may require.

"**Lookback Period**" means the number of days specified as such in the Reference Rate Terms.

"**Major Casualty**" means, in relation to a Ship, any casualty to that Ship in relation to which the claim or the aggregate of the claims against all insurers, before adjustment for any relevant franchise or deductible, exceeds \$1,000,000 or the equivalent in any other currency.

"**Management Agreement**" means the agreement entered into between a Borrower or the Guarantor and an Approved Manager regarding the commercial and/or technical management of a Ship.

"**Manager's Undertaking**" means, in relation to a Ship, the letter of undertaking from its Approved Manager assigning the rights of such Approved Manager in respect of the Insurances of that Ship and subordinating the rights of such Approved Manager against that Ship and the relevant Borrower to the rights of the Lender in agreed form.

"**Margin**" means:

- (a) in relation to Tranche A, 1.75 per cent. per annum; and
- (b) in relation to Tranche B, 1.50 per cent. per annum.

"**Market Disruption Rate**" means:

- (a) in relation to a Term Rate Loan the Term Reference Rate; and
- (b) in relation to a Compounded Rate Loan, the Compounded Reference Rate.

"Market Value" means, in relation to a Ship or any other vessel, at any date, the market value of that Ship or vessel determined by valuation(s) in accordance with Clause 24.7 (*Provision of valuations*) and, prepared:

- (a) unless otherwise specified by the Lender, as at a date not more than 30 days previously;
- (b) by an Approved Valuer (selected and appointed by the Borrowers and/or the Guarantor or, as the case may be, the Lender for the purpose of the annual valuations to be provided thereafter);
- (c) with or without physical inspection of that Ship or vessel (as the Lender may require); and
- (d) on the basis of a sale for prompt delivery for cash on normal arm's length commercial terms as between a willing seller and a willing buyer, free of any Charter.

"Material Adverse Effect" means a material adverse effect on:

- (a) the business, operations, property or condition (financial or otherwise) of the Borrowers as a whole or the Guarantor or the Group as a whole; or
- (b) the ability of any Transaction Obligor to perform its obligations under any Finance Document; or
- (c) the validity or enforceability of, or the effectiveness or ranking of any Security granted or intended to be granted pursuant to any of, the Finance Documents or the rights or remedies of the Lender under any of the Finance Documents.

"Minimum Liquidity" has the meaning given to it in Clause 25.10 (*Minimum Liquidity*).

"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:

- (a) other than where paragraph (b) applies:
 - (i) (subject to sub-paragraph (iii) below) if the numerically corresponding day is not a Business Day, that period shall end on the next Business Day in that calendar month in which that period is to end if there is one, or if there is not, on the immediately preceding Business Day;
 - (ii) if there is no numerically corresponding day in the calendar month in which that period is to end, that period shall end on the last Business Day in that calendar month; and
 - (iii) if an Interest Period begins on the last Business Day of a calendar month, that Interest Period shall end on the last Business Day in the calendar month in which that Interest Period is to end; and
- (b) in relation to an Interest Period for any Compounded Rate Loan (or any other period for the accrual of commission or fees after the Rate Switch Date) for which there are rules specified as "Business Day Conventions" in the Reference Rate Terms, those rules shall apply.

The above rules will only apply to the last Month of any period.

"**Mortgage**" means, in relation to a Ship, a first preferred or, as the case may be, priority ship mortgage on that Ship in agreed form or any replacement first preferred or first priority ship mortgage on that Ship under the laws of an Approved Flag in agreed form.

"**Original Financial Statements**" means the annual audited consolidated financial statements of the Group for its financial year ended 31 December 2023.

"**Original Jurisdiction**" means, in relation to a Borrower, the jurisdiction under whose laws that Borrower is incorporated as at the date of this Agreement.

"**Overseas Regulations**" means the Overseas Companies Regulations 2009 (SI 2009/1801).

"**Participating Member State**" means any member state of the European Union that has the euro as its lawful currency in accordance with legislation of the European Union relating to Economic and Monetary Union.

"**Party**" means a party to this Agreement.

"**Permitted Charter**" means, in relation to a Ship:

- (a) each Initial Charter; and
- (b) a Charter;
 - (i) which is a time, voyage or consecutive voyage charter;
 - (ii) the duration of which does not exceed and is not capable of exceeding, by virtue of any optional extensions, 12 months plus a redelivery allowance of not more than 30 days;
 - (iii) which is entered into on *bona fide* arm's length terms at the time at which that Ship is fixed; and
 - (iv) in relation to which not more than two months' hire is payable in advance,

and any other Charter which is approved in writing by the Lender such approval not to be unreasonably withheld.

"**Permitted Financial Indebtedness**" means:

- (a) any Financial Indebtedness incurred under the Finance Documents;
- (b) in relation to Borrower A, Borrower B, Borrower C, Borrower D and Borrower E, until the Utilisation Date of Tranche A or, as the case may be, when the Existing Indebtedness has been refinanced in full, the Existing Indebtedness;
- (c) any Financial Indebtedness (including without limitation, any shareholder or intra-Group loans made available to any Borrower in the normal course of its business of trading and operating its Ship) that is subordinated to all Financial Indebtedness incurred under the Finance Documents in a manner acceptable to the Lender in all respects.

"Permitted Security" means:

- (a) Security created by the Finance Documents;
- (b) in relation to Borrower A, Borrower B, Borrower C, Borrower D, Borrower E and Borrower F, until the Utilisation Date or, as the case may be, when the Existing Indebtedness has been refinanced in full, the Existing Security;
- (c) liens for unpaid master's and crew's wages in accordance with first class ship ownership and management practice and not being enforced through arrest;
- (d) liens for salvage;
- (e) liens for master's disbursements incurred in the ordinary course of trading in accordance with first class ship ownership and management practice and not being enforced through arrest; and
- (f) any other lien arising by operation of law or otherwise in the ordinary course of the operation, repair or maintenance of any Ship:
 - (i) not as a result of any default or omission by any Borrower;
 - (ii) not being enforced through arrest; and
 - (iii) subject, in the case of liens for repair or maintenance, to Clause 23.17 (*Restrictions on chartering, appointment of managers etc.*),

provided such liens (i) do not exceed the amount of \$600,000 and (ii) do not secure amounts more than 30 days overdue (unless the overdue amount is being contested in good faith by appropriate steps.

"Potential Event of Default" means any event or circumstance specified in Clause 26 (*Events of Default*) which would (with the expiry of a grace period, the giving of notice, the making of any determination under the Finance Documents or any combination of any of the foregoing) be an Event of Default.

"Prohibited Party" means any persons, entities or parties that are:

- (a) listed on, or owned or controlled by, a person, entity or party listed on any Sanctions List; or
- (b) located in, incorporated under the laws of, or owned or controlled by, or acting on behalf of, a person, entity or party located in, or organised under the laws of, a country or territory that is the target of country-wide Sanctions (or whose government is the target of Sanctions), as applicable; or
- (c) being otherwise a target of Sanctions; or
- (d) acting or purporting to act on behalf of any of the parties listed under paragraphs (a) and (b) above; or
- (e) with which the Lender is prohibited from dealing, or otherwise engaging in any transaction, pursuant to OFAC, United Nations, European Union and HMT Sanctions.

"**Quotation Day**" means, in relation to any period for which an interest rate is to be determined, two RFR Banking Days before the first day of that period unless market practice differs in the relevant syndicated loan market in which case the Quotation Day will be determined by the Lender in accordance with that market practice (and if quotations would normally be given on more than one day, the Quotation Day will be the last of those days).

"**Quoted Tenor**" means any period for which Term SOFR is customarily displayed on the relevant page or screen of an information service.

"**Rate Switch Date**" has the meaning given to it in Clause 8.1 (*Optional Switch to Compounded Reference Rate*).

"**Receiver**" means a receiver or receiver and manager or administrative receiver of the whole or any part of the Security Assets.

"**Reference Rate Supplement**" means a document which:

- (a) is agreed in writing by the Borrowers and the Lender;
- (b) specifies the relevant terms which are expressed in this Agreement to be determined by reference to the Reference Rate Terms; and
- (c) has been made available to the Borrowers.

"**Reference Rate Terms**" means the terms set out in Schedule 6 (*Reference Rate Terms*) or in any Reference Rate Supplement.

"**Related Fund**" in relation to a fund (the "first fund"), means a fund which is managed or advised by the same investment manager or investment adviser as the first fund or, if it is managed by a different investment manager or investment adviser, a fund whose investment manager or investment adviser is an Affiliate of the investment manager or investment adviser of the first fund.

"**Relevant Jurisdiction**" means, in relation to a Transaction Obligor:

- (a) its Original Jurisdiction;
- (b) any jurisdiction where any asset subject to, or intended to be subject to, any of the Transaction Security created, or intended to be created, 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.

"**Relevant Market**" means the market specified as such in the Reference Rate Terms.

"**Relevant Period**" means either (i) 90 days or (ii) in respect of pirates, hijackers, terrorists or similar persons, if relevant underwriters confirm in writing (in terms satisfactory to the Lender) prior to the end of such 90 day period that such capture, appropriation, forfeiture, seizure, detention, deprivation or confiscation will be covered by the relevant Borrower's war risks insurance, the shorter of six months after the date upon which the relevant incident occurred and such period for which cover is confirmed to attach.

"Repayment Date" means each date on which a Repayment Instalment is required to be paid under Clause 6.1 (*Repayment of Loan*).

"Repayment Instalment" has the meaning given to it in Clause 6.1 (*Repayment of Loan*).

"Repeating Representation" means each of the representations set out in Clause 18 (*Representations*) except Clause 18.10 (*Insolvency*), Clause 18.11 (*No filing or stamp taxes*) and Clause 18.12 (*Deduction of Tax*) and any representation of any Transaction Obligor made in any other Finance Document that is expressed to be a "Repeating Representation" or is otherwise expressed to be repeated.

"Reporting Day" means the day (if any) specified as such in the Reference Rate Terms.

"Reporting Time" means the relevant time (if any) specified as such in the Reference Rate Terms.

"Representative" means any delegate, agent, manager, administrator, nominee, attorney, trustee or custodian.

"Requisition" means, in relation to a Ship, any requisition for title or other compulsory acquisition of that Ship including, capture, appropriation, forfeiture, seizure, detention, deprivation or confiscation howsoever for any reason (but excluding requisition for use or hire) by or on behalf of any Government Entity or other competent authority or by pirates, hijackers, terrorists or similar persons if that Ship is not released therefrom within the Relevant Period.

"Requisition Compensation" includes all compensation or other moneys payable to a Borrower by reason of any Requisition or any arrest or detention of a Ship in the exercise or purported exercise of any lien or claim.

"Resolution Authority" means any body which has authority to exercise any Write-down and Conversion Powers.

"Retention Account" means:

- (a) an account in the name of the Borrowers with the Account Bank designated "Retention Account";
- (b) any other account in the name of the Borrowers with the Account Bank which may, with the prior written consent of the Lender, be opened in the place of the account referred to in paragraph (a) above, irrespective of the number or designation of such replacement account; or
- (c) any sub-account of any account referred to in paragraph (a) or (b) above.

"RFR" means the rate specified as such in the Reference Rate Terms.

"RFR Banking Day" means any day other than:

- (a) a Saturday or Sunday; and
- (b) a day on which the Securities Industry and Financial Markets Association (or any successor organisation) recommends that the fixed income departments of its

members be closed for the entire day for purposes of trading in US Government securities.

"Russian Oil Price Cap Measures" means the Russian oil price cap restrictions and requirements imposed by law or regulation of the United Kingdom, the Council of the European Union and the United States of America and any other similar restrictions on the supply or delivery or maritime transportation of Russian Oil Products applicable to any Borrower.

"Russian Oil Products" means oil and oil products falling within commodity codes 2709 or 2710 which originate in or are consigned from Russia.

"Safety Management Certificate" has the meaning given to it in the ISM Code.

"Safety Management System" has the meaning given to it in the ISM Code.

"Sanctioned Country" means a country or territory whose government is the target of Sanctions or that is subject to comprehensive country-wide or territory-wide Sanctions.

"Sanctioned Ship" means a ship which is the subject of Sanctions.

"Sanctions" means any sanctions (including US "secondary sanctions" and always taking into account cases of exemptions and licenses which render a trade being lawful and non-sanctionable), embargoes, freezing provisions, prohibitions or other restrictions relating to trading, doing business, investment, exporting, financing or making assets available (or other activities similar to or connected with any of the foregoing):

- (a) imposed by law or regulation of Greece, the United Kingdom, the Council of the European Union, the United Nations or its Security Council or the United States of America;
- (b) otherwise imposed by any law or regulation binding on a Transaction Obligor or to which a Transaction Obligor is subject;
or
- (c) otherwise imposed by the respective governmental institutions and agencies of any of the foregoing, including without limitation, OFAC, HMT, the Council of the European Union, the United Nations and its Security Council (together, the **"Sanctions Authorities"**).

"Sanctions List" means the "Specially Designated Nationals and Blocked Persons" list issued by OFAC, the "Consolidated List of Financial Sanctions Targets and Investment Ban List" issued by HMT, the Consolidated list of persons, groups and entities subject to European Union financial sanctions and the United Nations or any similar list issued or maintained or made public by any of the Sanctions Authorities, as applicable.

"Secured Liabilities" means all present and future obligations and liabilities, (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of each Transaction Obligor to the Lender under or in connection with each Finance Document.

"Security" means a mortgage, pledge, lien, charge, assignment, hypothecation or security interest or any other agreement or arrangement having the effect of conferring security.

"**Security Assets**" means all of the assets of the Transaction Obligors which from time to time are, or are expressed to be, the subject of the Transaction Security.

"**Security Document**" means:

- (a) any Mortgage;
- (b) any Deed of Covenant;
- (c) any General Assignment;
- (d) any Charter Assignment;
- (e) the Account Security;
- (f) any other document (whether or not it creates Security) which is executed as security for the Secured Liabilities; or
- (g) any other document designated as such by the Lender and the Borrowers.

"**Security Period**" means the period starting on the date of this Agreement and ending on the date on which the Lender is satisfied that there is no outstanding Commitment in force and that the Secured Liabilities have been irrevocably and unconditionally paid and discharged in full.

"**Security Property**" means:

- (a) the Transaction Security expressed to be granted in favour of the Lender and all proceeds of that Transaction Security;
- (b) all obligations expressed to be undertaken by a Transaction Obligor to pay amounts in relation to the Secured Liabilities to the Lender and secured by the Transaction Security together with all representations and warranties expressed to be given by a Transaction Obligor or any other person in favour of the Lender; and
- (c) the Lender's interest in any turnover trust created under the Finance Documents.

"**Selection Notice**" means a notice substantially in the form set out in Part B of Schedule 3 (*Requests*) given in accordance with Clause 10 (*Interest Periods*).

"**Ship**" means Ship A, Ship B, Ship C, Ship D, Ship E, Ship F or Ship G.

"**Ship A**" has the meaning given to it in Schedule 4 (*Details of the Ships and Other Definitions*).

"**Ship B**" has the meaning given to it in Schedule 4 (*Details of the Ships and Other Definitions*).

"**Ship C**" has the meaning given to it in Schedule 4 (*Details of the Ships and Other Definitions*).

"**Ship D**" has the meaning given to it in Schedule 4 (*Details of the Ships and Other Definitions*).

"**Ship E**" has the meaning given to it in Schedule 4 (*Details of the Ships and Other Definitions*).

"**Ship F**" has the meaning given to it in Schedule 4 (*Details of the Ships and Other Definitions*).

"**Ship G**" has the meaning given to it in Schedule 4 (*Details of the Ships and Other Definitions*).

"**Shipbuilding Contract**" has the meaning given to it in Schedule 4 (*Details of the Ships and Other Definitions*).

"**Specified Time**" means a day or time determined in accordance with Schedule 5 (*Timetables*).

"**Subsidiary**" means that a company (S) is a subsidiary of another company (P) if:

- (a) a majority of the issued shares in S (or a majority of the issued shares in S which carry unlimited rights to capital and income distributions) are directly owned by P or are indirectly attributable to P; and
- (b) P has direct or indirect control over a majority of the voting rights attached to the issued shares of S;

and any company of which S is a subsidiary is a parent company of S.

"**Tax**" means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

"**Tax Credit**" has the meaning given to it in Clause 13.1 (*Definitions*).

"**Tax Deduction**" has the meaning given to it in Clause 13.1 (*Definitions*).

"**Tax Payment**" has the meaning given to it in Clause 13.1 (*Definitions*).

"**Term Rate Loan**" means the Loan, any part of the Loan or, if applicable, Unpaid Sum which is not a Compounded Rate Loan.

"**Term Reference Rate**" means, in relation to a Term Rate Loan:

- (a) the applicable Term SOFR as of the Specified Time and for a period equal in length to the Interest Period of that Term Rate Loan; or
- (b) as otherwise determined pursuant to Clause 11.1 (*Unavailability of Term SOFR before Rate Switch Date*),

and if, in either case, that rate is less than zero, the Term Reference Rate shall be deemed to be zero.

"**Term SOFR**" means the term SOFR reference rate administered by CME Group Benchmark Administration Limited (or any other person which takes over the administration of that rate) for the relevant period published (before any correction, recalculation or republication by the administrator) by CME Group Benchmark Administration Limited (or any other person which takes over the publication of that rate).

"**Termination Date**" means in relation to:

- (a) Tranche A, the date falling 60 Months from the Utilisation Date of the Advance under Tranche A; and

(b) Tranche B, the date falling 60 Months from the Utilisation Date of the Advance under Tranche B.

"**Third Parties Act**" has the meaning given to it in Clause 1.5 (*Third party rights*).

"**Total Loss**" means, in relation to a Ship:

- (a) any actual, constructive, compromised, agreed or arranged total loss of that Ship;
- (b) any Requisition; or
- (c) any hijacking, forfeiture, theft, condemnation, capture, seizure, arrest, detention or confiscation of that Ship not falling within the definition of Requisition by any Government Entity, or by persons allegedly acting or purporting to act on behalf of any Government Entity, unless (i) the Ship be released and restored to the relevant Borrower within ninety days after such incident, or (ii) if relevant underwriters confirm in writing (in customary terms) prior to the end of such ninety day period that such capture, seizure, detention or confiscation will be fully covered by the relevant Borrower's war risks insurance, the shorter of six months and such period for which cover is confirmed to attach.

"**Total Loss Date**" means, in relation to the Total Loss of a Ship:

- (a) in the case of an actual loss of that Ship, the date on which it occurred or, if that is unknown, the date when that Ship was last heard of;
- (b) in the case of a constructive, compromised, agreed or arranged total loss of that Ship, the earlier of:
 - (i) the date on which a notice of abandonment is given (or deemed or agreed to be given) to the insurers; and
 - (ii) the date of any compromise, arrangement or agreement made by or on behalf of the relevant Borrower with that Ship's insurers in which the insurers agree to treat that Ship as a total loss;
- (c) in the case of a Requisition, the date on which that Requisition occurs; and
- (d) in the case of any other type of Total Loss, the date (or the most likely date) on which it appears to the Lender that the event constituting the total loss occurred.

"**Tranche**" means Tranche A or Tranche B.

"**Tranche A**" means that part of the Loan made or to be made available to refinance the Existing Indebtedness in a principal amount not exceeding the lesser of (i) 55 per cent. of the aggregate Initial Market Value of Ship A, Ship B, Ship C, Ship D, Ship E and Ship F, (ii) the Existing Indebtedness as at the Utilisation Date of Tranche A and (iii) \$85,000,000.

"**Tranche B**" means that part of the Loan made or to be made available to finance in part the acquisition of cost of Ship G in a principal amount not exceeding the lesser of (i) 70 per cent. of the Initial Market Value of Ship G, (ii) 70 per cent. of the Contract Price, (iii) a principal amount, which when aggregated with the Advance under Tranche A outstanding equals an

amount equal to 70 per cent. of the aggregate Market Value of the Ships at the Delivery Date and (iv) \$45,000,000.

"Transaction Document" means:

- (a) a Finance Document;
- (b) any Charter which is assignable in accordance with Clause 23.21 (*Charter assignment*);
- (c) any Charter Guarantee which is assignable in accordance with Clause 23.21 (*Charter assignment*);
- (d) the Shipbuilding Contract; or
- (e) any other document designated as such by the Lender and a Borrower.

"Transaction Obligor" means a Borrower, the Guarantor, any Approved Manager who is a member of the Group or any other member of the Group who executes a Transaction Document (other than Navios Maritime Acquisition Corporation as guarantor of the obligations of Borrower G under the Shipbuilding Contract).

"Transaction Security" means the Security created or evidenced or expressed to be created or evidenced under the Security Documents.

"UK Bail-In Legislation" means Part 1 of the United Kingdom Banking Act 2009 and any other law or regulation applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutes or their affiliates (otherwise than through liquidation, administration or other insolvency proceedings).

"UK Establishment" means a UK establishment as defined in the Overseas Regulations.

"Unpaid Sum" means any sum due and payable but unpaid by a Transaction Obligor under the Finance Documents.

"US" means the United States of America.

"US Tax Obligor" means:

- (a) a person which is resident for tax purposes in the US; or
- (b) a person some or all of whose payments under the Finance Documents are from sources within the US for US federal income tax purposes.

"Utilisation" means a utilisation of the Facility.

"Utilisation Date" means the date of a Utilisation, being the date on which the relevant Advance is to be made.

"Utilisation Request" means a notice substantially in the form set out in Part A of Schedule 3 (*Requests*).

"VAT" means:

- (a) any value added tax imposed by the Value Added Tax Act 1994;

- (b) any tax imposed in compliance with the Council Directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112); and
- (c) any other tax of a similar nature, whether imposed in the United Kingdom or a member state of the European Union in substitution for, or levied in addition to, such tax referred to in paragraph (a) or (b) above, or imposed elsewhere.

"**Warranty**" means article IX (*warranty of quality*) of the Shipbuilding Contract and any renewal of such warranty after the making good of any warranty claim.

"**Write-down and Conversion Powers**" means:

- (a) in relation to any Bail-In Legislation described in the EU Bail-In Legislation Schedule from time to time, the powers described as such in relation to that Bail-In Legislation in the EU Bail-In Legislation Schedule;
- (b) in relation to the UK Bail-In Legislation, any powers under that UK Bail-In Legislation to cancel, transfer or dilute shares issued by a person that is a bank or investment firm or other financial institution or affiliate of a bank, investment firm or other financial institution, to cancel, reduce, modify or change the form of a liability of such a person or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that UK Bail-In Legislation that are related to or ancillary to any of those powers; and
- (c) in relation to any other applicable Bail-In Legislation:
 - (i) any powers under that Bail-In Legislation to cancel, transfer or dilute shares issued by a person that is a bank or investment firm or other financial institution or affiliate of a bank, investment firm or other financial institution, to cancel, reduce, modify or change the form of a liability of such a person or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers; and
 - (ii) any similar or analogous powers under that Bail-In Legislation.

1.2 Construction

- (a) Unless a contrary indication appears, a reference in this Agreement to:
 - (i) the "**Account Bank**", the "**Lender**", any "**Borrower**", any "**Party**", any "**Transaction Obligor**" or any other person shall be construed so as to include its successors in title and permitted assigns;
 - (ii) "**assets**" includes present and future properties, revenues and rights of every description;

- (iii) a liability which is "**contingent**" means a liability which is not certain to arise and/or the amount of which remains unascertained;
- (iv) the Lender's "**cost of funds**" in relation to the funding of the Loan or any part of the Loan is a reference to the average cost (determined either on an actual or a notional basis) which the Lender would incur if it were to fund, from whatever source(s) it may reasonably select, an amount equal to the amount of the Loan or that part of the Loan for a period equal in length to the Interest Period of the Loan or that part of the Loan.
- (v) "**document**" includes a deed and also a letter, fax, email or telex;
- (vi) "**expense**" means any kind of cost, charge or expense (including all legal costs, charges and expenses) and any applicable Tax including VAT;
- (vii) a "**Finance Document**", a "**Security Document**" or "**Transaction Document**" or any other agreement or instrument is a reference to that Finance Document, Security Document or Transaction Document or other agreement or instrument as amended, replaced, novated, supplemented, extended or restated;
- (viii) "**indebtedness**" includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
- (ix) "**law**" includes any order or decree, any form of delegated legislation, any treaty or international convention and any regulation or resolution of the Council of the European Union, the European Commission, the United Nations or its Security Council;
- (x) "**proceedings**" means, in relation to any enforcement provision of a Finance Document, proceedings of any kind, including an application for a provisional or protective measure;
- (xi) a "**person**" includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium, partnership or other entity (whether or not having separate legal personality);
- (xii) a "**regulation**" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
- (xiii) a reference to a "**Ship**", its name, its flag and, if applicable, its port of registry shall include any replacement name, flag and, if applicable, replacement port of registry, in each case, as may be approved in writing from time to time by the Lender;
- (xiv) a provision of law is a reference to that provision as amended or re-enacted from time to time;
- (xv) a time of day is a reference to Piraeus time;
- (xvi) any English legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or any legal concept or thing shall, in respect of a jurisdiction other than England, be deemed to include that which most nearly approximates in that jurisdiction to the English legal term;

- (xvii) words denoting the singular number shall include the plural and vice versa; and
 - (xviii) "**including**" and "**in particular**" (and other similar expressions) shall be construed as not limiting any general words or expressions in connection with which they are used.
- (b) The determination of the extent to which a rate is "**for a period equal in length**" to an Interest Period shall disregard any inconsistency arising from the last day of that Interest Period being determined pursuant to the terms of this Agreement.
 - (c) Section, Clause and Schedule headings are for ease of reference only and are not to be used for the purposes of construction or interpretation of the Finance Documents.
 - (d) Unless a contrary indication appears, a term used in any other Finance Document or in any notice given under, or in connection with, any Finance Document has the same meaning in that Finance Document or notice as in this Agreement.
 - (e) A reference in this Agreement to a page or screen of an information service displaying a rate shall include:
 - (i) any replacement page of that information service which displays that rate; and
 - (ii) the appropriate page of such other information service which displays that rate from time to time in place of that information service,and, if such page or service ceases to be available, shall include any other page or service displaying that rate specified by the Lender after consultation with the Borrower.
 - (f) A reference in this Agreement to a Central Bank Rate shall include any successor rate to, or replacement rate for, that rate.
 - (g) Any Reference Rate Supplement overrides anything in:
 - (i) Schedule 6 (*Reference Rate Terms*); or
 - (ii) any earlier Reference Rate Supplement.
 - (h) A Compounding Methodology Supplement relating to the Cumulative Compounded RFR Rate overrides anything relating to that rate in:
 - (i) Schedule 7 (*Cumulative Compounded RFR Rate*); or
 - (ii) any earlier Compounding Methodology Supplement.
 - (i) A Potential Event of Default is "**continuing**" if it has not been remedied or waived and an Event of Default is "**continuing**" if it has not been waived.

1.3 Construction of insurance terms

In this Agreement:

"**approved**" means, for the purposes of Clause 21 (*Insurance Undertakings*), approved in writing by the Lender.

"**excess risks**" means, in respect of a Ship, the proportion of claims for general average, salvage and salvage charges not recoverable under the hull and machinery policies in respect of that Ship in consequence of its insured value being less than the value at which that Ship is assessed for the purpose of such claims.

"**obligatory insurances**" means all insurances effected, or which any Borrower is obliged to effect, under Clause 21 (*Insurance Undertakings*) or any other provision of this Agreement or of another Finance Document.

"**policy**" includes a slip, cover note, certificate of entry or other document evidencing the contract of insurance or its terms.

"**protection and indemnity risks**" means the usual risks covered by a protection and indemnity association managed in London, 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) (1/11/03), clause 8 of the Institute Time Clauses (Hulls) (1/10/83) (1/11/95) or the Institute Amended Running Down Clause (1/10/71) or any equivalent provision.

"**war risks**" includes the risk of mines and all risks excluded by clauses 29, 30 or 31 of the International Hull Clauses (1/11/02), clauses 29 or 30 of the International Hull Clauses (1/11/03), clauses 24, 25 or 26 of the Institute Time Clauses (Hulls) (1/11/95) or clauses 23, 24 or 25 of the Institute Time Clauses (Hulls) (1/10/83) or any equivalent provision.

1.4 Agreed forms of Finance Documents

References in Clause 1.1 (*Definitions*) to any Finance Document being in "**agreed form**" are to that Finance Document:

- (a) in a form attached to a certificate dated the same date as this Agreement (and signed by each Borrower and the Lender); or
- (b) in any other form agreed in writing between each Borrower and the Lender.

1.5 Third party rights

- (a) Unless expressly provided to the contrary in a Finance Document, a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 (the "**Third Parties Act**") to enforce or to enjoy the benefit of any term of this Agreement.
- (b) Notwithstanding any term of any Finance Document, the consent of any person who is not a Party is not required to rescind or vary this Agreement at any time.
- (c) Any Affiliate, Receiver or Delegate or any other person described in paragraph (f) of Clause 15.2 (*Other indemnities*), may, subject to this Clause 1.5 (*Third party rights*) and the Third Parties Act, rely on any Clause of this Agreement which expressly confers rights on it.

SECTION 2

THE FACILITY

2 THE FACILITY

2.1 The Facility

Subject to the terms of this Agreement, the Lender makes available to the Borrowers a dollar term loan facility in two Tranches in an aggregate amount not exceeding the Commitment.

3 PURPOSE

3.1 Purpose

Each Borrower shall apply all amounts borrowed by it under the Facility only for the purpose stated in the preamble (Background) to this Agreement.

3.2 Monitoring

The Lender is not bound to monitor or verify the application of any amount borrowed pursuant to this Agreement.

4 CONDITIONS OF UTILISATION

4.1 Initial conditions precedent

The Borrowers may not deliver a Utilisation Request unless the Lender has received all of the documents and other evidence listed in Part A of Schedule 2 (*Conditions Precedent*) in form and substance satisfactory to the Lender.

4.2 Further conditions precedent

The Lender will only be obliged to comply with Clause 5.4 (*Advances*) if:

- (a) on the date of the Utilisation Request and on the proposed Utilisation Date and before the Advance is made available:
 - (i) no Default has occurred or would result from the proposed Advance;
 - (ii) the Repeating Representations to be made by each Transaction Obligor are true;
 - (iii) in the case of the Advance under Tranche B, no event described in paragraphs (a) to (c) of Clause 7.4 (*Mandatory prepayment on default under Shipbuilding Contract*) has occurred; and
 - (iv) in the case of an Advance under each Tranche, the Ship in respect of which such Advance is to be made has neither been sold nor become a Total Loss;
- (b) in the case of the Advance under Tranche A, the Lender has received on or before the relevant Utilisation Date, or is satisfied it will receive when the Advance is made available or when the Existing Indebtedness has been refinanced in full, all of the documents and other evidence listed in Part B of Schedule 2 (*Conditions Precedent*) in form and substance satisfactory to the Lender; and

- (c) in the case of the Advance under Tranche B, the Lender has received on or before the relevant Utilisation Date, or is satisfied that it will receive when the Advance is made available or when Ship G has been delivered and title has passed to Borrower G, all of the documents and other evidence listed in Part C of Schedule 2 (*Conditions Precedent*) in form and substance satisfactory to the Lender.

4.3 Notification of satisfaction of conditions precedent

The Lender shall notify the Borrowers promptly upon being satisfied as to the satisfaction of the conditions precedent referred to in Clause 4.1 (*Initial conditions precedent*) and Clause 4.2 (*Further conditions precedent*).

4.4 Waiver of conditions precedent

If the Lender, at its discretion, permits an Advance to be borrowed before any of the conditions precedent referred to in Clause 4.1 (*Initial conditions precedent*) or Clause 4.2 (*Further conditions precedent*) has been satisfied, the Borrowers shall ensure that that condition is satisfied within five Business Days after the relevant Utilisation Date or such later date as the Lender may agree in writing with the Borrowers.

SECTION 3

UTILISATION

5 UTILISATION

5.1 Delivery of a Utilisation Request

- (a) The Borrowers may utilise the Facility by delivery to the Lender of a duly completed Utilisation Request not later than the Specified Time.
- (b) The Borrowers may not deliver more than one Utilisation Request under each of Tranche A and Tranche B.

5.2 Completion of a Utilisation Request

- (a) Each Utilisation Request is irrevocable and will not be regarded as having been duly completed unless:
 - (i) the proposed Utilisation Date is a Business Day within the relevant Availability Period;
 - (ii) the currency and amount of the Utilisation comply with Clause 5.3 (*Currency and amount*); and
 - (iii) the proposed Interest Period complies with Clause 10 (*Interest Periods*).
- (b) Only one Advance may be requested in each Utilisation Request.

5.3 Currency and amount

- (a) The currency specified in a Utilisation Request must be dollars.
- (b) The amount of the proposed Advance must be an amount which is not more than:
 - (i) in respect of the Advance under Tranche A, not exceeding the lesser of (i) 55 per cent. of the aggregate Initial Market Value of Ship A, Ship B, Ship C, Ship D, Ship E and Ship F, (ii) the Existing Indebtedness as at the Utilisation Date of Tranche A and (iii) \$85,000,000; and
 - (ii) in respect of the Advance under Tranche B, not exceeding the lesser of (i) 70 per cent. of the Initial Market Value of Ship G, (ii) 70 per cent. of the Contract Price, (iii) a principal amount, which when aggregated with the Advance under Tranche A outstanding equals an amount equal to 70 per cent. of the aggregate Market Value of the Ships at the Delivery Date and (iv) \$45,000,000.
- (c) The amount of the proposed Advance must be an amount which is not more than the Available Facility.
- (d) The amount of the proposed Advance must be an amount which would not oblige the Borrowers to provide additional security or prepay part of the Advance if the ratio set out in Clause 24 (*Security Cover*) were applied and notice was given by the Lender under Clause 24.1 (*Minimum required security cover*) immediately after the Advance was made.

5.4 Advances

If the conditions set out in this Agreement have been met, the Lender shall make each Advance available by the Utilisation Date through its Facility Office.

5.5 Cancellation of Commitment

The Commitment in respect of any Tranche which is unutilised at the end of the Availability Period for such Tranche shall then be cancelled.

5.6 Payment to third parties

The Borrowers irrevocably authorise the Lender on each Utilisation Date, to pay to, or for the account of, the relevant Borrower which is to utilise the relevant Advance, such Advance. That payment shall be made:

- (a) in the case of Tranche A, to the account of the Existing Agent specified in the relevant Utilisation Request and released in accordance with an MT199 agreed between the Lender and the Existing Agent; and
- (b) in the case of Tranche B, to the account of the Builder's bank specified in the relevant Utilisation Request and released in accordance with an MT199 agreed between the Lender and the Builder.

5.7 Disbursement of Advance to third party

Payment by the Lender under Clause 5.6 (*Payment to third parties*) to a person other than a Borrower shall constitute the making of the relevant Advance and the Borrowers shall at that time become indebted, as principal and direct obligor, to the Lender in an amount equal to that Advance.

5.8 Prepositioning of funds

If, in respect of any proposed Advance under Tranches A or B, the Lender, at the request of the Borrowers and on terms acceptable to the Lender and in its absolute discretion, prepositions funds with any bank, each Borrower:

- (a) agree to pay interest on the amount of the funds so prepositioned at the rate described in Clause 9.1 (*Calculation of interest – Term Rate Loans*) on the basis of successive interest periods of one day and so that interest shall be paid together with the first payment of interest on such Advance after its Utilisation Date or, if such Utilisation Date does not occur, within three Business Days of demand by the Lender; and
- (b) shall, without duplication, indemnify the Lender against any costs, loss or liability it may incur in connection with such arrangement.

SECTION 4

REPAYMENT, PREPAYMENT AND CANCELLATION

6 REPAYMENT

6.1 Repayment of Loan

The Borrowers shall repay the Loan as follows:

- (a) Tranche A shall be repaid by 20 consecutive quarterly instalments, each of the first eight instalments in an amount of \$3,500,000, followed by eight instalments each in an amount of \$2,000,000 and the remaining four instalments each in an amount of \$1,500,000 ("**Repayment Instalments A**"), the first of which shall be repaid on the date falling three Months after the Utilisation Date in respect of Tranche A and the last on the Termination Date of Tranche A together with a balloon instalment in an amount of \$35,000,000 ("**Balloon Instalment A**"); and
- (b) Tranche B shall be repaid by 20 equal consecutive quarterly instalments, each in an amount of \$750,000 ("**Repayment Instalments B**" and together with Repayment Instalments A, the "**Repayment Instalments**"), the first of which shall be repaid on the date falling three Months after the Utilisation Date in respect of Tranche B and the last on the Termination Date of Tranche B together with a balloon instalment in an amount of \$30,000,000 ("**Balloon Instalment B**" and together with Balloon Instalment A, the "**Balloon Instalments**").

6.2 Reduction of Repayment Instalments

If any part of a Tranche is cancelled, its Repayment Instalments and its Balloon Instalment shall be reduced *pro rata* by the amount cancelled.

6.3 Termination Date

On each Termination Date, the Borrowers shall additionally pay to the Lender all other sums then accrued and owing under the Finance Documents.

6.4 Reborrowing

No Borrower may reborrow any part of the Facility which is repaid.

7 PREPAYMENT AND CANCELLATION

7.1 Illegality and Sanctions affecting the Lender

If it becomes unlawful or contrary to Sanctions in any applicable jurisdiction for the Lender to perform any of its obligations as contemplated by this Agreement or to fund or maintain all or any part of the Loan or to determine or charge interest rates based upon Term SOFR, or it becomes unlawful for any Affiliate of the Lender for the Lender to do so:

- (a) the Lender shall promptly notify the Borrowers upon becoming aware of that event and the Available Facility will be immediately cancelled; and
- (b) the Borrowers shall prepay the Loan on the last day of the Interest Period for the Loan occurring after the Lender has notified the Borrowers or, if earlier, the date specified by the

Lender in the notice delivered to the Borrowers (being no earlier than the last day of any applicable grace period permitted by law) and the Commitment shall be cancelled; and

- (c) accrued interest and all other amounts accrued for the Lender under the Finance Documents shall be immediately due and payable.

7.2 Voluntary and automatic cancellation

- (a) The Borrowers may, if they give the Lender not less than five Business Days' (or such shorter period as the Lender may agree) prior notice, cancel the whole or any part of the Available Facility. Any cancellation under this Clause 7.2 (*Voluntary and automatic cancellation*) shall reduce the amount of each Repayment Instalment and each Balloon Instalment *pro rata*.
- (b) The unutilised Commitment (if any) shall be automatically cancelled at close of business on the date on which the Advance under Tranche B is made available.

7.3 Voluntary prepayment of Loan

- (a) Subject to paragraph (b) below, the Borrowers may, if they give the Lender not less than five RFR Banking Days (or such shorter period as the Lender may agree) prior notice, prepay the whole or any part of the Loan (but, if in part, being an amount that reduces the amount of the Loan by a minimum amount of \$100,000 or a multiple of that amount).
- (b) Each Tranche may only be prepaid after the last day of the Availability Period relating to that Tranche.
- (c) Any partial prepayment under this Clause 7.3 (*Voluntary prepayment of Loan*) shall reduce *pro rata* the amount of each Repayment Instalment and each Balloon Instalment.

7.4 Mandatory prepayment on default under Shipbuilding Contract

If:

- (a) any of the events specified in Clause 26.7 (*Insolvency*), Clause 26.8 (*Insolvency proceedings*) or Clause 26.9 (*Creditors' process*) occurs in relation to the Builder;
- (b) any of the events specified in article XI (*default by the buyers and builder*) of the Shipbuilding Contract occurs and the Shipbuilding Contract is terminated;
- (c) Ship G has not been delivered to, and accepted by, Borrower G by the date specified in article VII (*delivery*) of the Shipbuilding Contract and article VIII (*delays and extensions of time (force majeure)*) of the Shipbuilding Contract,

then:

- (i) the Borrowers shall promptly notify the Lender upon becoming aware of that event; and
- (ii) the Lender may cancel Tranche B and declare Tranche B, together with interest accrued on it, and all other amounts relating to it and accrued under the Finance Documents immediately due and payable, whereupon Tranche B will be cancelled and all such outstanding amounts will become immediately due and payable.

7.5 Mandatory prepayment on sale or Total Loss

- (a) If a Ship is sold (without prejudice to paragraph (a) of Clause 20.12 (*Disposals*)) or becomes a Total Loss, the Borrowers shall on the Relevant Date prepay Relevant Percentage of the Loan.
- (b) On the Relevant Date, the Borrowers shall also prepay such part of the Loan as shall eliminate any shortfall arising if the ratio set out in Clause 24 (*Security Cover*) were applied immediately following the payment referred to in paragraph (a) above.
- (c) If an Event of Default has occurred and is continuing, any remaining proceeds of the sale or Total Loss of a Ship after the prepayment referred to in paragraph (a) and paragraph (b) above has been made together with all other amounts that are payable on any such prepayment pursuant to the Finance Documents shall be paid by the Borrower that owned the relevant Ship to cure such Event of Default.
- (d) Provided that no Event of Default has occurred and is continuing, any remaining proceeds of the sale or Total Loss of a Ship after the prepayment referred to in paragraph (a) and paragraph (b) above has been made together with all other amounts that are payable on any such prepayment pursuant to the Finance Documents shall be paid to the Borrower that owned the relevant Ship.
- (e) In this Clause 7.5 (*Mandatory prepayment on sale or Total Loss*):

"**Index Amount**" means, in relation to a Ship, as at the Relevant Date, the sale price of that Ship sold or to be sold in the case of a sale or the Market Value of that Ship in the case of a Total Loss of that Ship.

"**Relevant Date**" means:

- (a) in the case of a sale of a Ship, on or before the date on which the sale is completed by delivery of that Ship to the buyer of that Ship; and
- (b) in the case of a Total Loss of a Ship, on the earlier of:
- (i) the date falling 90 days after the Total Loss Date; and
 - (ii) the date of receipt by the Lender of the proceeds of insurance relating to such Total Loss.

"**Relevant Percentage**" means an amount equal to the product of (i) the amount of the Loan outstanding immediately prior to completion of the sale of the relevant Ship or the Total Loss Date of the Relevant Ship multiplied by (ii) the Relevant Fraction.

"**Relevant Fraction**" means: an amount calculated by reference to the following formula:

$$\text{Relevant Fraction} = \frac{A \times 100}{B - 1}$$

Where:

A = the Index Amount of the Ship to be sold or which becomes a Total Loss; and

B = the Index Amount of the Ship to be sold or which has become a Total Loss plus the aggregate Market Value of the Ships subject to a Mortgage.

(f) Any partial prepayment of the Loan under this Clause 7.5 (*Mandatory prepayment on sale or Total Loss*) shall reduce *pro rata* the amount of each Repayment Instalment and each Balloon Instalment falling after that prepayment by the amount prepaid.

7.6 Restrictions

(a) Any notice of cancellation or prepayment given by any Party under this Clause 7 (*Prepayment and Cancellation*) shall be irrevocable and, unless a contrary indication appears in this Agreement, shall specify the date or dates upon which the relevant cancellation or prepayment is to be made and the amount of that cancellation or prepayment.

(b) Any prepayment under this Agreement shall be made together with accrued interest on the amount prepaid and, subject to any Break Costs, without premium or penalty.

(c) No Borrower may reborrow any part of the Facility which is prepaid.

(d) No Borrower shall repay or prepay all or any part of the Loan or cancel all or any part of the Commitment except at the times and in the manner expressly provided for in this Agreement.

(e) No amount of the Commitment cancelled under this Agreement may be subsequently reinstated.

SECTION 5

COSTS OF UTILISATION

8 RATE SWITCH

8.1 Optional Switch to Compounded Reference Rate

- (a) The Borrowers may elect to switch the basis on which interest is calculated on the Loan from the Term Reference Rate to the Compounded Reference Rate by giving the Lender not less than 60 days' notice in writing (the "**Optional Election Notice**") specifying the date (which must be the first day of an Interest Period) on which they wish the switch to occur (the "**Proposed Optional Rate Switch Date**"). Unless the Lender notifies the Borrowers in writing that it is unable to agree to interest being calculated on the basis of the Compounded Reference Rate, the Proposed Optional Rate Switch Date shall be the "Rate Switch Date" and, on and from the Rate Switch Date:
- (i) use of the Compounded Reference Rate will replace the use of the Term Reference Rate for the calculation of interest for the Loan or any part of the Loan; and
 - (ii) the Loan or any part of the Loan or Unpaid Sum shall be a "Compounded Rate Loan" and Clause 9.2 (*Calculation of interest – Compounded Rate Loans*) shall apply to the Loan, any such part of the Loan or Unpaid Sum.
- (b) The Borrowers may serve not more than one Optional Election Notice pursuant to paragraph (a) of Clause 8.1 (*Optional Switch to Compounded Reference Rate*).

8.2 Delayed switch for existing Term Rate Loans

If the Rate Switch Date falls before the last day of an Interest Period for a Term Rate Loan:

- (a) the Loan, relevant part of the Loan or Unpaid Sum (as applicable) shall continue to be a Term Rate Loan for that Interest Period and Clause 9.1 (*Calculation of interest – Term Rate Loans*) shall continue to apply to the Loan, relevant part of the Loan or Unpaid Sum (as applicable) for that Interest Period;
- (b) any provision of this Agreement which is expressed to relate solely to a Compounded Rate Loan shall not apply in relation to the Loan, relevant part of the Loan or Unpaid Sum (as applicable) for that Interest Period; and
- (c) on and from the first day of the next Interest Period (if any) for the Loan, relevant part of the Loan or Unpaid Sum (as applicable):
 - (i) the Loan, relevant part of the Loan or Unpaid Sum (as applicable) shall be a "Compounded Rate Loan"; and
 - (ii) Clause 9.2 (*Calculation of interest – Compounded Rate Loans*) shall apply to it.

8.3 Notifications by Lender

The Lender shall, promptly upon becoming aware of the occurrence of the Rate Switch Date, notify the Borrowers of that occurrence.

9 INTEREST

9.1 Calculation of interest – Term Rate Loans

The rate of interest on each Term Rate Loan for an Interest Period is the percentage rate per annum which is the aggregate of the applicable:

- (a) Margin; and
- (b) Term Reference Rate.

9.2 Calculation of interest – Compounded Rate Loans

The rate of interest on each Compounded Rate Loan for an Interest Period is the percentage rate per annum which is the aggregate of the applicable:

- (a) Margin; and
- (b) Compounded Reference Rate.

9.3 Payment of interest

- (a) The Borrowers shall pay accrued interest on the Loan or any part of the Loan on the last day of each Interest Period (each an "**Interest Payment Date**").
- (b) If an Interest Period for a Term Rate Loan is longer than three Months, the Borrowers shall also pay interest then accrued on that Term Rate Loan on the dates falling at three Monthly intervals after the first day of the Interest Period for that Term Rate Loan.

9.4 Default interest

- (a) If a Transaction Obligor fails to pay any amount payable by it under a Finance 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, subject to paragraph (b) below, is two per cent. per annum higher than the rate which would have been payable if the Unpaid Sum had, during the period of non-payment, constituted part of the Loan in the currency of the Unpaid Sum for successive Interest Periods, each of a duration selected by the Lender. Any interest accruing under this Clause 9.4 (*Default interest*) shall be immediately payable by the Transaction Obligor on demand by the Lender.
- (b) If an Unpaid Sum consists of all or part of a Term Rate Loan which became due on a day which was not the last day of an Interest Period relating to that Term Rate Loan:
 - (i) the first Interest Period for that Unpaid Sum shall have a duration equal to the unexpired portion of the current Interest Period relating to the Loan or that part of the Loan; and
 - (ii) the rate of interest applying to that Unpaid Sum during that first Interest Period shall be two per cent. per annum higher than the rate which would have applied if that Unpaid Sum had not become due.

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

9.5 Notification of rates of interest

- (a) The Lender shall promptly notify the Borrowers of the determination of a rate of interest under this Agreement.
- (b) The Lender shall promptly notify the Borrower of each Funding Rate relating to the Loan or any part of the Loan.

10 INTEREST PERIODS

10.1 Selection of Interest Periods

- (a) The Borrowers may select the Interest Period for each Tranche in the Utilisation Request for that Tranche. Subject to paragraph (f) below and Clause 10.2 (*Changes to Interest Periods*), the Borrowers may select each subsequent Interest Period in respect of a Tranche in a Selection Notice.
- (b) Each Selection Notice is irrevocable and must be delivered to the Lender by the Borrowers not later than the Specified Time.
- (c) If the Borrowers fail to select an Interest Period in the first Utilisation Request or fail to deliver a Selection Notice to the Lender in accordance with paragraphs (a) and (b) above, the relevant Interest Period will, subject to paragraph (f) below and Clause 10.2 (*Changes to Interest Periods*), be three Months or, if the Loan or relevant part of the Loan is a Compounded Rate Loan, the period specified in the Reference Rate Terms.
- (d) Subject to this Clause 10 (*Interest Periods*), the Borrowers may select an Interest Period of one or three Months if the Loan or relevant part of the Loan is not a Compounded Rate Loan or, if the Loan or relevant part of the Loan is a Compounded Rate Loan, of any period specified in the Reference Rate Terms or, in either case, any other period agreed between the Borrowers and the Lender.
- (e) An Interest Period in respect of a Tranche or any part of a Tranche shall not extend beyond the relevant Termination Date.
- (f) In respect of a Repayment Instalment, the Borrowers may request in the relevant Selection Notice that an Interest Period for a part of the relevant Tranche equal to such Repayment Instalment shall end on the Repayment Date relating to it and, subject to paragraph (d) above, select a longer Interest Period for the remaining part of that Tranche.
- (g) The first Interest Period for each Tranche shall start on the Utilisation Date relating to such Tranche and each subsequent Interest Period shall start on the last day of its preceding Interest Period.
- (h) Except for the purposes of paragraph (a) and (b) above and Clause 10.2 (*Changes to Interest Periods*), each Tranche shall have one Interest Period only at any time.
- (i) No Interest Period shall be longer than six Months.

10.2 Changes to Interest Periods

- (a) In respect of a Repayment Instalment, before the commencement of an Interest Period, the Lender may establish an Interest Period for a part of the relevant Tranche equal to such Repayment Instalment to end on the Repayment Date relating to it and the remaining part of that Tranche shall have the Interest Period selected in the relevant Selection Notice, subject to paragraph (d) of Clause 10.1 (*Selection of Interest Periods*).
- (b) If the Lender makes any change to an Interest Period referred to in this Clause 10.2 (*Changes to Interest Periods*), it shall promptly notify the Borrowers.
- (c) If, pursuant to this Agreement, any accrued interest on a Compounded Rate Loan becomes payable prior to the last day of an Interest Period for a Compounded Rate Loan, that Interest Period shall:
 - (i) for the purposes only of calculating that accrued interest, and in relation only to a Compounded Rate Loan, be treated as ending on the day on which that accrued interest becomes payable pursuant to this Agreement; and
 - (ii) for all other purposes under this Agreement (including, without limitation in relation to the incurrence of Break Costs), continue to end, and shall be treated as ending, on the last day of that Interest Period.

10.3 Non-Business Days

- (a) Other than where paragraph (b) below applies, if an Interest Period would otherwise end on a day which is not a Business Day, that Interest Period will instead end on the next Business Day in that calendar month (if there is one) or the preceding Business Day (if there is not).
- (b) In respect of any Compounded Rate Loan, if there are rules specified as "Business Day Conventions" in the Reference Rate Terms, those rules shall apply to each Interest Period for that Compounded Rate Loan.

11 CHANGES TO THE CALCULATION OF INTEREST

11.1 Unavailability of Term SOFR before Rate Switch Date

- (a) *Interpolated Term SOFR*: If no Term SOFR is available for the Interest Period of the Loan or any part of the Loan, the applicable Term Reference Rate shall be the Interpolated Term SOFR for a period equal in length to the Interest Period of the Loan or that part of the Loan.
- (b) *Historic Term SOFR*: If no Term SOFR is available for the Interest Period of the Loan or any part of the Loan and it is not possible to calculate the Interpolated Term SOFR, the applicable Term Reference Rate shall be the Historic Term SOFR for the Loan or that part of the Loan.
- (c) *Interpolated Historic Term SOFR*: If paragraph (b) above applies but no Historic Term SOFR is available for the Interest Period of the Loan or any part of the Loan, the applicable Term Reference Rate shall be the Interpolated Historic Term SOFR for a period equal in length to the Interest Period of the Loan or that part of the Loan.
- (d) *Compounded Rate Loan*: If paragraph (c) above applies but it is not possible to calculate the Interpolated Historic Term SOFR, then:

- (i) there shall be no Term Reference Rate for the Loan or that part of the Loan (as applicable) and Clause 9.1 (*Calculation of interest – Term Rate Loans*) will not apply for that Interest Period for the Loan or that part of the Loan; and
- (ii) the Loan or that part of the Loan shall be a "Compounded Rate Loan" for that Interest Period and Clause 9.2 (*Calculation of interest – Compounded Rate Loans*) shall apply to the Loan or that part of the Loan (as applicable).

11.2 Interest calculation if no RFR or Central Bank Rate

If:

- (a) there is no RFR or Central Bank Rate for an RFR Banking Day during an Interest Period for a Compounded Rate Loan for the purposes of calculating the Cumulative Compounded RFR Rate for that Interest Period; and
- (b) "Cost of funds will apply as a fallback" is specified in the Reference Rate Terms,

Clause 11.4 (*Cost of funds*) shall apply to that Compounded Rate Loan (as applicable) for that Interest Period.

11.3 Market disruption

- (a) If In the case of a Term Rate Loan, if before close of business in Athens on the Quotation Day for the relevant Interest Period, the Lender notifies the Borrowers that its cost of funds relating to the Loan or the relevant part of the Loan would be in excess of the applicable Market Disruption Rate then Clause 11.4 (*Cost of funds*) shall apply to the Loan or that part of the Loan (as applicable) for the relevant Interest Period.

- (b) In the case of a Compounded Rate Loan, if:

- (i) a Market Disruption Rate is specified in the Reference Rate Terms; and
- (ii) before the Reporting Time for the Loan or any part of the Loan, the Lender notifies the Borrowers that its cost of funds relating to its participation in the Loan or the relevant part of the Loan would be in excess of the applicable Market Disruption Rate,

then Clause 11.4 (*Cost of funds*) shall apply to the Loan or that part of the Loan (as applicable) for the relevant Interest Period.

11.4 Cost of funds

- (a) If this Clause 11.4 (*Cost of funds*) applies to the Loan or part of the Loan for an Interest Period, neither Clause 9.1 (*Calculation of interest – Term Rate Loans*) nor Clause 9.2 (*Calculation of interest – Compounded Rate Loans*) shall apply to the Loan or that part of the Loan for that Interest Period and the rate of interest on the Loan or that part of the Loan for the relevant Interest Period shall be the percentage rate per annum which is the sum of:

- (i) the Margin; and
- (ii) the rate notified to the Borrowers by the Lender as soon as practicable and in any event:

(A) in relation to a Term Rate Loan, before interest is due to be paid in respect of that Interest Period; or

(B) in relation to a Compounded Rate Loan, by the Reporting Time for that Compounded Rate Loan,

to be that which expresses as a percentage rate per annum its cost of funds relating to the Loan or that part of the Loan.

(b) If this Clause 11.4 (*Cost of funds*) applies and the Lender or the Borrowers so require, the Lender and the Borrowers shall enter into negotiations (for a period of not more than 30 days) with a view to agreeing a substitute basis for determining the rate of interest or (as the case may be) an alternative basis for funding.

(c) Any substitute or alternative basis agreed pursuant to paragraph (b) above shall, be binding on all Parties.

(d) If this Clause 11.4 (*Cost of funds*) applies, the Lender shall, as soon as practicable, notify the Borrowers.

11.5 Break Costs

(a) Subject to paragraph (b) below, the Borrowers shall pay to the Lender its Break Costs (if any) attributable to all or any part of the Loan or Unpaid Sum being paid by a Borrower on a day prior to the last day of an Interest Period for the Loan, the relevant part of the Loan or that Unpaid Sum.

(b) Paragraph (a) above shall apply in respect of a Compounded Rate Loan if an amount is specified as Break Costs in the Reference Rate Terms.

12 FEES

12.1 Commitment fee

(a) The Borrowers shall pay to the Lender a fee computed at the rate of 0.30 per cent. per annum on the Available Facility from time to time for any Availability Period.

(b) The accrued commitment fee is payable quarterly in arrears on the undrawn and uncanceled amount of Tranche B for the period commencing from the date of this Agreement until and including the earlier of (i) the last day of the Availability Period for Tranche B and (ii) the Utilisation Date of Tranche B and, if cancelled, on the cancelled amount of the Available Facility at the time the cancellation is effective.

12.2 Arrangement fee

The Borrowers shall pay to the Lender an arrangement fee in the amount and at the times agreed in a Fee Letter.

SECTION 6

ADDITIONAL PAYMENT OBLIGATIONS

13 TAX GROSS UP AND INDEMNITIES

13.1 Definitions

(a) In this Agreement:

"**Tax Credit**" means a credit against, relief or remission for, or repayment of any Tax.

"**Tax Deduction**" means a deduction or withholding for or on account of Tax from a payment under a Finance Document, other than a FATCA Deduction.

"**Tax Payment**" means either the increase in a payment made by a Borrower to the Lender under Clause 13.2 (*Tax gross-up*) or a payment under Clause 13.3 (*Tax indemnity*).

(b) Unless a contrary indication appears, in this Clause 13 (*Tax Gross Up and Indemnities*) reference to "**determines**" or "**determined**" means a determination made in the absolute discretion of the person making the determination.

13.2 Tax gross-up

(a) Each Borrower shall make all payments to be made by it without any Tax Deduction, unless a Tax Deduction is required by law.

(b) The Borrowers shall promptly upon becoming aware that a Borrower must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Lender accordingly. Similarly, the Lender shall notify the Borrowers and that Borrower on becoming so aware in respect of a payment payable to the Lender.

(c) If a Tax Deduction is required by law to be made by a Borrower, the amount of the payment due from that Borrower shall be increased to an amount which (after making any Tax Deduction) leaves an amount equal to the payment which would have been due if no Tax Deduction had been required.

(d) If a Borrower is required to make a Tax Deduction, that Borrower shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by law.

(e) Within 30 days of making either a Tax Deduction or any payment required in connection with that Tax Deduction, the Borrower making that Tax Deduction shall deliver to the Lender evidence reasonably satisfactory to the Lender that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant taxing authority.

13.3 Tax indemnity

(a) The Borrowers shall (within three Business Days of demand by the Lender) pay to the Lender an amount equal to the loss, liability or cost which the Lender determines will be or has been (directly or indirectly) suffered for or on account of Tax by the Lender in respect of a Finance Document.

- (b) Paragraph (a) above shall not apply:
- (i) with respect to any Tax assessed on the Lender:
 - (A) under the law of the jurisdiction in which the Lender is incorporated or, if different, the jurisdiction (or jurisdictions) in which the Lender is treated as resident for tax purposes; or
 - (B) under the law of the jurisdiction in which the Lender's Facility Office is located in respect of amounts received or receivable in that jurisdiction,if that Tax is imposed on or calculated by reference to the net income received or receivable (but not any sum deemed to be received or receivable) by the Lender; or
 - (ii) to the extent a loss, liability or cost:
 - (A) is compensated for by an increased payment under Clause 13.2 (*Tax gross-up*); or
 - (B) relates to a FATCA Deduction required to be made by a Party.
- (c) The Lender shall, if making, or intending to make, a claim under paragraph (a) above, promptly notify the Borrowers of the event which will give, or has given, rise to the claim.

13.4 Tax Credit

If a Borrower makes a Tax Payment and the Lender determines that:

- (a) a Tax Credit is attributable to an increased payment of which that Tax Payment forms part, to that Tax Payment or to a Tax Deduction in consequence of which that Tax Payment was received; and
- (b) the Lender has obtained and utilised that Tax Credit,

the Lender shall pay an amount to the Borrower which the Lender determines will leave it (after that payment) in the same after-Tax position as it would have been in had the Tax Payment not been required to be made by the Borrower.

13.5 Stamp taxes

The Borrowers shall pay and, within three Business Days of demand, indemnify the Lender against any cost, loss or liability which the Lender incurs in relation to all stamp duty, registration and other similar Taxes payable in respect of any Finance Document.

13.6 VAT

- (a) All amounts expressed to be payable under a Finance Document by any Party to the Lender which (in whole or in part) constitute the consideration for any supply for VAT purposes are deemed to be exclusive of any VAT which is chargeable on that supply, and accordingly, if VAT is or becomes chargeable on any supply made by the Lender to any Party under a Finance Document and the Lender is required to account to the relevant tax authority for the VAT, that Party must pay to the Lender (in addition to and at the same time as paying any other

consideration for such supply) an amount equal to the amount of the VAT (and the Lender must promptly provide an appropriate VAT invoice to that Party).

- (b) Where a Finance Document requires any Party to reimburse or indemnify the Lender for any cost or expense, that Party shall reimburse or indemnify (as the case may be) the Lender for the full amount of such cost or expense, including such part of it as represents VAT, save to the extent that the Lender reasonably determines that it is entitled to credit or repayment in respect of such VAT from the relevant tax authority.
- (c) Any reference in this Clause 13.6 (VAT) to any Party shall, at any time when that Party is treated as a member of a group or unity (or fiscal unity) for VAT purposes, include (where appropriate and unless the context otherwise requires) a reference to the person who is treated at that time as making the supply, or (as appropriate) receiving the supply, under the grouping rules provided for in Article 11 of Council Directive 2006/112/EC (or as implemented by the relevant member state of the European Union or equivalent provisions imposed elsewhere) so that a reference to a Party shall be construed as a reference to that Party or the relevant group or unity (or fiscal unity) of which that Party is a member for VAT purposes at the relevant time or the relevant representative member (or representative or head) of that group or unity at the relevant time (as the case may be).
- (d) In relation to any supply made by the Lender to any Party under a Finance Document, if reasonably requested by the Lender, that Party must promptly provide the Lender with details of that Party's VAT registration and such other information as is reasonably requested in connection with the Lender's VAT reporting requirements in relation to such supply.

13.7 FATCA Information

- (a) Subject to paragraph (c) 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; and
 - (ii) supply to that other Party such forms, documentation and other information relating to its status under FATCA as that other Party reasonably requests for the purposes of that other Party's compliance with FATCA; and
 - (iii) supply to that other Party such forms, documentation and other information relating to its status as that other Party reasonably requests for the purposes of that other Party's compliance with any other law, regulation, or exchange of information regime.
- (b) If a Party confirms to another Party pursuant to sub-paragraph (i) of paragraph (a) above that it is a FATCA Exempt Party and it subsequently becomes aware that it is not, or has ceased to be a FATCA Exempt Party, that Party shall notify that other Party reasonably promptly.
- (c) Paragraph (a) above shall not oblige the Lender to do anything and sub-paragraph (iii) of paragraph (a) 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.
- (d) If a Party fails to confirm whether or not it is a FATCA Exempt Party or to supply forms, documentation or other information requested in accordance with sub-paragraph (i) or (ii) of paragraph (a) above (including, for the avoidance of doubt, where paragraph (c) above applies), then such Party shall be treated for the purposes of the Finance 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.

13.8 FATCA Deduction

- (a) Each Party may make any FATCA Deduction it is required to make by FATCA, and any payment required in connection with that FATCA Deduction, and no Party shall be required to increase any payment in respect of which it makes such a FATCA Deduction or otherwise compensate the recipient of the payment for that FATCA Deduction.
- (b) Each Party shall promptly, upon becoming aware that it must make a FATCA Deduction (or that there is any change in the rate or the basis of such FATCA Deduction), notify the Party to whom it is making the payment.

14 INCREASED COSTS

14.1 Increased costs

- (a) Subject to Clause 14.3 (*Exceptions*), the Borrowers shall, within three Business Days of a demand by the Lender, pay for the account of the Lender the amount of any Increased Costs incurred by the Lender or any of its Affiliates as a result of:
 - (i) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation; or
 - (ii) compliance with any law or regulation made,in each case after the date of this Agreement; or
 - (iii) the implementation, application of or compliance with Basel III or CRD IV or any law or regulation that implements or applies Basel III or CRD IV.
- (b) In this Agreement:
 - (i) "**Basel III**" means:
 - (A) the agreements on capital requirements, a leverage ratio and liquidity standards contained in "Basel III: A global regulatory framework for more resilient banks and banking systems", "Basel III: International framework for liquidity risk measurement, standards and monitoring" and "Guidance for national authorities operating the countercyclical capital buffer" published by the Basel Committee on Banking Supervision in December 2010, each as amended, supplemented or restated;

(B) the rules for global systemically important banks contained in “Global systemically important banks: assessment methodology and the additional loss absorbency requirement – Rules text” published by the Basel Committee on Banking Supervision in November 2011, as amended, supplemented or restated; and

(C) any further guidance or standards published by the Basel Committee on Banking Supervision relating to “Basel III”.

(ii) "CRD IV" means:

(A) Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending regulation (EU) No. 648/2012, as amended by, amongst others, Regulation (EU) 2019/876;

(B) Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC, as amended by, amongst others, Directive (EU) 2019/878; and

(C) any other law or regulation which implements Basel III.

(iii) "Increased Costs" means:

(A) a reduction in the rate of return from the Facility or on the Lender's (or its Affiliate's) overall capital;

(B) an additional or increased cost; or

(C) a reduction of any amount due and payable under any Finance Document,

which is incurred or suffered by the Lender or any of its Affiliates to the extent that it is attributable to the Lender having entered into the Commitment or funding or performing its obligations under any Finance Document.

14.2 Increased cost claims

If the Lender intends to make a claim pursuant to Clause 14.1 (*Increased costs*) it shall promptly notify the Borrowers.

14.3 Exceptions

Clause 14.1 (*Increased costs*) does not apply to the extent any Increased Cost is:

(a) attributable to a Tax Deduction required by law to be made by a Borrower;

(b) attributable to a FATCA Deduction required to be made by a Party;

(c) compensated for by Clause 13.3 (*Tax indemnity*) (or would have been compensated for under Clause 13.3 (*Tax indemnity*) but was not so compensated solely because any of the exclusions in paragraph (b) of Clause 13.3 (*Tax indemnity*) applied); or

- (d) attributable to the wilful breach by the Lender or its Affiliates of any law or regulation.

15 OTHER INDEMNITIES

15.1 Currency indemnity

- (a) If any sum due from a Borrower under the Finance Documents (a "**Sum**"), or any order, judgment or award given or made in relation to a Sum, has to be converted from the currency (the "**First Currency**") in which that Sum is payable into another currency (the "**Second Currency**") for the purpose of:

- (i) making or filing a claim or proof against that Borrower; or
- (ii) obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings,

that Borrower shall, as an independent obligation, on demand, indemnify the Lender against any cost, loss or liability arising out of or as a result of the conversion including any discrepancy between (A) the rate of exchange used to convert that Sum from the First Currency into the Second Currency and (B) the rate or rates of exchange available to that person at the time of its receipt of that Sum.

- (b) Each Borrower waives any right it may have in any jurisdiction to pay any amount under the Finance Documents in a currency or currency unit other than that in which it is expressed to be payable.

15.2 Other indemnities

- (a) Each Borrower shall, on demand, indemnify the Lender and any Receiver and Delegate against:

- (i) any cost, loss or liability incurred by it as a result of:
 - (A) the occurrence of any Event of Default;
 - (B) a failure by a Transaction Obligor to pay any amount due under a Finance Document on its due date;
 - (C) funding, or making arrangements to fund, an Advance requested by the Borrowers in a Utilisation Request but not made by reason of the operation of any one or more of the provisions of this Agreement (other than by reason of default or negligence by the Lender alone); or
 - (D) the Loan (or part of the Loan) not being prepaid in accordance with a notice of prepayment given by the Borrowers; or
 - (E) investigating any event which it reasonably believes is a Default; and
- (ii) any cost, loss or liability (including, without limitation, for negligence or any other category of liability whatsoever) incurred by the Lender (otherwise than by reason of the Lender's gross negligence or wilful misconduct) or, in the case of any cost, loss or liability pursuant to Clause 29.8 (*Disruption to Payment Systems etc.*) notwithstanding the Lender's negligence, gross negligence or any other category of liability whatsoever

but not including any claim based on the fraud of the Lender in acting as Lender under the Finance Documents.

- (b) Each Borrower shall, on demand, indemnify the Lender, each Affiliate of the Lender and any Receiver and Delegate and each officer or employee of the Lender or its Affiliate or any Receiver or Delegate (as applicable) (each such person for the purposes of this Clause 15.2 (*Other indemnities*) an "**Indemnified Person**"), against any cost, loss or liability (including, without limitation, for negligence or any other category of liability whatsoever) incurred by that Indemnified Person pursuant to or in connection with any litigation, arbitration or administrative proceedings or regulatory enquiry, in connection with or arising out of the entry into and the transactions contemplated by the Finance Documents, having the benefit of any Security constituted by the Finance Documents or which relates to the condition or operation of, or any incident occurring in relation to, any Ship unless such cost, loss or liability is caused by the gross negligence or wilful misconduct of that Indemnified Person.
- (c) No Party other than the Lender or the Receiver or Delegate (as applicable) may take any proceedings against any officer, employee or agent of the Lender or the Receiver or Delegate (as applicable) in respect of any claim it might have against the Lender or the Receiver or Delegate or in respect of any act or omission of any kind by that officer, employee or agent in relation to any Transaction Document or any Security Property.
- (d) Without limiting, but subject to any limitations set out in paragraph (b) above, the indemnity in paragraph (b) above shall cover any cost, loss or liability incurred by each Indemnified Person in any jurisdiction:
 - (i) arising or asserted under or in connection with any law relating to safety at sea, the ISM Code, any Environmental Law or any Sanctions; or
 - (ii) in connection with any Environmental Claim.
- (e) Each Borrower shall, on demand, indemnify the Lender and every Receiver and Delegate against any cost, loss or liability (including, without limitation, for negligence or any other category of liability whatsoever) incurred by any of them:
 - (i) in relation to or as a result of:
 - (A) any failure by a Borrower to comply with its obligations under Clause 16 (*Costs and Expenses*);
 - (B) acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised;
 - (C) the taking, holding, protection or enforcement of the Finance Documents and the Transaction Security;
 - (D) the exercise of any of the rights, powers, discretions, authorities and remedies vested in the Lender and each Receiver and Delegate by the Finance Documents or by law;
 - (E) any default by any Transaction Obligor in the performance of any of the obligations expressed to be assumed by it in the Finance Documents;

(F) any action by any Transaction Obligor which vitiates, reduces the value of, or is otherwise prejudicial to, the Transaction Security; and

(G) instructing lawyers, accountants, tax advisers, surveyors or other professional advisers or experts as permitted under the Finance Documents;

(ii) which otherwise relates to any of the Security Property or the performance of the terms of this Agreement or the other Finance Documents (otherwise, in each case, than by reason of the Lender's or Receiver's or Delegate's gross negligence or wilful misconduct).

(f) Any Affiliate or Receiver or any officer or employee of the Lender, or of any of its Affiliates or any Receiver (as applicable) may rely on this Clause 15.2 (*Other indemnities*) and the provisions of the Third Parties Act, subject to Clause 1.5 (*Third party rights*) and the provisions of the Third Parties Act.

16 COSTS AND EXPENSES

16.1 Transaction expenses

The Borrowers shall, on demand, pay the Lender the amount of all costs and expenses (including legal fees) incurred by it in connection with the negotiation, preparation, printing, execution and perfection of:

- (a) this Agreement and any other documents referred to in this Agreement or in a Security Document; and
- (b) any other Finance Documents executed after the date of this Agreement.

16.2 Amendment costs

Subject to Clause 16.4 (*Reference rate transition costs*) if:

- (a) a Transaction Obligor requests an amendment, waiver or consent;
- (b) an amendment is required pursuant to Clause 29.6 (*Change of currency*); or
- (c) a Transaction Obligor requests, and the Lender agrees to, the release of all or any part of the Security Assets from the Transaction Security,

the Borrowers shall, on demand, reimburse the Lender for the amount of all costs and expenses (including legal fees) incurred by the Lender in responding to, evaluating, negotiating or complying with that request or requirement.

16.3 Enforcement and preservation costs

The Borrowers shall, on demand, pay to the Lender the amount of all costs and expenses (including legal fees) incurred by the Lender in connection with the enforcement of, or the preservation of any rights under, any Finance Document or the Transaction Security and with any proceedings instituted by or against the Lender as a consequence of it entering into a Finance Document, taking or holding the Transaction Security, or enforcing those rights.

16.4 Reference rate transition costs

The Borrowers shall on demand reimburse the Lender for the amount of all costs and expenses (including legal fees) incurred by the Lender in connection with:

- (a) the negotiation or entry into of any Reference Rate Supplement or Compounding Methodology Supplement; or
- (b) any amendment, waiver or consent which relates to:
 - (i) the transition to the Compounded Reference Rate;
 - (ii) any Reference Rate Supplement or Compounding Methodology Supplement; or
 - (iii) any change arising as a result of an amendment required under Clause 40.1 (*Changes to reference rates*).

SECTION 7

JOINT AND SEVERAL LIABILITY OF BORROWERS

17 JOINT AND SEVERAL LIABILITY OF THE BORROWERS

17.1 Joint and several liability

All liabilities and obligations of the Borrowers under this Agreement shall, whether expressed to be so or not, be joint and several.

17.2 Waiver of defences

The liabilities and obligations of a Borrower shall not be impaired by:

- (a) this Agreement being or later becoming void, unenforceable or illegal as regards any other Borrower;
- (b) the Lender entering into any rescheduling, refinancing or other arrangement of any kind with any other Borrower;
- (c) the Lender releasing any other Borrower or any Security created by a Finance Document;
- (d) any time, waiver or consent granted to, or composition with any other Borrower or other person;
- (e) the release of any other Borrower or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;
- (f) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any other Borrower or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (g) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any other Borrower or any other person;
- (h) any amendment, novation, supplement, extension, restatement (however fundamental, and whether or not more onerous) or replacement of a Finance Document or any other document or security including, without limitation, any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under any Finance Document or other document or security;
- (i) any unenforceability, illegality or invalidity of any obligation or any person under any Finance Document or any other document or security; or
- (j) any insolvency or similar proceedings.

17.3 Principal Debtor

Each Borrower declares that it is and will, throughout the Security Period, remain a principal debtor for all amounts owing under this Agreement and the Finance Documents and no

Borrower shall, in any circumstances, be construed to be a surety for the obligations of any other Borrower under this Agreement.

17.4 Borrower restrictions

(a) Subject to paragraph (b) below, during the Security Period no Borrower shall:

- (i) claim any amount which may be due to it from any other Borrower whether in respect of a payment made under, or matter arising out of, this Agreement or any Finance Document, or any matter unconnected with this Agreement or any Finance Document;
- (ii) take or enforce any form of security from any other Borrower for such an amount, or in any way seek to have recourse in respect of such an amount against any asset of any other Borrower;
- (iii) set off such an amount against any sum due from it to any other Borrower;
- (iv) prove or claim for such an amount in any liquidation, administration, arrangement or similar procedure involving any other Borrower; or
- (v) exercise or assert any combination of the foregoing.

(b) If during the Security Period, the Lender, by notice to a Borrower, requires it to take any action referred to in paragraph (a) above in relation to any other Borrower, that Borrower shall take that action as soon as practicable after receiving the Lender's notice.

17.5 Deferral of Borrowers' rights

Until all amounts which may be or become payable by the Borrowers under or in connection with the Finance Documents have been irrevocably paid in full and unless the Lender otherwise directs, no Borrower will exercise any rights which it may have by reason of performance by it of its obligations under the Finance Documents:

- (a) to be indemnified by any other Borrower; or
- (b) to claim any contribution from any other Borrower in relation to any payment made by it under the Finance Documents.

SECTION 8

REPRESENTATIONS, UNDERTAKINGS AND EVENTS OF DEFAULT

18 REPRESENTATIONS

18.1 General

Each Borrower makes the representations and warranties set out in this Clause 18 (*Representations*) to the Lender on the date of this Agreement.

18.2 Status

- (a) It is a limited liability corporation or, as the case may be, company, duly incorporated and validly existing in good standing under the law of its Original Jurisdiction.
- (b) It and each Transaction Obligor has the power to own its assets and carry on its business as it is being conducted.

18.3 Share capital and ownership

- (a) Each of Borrower A and Borrower D is authorised to issue 500 registered shares with a par value of one dollar per share, all of which shares have been issued fully paid and non-assessable.
- (b) Each of Borrower B and Borrower C is authorised to issue a maximum of 50,000 shares of a single class each with a par value of one dollar per share, all of which shares have been issued fully paid and non-assessable.
- (c) Each of Borrower E and Borrower F is authorised to issue 500 registered and/or bearer shares without par value, all of which shares have been issued fully paid and non-assessable.
- (d) Borrower G is authorised to issue 500 registered shares without par value, all of which shares have been issued fully paid and non-assessable.
- (e) The legal title to and beneficial interest in the shares in each Borrower is held indirectly by the Guarantor free of any Security or any other claim.
- (f) None of the shares in any Borrower is subject to any option to purchase, pre-emption rights or similar rights.

18.4 Binding obligations

The obligations expressed to be assumed by it in each Transaction Document to which it is a party are legal, valid, binding and enforceable obligations.

18.5 Validity, effectiveness and ranking of Security

- (a) Each Finance Document to which it is a party does now or, as the case may be, will upon execution and delivery create the Security it purports to create over any assets to which such Security, by its terms, relates, and such Security will, when created or intended to be created, be valid and effective.

- (b) No third party has or will have any Security (except for Permitted Security) over any assets that are the subject of any Transaction Security granted by it.
- (c) The Transaction Security granted by it to the Lender has or will when created or intended to be created have first ranking priority or such other priority it is expressed to have in the Finance Documents and is not subject to any prior ranking or *pari passu* ranking Security.
- (d) No concurrence, consent or authorisation of any person is required for the creation of or otherwise in connection with any Transaction Security.

18.6 Non-conflict with other obligations

The entry into and performance by it of, and the transactions contemplated by, each Transaction Document to which it is a party do not and will not conflict with:

- (a) any law or regulation applicable to it;
- (b) the constitutional documents of any member of the Group; or
- (c) any agreement or instrument binding upon it or any member of the Group or any member of the Group's assets or constitute a default or termination event (however described) under any such agreement or instrument.

18.7 Power and authority

- (a) It has the power to enter into, perform and deliver, and has taken all necessary action to authorise:
 - (i) its entry into, performance and delivery of, each Transaction Document to which it is or will be a party and the transactions contemplated by those Transaction Documents; and
 - (ii) in the case of Borrower G, its registration of Ship G under its Approved Flag.
- (b) No limit on its powers will be exceeded as a result of the borrowing, granting of security or giving of guarantees or indemnities contemplated by the Transaction Documents to which it is a party.

18.8 Validity and admissibility in evidence

All Authorisations required or desirable:

- (a) to enable it lawfully to enter into, exercise its rights and comply with its obligations in the Transaction Documents to which it is a party; and
- (b) to make the Transaction Documents to which it is a party admissible in evidence in its Relevant Jurisdictions, have been obtained or effected and are in full force and effect.

18.9 Governing law and enforcement

- (a) The choice of governing law of each Transaction Document to which it is a party will be recognised and enforced in its Relevant Jurisdictions.

- (b) Any judgment obtained in relation to a Transaction Document to which it is a party in the jurisdiction of the governing law of that Transaction Document will be recognised and enforced in its Relevant Jurisdictions.

18.10 Insolvency

No:

- (a) corporate action, legal proceeding or other procedure or step described in paragraph (a) of Clause 26.8 (*Insolvency proceedings*); or
- (b) creditors' process described in Clause 26.9 (*Creditors' process*),

has been taken or, to its knowledge, threatened in relation to a member of the Group; and none of the circumstances described in Clause 26.7 (*Insolvency*) applies to a member of the Group.

18.11 No filing or stamp taxes

Under the laws of its Relevant Jurisdictions it is not necessary that the Finance Documents to which it is a party be registered, filed, recorded, notarised or enrolled with any court or other authority in that jurisdiction or that any stamp, registration, notarial or similar Taxes or fees be paid on or in relation to the Finance Documents to which it is a party or the transactions contemplated by those Finance Documents except:

- (a) in relation to Ship A:
- (i) registration of the Mortgage relating to Ship A at the registry of the Approved Flag of Ship A, which registration will be made promptly on the date of that Mortgage; and
 - (ii) filing of particulars of charge in respect of the Mortgage, the Deed of Covenant, any Charter Assignment, the General Assignment, the Account Security and any other Security Document under which Borrower A creates a specified charge registrable under the Companies Ordinance (Cap. 622 of the Laws of Hong Kong) against the records of Borrower A at the Hong Kong Companies Registry, which filing will be made within one month from the date of that Mortgage, that Deed of Covenant, that Charter Assignment, that General Assignment, that Account Security or other Security Document (as the case may be);
- (b) in relation to Ship D:
- (i) registration of the Mortgage relating to Ship D at the registry of the Approved Flag of Ship D, which registration will be made promptly on the date of that Mortgage; and
 - (ii) filing of particulars of charge in respect of the Mortgage, the Deed of Covenant, any Charter Assignment, the General Assignment, the Account Security and any other Security Document under which Borrower D creates a specified charge registrable under the Companies Ordinance (Cap. 622 of the Laws of Hong Kong) against the records of Borrower D at the Hong Kong Companies Registry, which filing will be made within one month from the date of that Mortgage, that Deed of Covenant, that Charter Assignment, that General Assignment, that Account Security or other Security Document (as the case may be);

- (c) permanent registration of the Mortgage relating to Ship E at the registry of the Approved Flag of Ship E, which registration will be made promptly after the date of the relevant Finance Documents;
- (d) permanent registration of the Mortgage relating to Ship F at the registry of the Approved Flag of Ship F, which registration will be made promptly after the date of the relevant Finance Documents; and
- (e) permanent registration of the Mortgage relating to Ship G at the registry of the Approved Flag of Ship G, which registration will be made promptly after the Delivery Date.

18.12 Deduction of Tax

It is not required to make any Tax Deduction from any payment it may make under any Finance Document to which it is a party.

18.13 No default

- (a) No Event of Default and, on the date of this Agreement and on each Utilisation Date, no Default is continuing or might reasonably be expected to result from the making of any Utilisation or the entry into, the performance of, or any transaction contemplated by, any Transaction Document.
- (b) No other event or circumstance is outstanding which constitutes a default or a termination event (however described) under any other agreement or instrument which is binding on it or to which its assets are subject which might have a Material Adverse Effect.

18.14 No misleading information

- (a) Any factual information provided by any member of the Group for the purposes of this Agreement was true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated.
- (b) The financial projections contained in any such information have been prepared on the basis of recent historical information and on the basis of reasonable assumptions.
- (c) Nothing has occurred or been omitted from any such information and no information has been given or withheld that results in any such information being untrue or misleading in any material respect.

18.15 Financial Statements

- (a) The Original Financial Statements were prepared in accordance with GAAP consistently applied.
- (b) The Original Financial Statements give a true and fair view of the Guarantor's consolidated financial condition as at the end of the relevant financial year and its results of operations during the relevant financial year.
- (c) There has been no material adverse change in a Borrower's or the Guarantor's assets, business or consolidated financial condition since the date of the Guarantor's semi-annual unaudited consolidated financial statements for the half year ended on 30 June 2024.

- (d) The Guarantor's most recent financial statements delivered pursuant to Clause 19.2 (*Financial statements*):
- (i) have been prepared in accordance with Clause 19.3 (*Requirements as to financial statements*); and
 - (ii) give a true and fair view of (if audited) or fairly represent (if unaudited) its consolidated financial condition as at the end of the relevant financial year and operations during the relevant financial year.
- (e) Since the date of the most recent financial statements delivered pursuant to Clause 19.2 (*Financial statements*) there has been no material adverse change in the Group's business, assets or consolidated financial condition.

18.16 Pari passu ranking

Its payment obligations under the Finance Documents to which it is a party rank at least *pari passu* with the claims of all its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally.

18.17 No proceedings pending or threatened

- (a) No litigation, arbitration or administrative proceedings or investigations (including proceedings or investigations relating to any alleged or actual breach of the ISM Code or of the ISPS Code) of or before any court, arbitral body or agency which, if adversely determined, might reasonably be expected to have a Material Adverse Effect have (to the best of its knowledge and belief (having made due and careful enquiry)) been started or threatened against it or any other Transaction Obligor.
- (b) No judgment or order of a court, arbitral tribunal or other tribunal or any order or sanction of any governmental or other regulatory body which might reasonably be expected to have a Material Adverse Effect has (to the best of its knowledge and belief (having made due and careful enquiry)) been made against it or any other Transaction Obligor.

18.18 Validity and completeness of the Deed of Release and Shipbuilding Contract

- (a) The Deed of Release, once delivered, constitutes legal, valid, binding and enforceable obligations of the Existing Agent.
- (b) The Shipbuilding Contract constitutes legal, valid, binding and enforceable obligations of the Builder.
- (c) The copy of the Deed of Release delivered to the Lender once the Existing Indebtedness is refinanced in full is a true and complete copy.
- (d) The copy of the Shipbuilding Contract delivered to the Lender before the date of this Agreement is a true and complete copy.
- (e) No amendments or additions to the Deed of Release or the Shipbuilding Contract have been agreed nor have any rights under the Deed of Release or the Shipbuilding Contract been waived, unless, in relation to the Shipbuilding Contract, such amendments are made in accordance with paragraph (a) of Clause 22.3 (*No variation, release etc. of Shipbuilding Contract*).

18.19 No rebates etc.

There is no agreement or understanding to allow or pay any rebate, premium, inducement, commission, discount or other benefit or payment (however described) to any Borrower, the Builder or a third party in connection with the purchase by a Borrower of a Ship, other than as disclosed to the Lender in writing on or before the date of this Agreement.

18.20 Valuations

- (a) All information supplied by it or on its behalf to an Approved Valuer for the purposes of a valuation delivered to the Lender in accordance with this Agreement was true and accurate as at the date it was supplied or (if appropriate) as at the date (if any) at which it is stated to be given.
- (b) It has not omitted to supply any information to an Approved Valuer which, if disclosed, would adversely affect any valuation prepared by such Approved Valuer.
- (c) There has been no change to the factual information provided pursuant to paragraph (a) above in relation to any valuation between the date such information was provided and the date of that valuation which, in either case, renders that information untrue or misleading in any material respect.

18.21 No breach of laws

It has not breached any law or regulation which breach has or is reasonably likely to have a Material Adverse Effect.

18.22 No Charter

No Ship is subject to any Charter other than a Permitted Charter.

18.23 Compliance with Environmental Laws

All Environmental Laws relating to the ownership, operation and management of each Ship and the business of each Transaction Obligor (as now conducted and as reasonably anticipated to be conducted in the future) and the terms of all Environmental Approvals have been complied with.

18.24 No Environmental Claim

No Environmental Claim has been made or threatened against any member of the Group or any Ship which might reasonably be expected to have a Material Adverse Effect.

18.25 No Environmental Incident

No Environmental Incident has occurred and no person has claimed that an Environmental Incident has occurred.

18.26 ISM and ISPS Code compliance

All requirements of the ISM Code and the ISPS Code as they relate to each Borrower, each Approved Manager and each Ship have been complied with.

18.27 Taxes paid

- (a) It is not and no other member of the Group is materially overdue in the filing of any Tax returns and it is not (and no other member of the Group is) overdue in the payment of any amount in respect of Tax.
- (b) No claims or investigations are being, or, to the best of its knowledge, are reasonably likely to be, made or conducted against it (or any other member of the Group) with respect to Taxes.

18.28 Financial Indebtedness

No Borrower has any Financial Indebtedness outstanding other than Permitted Financial Indebtedness.

18.29 Overseas companies

No Borrower has delivered particulars, whether in its name stated in the Finance Documents or any other name, of any UK Establishment to the Registrar of Companies as required under the Overseas Regulations or, if it has so registered, it has provided to the Lender sufficient details to enable an accurate search against it to be undertaken by the Lender at the Companies Registry.

18.30 Good title to assets

It has good, valid and marketable title to, or valid leases or licences of, and all appropriate Authorisations to use, the assets necessary to carry on its business as presently conducted.

18.31 Ownership

- (a) Borrower A is the sole legal and beneficial owner of Ship A, its Earnings and its Insurances.
- (b) Borrower B is the sole legal and beneficial owner of Ship B, its Earnings and its Insurances.
- (c) Borrower C is the sole legal and beneficial owner of Ship C, its Earnings and its Insurances.
- (d) Borrower D is the sole legal and beneficial owner of Ship D, its Earnings and its Insurances.
- (e) Borrower E is the sole legal and beneficial owner of Ship E, its Earnings and its Insurances.
- (f) Borrower F is the sole legal and beneficial owner of Ship F, its Earnings and its Insurances.
- (g) Borrower G is the sole legal and beneficial owner of all rights and interests which the Shipbuilding Contract creates in favour of Borrower G.
- (h) With effect on and from the Delivery Date, Borrower G will be the sole legal and beneficial owner of Ship G, its Earnings and its Insurances.
- (i) With effect on and from the date of its creation or intended creation, each Transaction Obligor will be the sole legal and beneficial owner of any asset that is the subject of any Transaction Security created or intended to be created by such Transaction Obligor.
- (j) The constitutional documents of each Transaction Obligor do not and could not restrict or inhibit any transfer of the shares of the Borrowers on creation or enforcement of the security conferred by the Security Documents.

18.32 Centre of main interests and establishments

For the purposes of The Council of the European Union Regulation No. 2015/848 on Insolvency Proceedings (recast) (the "**Regulation**"), its centre of main interest (as that term is used in Article 3(1) of the Regulation) is not in the US or the United Kingdom and it has no "establishment" (as that term is used in Article 2(10) of the Regulation) in the US or the United Kingdom.

18.33 Place of business

No Borrower has a place of business in the US or the United Kingdom and its head office functions are carried out at the address stated in Part A of Schedule 1 (*The Parties*).

18.34 No employee or pension arrangements

No Borrower has any employees or any liabilities under any pension scheme.

18.35 Sanctions

(a) No Transaction Obligor, and none of its Subsidiaries and none of their respective directors, officers or employees or, to the best of the knowledge of each such Transaction Obligor, its agents:

- (i) is a Prohibited Party or is otherwise owned or controlled by or acting directly or indirectly on behalf of or for the benefit of, a Prohibited Party;
- (ii) owns or controls or is an Affiliate of a Prohibited Party; or
- (iii) has received notice of or is aware of any claim, action, suit, proceedings or investigation against it with respect to Sanctions.

(b) Each Transaction Obligor, its Subsidiaries and their respective directors, officers and employees and, to the best of the knowledge of each such Transaction Obligor its agents, are in compliance with Sanctions in all material respects and are not knowingly engaged in any activity that would reasonably be expected to result in such Transaction Obligor being designated as a Prohibited Party.

(c) None of the Ships is a Sanctioned Ship.

(d) Each Transaction Obligor or its Subsidiaries shall procure that it will, to the extent permitted by law and promptly upon becoming aware of them, supply to the Lender details of any claim, action, suit, proceedings, or investigation against it with respect to Sanctions by the Sanctions Authorities.

18.36 US Tax Obligor

No Transaction Obligor is a US Tax Obligor.

18.37 Repetition

The Repeating Representations are deemed to be made by each Borrower by reference to the facts and circumstances then existing on the date of each Utilisation Request and the first day

of each Interest Period and, in relation to paragraph (c) of Clause 18.15 (*Financial Statements*), on each Utilisation Date.

19 INFORMATION UNDERTAKINGS

19.1 General

The undertakings in this Clause 19 (*Information Undertakings*) remain in force throughout the Security Period unless the Lender otherwise permits.

19.2 Financial statements

The Borrowers procure that the Guarantor shall supply to the Lender:

- (a) as soon as they become available, but in any event within 180 days after the end of each of the Guarantor's financial years (ending 31 December), commencing with the financial year ended on 31 December 2024, the annual audited consolidated financial statements of the Group for that financial year; and
- (b) as soon as the same become available, but in any event within 90 days after the end of each half year of each of the Guarantor's financial years (ending 30 June), commencing with the half year ended on 30 June 2024, the semi-annual unaudited consolidated financial statements of the Group for that half year.

19.3 Requirements as to financial statements

- (a) Each set of financial statements delivered by the Guarantor pursuant to Clause 19.2 (*Financial statements*) shall be certified by an officer of the Guarantor as giving a true and fair view (if audited) or fairly representing (if unaudited) its financial condition and operations as at the date as at which those financial statements were drawn up if these have not been filed with the US Securities and Exchange Commission.
- (b) The Borrowers shall procure that each set of financial statements of the Group delivered pursuant to Clause 19.2 (*Financial statements*) is prepared using GAAP, accounting practices and financial reference periods consistent with those applied in the preparation of the Original Financial Statements for the Group unless, in relation to any set of financial statements, it notifies the Lender that there has been a change in GAAP, the accounting practices or reference periods or such change is described in the filings made with the US Securities and Exchange Commission, and its auditors (or, if appropriate, the auditors of the Group) deliver to the Lender:
 - (i) a description of any change necessary for those financial statements to reflect the GAAP, accounting practices and reference periods upon which the Group's Original Financial Statements were prepared; and
 - (ii) sufficient information, in form and substance as may be reasonably required by the Lender, to enable the Lender to determine whether clause 10 (*financial covenants*) of the Guarantee has been complied with and make an accurate comparison between the financial position indicated in those financial statements and the Group's Original Financial Statements.

Any reference in this Agreement to those financial statements shall be construed as a reference to those financial statements as adjusted to reflect the basis upon which the Original Financial Statements were prepared.

19.4 DAC6

- (a) In this Clause 19.4 (*DAC6*), “**DAC6**” means the Council Directive of 25 May 2018 (2018/822/EU) amending Directive 2011/16/EU or any replacement legislation applicable in the United Kingdom.
- (b) The Borrowers shall supply to the Lender:
 - (i) promptly upon the making of such analysis or the obtaining of such advice, any analysis made or advice obtained on whether any transaction contemplated by the Transaction Documents (other than the Shipbuilding Contract) or any transaction carried out (or to be carried out) in connection with any transaction contemplated by the Transaction Documents (other than the Shipbuilding Contract) contains a hallmark as set out in Annex IV of DAC6 or is required to be disclosed pursuant to The International Tax Enforcement (Disclosable Arrangements) Regulations 2023; and
 - (ii) promptly upon the making of such reporting and to the extent permitted by applicable law and regulation, any reporting made to any governmental or taxation authority by or on behalf of any member of the Group or by any adviser to such member of the Group in relation to DAC6 or any law or regulation which implements DAC6 or under The International Tax Enforcement (Disclosable Arrangements) Regulations 2023 and any unique identification number issued by any governmental or taxation authority to which any such report has been made (if available).
- (c) The Lender does not provide, under the terms of this present service agreement, any kind of tax advice to the Borrowers or the Guarantor in relation to its cross-border transactions or tax advice on the use of the loan facility or any kind of advisory services in relation to DAC6 opinions or any suggestions, amendments or contributions to the relevant cross-border arrangement and is not involved under any circumstances in the tax planning of the Borrowers and/or the Guarantor.

19.5 Information: miscellaneous

Each Borrower shall, and shall procure that each other Transaction Obligor shall, supply to the Lender:

- (a) all material documents dispatched by it to its shareholders (or any class of them) or its creditors generally at the same time as they are dispatched unless such documents have already been disclosed in the filings made with the US Securities and Exchange Commission;
- (b) promptly upon becoming aware of them, the details of any material litigation, arbitration or administrative proceedings or investigations (including proceedings or investigations relating to any alleged or actual breach of the ISM Code or of the ISPS Code) which are current, threatened or pending against any member of the Group, and which might, if adversely determined, have a Material Adverse Effect;
- (c) promptly upon becoming aware of them, the details of any judgment or order of a court, arbitral body or agency which is made against any member of the Group and which might have a Material Adverse Effect or which would involve an uninsured liability, or a potential or alleged

uninsured liability, exceeding \$1,000,000 in relation to any Borrower or \$5,000,000 in relation to any other member of the Group (or their equivalent in other currencies);

- (d) promptly, its constitutional documents where these have been amended or varied;
- (e) promptly, such further information and/or documents regarding:
 - (i) each Ship, goods transported on each Ship, its Earnings and its Insurances;
 - (ii) the Security Assets;
 - (iii) compliance of the Transaction Obligors with the terms of the Finance Documents;
 - (iv) the financial condition, business and operations of any member of the Group,as the Lender may reasonably request; and
- (f) promptly, such further information and/or documents as the Lender may reasonably request so as to enable the Lender to comply with any laws applicable to it or as may be required by any regulatory authority.

19.6 Notification of Default

- (a) Each Borrower shall, and shall procure that each other Transaction Obligor shall, notify the Lender of any Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence (unless that Borrower is aware that a notification has already been provided by another Borrower).
- (b) Promptly upon a request by the Lender, each Borrower shall supply to the Lender a certificate signed by one of its officers on its behalf certifying that no Default is continuing (or if a Default is continuing, specifying the Default and the steps, if any, being taken to remedy it).

19.7 "Know your customer" checks

If:

- (a) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation made after the date of this Agreement;
- (b) any change in the status of a Transaction Obligor (including, without limitation, a change of ownership of a Transaction Obligor (other than an Approved Manager)) after the date of this Agreement; or
- (c) a proposed assignment by the Lender of any of its rights and obligations under this Agreement,

obliges the Lender (or, in the case of paragraph (c) above, any prospective assignee) to comply with "know your customer" or similar identification procedures in circumstances where the necessary information is not already available to it, each Borrower shall promptly upon the request of the Lender supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Lender (for itself or, in the case of the event described in paragraph (c) above, on behalf of any prospective assignee) in order for the Lender or, in the case of the event described in paragraph (c) above, any prospective assignee to carry out and be satisfied it has complied with all necessary "know your customer" or other similar

checks under all applicable laws and regulations pursuant to the transactions contemplated in the Finance Documents.

20 GENERAL UNDERTAKINGS

20.1 General

The undertakings in this Clause 20 (*General Undertakings*) remain in force throughout the Security Period except as the Lender may otherwise permit.

20.2 Authorisations

Each Borrower shall, and shall procure that each other Transaction Obligor will, promptly:

- (a) obtain, comply with and do all that is necessary to maintain in full force and effect;
- (b) supply certified copies to the Lender of,
 - any Authorisation required under any law or regulation of a Relevant Jurisdiction or the state of the Approved Flag at any time of each Ship to enable it to:
 - (i) perform its obligations under the Transaction Documents to which it is a party;
 - (ii) ensure the legality, validity, enforceability or admissibility in evidence in any Relevant Jurisdiction or in the state of the Approved Flag at any time of each Ship of any Transaction Document to which it is a party;
 - (iii) own and operate each Ship (in the case of the Borrowers); and
- (c) without prejudice to the generality of the above, ensure that if, but for the obtaining of an Authorisation, a Borrower would be in breach of any of the provisions of this Agreement which relate to Sanctions or, by reason of Sanctions, would be prohibited from performing any provision of this Agreement, such an Authorisation is obtained so as to avoid such breach or to enable such performance.

20.3 Compliance with laws

Each Borrower shall, and shall procure that each other Transaction Obligor will, comply in all respects with all laws and regulations to which it may be subject, if failure so to comply has or is reasonably likely to have a Material Adverse Effect.

20.4 Environmental compliance

Each Borrower shall, and shall procure that each other Transaction Obligor will:

- (a) comply with all Environmental Laws;
- (b) obtain, maintain and ensure compliance with all requisite Environmental Approvals;
- (c) implement procedures to monitor compliance with and to prevent liability under any Environmental Law,
 - where failure to do so has or is reasonably likely to have a Material Adverse Effect.

20.5 Environmental Claims

Each Borrower shall, and shall procure that each other Transaction Obligor will, promptly upon becoming aware of the same, inform the Lender in writing of:

- (a) any Environmental Claim against any member of the Group which is current, pending or threatened; and
- (b) any facts or circumstances which are reasonably likely to result in any Environmental Claim being commenced or threatened against any member of the Group,

where the claim, if determined against that member of the Group, has or is reasonably likely to have a Material Adverse Effect.

20.6 Taxation

Each Borrower shall, and shall procure that each other Transaction Obligor will, pay and discharge all Taxes imposed upon it or its assets within the time period allowed without incurring penalties unless and only to the extent that:

- (a) such payment is being contested in good faith;
- (b) adequate reserves are maintained for those Taxes and the costs required to contest them and both have been disclosed in its latest financial statements delivered to the Lender under Clause 19.2 (*Financial statements*); and
- (c) such payment can be lawfully withheld and failure to pay those Taxes does not have or is not reasonably likely to have a Material Adverse Effect.

20.7 Overseas companies

Each Borrower shall, and shall procure that each other Transaction Obligor will, promptly inform the Lender if it delivers to the Registrar particulars required under the Overseas Regulations of any UK Establishment and it shall comply with any directions given to it by the Lender regarding the recording of any Transaction Security on the register which it is required to maintain under The Overseas Companies (Execution of Documents and Registration of Charges) Regulations 2009.

20.8 No change to centre of main interests

No Borrower shall change the location of its centre of main interest (as that term is used in Article 3(1) of the Regulation) to either jurisdiction referred to in Clause 18.32 (*Centre of main interests and establishments*) and it will create no "**establishment**" (as that term is used in Article 2(10) of the Regulation) in the US or the United Kingdom.

20.9 Pari passu ranking

Each Borrower shall, and shall procure that each other Transaction Obligor will, ensure that at all times any unsecured and unsubordinated claims of the Lender against it under the Finance Documents rank at least *pari passu* with the claims of all its other unsecured and unsubordinated creditors except those creditors whose claims are mandatorily preferred by laws of general application to companies.

20.10 Title

- (a) Borrower A shall hold the legal title to, and own the entire beneficial interest in Ship A, its Earnings and its Insurances.
- (b) Borrower B shall hold the legal title to, and own the entire beneficial interest in Ship B, its Earnings and its Insurances.
- (c) Borrower C shall hold the legal title to, and own the entire beneficial interest in Ship C, its Earnings and its Insurances.
- (d) Borrower D shall hold the legal title to, and own the entire beneficial interest in Ship D, its Earnings and its Insurances.
- (e) Borrower E shall hold the legal title to, and own the entire beneficial interest in Ship E, its Earnings and its Insurances.
- (f) Borrower F shall hold the legal title to, and own the entire beneficial interest in Ship F, its Earnings and its Insurances.
- (g) Borrower G shall hold the legal title to, and own the entire beneficial interest in:
 - (i) the Shipbuilding Contract;
 - (ii) with effect from the Delivery Date, Ship G, its Earnings and its Insurances.
- (h) With effect on and from its creation or intended creation, each Borrower shall hold the legal title to, and own the entire beneficial interest in any other assets the subject of any Transaction Security created or intended to be created by such Borrower.

20.11 Negative pledge

- (a) No Borrower shall, and the Borrowers shall procure that no other Transaction Obligor will, create or permit to subsist any Security over any of its assets which are, in the case of any Transaction Obligor other than the Borrowers, the subject of the Security created or intended to be created by the Finance Documents.
- (b) No Borrower shall:
 - (i) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by a Transaction Obligor or any other member of the Group;
 - (ii) sell, transfer or otherwise dispose of any of its receivables on recourse terms;
 - (iii) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or
 - (iv) enter into any other preferential arrangement having a similar effect,in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset.
- (c) Paragraphs (a) and (b) above do not apply to any Permitted Security.

20.12 Disposals

- (a) No Borrower shall enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer or otherwise dispose of any asset (including without limitation any Ship in respect of which the Lender shall not unreasonably withhold its prior written consent, its Earnings or its Insurances).
- (b) Paragraph (a) above does not apply to any Charter as all Charters are subject to Clause 23.17 (*Restrictions on chartering, appointment of managers etc.*).

20.13 Merger

No Borrower shall enter into any amalgamation, demerger, merger, consolidation or corporate reconstruction.

20.14 Change of business

- (a) Each Borrower shall procure that no substantial change is made to the general nature of the business of the Guarantor or the Group from that carried on at the date of this Agreement.
- (b) No Borrower shall engage in any business other than the ownership and operation of its Ship.

20.15 Financial Indebtedness

No Borrower shall incur or permit to be outstanding any Financial Indebtedness except Permitted Financial Indebtedness.

20.16 Expenditure

No Borrower shall incur any expenditure, except for expenditure reasonably incurred in the ordinary course of owning, operating, maintaining and repairing its Ship.

20.17 Share capital

No Borrower shall:

- (a) purchase, cancel, redeem or retire any of its issued shares; or
- (b) increase or reduce its authorised share capital, the number of shares that it is authorized to issue or change the par value of such shares or create any new class of shares.

20.18 Dividends

No Borrower shall following the occurrence of an Event of Default which is continuing or where any of the following would result in the occurrence of an Event of Default:

- (a) declare, make or pay any dividend, charge, fee or other distribution (or interest on any unpaid dividend, charge, fee or other distribution) (whether in cash or in kind) on or in respect of its issued shares (or any class of its issued shares);
- (b) repay or distribute any dividend or share premium reserve; or
- (c) redeem, repurchase, defease, retire or repay any of its share capital or resolve to do so.

20.19 Other transactions

No Borrower shall:

- (a) be the creditor in respect of any loan or any form of credit to any person other than another Transaction Obligor and where such loan or form of credit is Permitted Financial Indebtedness or is in the ordinary course of its business and in a manner acceptable to the Lender;
- (b) give or allow to be outstanding any guarantee or indemnity in the ordinary course of its business in aggregate not more than \$500,000 to or for the benefit of any person in respect of any obligation of any other person or enter into any document under which that Transaction Obligor assumes any liability of any other person other than any guarantee or indemnity given under the Finance Documents;
- (c) enter into any material agreement other than:
 - (i) the Transaction Documents;
 - (ii) any other agreement expressly allowed under any other term of this Agreement; and
- (d) enter into any transaction on terms which are, in any respect, less favourable to that Borrower than those which it could obtain in a bargain made at arms' length; or
- (e) acquire any shares or other securities other than US or UK Treasury bills and certificates of deposit issued by major North American or European banks.

20.20 Unlawfulness, invalidity and ranking; Security imperilled

No Borrower shall, and the Borrowers shall procure that no other Transaction Obligor will, do (or fail to do) or cause another person to do (or omit to do) anything which is likely to:

- (a) make it unlawful or contrary to Sanctions for a Transaction Obligor to perform any of its obligations under the Transaction Documents;
- (b) cause any obligation of a Transaction Obligor under the Transaction Documents to cease to be legal, valid, binding or enforceable;
- (c) cause any Transaction Document to cease to be in full force and effect;
- (d) cause any Transaction Security to rank after, or lose its priority to, any other Security; and
- (e) imperil or jeopardise the Transaction Security.

20.21 Sanctions undertakings

- (a) No proceeds of the Loan or any part of the Loan shall be made available, directly or indirectly, to or for the benefit of a Prohibited Party nor shall they be otherwise, directly or indirectly, applied in a manner or for a purpose prohibited by Sanctions, or to fund any activity in a Sanctioned Country or in any manner which would cause the Lender to be in breach of or made subject to Sanctions, or at risk of being in breach of or made subject to Sanctions.
- (b) No Transaction Obligor shall fund all or any part of any payment or repayment under the Loan out of proceeds directly or indirectly derived from any activity in a Sanctioned Country or any transaction with a Prohibited Party, or out of proceeds directly or indirectly derived from any

other transactions which would be prohibited by Sanctions or in any other manner which would cause the Lender to be in breach of or made subject to Sanctions, or at risk of being in breach of or made subject to Sanctions and no such proceeds shall be paid into any Account.

- (c) Each of the Transaction Obligors has implemented and shall maintain in effect a Sanctions compliance policy which is designed to ensure compliance by each such Transaction Obligor, its Subsidiaries and their respective directors, officers, employees and agents with Sanctions. Without limitation on the foregoing, such Sanctions compliance policy shall procure that each Transaction Obligor, its Subsidiaries and their respective directors officers, employees and agents shall, where applicable:
- (i) conduct their activities in a manner consistent with Sanctions; and
 - (ii) ensure Subsidiaries and Affiliates comply with the relevant policies, as applicable.

20.22 Further assurance

- (a) Each Borrower shall, and shall procure that each other Transaction Obligor will, promptly, and in any event within the time period specified by the Lender do all such acts (including procuring or arranging any registration, notarisation or authentication or the giving of any notice) or execute or procure execution of all such documents (including assignments, transfers, mortgages, charges, notices, instructions, acknowledgments, proxies and powers of attorney), as the Lender may specify (and in such form as the Lender may require in favour of the Lender or its nominee(s)):
- (i) to create, perfect, vest in favour of the Lender or protect the priority of the Security or any right of any kind created or intended to be created under or evidenced by the Finance Documents (which may include the execution of a mortgage, charge, assignment or other Security over all or any of the assets which are, or are intended to be, the subject of the Transaction Security) or for the exercise of any rights, powers and remedies of the Lender or any Receiver or Delegate provided by or pursuant to the Finance Documents or by law;
 - (ii) to confer on the Lender Security over any property and assets of that Transaction Obligor located in any jurisdiction equivalent or similar to the Security intended to be conferred by or pursuant to the Finance Documents;
 - (iii) to facilitate or expedite the realisation and/or sale of, the transfer of title to or the grant of, any interest in or right relating to the assets which are, or are intended to be, the subject of the Transaction Security or to exercise any power specified in any Finance Document in respect of which the Security has become enforceable; and/or
 - (iv) to enable or assist the Lender to enter into any transaction to commence, defend or conduct any proceedings and/or to take any other action relating to any item of the Security Property.
- (b) Each Borrower shall, and shall procure that each other Transaction Obligor will, take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Lender by or pursuant to the Finance Documents.
- (c) At the same time as a Borrower delivers to the Lender any document executed by itself or another Transaction Obligor pursuant to this Clause 20.22 (*Further assurance*), that Borrower

shall deliver, or shall procure that such other Transaction Obligor will deliver, to the Lender a certificate signed by an officer of that Borrower's or Transaction Obligor's officer which shall:

- (i) set out the text of a resolution of that Borrower's or Transaction Obligor's directors specifically authorising the execution of the document specified by the Lender; and
- (ii) state that either the resolution was duly passed at a meeting of the directors validly convened and held, throughout which a quorum of directors entitled to vote on the resolution was present, or that the resolution has been signed by all the directors or officers and is valid under that Borrower's or Transaction Obligor's articles of association, articles of incorporation, articles of formation, by-laws or other constitutional documents.

21 INSURANCE UNDERTAKINGS

21.1 General

The undertakings in this Clause 21 (*Insurance Undertakings*) remain in force on and from, in relation to Ship A, Ship B, Ship C, Ship D, Ship E and Ship F, the date of this Agreement and, in relation to Ship G, the Delivery Date and throughout the rest of the Security Period except as the Lender may otherwise permit.

21.2 Maintenance of obligatory insurances

Each Borrower shall keep the Ship owned by it insured at its expense against:

- (a) fire and usual marine risks (including hull and machinery plus freight interest and hull interest and excess risks);
- (b) war risks (including terrorism and piracy);
- (c) protection and indemnity risks; and
- (d) any other risks against which the Lender considers, having regard to practices and other circumstances prevailing at the relevant time, it would be reasonable for that Borrower to insure and which are specified by the Lender by notice to that Borrower.

21.3 Terms of obligatory insurances

Each Borrower shall effect such insurances:

- (a) in dollars;
- (b) in the case of fire and usual marine risks and war risks, in an amount on an agreed value basis at least the greater of:
 - (i) an amount at least equal to each Ship's Market Value; and
 - (ii) an amount which when aggregated to the equivalent insurance values of the other Ships subject to a Mortgage amounts to 120 per cent. of the Loan;
- (c) in the case of oil pollution liability risks, for an aggregate amount equal to the highest level of cover from time to time available under basic protection and indemnity club entry and in the international marine insurance market;

- (d) on approved terms; and
- (e) through Approved Brokers and with approved insurance companies and/or underwriters or, in the case of war risks and protection and indemnity risks, in approved war risks and protection and indemnity risks associations.

21.4 Further protections for the Lender

In addition to the terms set out in Clause 21.3 (*Terms of obligatory insurances*), each Borrower shall procure that the obligatory insurances effected by it shall:

- (a) subject always to paragraph (b), name that Borrower, the Guarantor or any Approved Manager as the named insured or co-assured unless the interest of every other named insured is limited:
 - (i) in respect of any obligatory insurances for hull and machinery and war risks;
 - (A) to any provable out-of-pocket expenses that it has incurred and which form part of any recoverable claim on underwriters; and
 - (B) to any third party liability claims where cover for such claims is provided by the policy (and then only in respect of discharge of any claims made against it); and
 - (ii) in respect of any obligatory insurances for protection and indemnity risks, to any recoveries it is entitled to make by way of reimbursement following discharge of any third party liability claims made specifically against it;

and every other named insured has undertaken in writing to the Lender (in such form as it requires) that any deductible shall be apportioned between that Borrower and every other named insured in proportion to the gross claims made or paid by each of them and that it shall do all things necessary and provide all documents, evidence and information to enable the Lender to collect or recover any moneys which at any time become payable in respect of the obligatory insurances and, if so required by the Lender, has duly executed and delivered a first priority assignments of its interest in the Ship's Insurances to the Lender in an approved form and provided such supporting documents and opinions in relation to that assignment as the Lender requires;

- (b) whenever the Lender requires, name (or be amended to name) the Lender as additional named insured for its rights and interests, warranted no operational interest and with full waiver of rights of subrogation against the Lender, but without the Lender being liable to pay (but having the right to pay) premiums, calls or other assessments in respect of such insurance;
- (c) name the Lender as loss payee with such directions for payment as the Lender may specify;
- (d) provide that all payments by or on behalf of the insurers under the obligatory insurances to the Lender shall be made without set off, counterclaim or deductions or condition whatsoever;
- (e) provide that the obligatory insurances shall be primary without right of contribution from other insurances which may be carried by the Lender; and
- (f) provide that the Lender may make proof of loss if that Borrower fails to do so.

21.5 Renewal of obligatory insurances

Each Borrower shall:

- (a) at least 21 days before the expiry of any obligatory insurance effected by it:
 - (i) notify the Lender of the Approved Brokers (or other insurers) and any protection and indemnity or war risks association through or with which it proposes to renew that obligatory insurance and of the proposed terms of renewal; and
 - (ii) obtain the Lender's approval to the matters referred to in sub-paragraph (i) above;
- (b) at least 14 days before the expiry of any obligatory insurance, renew that obligatory insurance in accordance with the Lender's approval pursuant to paragraph (a) above; and
- (c) procure that the Approved Brokers and/or the approved war risks and protection and indemnity associations with which such a renewal is effected shall promptly after the renewal notify the Lender in writing of the terms and conditions of the renewal.

21.6 Copies of policies; letters of undertaking

Each Borrower shall ensure that the Approved Brokers provide the Lender with:

- (a) *pro forma* copies of all policies relating to the obligatory insurances which they are to effect or renew; and
- (b) a letter or letters of undertaking in a form required by the Lender and including undertakings by the Approved Brokers that:
 - (i) they will have endorsed on each policy, immediately upon issue, a loss payable clause and a notice of assignment complying with the provisions of Clause 21.4 (*Further protections for the Lender*);
 - (ii) they will hold such policies, and the benefit of such insurances, to the order of the Lender in accordance with such loss payable clause;
 - (iii) they will advise the Lender immediately of any material change to the terms of the obligatory insurances;
 - (iv) they will, if they have not received notice of renewal instructions from the relevant Borrower or its agents, notify the Lender not less than 14 days before the expiry of the obligatory insurances;
 - (v) if they receive instructions to renew the obligatory insurances, they will promptly notify the Lender of the terms of the instructions;
 - (vi) they will not set off against any sum recoverable in respect of a claim relating to the Ship owned by that Borrower under such obligatory insurances any premiums or other amounts due to them or any other person whether in respect of that Ship or otherwise, they waive any lien on the policies, or any sums received under them, which they might have in respect of such premiums or other amounts and they will not cancel such obligatory insurances by reason of non-payment of such premiums or other amounts;

(vii) they will arrange for a separate policy to be issued in respect of the Ship owned by that Borrower forthwith upon being so requested by the Lender;

(viii) they will notify the Lender promptly if they cease to be the brokers through which the obligatory insurances are placed; and

(ix) they will notify the Lender if they receive any notices of cancellation from the underwriters in respect of the Insurances.

21.7 Copies of certificates of entry

Each Borrower shall ensure that any protection and indemnity and/or war risks associations in which the Ship owned by it is entered provide the Lender with:

(a) a certified copy of the certificate of entry for that Ship;

(b) a letter or letters of undertaking in such form as may be required by the Lender; and

(c) a certified copy of each certificate of financial responsibility for pollution by oil or other Environmentally Sensitive Material issued by the relevant certifying authority in relation to that Ship.

21.8 Deposit of original policies

Each Borrower shall ensure that all policies relating to obligatory insurances effected by it are deposited with the Approved Brokers through which the insurances are effected or renewed.

21.9 Payment of premiums

Each Borrower shall punctually pay all premiums or other sums payable in respect of the obligatory insurances effected by it and produce all relevant receipts when so required by the Lender.

21.10 Guarantees

Each Borrower shall ensure that any guarantees required by a protection and indemnity or war risks association are promptly issued and remain in full force and effect.

21.11 Compliance with terms of insurances

(a) No Borrower shall do or omit to do (nor permit to be done or not to be done) any act or thing which would or might render any obligatory insurance invalid, void, voidable or unenforceable or render any sum payable under an obligatory insurance repayable in whole or in part.

(b) Without limiting paragraph (a) above and without prejudice to the Borrowers' obligations under Clause 21 (*Ship Undertakings*), each Borrower shall:

(i) take all necessary action and comply with all requirements which may from time to time be applicable to the obligatory insurances, and (without limiting the obligation contained in sub-paragraph (iii) of paragraph (b) of Clause 21.6 (*Copies of policies; letters of undertaking*)) ensure that the obligatory insurances are not made subject to any exclusions or qualifications to which the Lender has not given its prior approval;

- (ii) not make any changes relating to the classification or classification society or manager or operator of the Ship owned by it unless they are approved by the underwriters of the obligatory insurances;
- (iii) make (and promptly supply copies to the Lender of) all quarterly or other voyage declarations which may be required by the protection and indemnity risks association in which the Ship owned by it is entered to maintain cover for trading to the United States of America and Exclusive Economic Zone (as defined in the United States Oil Pollution Act 1990 or any other applicable legislation); and
- (iv) not employ the Ship owned by it, nor allow it to be employed, otherwise than in conformity with the terms and conditions of the obligatory insurances, without first obtaining the consent of the insurers and complying with any requirements (as to extra premium or otherwise) which the insurers specify.

21.12 Alteration to terms of insurances

No Borrower shall make or agree to any alteration to the terms of any obligatory insurance or waive any right relating to any obligatory insurance.

21.13 Settlement of claims

Each Borrower shall:

- (a) not settle, compromise or abandon any claim under any obligatory insurance for Total Loss or for a Major Casualty; and
- (b) do all things necessary and provide all documents, evidence and information to enable the Lender to collect or recover any moneys which at any time become payable in respect of the obligatory insurances.

21.14 Provision of copies of communications

Each Borrower shall provide the Lender, at the time of each such communication, with copies of all written communications between that Borrower and:

- (a) the Approved Brokers;
- (b) the approved protection and indemnity and/or war risks associations; and
- (c) the approved insurance companies and/or underwriters,

which relate directly or indirectly to:

- (i) that Borrower's obligations relating to the obligatory insurances including, without limitation, all requisite declarations and payments of additional premiums or calls; and
- (ii) any credit arrangements made between that Borrower and any of the persons referred to in paragraphs (a) or (b) above relating wholly or partly to the effecting or maintenance of the obligatory insurances.

21.15 Provision of information

Each Borrower shall promptly provide the Lender (or any persons which it may designate) with any information which the Lender (or any such designated person) requests for the purpose of:

- (a) obtaining or preparing any report from an independent marine insurance broker as to the adequacy of the obligatory insurances effected or proposed to be effected; and/or
- (b) effecting, maintaining or renewing any such insurances as are referred to in Clause 21.16 (*Mortgagee's interest and additional perils insurances*) or dealing with or considering any matters relating to any such insurances,

and the Borrowers shall, forthwith upon demand, indemnify the Lender in respect of all fees and other expenses incurred by or for the account of the Lender in connection with any such report as is referred to in paragraph (a) above.

21.16 Mortgagee's interest and additional perils insurances

- (a) The Lender shall be entitled from time to time to effect, maintain and renew a mortgagee's interest marine insurance and a mortgagee's interest additional perils insurance in each case, in an amount which equals 110 per cent. of the Loan together with interest, expenses and any other amounts payable under the Finance Documents, on such terms, through such insurers and generally in such manner as the Lender may from time to time consider appropriate.
- (b) The Borrowers shall upon demand fully indemnify the Lender in respect of all premiums and other expenses which are incurred in connection with or with a view to effecting, maintaining or renewing any insurance referred to in paragraph (a) above or dealing with, or considering, any matter arising out of any such insurance.

22 SHIPBUILDING CONTRACT UNDERTAKINGS

22.1 General

The undertakings in this Clause 22 (*Shipbuilding Contract Undertakings*) remain in force throughout the Security Period except as the Lender may otherwise permit.

22.2 Performance of Shipbuilding Contract

Borrower G shall observe and perform all its obligations and meet all its liabilities under or in connection with the Shipbuilding Contract.

22.3 No variation, release etc. of Shipbuilding Contract and Warranty

Borrower G shall not, whether by a document, by conduct, by acquiescence or in any other way:

- (a) vary the Shipbuilding Contract in any material way without the consent of the Lender;
- (b) release, waive, suspend, subordinate or permit to be lost or impaired any interest or right of any kind which Borrower G has at any time to, in or in connection with the Warranty or in relation to any matter arising out of or in connection with the Warranty;

- (c) waive any person's breach of the Warranty; or
- (d) rescind or terminate the Shipbuilding Contract or treat itself as discharged or relieved from further performance of any of its obligations or liabilities under the Shipbuilding Contract.

22.4 Action to protect validity of Shipbuilding Contract

Borrower G shall use its reasonable endeavours to ensure that all interests and rights conferred by the Shipbuilding Contract remain valid and enforceable in all respects and retain the priority which they were intended to have.

22.5 No assignment etc. of Shipbuilding Contract

Save as permitted by the Finance Documents, Borrower G shall not assign, novate, transfer or dispose of any of its rights or obligations under the Shipbuilding Contract.

22.6 Provision of information relating to Shipbuilding Contract

Without prejudice to sub-paragraph (i) of paragraph (e) of Clause 19.5 (*Information: miscellaneous*) Borrower G shall:

- (a) immediately inform the Lender if any breach of the Shipbuilding Contract occurs or a serious risk of such a breach arises and of any other event or matter affecting the Shipbuilding Contract which has or is reasonably likely to have a Material Adverse Effect;
- (b) provide the Lender, promptly upon its request, with copies of all notices served on or by that Borrower in connection with the delivery of Ship G; and
- (c) provide the Lender with any information which it reasonably requests about any interest or right of any kind which Borrower G has at any time to, in or in connection with, the Shipbuilding Contract or in relation to any matter arising out of or in connection with the Shipbuilding Contract including the progress of the construction of Ship G.

23 SHIP UNDERTAKINGS

23.1 General

The undertakings in this Clause 23 (*Ship Undertakings*) remain in force on and from, in relation to Ship A, Ship B, Ship C, Ship D, Ship E and Ship F, the date of this Agreement and, in relation to Ship G, the Delivery Date and throughout the rest of the Security Period except as the Lender may otherwise permit.

23.2 Ships' names and registration

Each Borrower shall, in respect of the Ship owned by it:

- (a) keep that Ship registered in its name under the Approved Flag from time to time at its port of registration;
- (b) not do or allow to be done anything as a result of which such registration might be suspended, cancelled or imperilled;
- (c) not enter into any dual flagging arrangement in respect of that Ship; and

(d) not change the name of that Ship,

provided that any agreed change of name or flag of a Ship shall be subject to:

- (i) that Ship remaining subject to Security securing the Secured Liabilities created by a first priority or preferred ship mortgage on that Ship and, if appropriate, a first priority deed of covenant collateral to that mortgage (or equivalent first priority Security) on substantially the same terms as the Mortgage on that Ship and, if applicable, the related Deed of Covenant and on such other terms and in such other form as the Lender shall approve or require; and
- (ii) the execution of such other documentation amending and supplementing the Finance Documents as the Lender shall approve or require.

23.3 Repair and classification

Each Borrower shall keep the Ship owned by it in a good and safe condition and state of repair:

- (a) consistent with first class ship ownership and management practice; and
- (b) so as to maintain the Approved Classification free of overdue recommendations and conditions affecting that Ship's class.

23.4 Classification society undertaking

Each Borrower shall, in respect of the Ship owned by it, instruct the relevant Approved Classification Society:

- (a) to send to the Lender, following receipt of a written request from the Lender, certified true copies of all original class records held by the Approved Classification Society in relation to that Ship;
- (b) to allow the Lender (or its agents), at any time and from time to time, to inspect the original class and related records of that Borrower and that Ship at the offices of the Approved Classification Society and to take copies of them;
- (c) to notify the Lender immediately in writing if the Approved Classification Society:
 - (i) receives notification from that Borrower or any person that that Ship's Approved Classification Society is to be changed; or
 - (ii) becomes aware of any facts or matters which may result in or have resulted in a change, suspension, discontinuance, withdrawal or expiry of that Ship's class under the rules or terms and conditions of that Borrower or that Ship's membership of the Approved Classification Society;
- (d) following receipt of a written request from the Lender:
 - (i) to confirm that that Borrower is not in default of any of its contractual obligations or liabilities to the Approved Classification Society, including confirmation that it has paid in full all fees or other charges due and payable to the Approved Classification Society; or

- (ii) to confirm that that Borrower is in default of any of its contractual obligations or liabilities to the Approved Classification Society, to specify to the Lender in reasonable detail the facts and circumstances of such default, the consequences of such default, and any remedy period agreed or allowed by the Approved Classification Society.

23.5 Modifications

No Borrower shall make any modification or repairs to, or replacement of, any Ship or equipment installed on it which would or might materially alter the structure, type or performance characteristics of that Ship, unless such alteration is an improvement and the Lender receives written notification, or materially reduce its value.

23.6 Removal and installation of parts

- (a) Subject to paragraph (b) below, no Borrower shall remove any material part of any Ship, or any item of equipment installed on any Ship unless:
 - (i) the part or item so removed is forthwith replaced by a suitable part or item which is in the same condition as or better condition than the part or item removed;
 - (ii) the replacement part or item is free from any Security in favour of any person other than the Lender; and
 - (iii) the replacement part or item becomes, on installation on that Ship, the property of that Borrower and subject to the security constituted by the Mortgage on that Ship and, if applicable, the related Deed of Covenant.
- (b) A Borrower may install equipment owned by a third party if the equipment can be removed without any risk of damage to the Ship owned by that Borrower.

23.7 Surveys

Each Borrower shall submit the Ship owned by it regularly to all periodic or other surveys which may be required for classification purposes and, if so required by the Lender, provide the Lender, with copies of all survey reports.

23.8 Inspection

- (a) Each Borrower shall permit the Lender (acting through surveyors or other persons appointed by it for that purpose) to board the Ship owned by it at all reasonable times, but without interfering the operation of that Ship, to inspect its condition or to satisfy themselves about proposed or executed repairs and shall afford all proper facilities for such inspections, unless an Event of Default has occurred and is continuing in which case the Lender shall be entitled to carry out such inspection whether or not it interferes with the operation and trading of that Ship.
- (b) The cost of the inspection referred to in paragraph (a) above shall be borne by the Borrowers once per annum, unless an Event of Default has occurred, in which case the cost of all inspections while the Event of Default is continuing shall be borne by the Borrowers.

23.9 Prevention of and release from arrest

- (a) Each Borrower shall, in respect of the Ship owned by it, promptly discharge:

- (i) all liabilities which give or may give rise to maritime or possessory liens on or claims enforceable against that Ship, its Earnings or its Insurances;
 - (ii) all Taxes, dues and other amounts charged in respect of that Ship, its Earnings or its Insurances; and
 - (iii) all other outgoings whatsoever in respect of that Ship, its Earnings or its Insurances.
- (b) Each Borrower shall, immediately upon receiving notice of the arrest of the Ship owned by it or of its detention in exercise or purported exercise of any lien or claim, take all steps necessary to procure its release by providing bail or otherwise as the circumstances may require.

23.10 Compliance with laws etc.

Each Borrower shall:

- (a) comply, or procure compliance with all laws or regulations:
- (i) relating to its business generally; and
 - (ii) relating to the Ship owned by it, its ownership, employment, operation, management and registration, including, but not limited to:
 - (A) the ISM Code;
 - (B) the ISPS Code;
 - (C) all Environmental Laws;
 - (D) all Sanctions; and
 - (E) the laws of the Approved Flag; and
- (b) obtain, comply with and do all that is necessary to maintain in full force and effect any Environmental Approvals.

23.11 ISPS Code

Without limiting paragraph (a) of Clause 23.10 (*Compliance with laws etc.*), each Borrower shall:

- (a) procure that the Ship owned by it and the company responsible for that Ship's compliance with the ISPS Code comply with the ISPS Code;
- (b) maintain an ISSC for that Ship; and
- (c) notify the Lender immediately in writing of any actual or threatened withdrawal, suspension, cancellation or modification of the ISSC.

23.12 Sanctions and Ship trading

Without limiting Clause 23.10 (*Compliance with laws etc.*), each Borrower shall procure:

- (a) that the Ship owned by it shall not be used by or for the benefit of a Prohibited Party or in trading to or from a Sanctioned Country;
- (b) that the Ship owned by it shall not otherwise be used in any manner contrary to Sanctions, or in a manner that creates a risk that a Transaction Obligor will become a Prohibited Party or in any manner which would cause the Lender to be in breach of or made subject to Sanctions, or at material risk of being in breach of or made subject to Sanctions;
- (c) that the Ship owned by it shall not be used in trading in any manner that creates a material risk that such Ship will become a Sanctioned Ship;
- (d) that the Ship owned by it shall not be traded in any manner which would trigger the operation of any sanctions limitation or exclusion clause (or similar) in the Insurances; and
- (e) without prejudice to the above provisions of this Clause 23.12 (*Sanctions and Ship trading*), that each time charterparty in respect of the Ship owned by it shall contain, for the benefit of that Borrower, language which gives effect to the provisions of paragraph (a) of Clause 23.10 (*Compliance with laws etc.*) as regards Sanctions and paragraph (b) and (c) of this Clause 23.12 (*Sanctions and Ship trading*) and shall use all commercially reasonable endeavours to ensure such charterparty permits refusal of employment or voyage orders if such employment or compliance with such orders either results, or risks resulting in non-compliance with such provisions or breaches, or risks breaching (in the opinion of that Borrower) Sanctions.

23.13 Russian oil price cap

- (a) Each Borrower undertakes that it will at all times comply, and require compliance by:
 - (i) all charterers and sub-charterers of the Ship owned by it; and
 - (ii) all parties with whom a Borrower, a charterer or a sub-charterer enters into a contract of carriage in respect of the Ship owned by it,with the Russian Oil Price Cap Measures.
- (b) Without prejudice to the generality of paragraph (a) above, each Borrower undertakes that it will prior to the Ship owned by it commencing loading (including any ship-to-ship or similar transfer) of Russian Oil Products obtain:
 - (i) price information demonstrating that the Russian Oil Products were purchased at or below the applicable price cap; or
 - (ii) a signed attestation from its applicable counterparty that:
 - (A) the Russian Oil Products were purchased at or below the applicable price cap; or
 - (B) the purchase of the Russian Oil Products was pursuant to a licence or an exception granted by the relevant authority in each applicable jurisdiction.
- (c) Without prejudice to the generality of paragraph (a) above, each Borrower shall promptly, and in any event no later than 28 days after the Ship owned by it commencing loading (including any ship-to-ship or similar transfer) of Russian Oil Products provide to the Lender:

- (i) price information demonstrating that the Russian Oil Products were purchased at or below the applicable price cap; and/or
 - (ii) an attestation signed by an authorised signatory in such form as may be agreed by the Lender (acting reasonably) confirming that it has complied in all respects with the Russian Oil Price Cap Measures; and/or
 - (iii) Documentary evidence that the purchase of the Russian Oil Products was pursuant to a licence or an exception granted by the relevant authority in each applicable jurisdiction.
- (d) Without prejudice to the generality of paragraph (a) above, each Borrower undertakes to the lender in respect of the Ship owned by it that it will not carry Russian Oil Products unless the relevant charterparty includes for the benefit of that Borrower provisions requiring the charterer (i) to comply with the Russian Oil Price Cap Measures and to provide such information and documentation at such times as is necessary for that Borrower to comply with this Clause 23.13 (*Russian oil price cap*) and (ii) to procure that such provisions are incorporated into all sub-charters and any bills of lading, waybills or other documents evidencing contracts of carriage issued pursuant to the charterparty.
- (e) Each Borrower undertakes that it will:
- (i) provide the Lender with such information, and at such times, as it may require for the purposes of the Lender satisfying any record keeping obligations applicable to it under the Russian Oil Price Cap Measures;
 - (ii) within 30 days of any request provide the Lender with such other information in relation to compliance with the Russian Oil Price Cap Measures as the Lender may from time to time reasonably request including without limitation any information relating to ancillary costs as may be specified from time to time pursuant to the Russian Oil Price Cap Measures; and
 - (iii) comply with such further or additional requirements as the Lender may from time to time require in writing, acting reasonably, in response to changes to any of the Russian Oil Price Cap Measures, or the introduction of similar measures relating to Russian Oil Products, or changes to any guidance, application, interpretation or market practice in respect of the Russian Oil Price Cap Measures.

The obligations in this paragraph (d) are continuing and, in particular, shall survive and remain binding on each Borrower until all attestations and such other information as may be requested pursuant to this paragraph (e) have been received in satisfactory form by the Lender.

- (f) Each Borrower shall undertake appropriate due diligence on its counterparties to satisfy itself, based on the information available, of the reliability and accuracy of any information provided by such counterparties for the purposes of or relating to satisfying the requirements of paragraph (b) above.
- (g) Each Borrower agrees that the Lender may forward all attestations and other documents which that Borrower may from time to time deliver to the Lender pursuant to paragraphs (c) and (e) above to any applicable regulators or to any other party to which the Lender may be required to forward or disclose such attestations or other documents in accordance with the Russian Oil Price Cap Measures.

23.14 Trading in war zones or excluded areas

No Borrower shall cause or permit any Ship to enter or trade to any zone which is declared a war zone by any government or by that Ship's war risks insurers or which is otherwise excluded from the scope of coverage of the obligatory insurances unless:

- (a) the prior written consent of that Ship's war risk insurers has been given; or
- (b) that Borrower has (at its expense) effected any special, additional or modified insurance cover which the insurers require to ensure that that Ship remains properly insured in accordance with the Finance Documents (including, without limitation, any requirement for the payment of additional or extra insurance premia).

23.15 Provision of information

Without prejudice to sub-paragraph (i) of paragraph (e) of Clause 19.5 (*Information: miscellaneous*) each Borrower shall, in respect of the Ship owned by it, promptly provide the Lender with any information which it requests regarding:

- (a) that Ship, its employment, position and engagements;
- (b) the Earnings and payments and amounts due to its master and crew;
- (c) any expenditure incurred, or likely to be incurred, in connection with the operation, maintenance or repair of that Ship and any payments made by it in respect of that Ship;
- (d) any towages and salvages; and
- (e) its compliance, the Approved Manager's compliance and the compliance of that Ship with the ISM Code and the ISPS Code,

and, upon the Lender's request, promptly provide copies of any current Charter relating to that Ship, of any current guarantee of any such Charter, the Ship's Safety Management Certificate and any relevant Document of Compliance.

23.16 Notification of certain events

Each Borrower shall, in respect of the Ship owned by it, immediately notify the Lender by fax, confirmed forthwith by letter, of:

- (a) any casualty to that Ship which is or is likely to be or to become a Major Casualty;
- (b) any occurrence as a result of which that Ship has become or is, by the passing of time or otherwise, likely to become a Total Loss;
- (c) any requisition of that Ship for hire;
- (d) any requirement or recommendation made in relation to that Ship by any insurer or classification society or by any competent authority which is not immediately complied with;
- (e) any arrest or detention of that Ship or any exercise or purported exercise of any lien on that Ship or the Earnings;
- (f) any intended dry docking of that Ship;

- (g) any Environmental Claim made against that Borrower or in connection with that Ship, or any Environmental Incident;
- (h) any claim for breach of the ISM Code or the ISPS Code being made against that Borrower, an Approved Manager or otherwise in connection with that Ship;
- (i) any other matter, event or incident, actual or threatened, the effect of which will or could lead to the ISM Code or the ISPS Code not being complied with,
- (j) any notice, or such Borrower becoming aware, of any claim, action, suit, proceeding or investigation against any Transaction Obligor, any of its Subsidiaries or any of their respective directors, officers, employees or agents with respect to Sanctions; or
- (k) any circumstances which could give rise to a breach of any representation or undertaking in this Agreement, or any Event of Default, relating to Sanctions,

and each Borrower shall keep the Lender advised in writing on a regular basis and in such detail as the Lender shall require as to that Borrower's, any such Approved Manager's or any other person's response to any of those events or matters.

23.17 Restrictions on chartering, appointment of managers etc.

No Borrower shall, in relation to the Ship owned by it:

- (a) let that Ship on demise charter for any period;
- (b) enter into any time, voyage or consecutive voyage charter in respect of that Ship other than a Permitted Charter;
- (c) amend and/or supplement a Management Agreement in a way that would lead to an Event of Default or terminate a Management Agreement;
- (d) appoint a manager of that Ship other than an Approved Manager;
- (e) de activate or lay up that Ship; or
- (f) put that Ship into the possession of any person for the purpose of work being done upon it in an amount exceeding or likely to exceed \$500,000 (or the equivalent in any other currency) unless that person has first given to the Lender and in terms satisfactory to it a written undertaking not to exercise any lien on that Ship or its Earnings for the cost of such work or for any other reason.

23.18 Notice of Mortgage

Each Borrower shall keep the relevant Mortgage registered against the Ship owned by it as a valid first preferred or, as the case may be, priority mortgage, carry on board that Ship a certified copy of the relevant Mortgage and place and maintain in a conspicuous place in the navigation room and the master's cabin of that Ship a framed printed notice stating that that Ship is mortgaged by that Borrower to the Lender.

23.19 Sharing of Earnings

No Borrower shall enter into any agreement or arrangement for the sharing of any Earnings other than any profit-sharing arrangements on arm's length terms.

23.20 Inventory of Hazardous Materials

Each Borrower shall maintain an Inventory of Hazardous Materials in respect of the Ship owned by it.

23.21 Charter assignment

Without prejudice to application of paragraph (b) of Clause 23.17 (*Restrictions on chartering, appointment of managers etc.*), each Borrower will procure that the Lender is provided with:

- (a) a copy of any Charter which exceeds or is capable of exceeding 12 months in duration, together with any Charter Guarantee, upon the same being entered into and the relevant Borrower shall forthwith enter into a Charter Assignment in respect of such Charter and any Charter Guarantee and shall use commercially reasonable efforts to procure its acknowledgement by the relevant charterer and any charter guarantor in accordance with the terms of such Charter Assignment; or
- (b) a copy of any Charter which is a bareboat charter, upon the same being entered into and the relevant Borrower shall forthwith enter into a Charter Assignment and shall use commercially reasonable efforts to procure its acknowledgement by the relevant charterer in accordance with the terms of such Charter Assignment or, as the case may be, a tripartite assignment in respect of such Charter, including an assignment and subordination of the bareboat charterer's rights, title and interest in and to the Insurances in respect of the relevant Ship.

23.22 Notification of compliance

Each Borrower shall promptly provide the Lender from time to time with evidence (in such form as the Lender requires) that it is complying with this Clause 23 (*Ship Undertakings*).

24 SECURITY COVER

24.1 Minimum required security cover

Clause 24.2 (*Provision of additional security; prepayment*) applies if the Lender notifies the Borrowers that:

- (a) the aggregate Market Value of each Ship then subject to a Mortgage; plus
 - (b) the net realisable value of additional Security previously provided under this Clause 24 (*Security Cover*),
- is below 125 per cent. of the Loan.

24.2 Provision of additional security; prepayment

- (a) If the Lender serves a notice on the Borrowers under Clause 24.1 (*Minimum required security cover*), the Borrowers shall, on or before the date falling one Month after the date on which

the Lender's notice is served (the "**Prepayment Date**"), prepay such part of the Loan as shall eliminate the shortfall.

(b) A Borrower may, instead of making a prepayment as described in paragraph (a) above, provide, or ensure that a third party has provided, additional security which, in the opinion of the Lender:

(i) has a net realisable value at least equal to the shortfall; and

(ii) is documented in such terms as the Lender may approve or require,

before the Prepayment Date; and conditional upon such security being provided in such manner, it shall satisfy such prepayment obligation.

24.3 Value of additional vessel security

The net realisable value of any additional security which is provided under Clause 24.2 (*Provision of additional security; prepayment*) which constitutes a first preferred or first priority mortgage over a vessel shall be the Market Value of the vessel concerned.

24.4 Valuations binding

Any valuation under this Clause 24 (*Security Cover*) shall be binding and conclusive as regards each Borrower.

24.5 Provision of information

(a) Each Borrower shall promptly provide the Lender and any shipbroker acting under this Clause 24 (*Security Cover*) with any information which the Lender or the shipbroker may request for the purposes of the valuation.

(b) If a Borrower fails to provide the information referred to in paragraph (a) above by the date specified in the request, the valuation may be made on any basis and assumptions which the shipbroker or the Lender considers prudent.

24.6 Prepayment mechanism

Any prepayment pursuant to Clause 24.2 (*Provision of additional security; prepayment*) shall be made in accordance with the relevant provisions of Clause 7 (*Prepayment and Cancellation*) and shall be treated as a voluntary prepayment pursuant to Clause 7.3 (*Voluntary prepayment of Loan*).

24.7 Provision of valuations

(a) The Market Value of any Ship shall be determined by reference to a valuation of that Ship as given by Approved Valuers selected and appointed by the Borrowers and/or the Guarantor and addressed to the Lender or in the event that the Borrowers fail to do so appointed by the Lender.

(b) The Lender may, at its sole discretion, request a second valuation and the Market Value shall be the arithmetic average of the two valuations.

- (c) If the two valuations in respect of a Ship obtained pursuant to paragraphs (a) and (b) above differ by more than 15 per cent., then a third valuation for that Ship shall be obtained from a third Approved Valuer selected and appointed by the Lender and such valuation shall be addressed to the Lender and the Market Value of that Ship shall be the arithmetic average of all three such valuations.
- (d) The Lender shall be entitled, after each Utilisation Date, to test the security cover requirement under Clause 24.1 (*Minimum required security cover*) by reference to the Market Value of any Ship as determined in accordance with paragraphs (a) to (c) above, annually during the Security Period, commencing on 31 December 2024, and from time to time as the Lender may reasonably request.
- (e) Each of the valuations referred to in paragraphs (a) to (d) above shall be provided not more than 30 days before the financial statements of the Group are delivered pursuant to Clause 19.2 (*Financial statements*).
- (f) The Lender may at any time after an Event of Default has occurred and is continuing obtain valuations of any Ship and any other vessel over which additional security has been created in accordance with Clause 24.2 (*Provision of additional security; prepayment*) from Approved Valuers to enable the Lender to determine the Market Value of that Ship and any other vessel and also for the purpose of testing the security cover requirement under Clause 24.1 (*Minimum required security cover*).
- (g) The valuations referred to in paragraphs (a) to (d) above shall be obtained at the cost and expense of the Borrowers and the Borrowers shall within three Business Days of demand by the Lender pay to the Lender all costs and expenses incurred by it in obtaining any such valuation, unless an Event of Default has occurred or the covenant contained in Clause 24.1 (*Minimum required security cover*) is not complied with, in which case the cost of all valuations shall be borne by the Borrowers.

25 ACCOUNTS AND APPLICATION OF EARNINGS

25.1 Accounts

No Borrower may, without the prior consent of the Lender, maintain any bank account other than its Earnings Account and the Retention Account.

25.2 Payment of Earnings

Each Borrower shall ensure that subject only to the provisions of the General Assignment to which it is a party, all the Earnings in respect of the Ship owned by it are paid in to its Earnings Account; and

25.3 Monthly retentions

The Borrowers shall ensure that, in each calendar month after the first Utilisation Date, on such dates as the Lender may from time to time specify, there is transferred, and in any event authorise the Lender to transfer, to the Retention Account out of the aggregate Earnings received by the Borrowers in their respective Earnings Accounts during the preceding calendar month:

- (a) one-third of the amount of the Repayment Instalment falling due under Clause 6.1 (*Repayment of Loan*) on the next Repayment Date; and

(b)

(i) in relation to any Term Rate Loan, the relevant fraction of the aggregate amount of interest on the Loan which is payable under this Agreement in respect of any Interest Period then current; and

(ii) in relation to any Compounded Rate Loan:

(A) in respect of any calendar month in each Interest Period then current other than the last month, the relevant fraction of the Estimated Interest Amount; and

(B) in respect of the last calendar month in any Interest Period then current, the Reconciliation Interest Amount.

If in respect of an Interest Period of a Compounded Rate Loan the aggregate of all amounts previously transferred to the Retention Account under paragraph (b)(ii) above in respect of such Interest Period exceed the aggregate amount of interest which is payable on such Loan under Clause 9.2 (*Calculation of interest – Compounded Rate Loans*) in respect of that Interest Period, then any excess shall be retained in the Retention Account and shall reduce the amount of interest required to be transferred during the next Interest Period.

The "**relevant fraction**" is a fraction of which:

(i) the numerator is one; and

(ii) the denominator is:

(A) the number of months comprised in the relevant then current Interest Period; or

(B) if the period is shorter, the number of months from the later of the commencement of the relevant current Interest Period or the last due date for payment of interest on the Loan or the relevant part of the Loan to the next due date for payment of interest on the Loan or the relevant part of the Loan under this Agreement.

"**Estimated Interest Amount**" means, for any Interest Period, the amount of interest that would have been payable in respect of such Interest Period were interest to be calculated on the basis of Term SOFR plus the Margin rather than in accordance with Clause 9.2 (*Calculation of interest – Compounded Rate Loans*).

"**Reconciliation Interest Amount**" means, in respect of any Interest Period, the aggregate amount of interest on the Loan which is payable under this Agreement in respect of that Interest Period less the aggregate of all amounts previously transferred to the Retention Account in respect of that Interest Period as calculated by reference to the Estimated Interest Amount.

25.4 Shortfall in Earnings

(a) If the aggregate of the credit balance on each Earnings Account is insufficient in any calendar month for the required amount to be transferred to the Retention Account under Clause 25.3

(*Monthly retentions*), the Borrowers shall make up the amount of the insufficiency on demand from the Lender.

- (b) Without prejudicing the Lender's right to make such demand at any time, the Lender may permit the Borrowers to make up all or part of the insufficiency by increasing the amount of any transfer under Clause 25.3 (*Monthly retentions*) from the Earnings received in the next or subsequent calendar months.

25.5 Application of retentions

- (a) The Lender has sole signing rights in relation to the Retention Account.
- (b) Until an Event of Default occurs, the Lender shall, on each Repayment Date and on each Interest Payment Date, apply so much of the then balance on the Retention Account as equals:
- (i) any Repayment Instalment due on that date; and
 - (ii) the amount of interest payable on that Interest Payment Date,

in discharge of the Borrowers' liability for that Repayment Instalment or that interest as the case may be.

25.6 Interest accrued on Retention Account

Any credit balance on the Retention Account shall bear interest at the rate from time to time offered by the Account Bank to its customers for dollar deposits of similar amounts and for periods similar to those for which such balances appear to the Account Bank likely to remain on the Retention Account.

25.7 Release of accrued interest

Interest accruing under Clause 25.6 (*Interest accrued on Retention Account*) shall be credited to the Retention Account and, to the extent not applied previously pursuant to Clause 25.5 (*Application of retentions*), shall be released to the Borrowers at the end of the Security Period.

25.8 Location of Accounts

Each Borrower shall promptly:

- (a) comply with any requirement of the Lender as to the location or relocation of its Earnings Account and the Retention Account (or either of them); and
- (b) execute any documents which the Lender specifies to create or maintain in favour of the Lender Security over (and/or rights of set-off, consolidation or other rights in relation to) the Earnings Accounts and the Retention Account.

25.9 Restriction on withdrawal

During the Security Period, a Borrower may withdraw any sum from its Earnings Account, **provided that** no Event of Default has occurred and is continuing or would occur from such withdrawal.

25.10 Minimum Liquidity

The Borrowers or the Guarantor shall maintain in any non-pledged account of the Borrowers or the Guarantor held with the Account Bank, on and from the relevant Utilisation Date and at all times thereafter during the Security Period, a credit balance of not less than \$400,000 for each Ship subject to a Mortgage (the "**Minimum Liquidity**").

26 EVENTS OF DEFAULT

26.1 General

Each of the events or circumstances set out in this Clause 26 (*Events of Default*) is an Event of Default except for Clause 26.21 (*Acceleration*) and Clause 26.22 (*Enforcement of security*).

26.2 Non-payment

A Transaction Obligor does not pay on the due date any amount payable pursuant to a Finance Document at the place at and in the currency in which it is expressed to be payable unless:

- (a) its failure to pay is caused by:
 - (i) administrative or technical error; or
 - (ii) a Disruption Event; and
- (b) payment is made within three Business Days of its due date.

26.3 Specific obligations

A breach occurs of Clause 4.4 (*Waiver of conditions precedent*), Clause 10 (*financial covenants*) of the Guarantee, Clause 20.10 (*Title*), Clause 20.11 (*Negative pledge*), Clause 20.20 (*Unlawfulness, invalidity and ranking; Security imperilled*), Clause 21 (*Insurance Undertakings*), Clause 23.12 (*Sanctions and Ship trading*), Clause 23.13 (*Russian oil price cap*) or, save to the extent such breach is a failure to pay and therefore subject to Clause 26.2 (*Non-payment*), Clause 24 (*Security Cover*).

26.4 Other obligations

- (a) A Transaction Obligor does not comply with any provision of the Finance Documents (other than those referred to in Clause 26.2 (*Non-payment*) and Clause 26.3 (*Specific obligations*)).
- (b) No Event of Default under paragraph (a) above will occur if the failure to comply is capable of remedy and is remedied within 15 calendar days of the Lender giving notice to the Borrowers or (if earlier) any Transaction Obligor becoming aware of the failure to comply.

26.5 Misrepresentation

Any representation or statement made or deemed to be made by a Transaction Obligor in the Finance Documents or any other document delivered by or on behalf of any Transaction Obligor under or in connection with any Finance Document is or proves to have been incorrect or misleading in any material respect when made or deemed to be made.

26.6 Cross default

- (a) Any Financial Indebtedness of any Transaction Obligor (other than an Approved Manager) is not paid when due nor within any originally applicable grace period.
- (b) Any Financial Indebtedness of any Transaction Obligor (other than an Approved Manager) is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described).
- (c) Any creditor of any Transaction Obligor (other than an Approved Manager) becomes entitled to declare any Financial Indebtedness of any Transaction Obligor due and payable prior to its specified maturity as a result of an event of default (however described).
- (d) No Event of Default will occur under this Clause 26.6 (*Cross default*) in respect of the Guarantor if the aggregate amount of Financial Indebtedness or commitment for Financial Indebtedness falling within paragraphs (a) to (c) above is less than \$15,000,000 (or its equivalent in any other currency) and relates to any Financial Indebtedness of the Borrowers and/or the Guarantor and/or any Subsidiaries of the Guarantor with any creditor other than the Lender.

26.7 Insolvency

- (a) A Transaction Obligor (other than an Approved Manager):
 - (i) is unable or admits inability to pay its debts as they fall due; or
 - (ii) is deemed to, or is declared to, be unable to pay its debts under applicable law.
- (b) A moratorium is declared in respect of any indebtedness of any Transaction Obligor (other than an Approved Manager). If a moratorium occurs, the ending of the moratorium will not remedy any Event of Default caused by that moratorium.

26.8 Insolvency proceedings

- (a) Any corporate action, legal proceedings or other procedure or step is taken in relation to:
 - (i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of any Transaction Obligor (other than an Approved Manager);
 - (ii) a composition, compromise, assignment or arrangement with any creditor of any Transaction Obligor (other than an Approved Manager);
 - (iii) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of any Transaction Obligor (other than an Approved Manager) or any of its assets; or
 - (iv) enforcement of any Security over any assets of any Transaction Obligor (other than an Approved Manager),or any analogous procedure or step is taken in any jurisdiction.

- (b) Paragraph (a) 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.

26.9 Creditors' process

Any expropriation, attachment, sequestration, distress or execution (or any analogous process in any jurisdiction) affects any asset or assets of a Transaction Obligor (other than an Approved Manager) having an aggregate value of \$5,000,000 (other than an arrest or detention of a Ship referred to in Clause 26.15 (*Arrest*)) and is not discharged within 14 days.

26.10 Ownership of the Borrowers

A Borrower is not or ceases to be a 100% indirectly owned Subsidiary of the Guarantor.

26.11 Change of control

- (a) A Change of Control occurs.

- (b) In this Clause 26.11 (*Change of control*):

"**Change of Control**" means a change which results in:

- (a) Mrs. Angeliki Frangou and her direct descendants (either directly or indirectly) (through entities owned and controlled by her or trusts or foundations of which she is a beneficiary) or any of their Affiliates ceasing to be the owner of, or having ultimate control of the voting rights attaching to more than five per cent. of all the units (including for the avoidance of doubt both general partner units and common units) in the Guarantor; or
- (b) Mrs. Angeliki Frangou and her direct descendants (either directly or indirectly) (through entities owned and controlled by her or trusts or foundations of which she is a beneficiary) or any of their Affiliates, ceasing to be the owner of, or having ultimate control of the voting rights attaching to all the issued shares in the general partner of the Guarantor, which is currently Olympos Maritime Ltd; or
- (c) Mrs. Angeliki Frangou ceasing to act as chairwoman or chief executive officer of the Guarantor and Olympos Maritime Ltd ceasing to be the general partner of the Guarantor; or
- (d) the Guarantor ceasing to be the owner of, directly or indirectly, the issued shares in each Borrower; or
- (e) Mrs. Angeliki Frangou (and/or her immediate family) ceases to have direct and/or indirect involvement in the management of the Ships and/or the Guarantor.

26.12 Unlawfulness, invalidity and ranking

- (a) It is or becomes unlawful for a Transaction Obligor to perform any of its obligations under the Finance Documents.
- (b) Any obligation of a Transaction Obligor under the Finance Documents is not or ceases to be legal, valid, binding or enforceable if that cessation individually or together with any other

cessations materially or adversely affects the interests of the Lender under the Finance Documents.

- (c) Any Finance Document ceases to be in full force and effect or to be continuing or is or purports to be determined or any Transaction Security is alleged by a party to it (other than the Lender) to be ineffective.
- (d) Any Transaction Security proves to have ranked after, or loses its priority to, any other Security.

26.13 Security imperilled

Any Security created or intended to be created by a Finance Document is in any way imperilled or in jeopardy.

26.14 Cessation of business

Any Transaction Obligor suspends or ceases to carry on (or threatens to suspend or cease to carry on) all or a material part of its business.

26.15 Arrest

Any arrest of a Ship or its detention in the exercise or the purported exercise of any lien or claim unless it is redelivered to the full control of the relevant Borrower within 30 days of such arrest or detention.

26.16 Expropriation

The authority or ability of any member of the Group to conduct its business is limited or wholly or substantially curtailed by any seizure, expropriation, nationalisation, intervention, restriction or other action by or on behalf of any governmental, regulatory or other authority or other person in relation to any member of the Group or any of its assets other than:

- (a) an arrest or detention of a Ship referred to in Clause 26.15 (*Arrest*); or
- (b) any Requisition.

26.17 Repudiation and rescission of agreements

A Transaction Obligor (or any other relevant party) rescinds or purports to rescind or repudiates or purports to repudiate a Finance Document or any of the Transaction Security or evidences an intention to rescind or repudiate a Finance Document or any Transaction Security or a Finance Document or any of the Transaction Security otherwise ceases to remain in full force and effect for any reason.

26.18 Litigation

Any litigation, arbitration or administrative proceedings or investigations of, or before, any court, arbitral body or agency are started or threatened, or any judgment or order of a court, arbitral body or agency is made, in relation to any of the Finance Documents or the transactions contemplated in any of the Finance Documents or against any member of the Group or its assets which has or is reasonably likely to have a Material Adverse Effect.

26.19 Sanctions

- (a) Any Transaction Obligor or any of their respective Subsidiaries, directors, officers, employees or agents is designated a Prohibited Party or a Ship is designated a Sanctioned Ship.
- (b) This Clause 26.19 (*Sanctions*) is without prejudice to any other Event of Default which may occur by reason of breach of, or non-compliance with, any of the other provisions of this Agreement which relate to Sanctions.

26.20 Material adverse change

Any event or circumstance occurs which has or is reasonably likely to have a Material Adverse Effect.

26.21 Acceleration

On and at any time after the occurrence of an Event of Default which is continuing the Lender may by notice to the Borrowers:

- (a) cancel the Commitment, whereupon it shall immediately be cancelled;
- (b) declare that all or part of the Loan, together with accrued interest, and all other amounts accrued or outstanding under the Finance Documents be immediately due and payable, whereupon it shall become immediately due and payable; and/or
- (c) declare that all or part of the Loan be payable on demand, whereupon it shall immediately become payable on demand by the Lender,

and the Lender may serve notices under paragraphs (a), (b) and (c) above simultaneously or on different dates and the Lender may take any action referred to in Clause 26.22 (*Enforcement of security*) if no such notice is served or simultaneously with or at any time after the service of any of such notice.

26.22 Enforcement of security

On and at any time after the occurrence of an Event of Default which is continuing the Lender may take any action which, as a result of the Event of Default or any notice served under Clause 26.21 (*Acceleration*), the Lender is entitled to take under any Finance Document or any applicable law or regulation.

SECTION 9

CHANGES TO THE PARTIES

27 CHANGES TO THE LENDER

27.1 Assignment by the Lender

Subject to this Clause 27 (*Changes to the Lender*), the Lender (the "**Existing Lender**") may assign all or part of its rights under the Finance Documents to another bank or financial institution or to a trust, fund or other entity which is regularly engaged in or established for the purpose of making, purchasing or investing in loans, securities or other financial assets (the "**New Lender**").

27.2 Conditions of assignment

- (a) The consent of the Borrowers is required for an assignment by the Existing Lender, unless the assignment is:
- (i) to an Affiliate of the Existing Lender;
 - (ii) if the Existing Lender is a fund, to a fund which is a Related Fund; or
 - (iii) made at a time when an Event of Default is continuing.
- (b) The consent of the Borrowers to an assignment must not be unreasonably withheld. Each Borrower will be deemed to have given its consent 15 Business Days after the Existing Lender has requested it unless consent is expressly refused by that Borrower within that time.
- (c) If:
- (i) the Existing Lender assigns any of its rights or obligations under the Finance Documents or changes its Facility Office; and
 - (ii) as a result of circumstances existing at the date the assignment or change occurs, a Transaction Obligor would be obliged to make a payment to the New Lender or the Existing Lender acting through its new Facility Office under Clause 13 (*Tax Gross Up and Indemnities*) or under that Clause as incorporated by reference or in full in any other Finance Document or Clause 14 (*Increased Costs*),
- then the New Lender or the Existing Lender acting through its new Facility Office is only entitled to receive payment under those Clauses to the same extent as the Existing Lender would have been if the assignment or change had not occurred.
- (d) Each Borrower on behalf of itself and each Transaction Obligor agrees that all rights and interests (present, future or contingent) which the Existing Lender has under or by virtue of the Finance Documents are assigned to the New Lender absolutely, free of any defects in the Existing Lender's title and of any rights or equities which any Borrower or any other Transaction Obligor had against the Existing Lender.

27.3 Security over Lender's rights

In addition to the other rights provided to the Lender under this Clause 27 (*Changes to the Lender*), the Lender may without consulting with or obtaining consent from any Transaction Obligor, at any time charge, assign or otherwise create Security in or over (whether by way of collateral or otherwise) all or any of its rights under any Finance Document to secure obligations of the Lender including, without limitation:

- (a) any charge, assignment or other Security to secure obligations to a federal reserve or central bank; and
- (b) if the Lender is a fund, any charge, assignment or other Security granted to any holders (or trustee or representatives of holders) of obligations owed, or securities issued, by the Lender as security for those obligations or securities, except that no such charge, assignment or Security shall:
 - (i) release the Lender from any of its obligations under the Finance Documents or substitute the beneficiary of the relevant charge, assignment or Security for the Lender as a party to any of the Finance Documents; or
 - (ii) require any payments to be made by a Transaction Obligor other than or in excess of, or grant to any person any more extensive rights than, those required to be made or granted to the Lender under the Finance Documents.

28 CHANGES TO THE TRANSACTION OBLIGORS

28.1 Assignment or transfer by Transaction Obligors

No Transaction Obligor may assign any of its rights or transfer any of its rights or obligations under the Finance Documents.

SECTION 10

ADMINISTRATION

29 PAYMENT MECHANICS

29.1 Payments to the Lender

- (a) On each date on which a Transaction Obligor is required to make a payment under a Finance Document, that Transaction Obligor shall make an amount equal to such payment available to the Lender (unless a contrary indication appears in a Finance Document) for value on the due date at the time and in such funds specified by the Lender as being customary at the time for settlement of transactions in the relevant currency in the place of payment.
- (b) Payment shall be made to such account in the principal financial centre of the country of that currency (or, in relation to euro, in a principal financial centre in such Participating Member State or London, as specified by the Lender) and with such bank as the Lender, in each case, specifies.

29.2 Application of receipts; partial payments

- (a) If the Lender receives a payment that is insufficient to discharge all the amounts then due and payable by a Transaction Obligor under the Finance Documents, the Lender may apply that payment towards the obligations of that Transaction Obligor under the Finance Documents in any manner it may decide.
- (b) Paragraph (a) above will override any appropriation made by a Transaction Obligor.

29.3 No set-off by Transaction Obligors

All payments to be made by a Transaction Obligor under the Finance Documents shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

29.4 Business Days

- (a) Any payment under the Finance Documents which is due to be made on a day that is not a Business Day shall be made on the next Business Day in the same calendar month (if there is one) or the preceding Business Day (if there is not).
- (b) During any extension of the due date for payment of any principal or an Unpaid Sum under this Agreement interest is payable on the principal or Unpaid Sum at the rate payable on the original due date.

29.5 Currency of account

- (a) Subject to paragraphs (b) and (c) below, dollars is the currency of account and payment for any sum due from a Transaction Obligor under any Finance Document.
- (b) Each payment in respect of costs, expenses or Taxes shall be made in the currency in which the costs, expenses or Taxes are incurred.

- (c) Any amount expressed to be payable in a currency other than dollars shall be paid in that other currency.

29.6 Change of currency

- (a) Unless otherwise prohibited by law, if more than one currency or currency unit are at the same time recognised by the central bank of any country as the lawful currency of that country, then:
- (i) any reference in the Finance Documents to, and any obligations arising under the Finance Documents in, the currency of that country shall be translated into, or paid in, the currency or currency unit of that country designated by the Lender (after consultation with the Borrowers); and
 - (ii) any translation from one currency or currency unit to another shall be at the official rate of exchange recognised by the central bank for the conversion of that currency or currency unit into the other, rounded up or down by the Lender (acting reasonably).
- (b) If a change in any currency of a country occurs, this Agreement will, to the extent the Lender (acting reasonably and after consultation with the Borrowers) specifies 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.

29.7 Currency conversion

The obligations of any Transaction Obligor to pay in the due currency shall only be satisfied to the extent of the amount of the due currency purchased after deducting the costs of conversion.

29.8 Disruption to Payment Systems etc.

If either the Lender determines (in its discretion) that a Disruption Event has occurred or the Lender is notified by a Borrower that a Disruption Event has occurred:

- (a) the Lender may, and shall if requested to do so by a Borrower, consult with the Borrowers with a view to agreeing with the Borrowers such changes to the operation or administration of the Facility as the Lender may deem necessary in the circumstances;
- (b) the Lender shall not be obliged to consult with the Borrowers in relation to any changes mentioned in paragraph (a) above if, in its opinion, it is not practicable to do so in the circumstances and, in any event, shall have no obligation to agree to such changes;
- (c) any such changes agreed upon by the Lender and the Borrowers shall (whether or not it is finally determined that a Disruption Event has occurred) be binding upon the Parties and any Transaction Obligors as an amendment to (or, as the case may be, waiver of) the terms of the Finance Documents;
- (d) the Lender shall not be liable for any damages, costs or losses to any person, any diminution in value or any liability whatsoever (including, without limitation for negligence, gross negligence or any other category of liability whatsoever but not including any claim based on the fraud of the Lender) arising as a result of its taking, or failing to take, any actions pursuant to or in connection with this Clause 29.8 (*Disruption to Payment Systems etc.*).

30 SET-OFF

The Lender may set off any matured obligation due from a Transaction Obligor under the Finance Documents (to the extent beneficially owned by the Lender) against any matured obligation owed by the Lender to that Transaction Obligor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Lender may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

31 CONDUCT OF BUSINESS BY THE LENDER

No provision of this Agreement will:

- (a) interfere with the right of the Lender to arrange its affairs (tax or otherwise) in whatever manner it thinks fit;
- (b) oblige the Lender to investigate or claim any credit, relief, remission or repayment available to it or the extent, order and manner of any claim; or
- (c) oblige the Lender to disclose any information relating to its affairs (tax or otherwise) or any computations in respect of Tax.

32 BAIL-IN

Notwithstanding any other term of any Finance Document or any other agreement, arrangement or understanding between the parties to a Finance Document, each Party acknowledges and accepts that any liability of any party to a Finance Document under or in connection with the Finance Documents may be subject to Bail-In Action by the relevant Resolution Authority and acknowledges and accepts to be bound by the effect of:

- (a) any Bail-In Action in relation to any such liability, including (without limitation):
 - (i) a reduction, in full or in part, in the principal amount, or outstanding amount due (including any accrued but unpaid interest) in respect of any such liability;
 - (ii) a conversion of all, or part of, any such liability into shares or other instruments of ownership that may be issued to, or conferred on, it; and
 - (iii) a cancellation of any such liability; and
- (b) a variation of any term of any Finance Document to the extent necessary to give effect to any Bail-In Action in relation to any such liability.

33 NOTICES

33.1 Communications in writing

Any communication to be made under or in connection with the Finance Documents shall be made in writing and, unless otherwise stated, may be made by fax or letter.

33.2 Addresses

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with the Finance Documents are:

- (a) in the case of the Borrowers, that specified in Schedule 1 (*The Parties*); and
- (b) in the case of any other Borrower or the Lender, that specified in Schedule 1 (*The Parties*) or, if it becomes a Party after the date of this Agreement, that notified in writing to the Lender on or before the date on which it becomes a Party;

or any substitute address, fax number or department or officer as a Borrower may notify to the Lender (or the Lender may notify to the other Parties, if a change is made by the Lender) by not less than five Business Days' notice.

33.3 Delivery

- (a) Any communication or document made or delivered by one person to another under or in connection with the Finance Documents will only be effective:

- (i) if by way of fax, when received in legible form; or
- (ii) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under Clause 33.2 (*Addresses*), if addressed to that department or officer.

- (b) Any communication or document to be made or delivered to the Lender will be effective only when actually received by it and then only if it is expressly marked for the attention of the department or officer of the Lender specified in Schedule 1 (*The Parties*) (or any substitute department or officer as the Lender shall specify for this purpose).
- (c) Any communication or document made or delivered to the Borrowers in accordance with this Clause will be deemed to have been made or delivered to each of the Transaction Obligors.
- (d) Any communication or document which becomes effective, in accordance with paragraphs (a) to (c) above, after 5.00 p.m. in the place of receipt shall be deemed only to become effective on the following day.

33.4 Electronic communication

- (a) Any communication to be made or document to be delivered by one Party to another under or in connection with the Finance Documents may be made or delivered by electronic mail or other electronic means (including, without limitation, by way of posting to a secure website) if those two Parties:

- (i) notify each other in writing of their electronic mail address and/or any other information required to enable the transmission of information by that means; and

- (ii) notify each other of any change to their address or any other such information supplied by them by not less than five Business Days' notice.
- (b) Any such electronic communication or delivery as specified in paragraph (a) above to be made between a Borrower and the Lender may only be made in that way to the extent that those two Parties agree that, unless and until notified to the contrary, this is to be an accepted form of communication or delivery.
- (c) Any such electronic communication or document as specified in paragraph (a) above made or delivered by one Party to another will be effective only when actually received (or made available) in readable form and in the case of any electronic communication or document made or delivered by a Party to the Lender only if it is addressed in such a manner as the Lender shall specify for this purpose.
- (d) Any electronic communication or document which becomes effective, in accordance with paragraph (c) above, after 5.00 p.m. in the place in which the Party to whom the relevant communication or document is sent or made available has its address for the purpose of this Agreement shall be deemed only to become effective on the following day.
- (e) Any reference in a Finance Document to a communication being sent or received or a document being delivered shall be construed to include that communication or document being made available in accordance with this Clause 33.4 (*Electronic communication*).

33.5 English language

- (a) Any notice given under or in connection with any Finance Document must be in English.
- (b) All other documents provided under or in connection with any Finance Document must be:
 - (i) in English; or
 - (ii) if not in English, and if so required by the Lender, accompanied by a certified English translation prepared by a translator approved by the Lender and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

34 CALCULATIONS AND CERTIFICATES

34.1 Accounts

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

34.2 Certificates and determinations

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

34.3 Day count convention and interest calculation

- (a) Any interest, commission or fee accruing under a Finance Document will accrue from day to day and the amount of any such interest, commission or fee is calculated:
 - (i) on the basis of the actual number of days elapsed and a year of 360 days or, in any case where the practice in the Relevant Market differs, in accordance with that market practice; and
 - (ii) subject to paragraph (b) below, without rounding.
- (b) The aggregate amount of any accrued interest, commission or fee which is, or becomes, payable by a Borrower under a Finance Document shall be rounded to 2 decimal places.

35 PARTIAL INVALIDITY

If, at any time, any provision of a Finance Document is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions under the law of that jurisdiction nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

36 REMEDIES AND WAIVERS

- (a) No failure to exercise, nor any delay in exercising, on the part of the Lender or any Receiver or Delegate, any right or remedy under a Finance Document shall operate as a waiver of any such right or remedy or constitute an election to affirm any Finance Document. No election to affirm any Finance Document on the part of the Lender or any Receiver or Delegate shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in each Finance Document are cumulative and not exclusive of any rights or remedies provided by law.
- (b) No variation or amendment of a Finance Document shall be valid unless in writing and signed by the Lender.

37 ENTIRE AGREEMENT

- (a) This Agreement, in conjunction with the other Finance Documents, constitutes the entire agreement between the Parties and supersedes all previous agreements, understandings and arrangements between them, whether in writing or oral, in respect of its subject matter.
- (b) Each Borrower acknowledges that it has not entered into this Agreement or any other Finance Document in reliance on, and shall have no remedies in respect of, any representation or warranty that is not expressly set out in this Agreement or in any other Finance Document.

38 SETTLEMENT OR DISCHARGE CONDITIONAL

Any settlement or discharge under any Finance Document between the Lender and any Transaction Obligor shall be conditional upon no security or payment to the Lender by any Transaction Obligor or any other person being set aside, adjusted or ordered to be repaid, whether under any insolvency law or otherwise.

39 IRREVOCABLE PAYMENT

If the Lender considers that an amount paid or discharged by, or on behalf of, a Transaction Obligor or by any other person in purported payment or discharge of an obligation of that Transaction Obligor to the Lender under the Finance Documents is capable of being avoided or otherwise set aside on the liquidation or administration of that Transaction Obligor or otherwise, then that amount shall not be considered to have been unconditionally and irrevocably paid or discharged for the purposes of the Finance Documents.

40 AMENDMENTS

40.1 Changes to reference rates

- (a) If a Published Rate Replacement Event has occurred in relation to any Published Rate, any amendment or waiver which relates to:
- (i) providing for the use of a Replacement Reference Rate in place of that Published Rate; and
 - (ii)
 - (A) aligning any provision of any Finance Document to the use of that Replacement Reference Rate;
 - (B) enabling that Replacement Reference Rate to be used for the calculation of interest under this Agreement (including, without limitation, any consequential changes required to enable that Replacement Reference Rate to be used for the purposes of this Agreement);
 - (C) implementing market conventions applicable to that Replacement Reference Rate;
 - (D) providing for appropriate fallback (and market disruption) provisions for that Replacement Reference Rate; or
 - (E) adjusting the pricing to reduce or eliminate, to the extent reasonably practicable, any transfer of economic value from one Party to another as a result of the application of that Replacement Reference Rate (and if any adjustment or method for calculating any adjustment has been formally designated, nominated or recommended by the Relevant Nominating Body, the adjustment shall be determined on the basis of that designation, nomination or recommendation),
- may be made with the consent of the Lender and the Borrowers.
- (b) An amendment or waiver that relates to, or has the effect of, aligning the means of calculation of interest on a Compounded Rate Loan under this Agreement to any recommendation of a Relevant Nominating Body, which:
- (i) relates to the use of the RFR on a compounded basis in the international or any relevant domestic syndicated loan markets; and
 - (ii) is issued on or after the date of this Agreement,

may be made with the consent of the Lender and the Borrowers.

(c) In this Clause 40.1 (*Changes to reference rates*):

"Published Rate" means:

- (a) the RFR; or
- (b) Term SOFR for any Quoted Tenor.

"Published Rate Contingency Period" means, in relation to:

- (a) Term SOFR (all Quoted Tenors), ten RFR Banking Days; and
- (b) RFR, ten RFR Banking Days.

"Published Rate Replacement Event" means, in relation to a Published Rate:

- (a) the methodology, formula or other means of determining that Published Rate has, in the opinion of the Lender and the Borrowers materially changed;

(b)

(i)

(A) the administrator of that Published Rate or its supervisor publicly announces that such administrator is insolvent; or

(B) information is published in any order, decree, notice, petition or filing, however described, of or filed with a court, tribunal, exchange, regulatory authority or similar administrative, regulatory or judicial body which reasonably confirms that the administrator of that Published Rate is insolvent,

provided that, in each case, at that time, there is no successor administrator to continue to provide that Published Rate;

(ii) the administrator of that Published Rate publicly announces that it has ceased or will cease to provide that Published Rate permanently or indefinitely and, at that time, there is no successor administrator to continue to provide that Published Rate;

(iii) the supervisor of the administrator of that Published Rate publicly announces that such Published Rate has been or will be permanently or indefinitely discontinued; or

(iv) the administrator of that Published Rate or its supervisor announces that that Published Rate may no longer be used; or

(c) the administrator of that Published Rate (or the administrator of an interest rate which is a constituent element of that Published Rate) determines that that Published Rate should be calculated in accordance with its reduced submissions or other contingency or fallback policies or arrangements and either:

- (i) the circumstance(s) or event(s) leading to such determination are not (in the opinion of the Lender and the Borrowers) temporary; or
 - (ii) that Published Rate is calculated in accordance with any such policy or arrangement for a period no less than the applicable Published Rate Contingency Period; or
- (d) in the opinion of the Lender and the Borrowers, that Published Rate is otherwise no longer appropriate for the purposes of calculating interest under this Agreement.

"Relevant Nominating Body" means any applicable central bank, regulator or other supervisory authority or a group of them, or any working group or committee sponsored or chaired by, or constituted at the request of, any of them or the Financial Stability Board.

"Replacement Reference Rate" means a reference rate which is:

- (a) formally designated, nominated or recommended as the replacement for a Published Rate by:
 - (i) the administrator of that Published Rate (provided that the market or economic reality that such reference rate measures is the same as that measured by that Published Rate); or
 - (ii) any Relevant Nominating Body,and if replacements have, at the relevant time, been formally designated, nominated or recommended under both paragraphs, the **"Replacement Reference Rate"** will be the replacement under paragraph (ii) above;
- (b) in the opinion of the Lender and the Borrowers, generally accepted in the international or any relevant syndicated domestic loan markets as the appropriate successor or alternative to a Published Rate; or
- (c) in the opinion of the Lender and the Borrowers, an appropriate successor or alternative to a Published Rate.

40.2 Borrower Intent

Without prejudice to the generality of Clauses 1.2 (*Construction*) and 17.2 (*Waiver of defences*), each Borrower expressly confirms that it intends that any guarantee contained in any Finance Document and any Security created by any Finance Document shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following: business acquisitions of any nature; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

41 CONFIDENTIAL INFORMATION

41.1 Confidentiality

The Lender agrees to keep all Confidential Information confidential and not to disclose it to anyone, save to the extent permitted by Clause 41.2 (*Disclosure of Confidential Information*) and to ensure that all Confidential Information is protected with security measures and a degree of care that would apply to its own confidential information.

41.2 Disclosure of Confidential Information

The Lender may disclose:

- (a) to any of its Affiliates and Related Funds and any of its or their officers, directors, employees, professional advisers, auditors, insurers, insurance advisors, insurance brokers, partners and Representatives such Confidential Information as the Lender shall consider appropriate if any person to whom the Confidential Information is to be given pursuant to this paragraph (a) is informed in writing of its confidential nature and that some or all of such Confidential Information may be price-sensitive information except that there shall be no such requirement to so inform if the recipient is subject to professional obligations to maintain the confidentiality of the information or is otherwise bound by requirements of confidentiality in relation to the Confidential Information;
- (b) to any person:
 - (i) to (or through) whom it assigns (or may potentially assign) all or any of its rights and/or obligations under one or more Finance Documents and, in each case, to any of that person's Affiliates, Related Funds, Representatives and professional advisers;
 - (ii) with (or through) whom it enters into (or may potentially enter into), whether directly or indirectly, any sub-participation in relation to, or any other transaction under which payments are to be made or may be made by reference to, one or more Finance Documents and/or one or more Transaction Obligors and to any of that person's Affiliates, Related Funds, Representatives and professional advisers;
 - (iii) appointed by the Lender or by a person to whom sub-paragraph (i) or (ii) of paragraph (b) above applies to receive communications, notices, information or documents delivered pursuant to the Finance Documents on its behalf;
 - (iv) who invests in or otherwise finances (or may potentially invest in or otherwise finance), directly or indirectly, any transaction referred to in sub-paragraph (i) or (ii) of paragraph (b) above;
 - (v) to whom information is required or requested to be disclosed by any court of competent jurisdiction or any governmental, banking, taxation or other regulatory authority or similar body, the rules of any relevant stock exchange or pursuant to any applicable law or regulation;
 - (vi) to whom information is required to be disclosed in connection with, and for the purposes of, any litigation, arbitrations, administrative or other investigations, proceedings or disputes;

- (vii) to whom or for whose benefit the Lender charges, assigns or otherwise creates Security (or may do so) pursuant to Clause 27.3 (*Security over Lender's rights*);
- (viii) who is a Party, a member of the Group or any related entity of a Transaction Obligor;
- (ix) as a result of the registration of any Finance Document as contemplated by any Finance Document or any legal opinion obtained in connection with any Finance Document; or
- (x) with the consent of the Guarantor;

in each case, such Confidential Information as the Lender shall consider appropriate if:

- (A) in relation to sub-paragraphs (i), (ii) and (iii) of paragraph (b) above, the person to whom the Confidential Information is to be given has entered into a Confidentiality Undertaking except that there shall be no requirement for a Confidentiality Undertaking if the recipient is a professional adviser and is subject to professional obligations to maintain the confidentiality of the Confidential Information;
 - (B) in relation to sub-paragraph (iv) of paragraph (b) above, the person to whom the Confidential Information is to be given has entered into a Confidentiality Undertaking or is otherwise bound by requirements of confidentiality in relation to the Confidential Information they receive and is informed that some or all of such Confidential Information may be price-sensitive information;
 - (C) in relation to sub-paragraphs (v), (vi) and (vii) of paragraph (b) above, the person to whom the Confidential Information is to be given is informed of its confidential nature and that some or all of such Confidential Information may be price-sensitive information except that there shall be no requirement to so inform if, in the opinion of the Lender, it is not practicable so to do in the circumstances;
- (c) to any person appointed by the Lender or by a person to whom sub-paragraph (i) or (ii) of paragraph (b) above applies to provide administration or settlement services in respect of one or more of the Finance Documents including without limitation, in relation to the trading of participations in respect of the Finance Documents, such Confidential Information as may be required to be disclosed to enable such service provider to provide any of the services referred to in this paragraph (c) if the service provider to whom the Confidential Information is to be given has entered into a confidentiality agreement substantially in the form of the LMA Master Confidentiality Undertaking for Use With Administration/Settlement Service Providers or such other form of confidentiality undertaking agreed between the Borrowers and the Lender;
 - (d) to any rating agency (including its professional advisers) such Confidential Information as may be required to be disclosed to enable such rating agency to carry out its normal rating activities in relation to the Finance Documents and/or the Transaction Obligors if the rating agency to whom the Confidential Information is to be given is informed of its confidential nature and that some or all of such Confidential Information may be price-sensitive information.

41.3 DAC6

Nothing in any Finance Document shall prevent disclosure of any Confidential Information or other matter to the extent that preventing that disclosure would otherwise cause any transaction contemplated by the Finance Documents or any transaction carried out in

connection with any transaction contemplated by the Finance Documents to become an arrangement described in Part II A 1 of Annex IV of Directive 2011/16/EU.

41.4 Entire agreement

This Clause 41 (*Confidential Information*) constitutes the entire agreement between the Parties in relation to the obligations of the Lender under the Finance Documents regarding Confidential Information and supersedes any previous agreement, whether express or implied, regarding Confidential Information.

41.5 Inside information

The Lender acknowledges that some or all of the Confidential Information is or may be price-sensitive information and that the use of such information may be regulated or prohibited by applicable legislation including securities law relating to insider dealing and market abuse and the Lender undertakes not to use any Confidential Information for any unlawful purpose.

41.6 Notification of disclosure

The Lender agrees (to the extent permitted by law and regulation) to inform the Borrowers:

- (a) of the circumstances of any disclosure of Confidential Information made pursuant to sub-paragraph (v) of paragraph (b) of Clause 41.2 (*Disclosure of Confidential Information*) except where such disclosure is made to any of the persons referred to in that paragraph during the ordinary course of its supervisory or regulatory function;
- (b) upon becoming aware that Confidential Information has been disclosed in breach of this Clause 41 (*Confidential Information*); and
- (c) in respect of any publicity regarding the Facility or any of the terms thereof which shall be agreed in advance by the Guarantor and the Lender unless otherwise required in connection with the Guarantor's reporting obligations under or in connection with the rules and regulations of the US Securities and Exchange Commission and any US stock exchange applicable to the Guarantor.

41.7 Continuing obligations

The obligations in this Clause 41 (*Confidential Information*) are continuing and, in particular, shall survive and remain binding on the Lender for a period of 12 months from the earlier of:

- (a) the date on which all amounts payable by the Borrowers under or in connection with this Agreement have been paid in full and the Commitment has been cancelled or otherwise ceased to be available; and
- (b) the date on which the Lender otherwise ceases to be the Lender.

42 CONFIDENTIALITY OF FUNDING RATES

42.1 Confidentiality and disclosure

- (a) Each Borrower agrees to keep each Funding Rate confidential and not to disclose it to anyone, save to the extent permitted by paragraph (b) below.

(b) Each Borrower may disclose any Funding Rate, to:

- (i) any of its Affiliates and any of its or their officers, directors, employees, professional advisers, auditors, partners and Representatives, if any person to whom that Funding Rate is to be given pursuant to this paragraph (i) is informed in writing of its confidential nature and that it may be price sensitive information except that there shall be no such requirement to so inform if the recipient is subject to professional obligations to maintain the confidentiality of that Funding Rate or is otherwise bound by requirements of confidentiality in relation to it;
- (ii) any person to whom information is required or requested to be disclosed by any court of competent jurisdiction or any governmental, banking, taxation or other regulatory authority or similar body, the rules of any relevant stock exchange or pursuant to any applicable law or regulation if the person to whom that Funding Rate is to be given is informed in writing of its confidential nature and that it may be price sensitive information except that there shall be no requirement to so inform if, in the opinion of the Lender or the relevant Borrower, as the case may be, it is not practicable to do so in the circumstances;
- (iii) any person to whom information is required to be disclosed in connection with, and for the purposes of, any litigation, arbitration, administrative or other investigations, proceedings or disputes if the person to whom that Funding Rate is to be given is informed in writing of its confidential nature and that it may be price sensitive information except that there shall be no requirement to so inform if, in the opinion of the Lender or the relevant Borrower, as the case may be, it is not practicable to do so in the circumstances; and
- (iv) any person with the consent of the Lender.

42.2 Related obligations

(a) Each Borrower acknowledges that each Funding Rate is or may be price sensitive information and that its use may be regulated or prohibited by applicable legislation including securities law relating to insider dealing and market abuse and each Borrower undertakes not to use any Funding Rate for any unlawful purpose.

(b) Each Borrower agrees (to the extent permitted by law and regulation) to inform the Lender:

- (i) of the circumstances of any disclosure made pursuant to sub-paragraph (ii) of paragraph (b) of Clause 42.1 (*Confidentiality and disclosure*) except where such disclosure is made to any of the persons referred to in that paragraph during the ordinary course of its supervisory or regulatory function; and
- (ii) upon becoming aware that any information has been disclosed in breach of this Clause 42 (*Confidentiality of Funding Rates*).

42.3 No Event of Default

No Event of Default will occur under Clause 26.4 (*Other obligations*) by reason only of a Borrower's failure to comply with this Clause 42 (*Confidentiality of Funding Rates*).

43 COUNTERPARTS

Each Finance Document 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 the Finance Document.

SECTION 11

GOVERNING LAW AND ENFORCEMENT

44 GOVERNING LAW

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

45 ENFORCEMENT

45.1 Jurisdiction

- (a) Unless specifically provided in another Finance Document in relation to that Finance Document, the courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with any Finance Document (including a dispute regarding the existence, validity or termination of any Finance Document or any non-contractual obligation arising out of or in connection with any Finance Document) (a "**Dispute**").
- (b) The Borrowers accept that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Borrower will argue to the contrary.
- (c) This Clause 45.1 (*Jurisdiction*) is for the benefit of the Lender only. As a result, the Lender shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. The Lender may take concurrent proceedings in any number of jurisdictions.

45.2 Service of process

- (a) Without prejudice to any other mode of service allowed under any relevant law, each Borrower (other than a Borrower incorporated in England and Wales):
 - (i) irrevocably appoints Hill Dickinson Services (London) Limited at its current address at The Broadgate Tower 7th Floor, 20 Primrose Street, London EC2A 2EW, England as its agent for service of process in relation to any proceedings before the English courts in connection with any Finance Document; and
 - (ii) agrees that failure by a process agent to notify the relevant Borrower of the process will not invalidate the proceedings concerned.
- (b) If any person appointed as an agent for service of process is unable for any reason to act as agent for service of process, the Borrowers (on behalf of all the Borrowers) must immediately (and in any event within five days of such event taking place) appoint another agent on terms acceptable to the Lender. Failing this, the Lender may appoint another agent for this purpose.

This Agreement has been entered into on the date stated at the beginning of this Agreement.

EXECUTION PAGES

BORROWERS

SIGNED by)
as attorney-in-fact) /s/Alexandra Kontaxi
duly authorised)
for and on behalf of)
SAMOS SHIPPING CORPORATION)
in the presence of:)

Witness' signature:) /s/Marianna Psarrou

Witness' name:)
Witness' address:)

SIGNED by) /s/Alexandra Kontaxi
as attorney-in-fact)
duly authorised)
for and on behalf of)
SHINYO SAOWALAK LIMITED)
in the presence of:)

Witness' signature:) /s/Marianna Psarrou

Witness' name:)
Witness' address:)

SIGNED by) /s/Alexandra Kontaxi
as attorney-in-fact)
duly authorised)
for and on behalf of)
SHINYO KIERAN LIMITED)
in the presence of:)

Witness' signature:) /s/Marianna Psarrou

Witness' name:)
Witness' address:)

SIGNED by) /s/Alexandra Kontaxi
as attorney-in-fact)
duly authorised)
for and on behalf of)
LEFKADA SHIPPING CORPORATION)
in the presence of:)

Witness' signature:) /s/Marianna Psarrou

Witness' name:)
Witness' address:)

SIGNED by) /s/Alexandra Kontaxi
as attorney-in-fact)
duly authorised)
for and on behalf of)
JASPERO SHIPTRADE S.A.)
in the presence of:)

Witness' signature:) /s/Marianna Psarrou

Witness' name:)
Witness' address:)

SIGNED by) /s/Alexandra Kontaxi
as attorney-in-fact)
duly authorised)
for and on behalf of)
THETIDA MARINE CO.)
in the presence of:)

Witness' signature:) /s/Marianna Psarrou

Witness' name:)
Witness' address:)

SIGNED by) /s/Alexandra Kontaxi
as attorney-in-fact)
duly authorised)
for and on behalf of)
ELAFONISOS SHIPPING CORPORATION)
in the presence of:)

Witness' signature:) /s/Marianna Psarrou

Witness' name:)

Witness' address:)

ORIGINAL LENDER

SIGNED by

and by)

duly authorised) /s/Giannaki Sofia

/s/Sarri Aikaterini

for and on behalf of)

NATIONAL BANK OF GREECE S.A.)

in the presence of:)

Witness' signature:) /s/Marianna Psarrou

Witness' name:)

Witness' address:)

