
**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 28, 2025

Commission File No. 001-33811

NAVIOS MARITIME PARTNERS L.P.

**c/o Navios Shipmanagement Inc.
85 Akti Miaouli
Piraeus 18538, Greece
(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, 2025 and 2024 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’ 2024 annual report filed on Form 20-F on March 28, 2025 (the “Annual Report”) with the U.S. Securities and Exchange Commission (the “SEC”). For the periods presented in this report, comparative figures have been reclassified to conform to changes in presentation in the current year, where necessary.

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; the growing expectations from investors, lenders, charterers, and other market participants regarding our sustainability practices, as well as our capacity to implement sustainability initiatives and achieve our objectives and targets; 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 2025, Navios Partners agreed to sell a 2005-built Panamax of 76,619 dwt and a 2007-built MR2 Product Tanker of 50,922 dwt, to unrelated third parties, for an aggregate gross sale price of \$22.4 million. The sales were completed in the fourth quarter of 2025.

In October 2025, Navios Partners entered into a credit facility with a commercial bank for a total amount of up to \$68.0 million (divided into four tranches) to refinance the existing indebtedness of four of its vessels. In October 2025, the amount of \$41.0 million in relation to the first two tranches was drawn and the second two tranches remained undrawn. The facility matures five years after each drawdown date and bears interest at Compounded Secured Overnight Financing Rate plus 150 bps per annum.

During the fourth quarter of 2025, Navios Partners successfully placed \$300.0 million of senior unsecured bonds in the Nordic bond market. The net proceeds from the bond issue are intended to be used for general corporate purposes and for the repayment of certain outstanding secured debt facilities relating to 41 vessels. The bonds are due to mature in November 2030 and will pay a fixed coupon of 7.75% per annum, payable semi-annually in arrears.

Overview

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

As of November 24, 2025, there were outstanding 28,738,538 common units and 622,296 general partnership units. Angeliki Frangou, our Chief Executive Officer and Chairwoman beneficially owned an approximately 17.5% common interest of the total outstanding common units, consisting of 5,039,090 common units held directly or indirectly through four entities affiliated with her. In addition, an entity affiliated with Angeliki Frangou beneficially owned 622,296 general partnerships units, representing an approximately 2.1% 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 24, 2025, Navios Partners had repurchased 1,445,850 common units since the commencement of the program, for a total cost of approximately \$64.1 million.

Fleet

As of November 20, 2025, Navios Partners' fleet consisted of 65 dry bulk vessels, 51 containerships and 55 tanker vessels, including 17 newbuilding tankers (12 Aframax/LR2 and five MR2 Product Tanker chartered-in vessels under bareboat contracts) and eight newbuilding containerships (four 7,900 TEU Containerships and four 8,850 TEU Containerships), that are expected to be delivered through the first half of 2028. The fleet excludes one containership that has been agreed to be sold.

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 duration of 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-term, medium-term and long-term charters.

The following table provides summary information about our fleet as of November 20, 2025:

Owned Dry bulk Vessels	Type	Built	Capacity (DWT)
Navios Christine B	Ultra-Handymax	2009	58,058
Navios Celestial	Ultra-Handymax	2009	58,063
Navios Venus	Ultra-Handymax	2015	61,339
Navios La Paix	Ultra-Handymax	2014	61,485
N Amalthia	Panamax	2006	75,356
Navios Victory	Panamax	2014	77,095
Rainbow N	Panamax	2011	79,602
Unity N	Panamax	2011	79,642
Odysseus N	Panamax	2011	79,642
Navios Amber	Kamsarmax	2015	80,909
Navios Avior	Kamsarmax	2012	81,355
Navios Centaurus	Kamsarmax	2012	81,472
Navios Citrine	Kamsarmax	2017	81,626
Navios Dolphin	Kamsarmax	2017	81,630
Navios Horizon I ⁽⁵⁾	Kamsarmax	2019	81,692
Navios Galaxy II ⁽²⁾⁽⁷⁾	Kamsarmax	2020	81,789
Navios Uranus ⁽²⁾	Kamsarmax	2019	81,821
Navios Felicity I ⁽²⁾⁽⁷⁾	Kamsarmax	2020	81,962
Navios Primavera ⁽¹⁾	Kamsarmax	2022	82,003
Navios Meridian ⁽¹⁾	Kamsarmax	2023	82,010
Navios Herakles I ⁽²⁾	Kamsarmax	2019	82,036
Navios Magellan II ⁽²⁾⁽⁷⁾	Kamsarmax	2020	82,037
Navios Sky ⁽¹⁾	Kamsarmax	2015	82,056
Navios Alegria ⁽⁵⁾	Kamsarmax	2016	84,852
Navios Sphera	Kamsarmax	2016	84,872
Navios Coral	Kamsarmax	2016	84,904
Copernicus N	Post-Panamax	2010	93,062
Navios Stellar ⁽¹⁾	Capesize	2009	168,818
Navios Aurora II	Capesize	2009	169,031
Navios Antares ⁽¹⁾⁽⁷⁾	Capesize	2010	169,059
Navios Symphony	Capesize	2010	177,960
Navios Ace ⁽¹⁾	Capesize	2011	178,929
Navios Aster	Capesize	2010	178,978
Navios Melodia	Capesize	2010	178,982
Navios Buena Ventura	Capesize	2010	179,109
Navios Luz	Capesize	2010	179,144
Navios Altamira	Capesize	2011	179,165
Navios Azimuth ⁽¹⁾	Capesize	2011	179,169
Navios Bonheur	Capesize	2010	179,204
Navios Etoile	Capesize	2010	179,234
Navios Fulvia	Capesize	2010	179,263
Navios Ray ⁽¹⁾	Capesize	2012	179,515
Navios Happiness	Capesize	2009	180,022
Navios Bonavis ⁽¹⁾	Capesize	2009	180,022
Navios Fantastiks	Capesize	2005	180,055
Navios Phoenix ⁽¹⁾⁽⁷⁾	Capesize	2009	180,060
Navios Sol ⁽¹⁾	Capesize	2009	180,274
Navios Lumen ⁽⁵⁾	Capesize	2009	180,493
Navios Canary ⁽⁵⁾⁽⁷⁾	Capesize	2015	180,528
Navios Pollux ⁽¹⁾	Capesize	2009	180,727
Navios Gem	Capesize	2014	181,206
Navios Joy	Capesize	2013	181,215
Navios Felix ⁽⁵⁾	Capesize	2016	181,221

Navios Corali ⁽⁵⁾⁽⁷⁾	Capesize	2015	181,249
Navios Mars	Capesize	2016	181,259
Navios Koyo	Capesize	2011	181,415
Navios Azalea ⁽²⁾	Capesize	2022	182,064
Navios Armonia ⁽²⁾	Capesize	2022	182,079
Navios Altair ⁽²⁾	Capesize	2023	182,115
Navios Sakura ⁽²⁾	Capesize	2023	182,169
Navios Amethyst ⁽²⁾	Capesize	2023	182,212
Navios Astra ⁽⁴⁾	Capesize	2022	182,393

Owned Containerships		Built	Capacity (TEU)
Spectrum N		2009	2,546
Fleur N		2012	2,782
Ete N		2012	2,782
Navios Summer		2006	3,450
Navios Verano ⁽¹⁾		2006	3,450
Matson Lanai		2007	4,250
Navios Verde ⁽¹⁾		2007	4,250
Navios Amarillo		2007	4,250
Navios Vermilion ⁽¹⁾		2007	4,250
Navios Azure		2007	4,250
Navios Indigo		2007	4,250
Navios Domino ⁽¹⁾		2008	4,250
Matson Oahu		2008	4,250
Navios Destiny ⁽¹⁾		2009	4,250
Navios Devotion		2009	4,250
Navios Lapis		2009	4,250
Navios Dorado		2010	4,250
Carmel I		2010	4,360
Zim Baltimore		2010	4,360
Navios Bahamas		2010	4,360
Navios Miami		2009	4,563
Navios Magnolia ⁽³⁾		2008	4,730
Navios Jasmine		2008	4,730
Navios Chrysalis		2008	4,730
Navios Nerine		2008	4,730
Sparrow		2023	5,300
Zim Eagle		2024	5,300
Zim Condor		2024	5,300
Hawk I		2024	5,300
Zim Falcon		2024	5,300
Pelican I		2024	5,300
Seagull ⁽⁵⁾		2024	5,300
Zim Albatross ⁽⁵⁾		2024	5,300
DP World Jeddah ⁽¹⁾		2024	5,300
DP World Jebel Ali ⁽¹⁾		2024	5,300
Hyundai Shanghai		2006	6,800
Hyundai Tokyo		2006	6,800
Hyundai Hongkong		2006	6,800
Hyundai Singapore		2006	6,800
Hyundai Busan		2006	6,800
HMM Ocean		2025	7,700
HMM Sky		2025	7,700
Navios Unison		2010	10,000
Navios Constellation		2011	10,000

Owned Tanker Vessels	Type	Built	Capacity (DWT)
Hector N	MR1 Product Tanker	2008	38,402
Nave Aquila	MR2 Product Tanker	2012	49,991
Nave Atria	MR2 Product Tanker	2012	49,992
Nave Capella	MR2 Product Tanker	2013	49,995
Nave Alderamin	MR2 Product Tanker	2013	49,998
Nave Pyxis	MR2 Product Tanker	2014	49,998
Nave Bellatrix	MR2 Product Tanker	2013	49,999
Nave Orion ⁽¹⁾	MR2 Product Tanker	2013	49,999
Nave Titan	MR2 Product Tanker	2013	49,999
Nave Jupiter	MR2 Product Tanker	2014	49,999
Nave Velocity	MR2 Product Tanker	2015	49,999
Nave Sextans	MR2 Product Tanker	2015	49,999
Nave Luminosity	MR2 Product Tanker	2014	50,240
Bougainville	MR2 Product Tanker	2013	50,626
Nave Ohana ⁽²⁾	MR2 Product Tanker	2025	49,994
Nave Cetus	LR1 Product Tanker	2012	74,581
Nave Ariadne	LR1 Product Tanker	2007	74,671
Nave Rigel	LR1 Product Tanker	2013	74,673
Nave Atropos	LR1 Product Tanker	2013	74,695
Nave Cassiopeia	LR1 Product Tanker	2012	74,711
Nave Cielo	LR1 Product Tanker	2007	74,896
Nave Andromeda	LR1 Product Tanker	2011	75,000
Nave Estella	LR1 Product Tanker	2012	75,000
Nave Cosmos	Aframax / LR2	2024	115,651
Nave Polaris	Aframax / LR2	2024	115,699
Nave Photon	Aframax / LR2	2024	115,752
Nave Dorado	Aframax / LR2	2025	115,762
Nave Neutrino	Aframax / LR2	2025	115,807
Nave Perseus	Aframax / LR2	2025	115,812
Nave Galactic	VLCC	2009	296,945
Nave Universe	VLCC	2011	297,066
Nave Quasar	VLCC	2010	297,376
Nave Buena Suerte	VLCC	2011	297,491
Nave Synergy	VLCC	2010	309,483

Bareboat-in Vessels ⁽⁶⁾	Type	Built	Capacity (DWT)
Navios Star	Kamsarmax	2021	81,994
Navios Amitie	Kamsarmax	2021	82,002
Navios Libra	Kamsarmax	2019	82,011
Nave Electron	VLCC	2021	313,239
Nave Celeste	VLCC	2022	313,418
Nave Allegro	VLCC	2020	313,433
Nave Tempo	VLCC	2021	313,486

Containerships to be Delivered	Expected Delivery	Capacity (TEU)
TBN XVI	H1 2026	7,900
TBN XVII	H2 2026	7,900
TBN XVIII	H2 2026	7,900
TBN XIX	H1 2027	7,900
TBN XXII	H2 2027	8,850
TBN XXIII	H2 2027	8,850
TBN XXIV	H2 2027	8,850
TBN XXV	H1 2028	8,850

Tanker Vessels to be Delivered	Type	Expected Delivery	Capacity (DWT)
TBN I ⁽²⁾	MR2 Product Tanker	H1 2026	52,000
TBN II ⁽²⁾	MR2 Product Tanker	H2 2026	52,000
TBN III ⁽²⁾	MR2 Product Tanker	H2 2026	52,000
TBN IV ⁽²⁾	MR2 Product Tanker	H1 2027	52,000
TBN V ⁽²⁾	MR2 Product Tanker	H1 2027	52,000
TBN VI	Aframax/LR2	H1 2026	115,000
TBN VII ⁽⁵⁾	Aframax/LR2	H1 2026	115,000
TBN VIII	Aframax/LR2	H1 2026	115,000
TBN IX ⁽⁵⁾	Aframax/LR2	H2 2026	115,000
TBN X	Aframax/LR2	H1 2027	115,000
TBN XI	Aframax/LR2	H1 2027	115,000
TBN XII	Aframax/LR2	H1 2027	115,000
TBN XX	Aframax/LR2	H1 2027	115,000
TBN XXI	Aframax/LR2	H1 2027	115,000
TBN XIII	Aframax/LR2	H2 2027	115,000
TBN XIV	Aframax/LR2	H2 2027	115,000
TBN XV	Aframax/LR2	H1 2028	115,000

(1) The vessel is subject to a sale and leaseback transaction with a purchase obligation at the end of the contract.

(2) The vessel is subject to a bareboat contract with a purchase option at the end of the contract.

(3) Vessel agreed to be sold.

(4) The vessel is subject to a bareboat contract with a purchase obligation at the end of the contract.

(5) The vessel is subject to a sale and leaseback transaction with a purchase option at the end of the contract.

(6) The vessels have been classified as operating leases in Company's Consolidated Balance Sheets.

(7) During the fourth quarter of 2025, the Company declared its option to acquire the vessel.

Our Charters

We provide seaborne shipping services under short-term, medium-term, 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, 2025, only one customer accounted for 10.0% or more of our total revenues and represented approximately 15.1% of our total revenues. For the nine month period ended September 30, 2024, only one customer accounted for 10.0% or more of our total revenues and represented approximately 10.3% of our total revenues.

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 off-hire or 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 or imposition of tariffs or other fees affecting trade or vessel movements;
- armed conflicts, such as the Israel and Hamas conflict, Russian and 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 the vessel owner of a consistent stream of revenue. 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 or end-use 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, 2025 and 2024.

	Three Month Period Ended September 30, 2025 (unaudited)	Three Month Period Ended September 30, 2024 (unaudited)	Nine Month Period Ended September 30, 2025 (unaudited)	Nine Month Period Ended September 30, 2024 (unaudited)
Available Days ⁽¹⁾	13,443	13,552	40,287	40,590
Operating Days ⁽²⁾	13,331	13,371	39,976	40,122
Fleet Utilization ⁽³⁾	99.2%	98.7%	99.2%	98.8%
Opex Days ⁽⁴⁾	13,994	13,538	41,283	39,480
Time Charter Equivalent rate (per day) ⁽⁵⁾	\$ 24,167	\$ 23,591	\$ 22,825	\$ 22,830
Opex rate (per day) ⁽⁶⁾	\$ 6,798	\$ 6,788	\$ 6,961	\$ 6,796
Vessels operating at end of periods	152	154	152	154

- (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. 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 were 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 were off-hire for reasons other than scheduled repairs, drydockings or special surveys.
- (4) Opex days for the fleet represent total calendar days the vessels were in Navios Partners' possession for the relevant period after subtracting total calendar days of Navios Partners' charter-in vessels and bareboat-out vessels.
- (5) 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 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.
- (6) Opex rate per day is defined as vessel operating expenses divided by the number of opex days during the period.

FINANCIAL HIGHLIGHTS

The following table presents consolidated revenue and expense information for the three and nine month periods ended September 30, 2025 and 2024. For changes in the presentation of selected financial information, refer to Note 2 – Summary of significant accounting policies included in the accompanying notes to the unaudited condensed consolidated financial statements included elsewhere in this report.

	Three Month Period Ended September 30, 2025 (unaudited)	Three Month Period Ended September 30, 2024 (unaudited)	Nine Month Period Ended September 30, 2025 (unaudited)	Nine Month Period Ended September 30, 2024 (unaudited)
(In thousands of U.S. dollars)				
Time charter and voyage revenues	\$ 346,923	\$ 340,835	\$ 978,593	\$ 1,001,545
Time charter and voyage expenses	(32,652)	(34,941)	(93,884)	(116,896)
Vessel operating expenses	(95,135)	(91,894)	(287,381)	(268,304)
General and administrative expenses	(23,059)	(21,102)	(68,453)	(62,430)
Depreciation and amortization	(109,041)	(72,858)	(268,471)	(214,994)
Amortization of unfavorable lease terms	2,944	3,206	8,736	9,513
(Loss)/ gain on sale of vessels, net	(93)	1,241	(422)	10,374
Interest expense and finance cost, net	(34,732)	(32,608)	(101,727)	(92,104)
Interest income	3,214	3,394	9,677	10,386
Other (expense)/ income, net	(2,037)	2,482	(8,662)	(4,505)
Net income	\$ 56,332	\$ 97,755	\$ 168,006	\$ 272,585
EBITDA⁽¹⁾	\$ 193,947	\$ 196,621	\$ 519,791	\$ 559,784
Adjusted EBITDA⁽¹⁾	\$ 194,040	\$ 195,380	\$ 520,213	\$ 549,410
Operating Surplus⁽¹⁾	\$ 83,879	\$ 98,558	\$ 198,175	\$ 256,343

(1) 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, 2025 compared to the Three Month Period ended September 30, 2024

Time charter and voyage revenues: Time charter and voyage revenues for the three month period ended September 30, 2025 increased by \$6.1 million, or 1.8%, to \$346.9 million, as compared to \$340.8 million for the same period in 2024. The increase in revenue was mainly attributable to the increase in the TCE rate. For the three month periods ended September 30, 2025 and 2024, time charter and voyage revenues were positively affected by \$6.3 million and \$2.4 million, respectively, relating to the straight-line effect of the charters with de-escalating rates. The TCE rate increased by 2.4% to \$24,167 per day, as compared to \$23,591 per day for the same period in 2024. The available days of the fleet slightly decreased by 0.8% to 13,443 days for the three month period ended September 30, 2025, as compared to 13,552 days for the same period in 2024.

Time charter and voyage expenses: Time charter and voyage expenses for the three month period ended September 30, 2025 decreased by \$2.2 million to \$32.7 million, as compared to \$34.9 million for the same period in 2024. The decrease was mainly attributable to a: (i) \$5.0 million decrease in bunker expenses arising from the decreased days of freight voyages in the third quarter of 2025; (ii) \$1.6 million decrease in bareboat and charter-in hire expense of the dry bulk fleet; and (iii) \$0.7 million decrease in port expenses. The decrease was partially mitigated by: (i) \$4.2 million of commercial management fees on revenues in accordance with the management agreement; (ii) a \$0.8 million increase in other voyage expenses; and (iii) a \$0.1 million increase in brokers’ commissions.

Vessel operating expenses: Vessel operating expenses for the three month period ended September 30, 2025 increased by \$3.2 million to \$95.1 million, as compared to \$91.9 million for the same period in 2024. The increase was due to a 3.4% increase in the opex days and a 0.1% increase in the opex daily rate to \$6,798 also as a result of the change in the composition of our fleet.

General and administrative expenses: General and administrative expenses increased by \$2.0 million to \$23.1 million for the three month period ended September 30, 2025, as compared to \$21.1 million for the same period in 2024, mainly due to the increase in administrative expenses in accordance with our administrative services agreement commencing January 1, 2025 (“Administrative Services Agreement”) as well as the increase in legal and professional fees, audit fees and other administrative expenses.

Depreciation and amortization: Depreciation and amortization amounted to \$109.0 million for the three month period ended September 30, 2025, as compared to \$72.9 million for the same period in 2024. The increase of \$36.1 million was attributable to a: (i) \$24.4 million increase in amortization of favorable lease terms of intangible assets mainly due to a \$27.3 million accelerated amortization of favorable lease terms resulting from the termination of contracts for two vessels; (ii) \$7.5 million increase in amortization of the deferred drydock and special survey costs due to the increase in the number of vessels that underwent drydocking or special survey; (iii) \$6.8 million increase in depreciation expense due to the delivery of 18 vessels since the third quarter of 2024; and (iv) \$0.8 million increase in depreciation expense mainly due to vessel improvements. The above increase was partially mitigated by a \$3.4 million decrease in depreciation expense due to the sale of 12 vessels since the third quarter of 2024. 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 \$2.9 million and \$3.2 million for the three month periods ended September 30, 2025 and 2024, respectively, relating 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”).

(Loss)/ gain on sale of vessels, net: Loss on sale of vessels, net amounted to \$0.1 million for the three month period ended September 30, 2025, relating to the sale and the committed sale of our vessels. Gain on sale of vessels amounted to \$1.2 million for the three month period ended September 30, 2024, relating to the sale of our vessels.

Interest expense and finance cost, net: Interest expense and finance cost, net for the three month period ended September 30, 2025, increased by \$2.1 million to \$34.7 million, as compared to \$32.6 million for the same period in 2024. The increase was mainly due to the increase in the discount effect of long-term assets and other finance costs and the decrease in interest expense capitalized related to deposits for vessel acquisitions. The weighted average interest rate for the three month period ended September 30, 2025 decreased to 6.3% from 7.0% for the same period in 2024, while Navios Partners’ weighted average loan balance increased to \$2,194.7 million for the three month period ended September 30, 2025, as compared to \$2,008.1 million for the same period in 2024.

Interest income: Interest income amounted to \$3.2 million for the three month period ended September 30, 2025, as compared to \$3.4 million for the same period in 2024, mainly due to the decrease of interest income from time deposits.

Other (expense)/ income, net: Other expense, net amounted to \$2.0 million for the three month period ended September 30, 2025, as compared to \$2.5 million other income, net for the same period in 2024, mainly due to the decrease in foreign exchange gains and the increase in claims, partially mitigated by the increase in other miscellaneous income, net.

Net income: Net income for the three month period ended September 30, 2025 amounted to \$56.3 million as compared to \$97.8 million for the same period in 2024. The decrease in net income of \$41.5 million was due to the factors discussed above.

For the Nine Month Period ended September 30, 2025 compared to the Nine Month Period ended September 30, 2024

Time charter and voyage revenues: Time charter and voyage revenues for the nine month period ended September 30, 2025 decreased by \$22.9 million, or 2.3%, to \$978.6 million, as compared to \$1,001.5 million for the same period in 2024. The decrease in revenue was mainly attributable to the decrease in the available days of our fleet and the revenue from freight voyages. For the nine month periods ended September 30, 2025 and 2024, time charter and voyage revenues were positively affected by \$10.1 million and \$4.9 million, respectively, relating to the straight-line effect of the charters with de-escalating rates. The TCE rate was marginally lower at \$22,825 per day, compared with \$22,830 per day for the same period in 2024. The available days of the fleet slightly decreased by 0.7% to 40,287 days for the nine month period ended September 30, 2025, as compared to 40,590 days for the same period in 2024.

Time charter and voyage expenses: Time charter and voyage expenses for the nine month period ended September 30, 2025 decreased by \$23.0 million to \$93.9 million, as compared to \$116.9 million for the same period in 2024. The decrease was mainly attributable to a: (i) \$28.6 million decrease in bunker expenses arising from the decreased days of freight voyages in the nine month period ended September 30, 2025; (ii) \$5.2 million decrease in bareboat and charter-in hire expense of the dry bulk fleet; and (iii) \$4.9 million decrease in port expenses. The decrease was partially mitigated by: (i) \$12.1 million of commercial management fees on revenues in accordance with the management agreement; (ii) a \$3.5 million increase in other voyage expenses; and (iii) a \$0.1 million increase in brokers' commission.

Vessel operating expenses: Vessel operating expenses for the nine month period ended September 30, 2025 increased by \$19.1 million to \$287.4 million, as compared to \$268.3 million for the same period in 2024. The increase was due to a 4.6% increase in the opex days and a 2.4% increase in the opex daily rate to \$6,961 also as a result of the change in the composition of our fleet.

General and administrative expenses: General and administrative expenses increased by \$6.1 million to \$68.5 million for the nine month period ended September 30, 2025, as compared to \$62.4 million for the same period in 2024, mainly due to the increase in administrative expenses in accordance with our Administrative Services Agreement as well as the increase in legal and professional fees, audit fees and other administrative expenses.

Depreciation and amortization: Depreciation and amortization amounted to \$268.5 million for the nine month period ended September 30, 2025 as compared to \$215.0 million for the same period in 2024. The increase of \$53.5 million was attributable to a: (i) \$23.9 million increase in amortization of favorable lease terms of intangible assets and amortization of finance leases mainly due to a \$27.3 million accelerated amortization of favorable lease terms resulting from the termination of contracts for two vessels; (ii) \$23.1 million increase in depreciation expense due to the delivery of 23 vessels in 2024 and during the nine month period ended September 30, 2025; (iii) \$14.5 million increase in amortization of the deferred drydock and special survey costs due to the increase in the number of vessels that underwent drydocking or special survey; and (iv) \$2.1 million increase in depreciation expense mainly due to vessel improvements. The above increase was partially mitigated by a \$10.1 million decrease in depreciation expense due to the sale of 16 vessels in 2024 and during the nine month period ended September 30, 2025. 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 \$8.7 million and \$9.5 million for the nine month periods ended September 30, 2025 and 2024, respectively, relating to the amortization of the fair value of the time charters with unfavorable lease terms as determined at the acquisition date of Navios Containers.

(Loss)/ gain on sale of vessels, net: Loss on sale of vessels, net amounted to \$0.4 million for the nine month period ended September 30, 2025, relating to the sale and the committed sale of our vessels. 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 our vessels, partially mitigated by a \$7.6 million impairment loss of our vessels.

Interest expense and finance cost, net: Interest expense and finance cost, net for the nine month period ended September 30, 2025 increased by \$9.6 million to \$101.7 million, as compared to \$92.1 million for the same period in 2024. The increase was mainly due to the decrease in interest expense capitalized related to deposits for vessel acquisitions and the increase in the discount effect of long-term assets and other finance costs. The weighted average interest rate for the nine month period ended September 30, 2025 decreased to 6.3% from 7.1% for the same period in 2024, while Navios Partners' weighted average loan balance increased to \$2,196.4 million for the nine month period ended September 30, 2025, as compared to \$1,942.5 million for the same period in 2024.

Interest income: Interest income amounted to \$9.7 million for the nine month period ended September 30, 2025, as compared to \$10.4 million for the same period in 2024, mainly due to the decrease of interest income from time deposits.

Other (expense)/ income, net: Other expense, net amounted to \$8.7 million for the nine month period ended September 30, 2025, as compared to \$4.5 million for the same period in 2024, mainly due to the increase in claims and the decrease in foreign exchange gains, partially mitigated by the decrease in other miscellaneous expense, net.

Net income: Net income for the nine month period ended September 30, 2025 amounted to \$168.0 million as compared to \$272.6 million for the same period in 2024. The decrease in net income of \$104.6 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, 2025, Navios Partners' current assets totaled \$476.3 million, while current liabilities totaled \$463.0 million, resulting in a positive working capital position of \$13.3 million. Navios Partners' cash forecast indicates that it will generate sufficient cash through its contracted revenue, as of November 20, 2025, of \$3.7 billion and cash proceeds from the sale of vessels (see Note 4 – Vessels, net and Note 15 – Subsequent events 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 24, 2025, Navios Partners had repurchased 1,445,850 common units since the commencement of the program, for a total cost of approximately \$64.1 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, 2025 and 2024.

	Nine Month Period Ended September 30, 2025 (unaudited)	Nine Month Period Ended September 30, 2024 (unaudited)
	(In thousands of U.S. dollars)	
Net cash provided by operating activities	\$ 381,257	\$ 368,554
Net cash used in investing activities	(338,660)	(613,964)
Net cash provided by financing activities	18,699	290,193
Increase in cash, cash equivalents and restricted cash	\$ 61,296	\$ 44,783

Net cash provided by operating activities for the nine month period ended September 30, 2025 as compared to the net cash provided by operating activities for the nine month period ended September 30, 2024

Net cash provided by operating activities increased by \$12.7 million to \$381.3 million for the nine month period ended September 30, 2025, as compared to \$368.6 million for the same period in 2024. 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 \$256.1 million of non-cash positive net adjustments for the nine month period ended September 30, 2025, which consisted mainly of the following adjustments: (i) \$268.5 million depreciation and amortization; (ii) \$6.3 million amortization and write-off of deferred finance costs; and (iii) \$0.4 million loss on sale of vessels, net. These adjustments were partially mitigated by: (i) \$9.8 million other non-cash adjustments; (ii) \$8.7 million amortization of unfavorable lease terms; and (iii) \$0.6 million amortization of operating lease assets/ liabilities.

The net cash outflow resulting from the change in operating assets and liabilities of \$42.8 million for the nine month period ended September 30, 2025 resulted from: (i) \$138.8 million in payments for drydock and special survey costs; and (ii) a \$3.1 million decrease in accounts payable. This was partially mitigated by: (i) \$53.9 million increase in amounts due to related parties; (ii) \$36.6 million decrease in amounts due from related parties; (iii) \$3.3 million increase in deferred revenue; (iv) \$2.7 million increase in accrued expenses; (v) \$1.5 million decrease in accounts receivable; and (vi) \$1.1 million decrease in prepaid expenses and other current assets.

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) \$215.0 million depreciation and amortization; and (ii) \$5.9 million amortization and write-off of deferred finance costs. These adjustments were partially mitigated by: (i) \$10.4 million gain on sale of vessels, net; (ii) \$9.5 million amortization of unfavorable lease terms; (iii) \$8.7 million other non-cash adjustments; 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) \$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: (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.

Net cash used in investing activities for the nine month period ended September 30, 2025 as compared to the net cash used in investing activities for the nine month period ended September 30, 2024

Net cash used in investing activities for the nine month period ended September 30, 2025 amounted to \$338.7 million as compared to \$614.0 million net cash used in investing activities for the same period in 2024.

Net cash used in investing activities of \$338.7 million for the nine month period ended September 30, 2025 was mainly due to: (i) \$209.6 million related to vessel acquisitions and additions; (ii) \$195.9 million related to deposits for the

acquisition/ option to acquire vessels and capitalized expenses; and (iii) an \$8.2 million increase in time deposits with original maturities greater than three months. This was partially mitigated by \$75.0 million of proceeds related to the sale of six vessels.

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 of 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 provided by financing activities for the nine month period ended September 30, 2025 as compared to net cash provided by financing activities for the nine month period ended September 30, 2024

Net cash provided by financing activities decreased by \$271.5 million to \$18.7 million inflow for the nine month period ended September 30, 2025, as compared to \$290.2 million inflow for the same period in 2024.

Net cash provided by financing activities of \$18.7 million for the nine month period ended September 30, 2025 was mainly due to \$517.5 million of proceeds from the new credit facilities and sale and leaseback agreements. This was partially mitigated by: (i) \$451.6 million repayments of long-term debt, finance lease and financial liabilities; (ii) \$33.0 million related to the acquisition of treasury units; (iii) \$9.7 million payments of deferred finance costs related to the new credit facilities and financial liabilities; and (iv) \$4.5 million of payments for cash distributions.

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 of 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 of payments for cash distributions.

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

	Three Month Period Ended September 30, 2025 (unaudited)	Three Month Period Ended September 30, 2024 (unaudited)	Nine Month Period Ended September 30, 2025 (unaudited)	Nine Month Period Ended September 30, 2024 (unaudited)
	(In thousands of U.S. dollars)			
Net cash provided by operating activities	\$ 103,077	\$ 142,639	\$ 381,257	\$ 368,554
Net increase in operating assets	71,558	30,449	99,533	56,013
Net (increase)/ decrease in operating liabilities	(14,897)	(8,581)	(56,649)	37,524
Net interest cost	31,518	29,214	92,050	81,718
Amortization and write-off of deferred finance costs	(2,405)	(2,191)	(6,304)	(5,900)
Amortization of operating lease assets/liabilities	189	190	562	2,784
Other non-cash adjustments	5,000	3,660	9,764	8,717
(Loss)/ gain on sale of vessels, net	(93)	1,241	(422)	10,374
EBITDA⁽¹⁾	\$ 193,947	\$ 196,621	\$ 519,791	\$ 559,784
Loss/ (gain) on sale of vessels, net	93	(1,241)	422	(10,374)
Adjusted EBITDA⁽¹⁾	\$ 194,040	\$ 195,380	\$ 520,213	\$ 549,410
Cash interest income	3,330	2,951	10,292	9,131
Cash interest paid	(37,647)	(33,182)	(103,186)	(101,160)
Maintenance and replacement capital expenditures	(75,844)	(66,591)	(229,144)	(201,038)
Operating Surplus⁽²⁾	\$ 83,879	\$ 98,558	\$ 198,175	\$ 256,343

(1) EBITDA and Adjusted EBITDA

EBITDA represents net income before interest and finance costs, depreciation and 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; (v) amortization of operating lease assets/ liabilities; (vi) other non-cash adjustments; and (vii) (loss)/ 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 present 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, 2025 and 2024 was affected by the item described in the table above. Excluding this item, Adjusted EBITDA decreased by \$1.4 million to \$194.0 million for the three month period ended September 30, 2025, as compared to \$195.4 million for the same period in 2024. The decrease in Adjusted EBITDA was primarily due to a: (i) \$4.5 million decrease in other income, net, mainly due to the decrease in foreign exchange gains; (ii) \$3.2 million increase in vessel operating expenses due to a 3.4% increase in the opex days and a 0.1% increase in the opex daily rate to \$6,798 also as a result of the change in the composition of our fleet; and (iii) \$2.0 million increase in general and administrative expenses in accordance with our Administrative Services Agreement as well as the increase in legal and professional fees, audit fees and other administrative expenses. The above decrease was partially mitigated by a: (i) \$6.1 million increase in time charter and voyage revenues; and (ii) \$2.2 million decrease in time charter and voyage expenses, mainly due to the decrease in bunker expenses arising from the decreased days of freight voyages in the third quarter of 2025.

EBITDA for the nine month periods ended September 30, 2025 and 2024 was affected by the item described in the table above. Excluding this item, Adjusted EBITDA decreased by \$29.2 million to \$520.2 million for the nine month period ended September 30, 2025, as compared to \$549.4 million for the same period in 2024. The decrease in Adjusted EBITDA was primarily due to a: (i) \$22.9 million decrease in time charter and voyage revenues; (ii) \$19.1 million increase in vessel operating expenses due to a 4.6% increase in the opex days and a 2.4% increase in the opex daily rate to \$6,961 also as a result of the change in the composition of our fleet; (iii) \$6.1 million increase in general and administrative expenses in accordance with our Administrative Services Agreement as well as the increase in legal and professional fees, audit fees and other administrative expenses; and (iv) \$4.1 million increase in other expense, net. The above decrease was partially mitigated by a \$23.0 million decrease in time charter and voyage expenses, mainly due to the decrease in bunker expenses arising from the decreased days of freight voyages in the nine month period ended September 30, 2025.

(2) Operating Surplus

Navios Partners generated Operating Surplus for the three and nine month periods ended September 30, 2025 of \$83.9 million and \$198.2 million, respectively. Operating Surplus for the three and nine month periods ended September 30, 2024 was \$98.6 million and \$256.3 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, 2025 and 2024 amounted to \$405.5 million and \$726.9 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, which are entities affiliated with the Company's Chairwoman and Chief Executive Officer, under the management agreement. For more information, please read Note 12 – Transactions with related parties and affiliates to the unaudited condensed consolidated financial statements, included elsewhere in this report.

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, 2025 were \$75.8 million and \$229.1 million, respectively. We estimate that our annual replacement reserve for the year ending December 31, 2025 will be approximately \$303.5 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, 2024 were \$66.6 million and \$201.0 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 the U.S. dollar 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

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, 2025 and 2024, we paid interest on our outstanding debt at a weighted average interest rate of 6.3% and 7.1%, respectively. A 1% increase in SOFR would have increased our interest expense for the nine month periods ended September 30, 2025 and 2024 by \$14.2 million and \$10.6 million, respectively.

Concentration of Credit Risk

Financial instruments, which potentially subject us to significant concentrations of credit risk, consist principally of cash, other investments and 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, 2025, only one customer accounted for 10.0% or more of our total revenues and represented approximately 15.1% of our total revenues. For the nine month period ended September 30, 2024, only one customer accounted for 10.0% or more of our total revenues and represented approximately 10.3% of our total revenues.

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>Term Loan Facility Agreement, dated September 9, 2025, among Mesta Shipping Corporation as borrower, Skandinaviska Enskilda Banken AB (Publ) as mandated lead arranger, facility agent, and security agent, and Skandinaviska Enskilda Banken AB (Publ) Oslo Branch as account bank</u>
99.2 *	<u>Loan Agreement, dated September 24, 2025, among Astrovalos Shipping Corporation and Gavdos Shipping Corporation as joint and several borrowers and hedge guarantors, and Crédit Agricole Corporate and Investment Bank as mandated lead arranger, agent and security trustee</u>
99.3*	<u>Term Loan Facility Agreement, dated October 6, 2025, among Nefeli Navigation S.A., Vythos Marine Corp., Cloud Atlas Marine S.A., and Thalassa Marine S.A. as joint and several borrowers, and Nordea Bank Abp, Filial I Norge as mandated lead arranger, bookrunner, facility agent, and security agent</u>
99.4*	<u>Bond Terms, dated November 5, 2025, between Navios Maritime Partners L.P. as issuer, and Nordic Trustee AS, as bond trustee, relating to Navios Maritime Partners L.P. 7.75% senior unsecured bonds 2025/2030 for up to USD 500,000,000</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, 2025 (unaudited)	December 31, 2024
ASSETS			
Current assets			
Cash and cash equivalents	3	\$ 360,506	\$ 270,166
Restricted cash	3	579	29,623
Other investments	3	20,483	12,289
Accounts receivable, net		31,894	33,399
Prepaid expenses and other current assets		61,262	60,894
Amounts due from related parties	12	1,601	36,620
Total current assets		476,325	442,991
Vessels, net	4	4,528,679	4,241,292
Deposits for vessel acquisitions	11	351,631	444,897
Other long-term assets	11, 14	60,236	61,749
Deferred drydock and special survey costs, net	12	269,040	196,194
Amounts due from related parties	12	7,142	—
Intangible assets	5	4,783	42,311
Operating lease assets	14	225,375	243,806
Total non-current assets		5,446,886	5,230,249
Total assets		\$ 5,923,211	\$ 5,673,240
LIABILITIES AND PARTNERS' CAPITAL			
Current liabilities			
Accounts payable		\$ 14,591	\$ 17,763
Accrued expenses		39,191	33,865
Deferred revenue		65,109	66,209
Operating lease liabilities, current portion	14	26,658	25,607
Amounts due to related parties	12	53,885	—
Current portion of finance lease and financial liabilities, net	6	102,222	102,996
Current portion of long-term debt, net	6	160,715	163,226
Fair value of derivatives, current	8	646	—
Total current liabilities		463,017	409,666
Operating lease liabilities, net	14	194,950	214,995
Unfavorable lease terms	5	6,530	15,266
Long-term finance lease and financial liabilities, net	6	901,998	945,613
Long-term debt, net	6	1,061,694	917,102
Deferred revenue		50,083	55,534
Other long-term liabilities		8,436	8,436
Fair value of derivatives, non-current	8	1,776	—
Total non-current liabilities		2,225,467	2,156,946
Total liabilities		\$ 2,688,484	\$ 2,566,612
Commitments and contingencies	11	—	—
Partners' capital:			
Common Unitholders (28,866,658 and 29,694,433 common units outstanding as of September 30, 2025 and December 31, 2024, respectively)	1, 9	3,180,381	3,053,295
General Partner (622,296 general partnership units outstanding at each of September 30, 2025 and December 31, 2024)	1	56,768	53,333
Accumulated Other Comprehensive Loss	8	(2,422)	—
Total partners' capital		3,234,727	3,106,628
Total liabilities and partners' capital		\$ 5,923,211	\$ 5,673,240

See unaudited notes to the condensed consolidated financial statements

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

	Notes	Three Month Period Ended September 30, 2025 (unaudited)	Three Month Period Ended September 30, 2024 (unaudited)	Nine Month Period Ended September 30, 2025 (unaudited)	Nine Month Period Ended September 30, 2024 (unaudited)
Time charter and voyage revenues	2, 14	\$ 346,923	\$ 340,835	\$ 978,593	\$ 1,001,545
Time charter and voyage expenses (including \$4,244, \$0, \$12,115 and \$0 to related parties)	12, 14	(32,652)	(34,941)	(93,884)	(116,896)
Vessel operating expenses (including \$13,000, \$89,380, \$38,532 and \$260,510 to related parties)	12	(95,135)	(91,894)	(287,381)	(268,304)
General and administrative expenses	12	(23,059)	(21,102)	(68,453)	(62,430)
Depreciation and amortization	4, 5	(109,041)	(72,858)	(268,471)	(214,994)
Amortization of unfavorable lease terms	5	2,944	3,206	8,736	9,513
(Loss)/ gain on sale of vessels, net	4	(93)	1,241	(422)	10,374
Interest expense and finance cost, net	7	(34,732)	(32,608)	(101,727)	(92,104)
Interest income		3,214	3,394	9,677	10,386
Other (expense)/ income, net		(2,037)	2,482	(8,662)	(4,505)
Net income		\$ 56,332	\$ 97,755	\$ 168,006	\$ 272,585
Other comprehensive loss					
Unrealized loss on cash flow hedges	8	\$ (108)	\$ —	\$ (2,422)	\$ —
Total other comprehensive loss		\$ (108)	\$ —	\$ (2,422)	\$ —
Total comprehensive income		\$ 56,224	\$ 97,755	\$ 165,584	\$ 272,585
Net income					
		Three Month Period Ended September 30, 2025 (unaudited)	Three Month Period Ended September 30, 2024 (unaudited)	Nine Month Period Ended September 30, 2025 (unaudited)	Nine Month Period Ended September 30, 2024 (unaudited)
Common Unitholders		\$ 55,149	\$ 95,800	\$ 164,478	\$ 267,133
General Partner		1,183	1,955	3,528	5,452
Net income		\$ 56,332	\$ 97,755	\$ 168,006	\$ 272,585
Earnings per unit (see Note 13):					
Earnings per common unit, basic		\$ 1.90	\$ 3.20	\$ 5.62	\$ 8.87
Earnings per common unit, diluted		\$ 1.90	\$ 3.20	\$ 5.62	\$ 8.87

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, 2025 (unaudited)	Nine Month Period Ended September 30, 2024 (unaudited)
OPERATING ACTIVITIES:			
Net income		\$ 168,006	\$ 272,585
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	4, 5	268,471	214,994
Amortization of unfavorable lease terms	5	(8,736)	(9,513)
Other non-cash adjustments		(9,764)	(8,717)
Amortization of operating lease assets/ liabilities	14	(562)	(2,784)
Amortization and write-off of deferred finance costs	7	6,304	5,900
Loss/ (gain) on sale of vessels, net	4	422	(10,374)
Changes in operating assets and liabilities:			
Decrease in accounts receivable		1,505	15,059
Decrease in prepaid expenses and other current assets		1,105	9,099
Decrease/ (increase) in amounts due from related parties (including current and non-current portion)	12	36,620	(8,440)
Payments for drydock and special survey costs		(138,763)	(71,731)
Decrease in accounts payable		(3,172)	(7,716)
Increase/ (decrease) in accrued expenses		2,678	(558)
Increase in deferred revenue		3,258	2,756
Increase/ (decrease) in amounts due to related parties	12	53,885	(32,006)
Net cash provided by operating activities		381,257	368,554
INVESTING ACTIVITIES:			
Net cash proceeds from sale of vessels	4	75,014	103,944
Other investments	3	(8,194)	9,024
Deposits for acquisition/ option to acquire vessel	11	(195,926)	(226,258)
Acquisition of/ additions to vessels	4, 12	(209,554)	(500,674)
Net cash used in investing activities		(338,660)	(613,964)
FINANCING ACTIVITIES:			
Cash distributions paid	13	(4,485)	(4,611)
Repayment of long-term debt, finance lease and financial liabilities	6	(451,572)	(361,636)
Payments of deferred finance costs	6	(9,766)	(7,751)
Proceeds from long-term debt, finance lease and financial liabilities	6	517,522	679,191
Acquisition of treasury units	9	(33,000)	(15,000)
Net cash provided by financing activities		18,699	290,193
Increase in cash, cash equivalents and restricted cash		61,296	44,783
Cash, cash equivalents and restricted cash, beginning of period		299,789	249,175
Cash, cash equivalents and restricted cash, end of period		\$ 361,085	\$ 293,958

		Nine Month Period Ended September 30, 2025 (unaudited)	Nine Month Period Ended September 30, 2024 (unaudited)
Supplemental disclosures of cash flow information			
Cash interest paid	\$	103,186	\$ 101,160
Non-cash financing activities			
Financial and finance lease liabilities	\$	32,274	\$ 27,463
Non-cash investing activities			
Net cash proceeds from sale of vessels	\$	10,000	\$ —
Deposits for acquisition/ option to acquire vessel	\$	293,475	\$ 180,286
Acquisition of/ additions to vessels	\$	(324,770)	\$ (252,267)

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				Accumulated Other Comprehensive Loss	Total Partners' Capital
	General Partner		Common Unitholders			
	Units	Amount	Units	Amount		
Balance December 31, 2024	622,296	\$ 53,333	29,694,433	\$ 3,053,295	\$ —	\$ 3,106,628
Cash distribution paid (\$0.05 per unit — see Note 13)	—	(31)	—	(1,480)	—	(1,511)
Acquisition of treasury units (see Note 9)	—	—	(236,459)	(10,000)	—	(10,000)
Other comprehensive loss (see Note 8)	—	—	—	—	(1,771)	(1,771)
Net income	—	876	—	40,851	—	41,727
Balance March 31, 2025	622,296	\$ 54,178	29,457,974	\$ 3,082,666	\$ (1,771)	\$ 3,135,073
Cash distribution paid (\$0.05 per unit — see Note 13)	—	(31)	—	(1,462)	—	(1,493)
Acquisition of treasury units (see Note 9)	—	—	(364,841)	(13,000)	—	(13,000)
Other comprehensive loss (see Note 8)	—	—	—	—	(543)	(543)
Net income	—	1,469	—	68,478	—	69,947
Balance June 30, 2025	622,296	\$ 55,616	29,093,133	\$ 3,136,682	\$ (2,314)	\$ 3,189,984
Cash distribution paid (\$0.05 per unit — see Note 13)	—	(31)	—	(1,450)	—	(1,481)
Acquisition of treasury units (see Note 9)	—	—	(226,475)	(10,000)	—	(10,000)
Other comprehensive loss (see Note 8)	—	—	—	—	(108)	(108)
Net income	—	1,183	—	55,149	—	56,332
Balance September 30, 2025	622,296	\$ 56,768	28,866,658	\$ 3,180,381	\$ (2,422)	\$ 3,234,727

	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

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-term, medium-term 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, 2025, there were outstanding 28,866,658 common units and 622,296 general partnership units. Angeliki Frangou, our Chief Executive Officer and Chairwoman beneficially owned an approximately 17.5% common interest of the total outstanding common units, consisting of 5,039,090 common units held directly or indirectly through four entities affiliated with her. In addition, an entity affiliated with Angeliki Frangou beneficially owned 622,296 general partnership units, representing an approximately 2.1% 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, statements of partners’ capital, statements of comprehensive income 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, 2024 filed on Form 20-F on March 28, 2025 (the “Annual Report”) with the U.S. Securities and Exchange Commission (“SEC”). Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current periods. The Company has changed its classification of “Direct vessel expenses” to reallocate these amounts between “Vessel operating expenses” and “Depreciation and amortization” in the condensed Consolidated Statements of Comprehensive Income. Management has assessed the impact of this change as immaterial to the financial statements. For the three month period ended September 30, 2024, this resulted in the reclassification of \$2,931 and \$15,184 of vessel operating expenses and amortization of deferred drydock and special survey costs, respectively, under the captions “Vessel operating expenses” and “Depreciation and amortization” in the condensed Consolidated Statements of Comprehensive Income. The aggregate amount of \$18,115 was previously presented under the caption “Direct vessel expenses” in the condensed Consolidated Statements of Operations for the three month period ended September 30, 2024. For the nine month period ended September 30, 2024, this resulted in the reclassification of \$9,148 and \$45,436 of vessel operating expenses and amortization of deferred drydock and special survey costs, respectively, under the captions “Vessel operating expenses” and “Depreciation and amortization” in the condensed Consolidated Statements of Comprehensive Income. The aggregate amount of \$54,584 was previously presented under the caption “Direct vessel expenses” in the condensed Consolidated Statements of Operations for the nine month period ended September 30, 2024.

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 and Note 15 – Subsequent events) 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.

(b) Principles of consolidation: The accompanying interim condensed consolidated financial statements include Navios Partners’ wholly owned subsidiaries from their dates of incorporation, or from their dates of redomiciliation, 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.

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, 2025, apart from those discussed below:

(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 \$330,007 and \$318,068 for the three month periods ended September 30, 2025 and 2024, respectively. Revenue from time chartering and bareboat chartering of vessels amounted to \$937,352 and \$889,764 for the nine month periods ended September 30, 2025 and 2024, 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 \$11,221 and \$13,532 for the three month periods ended September 30, 2025 and 2024, respectively. Revenue from voyage contracts amounted to \$20,019 and \$84,402 for the nine month periods ended September 30, 2025 and 2024, respectively.

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 \$5,695 and \$9,235 for the three month periods ended September 30, 2025 and 2024, respectively. Revenue from vessels operating in pooling arrangements amounted to \$21,222 and \$27,379 for the nine month periods ended September 30, 2025 and 2024, 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)

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.

(d) Derivative instruments: Navios Partners may periodically enter into derivative instruments, such as interest rate swaps, to manage exposure to interest rate fluctuations associated with specific borrowings. All derivative instruments are initially recognized on the consolidated balance sheet at their fair value. Transaction costs related to derivatives are expensed as incurred. The accounting treatment for changes in the fair value of the derivative depends on its intended use, whether the Company has designated it as part of a hedging relationship, and whether the hedging relationship meets the necessary criteria for hedge accounting under ASC 815, Derivatives and Hedging.

At the inception of a derivative contract, the Company may designate the derivative as an accounting hedge of the variability in cash flows associated with a forecasted transaction (“Cash Flow Hedge”). For a derivative to qualify for Cash Flow Hedge accounting, the hedging relationship must be formally documented at inception and must be expected to be highly effective in offsetting changes in the cash flows of the hedged item. This effectiveness is assessed both at hedge inception and on an ongoing basis. Changes in the fair value of a derivative designated and qualified as an effective Cash Flow Hedge are recognized in other comprehensive income/ (loss) and reclassified into earnings in the same period or periods during which the hedged forecasted transaction affects earnings. Any ineffective portion of a designated Cash Flow Hedge is recognized immediately in earnings. Changes in the fair value of derivatives that are not designated as accounting hedges under ASC 815 are also recognized in earnings in the period in which they occur.

Hedge accounting is discontinued prospectively when the derivative instrument expires, is sold, terminated, or exercised; when the hedging relationship no longer qualifies for hedge accounting under ASC 815; or when the Company elects to remove the hedge designation. Upon discontinuation, the cumulative gain or loss associated with the hedge that remains in accumulated other comprehensive income/ (loss) continues to be deferred and is reclassified into earnings in the same period or periods during which the forecasted transaction affects earnings. However, if the forecasted transaction is no longer probable of occurring, the amount previously recorded in accumulated other comprehensive income/ (loss) is immediately reclassified into earnings.

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, 2025	December 31, 2024
Cash and cash equivalents	\$ 360,506	\$ 270,166
Restricted cash	579	29,623
Total cash and cash equivalents and restricted cash	\$ 361,085	\$ 299,789

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 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.

Other investments consist of time deposits with original maturities of greater than three months and less than 12 months. As of September 30, 2025 and December 31, 2024, other investments amounted to \$20,483 and \$12,289, respectively.

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NOTE 4 – VESSELS, NET

Total Vessels	Cost	Accumulated Depreciation	Net Book Value
Balance December 31, 2024	\$ 5,050,766	\$ (809,474)	\$ 4,241,292
Additions/ (Depreciation)	534,324	(169,743)	364,581
Disposals/ Impairment	(111,254)	34,060	(77,194)
Balance September 30, 2025	\$ 5,473,836	\$ (945,157)	\$ 4,528,679

The above balances as of September 30, 2025 are analyzed in the following tables:

Owned Vessels	Cost	Accumulated Depreciation	Net Book Value
Balance December 31, 2024	\$ 4,594,294	\$ (775,478)	\$ 3,818,816
Additions/ (Depreciation)	488,329	(158,895)	329,434
Disposals/ Impairment	(111,254)	34,060	(77,194)
Balance September 30, 2025	\$ 4,971,369	\$ (900,313)	\$ 4,071,056

Right-of-use assets under finance lease	Cost	Accumulated Depreciation	Net Book Value
Balance December 31, 2024	\$ 456,472	\$ (33,996)	\$ 422,476
Additions/ (Depreciation)	45,995	(10,848)	35,147
Balance September 30, 2025	\$ 502,467	\$ (44,844)	\$ 457,623

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 period ended September 30, 2024, following the declarations of the Company's option to extend the charter period for one year for one Kamsarmax vessel and the option to acquire four Kamsarmax vessels (all of which were delivered into Navios Partners' fleet during the nine month period ended September 30, 2024) and one Ultra-Handymax vessel, the corresponding right-of-use asset under finance lease was increased by the aggregate amount of \$25,426.

During the nine month periods ended September 30, 2025 and 2024, the Company capitalized certain 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 \$23,547 and \$19,346, 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

2025

During the nine month period ended September 30, 2025, Navios Partners took delivery of a 2025-built MR2 Product Tanker vessel of 49,994 dwt, from an unrelated third party, by entering into a ten-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 \$45,995, being an amount equal to the initial measurement of the finance lease liability, including capitalized expenses, (see Note 6 – Borrowings), increased by the amount of \$8,777, which was prepaid before the lease commencement.

During the nine month period ended September 30, 2025, Navios Partners took delivery of five 2025-built vessels (two 7,700 TEU Containerships and three Aframax/LR2 tanker vessels), from unrelated third parties, for an aggregate acquisition cost of \$464,612 (including \$49,934 capitalized expenses).

2024

During the nine month period ended September 30, 2024, Navios Partners took delivery of eight 2024-built vessels (six 5,300 TEU Containerships and two Aframax/LR2 tanker vessels), from unrelated third parties, for an aggregate acquisition cost of \$543,789 (including \$46,423 capitalized expenses).

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During the nine month period ended September 30, 2024, Navios Partners paid an aggregate amount of \$117,825 (including \$1,166 capitalized expenses) to acquire from unrelated third parties four Kamsarmax vessels, which were previously accounted for as right-of-use assets under finance leases. The Company derecognized the right-of-use assets under the finance leases and recognized the vessels at an aggregate cost of \$164,398.

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. The acquisition was completed on December 27, 2024.

Sale of Vessels

2025

During the nine month period ended September 30, 2025, Navios Partners sold five vessels to unrelated third parties and one vessel to a related party (see Note 12 – Transactions with related parties and affiliates) for an aggregate net sale price of \$85,014. Following the sale of such vessels and the committed sale of a 2005-built Panamax of 75,397 dwt, as discussed below, an aggregate loss of \$422 (including the aggregate remaining carrying balance of drydock and special survey cost of \$5,997 and the straight line asset associated with a transhipper vessel, previously classified as held for sale, of \$2,245) is presented under the caption “(Loss)/ gain on sale of vessels, net” in the condensed Consolidated Statements of Comprehensive Income. This amount includes an impairment loss of \$1,094 in connection with the committed sale of a 2005-built Panamax of 75,397 dwt. This amount also includes an aggregate impairment loss of \$6,782, recognized upon the classification of a 2009-built transhipper vessel of 57,573 dwt and a 2006-built Panamax of 76,596 dwt as held for sale as of June 30, 2025 and March 31, 2025, respectively, with the sales completed during the nine month period ended September 30, 2025.

2024

During the nine month period ended September 30, 2024, Navios Partners sold five vessels to unrelated third parties for an aggregate net sale price of \$103,944. Following the sale of such vessels, the aggregate gain of \$17,988 (including the aggregate remaining carrying balance of drydock and special survey cost of \$2,763) is presented under the caption “(Loss)/ gain on sale of vessels, net” in the condensed Consolidated Statements of Comprehensive Income.

Vessels “agreed to be sold”

2025

During the nine month period ended September 30, 2025, Navios Partners agreed to sell a 2009-built 4,250 TEU Containership, a 2008-built 4,730 TEU Containership, a 2005-built Panamax of 75,397 dwt and a 2010-built VLCC of 296,988 dwt, to unrelated third parties. The aggregate gross sale price of the above vessels amounted to \$126,500. 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, 2025. The sale of the 2008-built 4,730 TEU Containership is expected to be completed during the first quarter of 2026 and the sales of the remaining three vessels were completed in October 2025 (see Note 15 – Subsequent events).

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 unrelated third parties for an aggregate net sale 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 had committed to a plan to sell the vessel within the next 12 months. As of September 30, 2024, the above vessel had been classified as held for sale, according to the provisions of ASC 360, as the relevant criteria for the classification were met and it was presented under the caption “Assets held for sale” in the condensed Consolidated Balance Sheets, 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 were presented under the caption “Assets held for sale” in the condensed Consolidated Balance Sheets. For the remaining three vessels, the Company had

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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.

Vessels impairment loss

2025

As at September 30, 2025, Navios Partners assessed whether impairment indicators for any of its long-lived assets existed and concluded that such indicators were present for one dry bulk vessel, due to its committed sale. As a result, a recoverability test for this vessel was performed and an impairment loss was recognized, as the carrying amount of the asset group was not recoverable since it exceeded its fair value (see Note 8 – Fair value of financial instruments). The impairment loss of \$1,094 is presented under the caption “(Loss)/ gain on sale of vessels, net” in the condensed Consolidated Statements of Comprehensive Income for the nine month period ended September 30, 2025.

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 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 “(Loss)/ gain on sale of vessels, net” in the condensed Consolidated Statements of Comprehensive Income for the nine month period ended September 30, 2024.

NOTE 5 – INTANGIBLE ASSETS AND LIABILITIES

Intangible assets as of September 30, 2025 and December 31, 2024 consisted of the following:

	Cost	Accumulated Amortization	Net Book Value
Favorable lease terms December 31, 2024	\$ 211,644	\$ (169,333)	\$ 42,311
Amortization	—	(10,251)	(10,251)
Accelerated amortization	(46,414)	19,137	(27,277)
Favorable lease terms September 30, 2025	<u>\$ 165,230</u>	<u>\$ (160,447)</u>	<u>\$ 4,783</u>

Amortization expense of favorable lease terms for each of the periods ended September 30, 2025 and 2024 is presented in the following table:

	Three Month Period Ended September 30, 2025	Three Month Period Ended September 30, 2024	Nine Month Period Ended September 30, 2025	Nine Month Period Ended September 30, 2024
Amortization	\$ (1,591)	\$ (4,539)	\$ (10,251)	\$ (13,618)
Accelerated amortization	(27,277)	—	(27,277)	—
Total	<u>\$ (28,868)</u>	<u>\$ (4,539)</u>	<u>\$ (37,528)</u>	<u>\$ (13,618)</u>

The amortization of the intangible asset for the next five 12-month periods ending September 30 is estimated to be \$4,783 for 2026 and \$0 for each of the years 2027 through 2030.

Intangible assets subject to amortization are amortized using straight-line method over their estimated useful lives to their estimated residual value of zero. On July 3, 2025, the U.S. Department of Treasury’s Office of Foreign Assets Control added, amongst others, VS Tankers FZE (“VS Tankers”) to the Specially Designated Nationals list after being determined by the State Department to meet the criteria for the imposition of sanctions under Executive Order 13902. Navios Partners had two VLCCs, which were bareboat chartered-out to VS Tankers. On July 4, 2025, Navios Partners terminated the contracts for these vessels and derecognized the associated favorable lease terms, resulting in an accelerated amortization

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of \$27,277, which is presented under the caption “Depreciation and amortization” in the condensed Consolidated Statements of Comprehensive Income for the three and nine month periods ended September 30, 2025. As of September 30, 2025, the weighted average useful life of the remaining favorable lease term was 0.8 year.

Intangible liabilities as of September 30, 2025 and December 31, 2024 consisted of the following:

	Cost	Accumulated Amortization	Net Book Value
Unfavorable lease terms December 31, 2024	\$ 231,407	\$ (216,141)	\$ 15,266
Amortization	—	(8,736)	(8,736)
Unfavorable lease terms September 30, 2025	<u>\$ 231,407</u>	<u>\$ (224,877)</u>	<u>\$ 6,530</u>

Amortization income of unfavorable lease terms for each of the periods ended September 30, 2025 and 2024 is presented in the following table:

	Three Month Period Ended September 30, 2025	Three Month Period Ended September 30, 2024	Nine Month Period Ended September 30, 2025	Nine Month Period Ended September 30, 2024
Unfavorable lease terms	\$ 2,944	\$ 3,206	\$ 8,736	\$ 9,513
Total	<u>\$ 2,944</u>	<u>\$ 3,206</u>	<u>\$ 8,736</u>	<u>\$ 9,513</u>

The aggregate amortization of the intangible liabilities for the next five 12-month periods ending September 30 is estimated to be \$6,530 for 2026 and \$0 for each of the years 2027 through 2030.

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, 2025, the weighted average useful life of the remaining unfavorable lease terms was 0.6 year.

NOTE 6 – BORROWINGS

Borrowings as of September 30, 2025 and December 31, 2024 consisted of the following:

	September 30, 2025	December 31, 2024
Credit facilities	\$ 1,239,658	\$ 1,096,178
Financial liabilities	666,318	731,206
Finance lease liabilities	345,416	325,784
Total borrowings	<u>\$ 2,251,392</u>	<u>\$ 2,153,168</u>
Less: Current portion of long-term borrowings, net	(262,937)	(266,222)
Less: Deferred finance costs, net	(24,763)	(24,231)
Long-term borrowings, net	<u>\$ 1,963,692</u>	<u>\$ 1,862,715</u>

As of September 30, 2025, the total borrowings, net of deferred finance costs were \$2,226,629.

Credit Facilities

CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK: On September 24, 2025, Navios Partners entered into a credit facility with Credit Agricole Corporate and Investment Bank (“CACIB”) for a total amount of up to \$82,905 in order to refinance the existing indebtedness of two of its vessels. On September 25, 2025, the full amount was drawn. As of September 30, 2025, the total outstanding balance was \$82,905. The facility matures in the third quarter of 2032 and bears interest at Term Secured Overnight Financing Rate (“Term SOFR”) plus 150 bps per annum.

On June 17, 2025, Navios Partners entered into a credit facility with CACIB for a total amount of up to \$62,500 in order to refinance the existing indebtedness of six of its vessels. On June 25, 2025, the full amount was drawn. As of September 30, 2025, the total outstanding balance was \$59,375. The facility matures in the second quarter of 2030 and bears interest at Term SOFR plus 175 bps per annum.

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On June 28, 2023, Navios Partners entered into a credit facility with CACIB for a total amount of up to \$62,400 in order to refinance the existing indebtedness of seven of its dry bulk vessels. On June 30, 2023, the full amount was drawn. During the year ended December 31, 2024, the amount of \$3,818 was prepaid in relation to the sale of a 2006-built Kamsarmax vessel of 82,790 dwt. On June 10, 2025, Navios Partners prepaid the amount of \$17,650 relating to three dry bulk vessels that were released from the facility. On June 24, 2025, the outstanding balance of \$22,113 was fully prepaid and refinanced.

SKANDINAVISKA ENSKILDA BANKEN AB: On September 9, 2025, Navios Partners entered into a credit facility with Skandinaviska Enskilda Banken AB (“SEB”) for a total amount of up to \$74,200 in order to finance part of the acquisition cost of a 7,900 TEU newbuilding containership, currently under construction. As of September 30, 2025, the full amount remained undrawn. The facility matures seven years after the delivery date of the vessel and bears interest at Compounded Secured Overnight Financing Rate (“Compounded SOFR”) plus 150 bps per annum.

On April 19, 2023, Navios Partners entered into a credit facility with SEB for a total amount of up to \$65,000 in order to refinance the existing indebtedness of five of its tanker vessels and for general corporate purposes. On April 21, 2023, the full amount was drawn. As of September 30, 2025, the total outstanding balance was \$47,450. The facility was to mature in the second quarter of 2028 and bore interest at Compounded SOFR plus 200 bps per annum. Following the successful placement of \$300,000 of senior unsecured bonds (the “2030 Senior Unsecured Bonds”), the facility was fully prepaid in the fourth quarter 2025.

On June 29, 2022, Navios Partners entered into a credit facility with SEB for a total amount of up to \$55,000 in order to refinance the existing indebtedness of four of its vessels and for general corporate purposes. On June 30, 2022, the full amount was drawn. As of September 30, 2025, the total outstanding balance was \$29,520. The facility was to mature in the second quarter of 2027 and bore interest at Compounded SOFR plus 225 bps per annum. Following the successful placement of the 2030 Senior Unsecured Bonds, the facility was fully prepaid in the fourth quarter 2025.

NATIONAL BANK OF GREECE S.A.: On June 25, 2025, Navios Partners entered into a reducing revolving credit facility with National Bank of Greece S.A. (“NBG”) for a total amount of up to \$100,000 in order to refinance the existing indebtedness of 13 of its vessels and for working capital purposes. On June 26, 2025, the amount of \$40,000 was drawn. On July 28, 2025, the amount of \$40,000 was prepaid. On September 26, 2025, a 2005-built Panamax of 77,075 dwt was released from the facility, in relation to its sale. On September 30, 2025 the amount of \$65,000 was drawn. As of September 30, 2025, the total outstanding balance was \$65,000. The facility matures in the second quarter of 2030 and bears interest at Term SOFR plus 170 bps per annum.

On September 19, 2024, Navios Partners entered into a credit facility with NBG for a total amount of 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 Aframax/ LR2 newbuilding tanker vessel (tranche B). On September 20, 2024, the amount of \$81,218 in relation to tranche A was drawn. On June 18, 2025, in relation to the delivery of the 2025-built Aframax/ LR2 of 115,812 dwt, the amount of \$45,000 was drawn (tranche B). In October 2025, in relation to the sale of a 2010-built VLCC of 296,988 dwt, the amount of \$15,365 was prepaid. As of September 30, 2025, the total outstanding balance was \$112,091. The credit facility matures five years after each drawdown date and bears interest at Term SOFR (with option to switch to 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 NBG for a total amount 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 year ended December 31, 2024, following 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, 2025, the total outstanding balance was \$49,501. The facility was to mature in the second quarter of 2028 and bore interest at Term SOFR (with option to switch to Compounded SOFR) plus 215 bps per annum. Following the successful placement of the 2030 Senior Unsecured Bonds, the facility was fully prepaid in the fourth quarter 2025.

BNP PARIBAS: On June 19, 2025, Navios Partners entered into a credit facility with BNP Paribas for a total amount of up to \$227,070 in order to refinance the existing indebtedness of six of its vessels (tranche A) and finance part of the acquisition cost of three vessels, which are currently under construction, one 7,900 TEU newbuilding containership (tranche B) and two Aframax/LR2 newbuilding tanker vessels of 115,000 dwt (tranches C and D). On June 23, 2025, the

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amount of \$62,500 in relation to tranche A was drawn. As of September 30, 2025, the total outstanding balance was \$59,375 and tranches B, C and D remained undrawn. The credit facility matures in the second quarter of 2030 and bears interest at Compounded SOFR plus 175 bps per annum for drawn amount of tranche A. The credit facility matures seven years after each drawdown date and bears interest at Compounded SOFR plus 150 bps per annum for drawn amounts of tranches B, C and D.

On June 21, 2023, Navios Partners entered into a credit facility with BNP Paribas, CACIB and First-Citizens Bank & Trust Company for a total amount of up to \$107,600 in order to refinance the existing indebtedness of ten of its vessels and for general corporate purposes. On June 26, 2023, the full amount was drawn. In October 2024, following the sale of one 2005-built Panamax vessel of 76,596 dwt, the amount of \$3,108 was prepaid. On November 14, 2024, Navios Partners prepaid the amount of \$7,679 relating to one dry bulk vessel that was released from the facility. On June 25, 2025, the outstanding balance of \$49,893 was fully prepaid and refinanced.

On June 12, 2023, Navios Partners entered into a credit facility with BNP Paribas for a total amount 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. On June 23, 2025, the outstanding balance of \$20,577 was fully prepaid and refinanced.

KFW IPEX-BANK GMBH: On March 18, 2025, Navios Partners entered into an export credit agency-backed facility with KFW IPEX-BANK GMBH (“KFW”) for a total amount of up to \$151,502 (including insurance premium) in order to finance part of the acquisition cost of two newbuilding 7,900 TEU containerships, currently under construction. During the nine month period ended September 30, 2025, the Company has drawn a total amount of \$24,302 and \$127,200 remains to be drawn. As of September 30, 2025, the total outstanding balance was \$24,302. The credit facility is scheduled to mature 12 years after the delivery date of each vessel and bears interest at Compounded SOFR plus 124 bps per annum.

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 7,700 TEU newbuilding containerships. During the year ended December 31, 2024, the Company drew a total amount of \$119,434 and the remaining amount of \$46,204 was drawn during the nine month period ended September 30, 2025, in relation to the deliveries of the two 7,700 TEU newbuilding containerships. As of September 30, 2025, the total outstanding balance was \$158,757. The credit facility matures in the first quarter of 2037 and bears interest at Compounded SOFR plus 150 bps per annum.

HELLENIC BANK PUBLIC COMPANY LIMITED: On December 4, 2024, Navios Partners entered into a credit facility with Hellenic Bank Public Company Limited (“Hellenic Bank”) for a total amount of up to \$30,000 in order to refinance the existing indebtedness of four of its vessels. On December 6, 2024, the full amount was drawn. During the nine month period ended September 30, 2025, in relation to the sales of a 2006-built Panamax of 76,596 dwt and a 2009-built transhipper vessel of 57,573 dwt, the aggregate amount of \$11,150 was prepaid. As of September 30, 2025, the total outstanding balance was \$15,900. The facility matures in the fourth quarter of 2029 and bears interest at Term SOFR plus 175 bps per annum.

On May 9, 2022, Navios Partners entered into a credit facility with Hellenic Bank for a total amount of up to \$25,235 in order to refinance the existing indebtedness of five of its vessels and for working capital purposes. On May 11, 2022, the full amount was drawn. In January 2023, following the sale of a 2005-built MR2 Product Tanker vessel of 47,999 dwt, the amount of \$3,700 was prepaid. During the nine month period ended September 30, 2025, in relation to the sale of a 2007-built 2,741 TEU Containership, the amount of \$1,350 was prepaid. As of September 30, 2025, the total outstanding balance was \$8,270. The facility was to mature in the second quarter of 2027 and bore interest at Term SOFR plus a credit adjustment spread plus 250 bps per annum. Following the successful placement of the 2030 Senior Unsecured Bonds, the facility was fully prepaid in the fourth quarter 2025.

EUROBANK S.A: On September 27, 2024, Navios Partners entered into a credit facility with Eurobank S.A for a total amount of 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). During the year ended December 31, 2024, the full amount was drawn. During the nine month period ended September 30, 2025, in relation to the sale of a 2007-built MR2 Product Tanker vessel of 50,922 dwt, the amount of \$6,850 was prepaid. As of September 30, 2025, the total outstanding balance was \$36,015. The credit facility matures in the third quarter of 2028 in relation to

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advance A and the fourth quarter of 2030 in relation to advance B and bears interest at 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.

ABN AMRO BANK N.V.: On March 28, 2022, Navios Partners entered into a credit facility with ABN Amro Bank N.V for a total amount of up to \$55,000 in order to refinance the existing indebtedness of three of its vessels and for general corporate purposes. On March 31, 2022, the full amount was drawn. As of September 30, 2025, the total outstanding balance was \$31,200. The facility was to mature in the first quarter of 2027 and bore interest at Compounded SOFR plus 225 bps per annum. Following the successful placement of the 2030 Senior Unsecured Bonds, the facility was fully prepaid in the fourth quarter 2025.

Financial Liabilities

In January 2024, Navios Partners entered into a sale and leaseback agreement for a total amount 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. Navios Partners has a purchase obligation to acquire the vessel at the end of the lease term and under ASC 842-40, the transfer of the vessel was determined to be a failed sale. In accordance with ASC 842-40, Navios Partners did not derecognize the respective vessel from its balance sheet and accounted for the amounts received under the sale and leaseback transaction as a financial liability. On April 1, 2025, the full amount was drawn in relation to the delivery of the 2025-built Aframax/LR2 tanker vessel of 115,762 dwt. The sale and leaseback transaction was to mature seven years after the drawdown date and bore interest at Term SOFR plus 190 bps per annum. As of September 30, 2025, the outstanding balance under the sale and leaseback agreement was \$44,510. During the fourth quarter of 2025, the outstanding balance under the sale and leaseback agreement was fully prepaid.

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 Aframax/LR2 newbuilding tanker vessels. During the year ended December 31, 2024, the Company drew a total amount of \$131,750 in relation to the deliveries of three vessels, and the remaining amount of \$43,850 was drawn during the nine month period ended September 30, 2025, in relation to the delivery of the 2025-built Aframax/LR2 tanker vessel of 115,807 dwt. 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. The sale and leaseback transaction matures ten years after each drawdown date and bears interest at Term SOFR plus 200 bps per annum. As of September 30, 2025, the outstanding balance under the sale and leaseback agreements was \$167,770.

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 Aframax/LR2 newbuilding tanker vessels. During the year ended December 31, 2024, following the deliveries of the four vessels, the full amount was 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 expected 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. On September 22, 2025, Navios Partners amended its existing sale and leaseback agreements. Following this amendment, Navios Partners exercised the early purchase option for the two Aframax/LR2 tanker vessels and prepaid the amount of \$81,315. Under this amendment, Navios Partners also entered into sale and leaseback agreements of \$89,000 in order to finance part of the acquisition cost of two additional Aframax/LR2 newbuilding tanker vessels, currently under construction. As of September 30, 2025, this amount remained undrawn. The sale and leaseback transaction matures ten years after each vessel's delivery date and bears interest at Term SOFR plus 210 bps per annum. As of September 30, 2025, the outstanding balance under the sale and leaseback agreements was \$78,320.

In October 2022, Navios Partners completed a \$100,000 sale and leaseback agreement 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 agreement 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. The sale and leaseback agreement bears interest at

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Term SOFR plus 210 bps per annum and was to mature in the first quarter of 2026. Pursuant to an amendment dated March 19, 2025, the agreement matures in the first quarter of 2029 and for the three year extension period bears interest at Term SOFR plus 175 bps per annum. As of September 30, 2025, the outstanding balance under the sale and leaseback agreement was \$40,777. Following the successful placement of the 2030 Senior Unsecured Bonds, the sale and leaseback agreement was fully prepaid in the fourth quarter of 2025.

In February 2022, Navios Maritime Holdings Inc. (“Navios Holdings”) entered into a sale and leaseback agreement with an unrelated third party for \$12,000 in order to finance a Panamax vessel. Following the acquisition of the 36-vessel dry bulk fleet from Navios Holdings, Navios Partners had a purchase option to acquire the vessel at the end of the lease term and given the fact that such exercise price was not equal to the expected fair value of the 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 vessel from its balance sheet and accounted for the liability assumed under the sale and leaseback agreement as a financial liability. In February 2025, in relation to the sale of the Panamax vessel, the outstanding balance under the sale and leaseback agreement of \$6,165 was fully prepaid.

On March 31, 2018, Navios Maritime Acquisition Corporation (“Navios Acquisition”) entered into a \$71,500 sale and leaseback agreement with unrelated third parties to refinance the outstanding balance of the existing facility on four product tankers. Navios Acquisition has a purchase obligation to acquire the vessels at the end of the lease term and under ASC 842-40, the transaction was accounted for as a failed sale. In accordance with ASC 842-40, Navios Acquisition did not derecognize the respective vessels from its balance sheet and accounted for the amounts received under sale and leaseback agreement as a financial liability. In April 2018, Navios Acquisition drew \$71,500 under this agreement. The sale and leaseback agreement matures in April 2029 and bears interest at Term SOFR plus 190 bps per annum. As of September 30, 2025, the total outstanding balance under the sale and leaseback agreement was \$26,813. During the fourth quarter of 2025, following the prepayment of their outstanding balance, three vessels were released from the sale and leaseback agreement.

Finance Lease Liabilities

On September 25, 2025, Navios Partners took delivery of the Nave Ohana, a 2025-built MR2 Product Tanker vessel of 49,994 dwt, under a ten-year bareboat charter-in agreement. The bareboat charter-in provides for purchase options with de-escalating purchase prices starting at the end of the fourth year. The Company has performed an assessment considering the lease classification criteria under ASC 842 and concluded that the agreement is a finance lease. Consequently, the Company has recognized a finance lease liability based on the net present value of the 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%. As of September 30, 2025, the outstanding balance was \$32,320 and is repayable in ten years.

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.

For the nine month periods ended September 30, 2025 and 2024, payments related to the finance lease liabilities amounted to \$12,641 and \$23,580, respectively, and are presented under the caption “Repayment of long-term debt, finance lease 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 Angeliki Frangou’s or her 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 and the payables under the Master Management Agreement (as defined herein).

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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, 2025, 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.

The annualized weighted average interest rates of the Company's total borrowings for each of the three and nine month periods ended September 30, 2025, were 6.3%. The annualized weighted average interest rates of the Company's total borrowings for each of the three and nine month periods ended September 30, 2024, were 7.0% and 7.1%, respectively.

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, 2025, based on the repayment schedules of the respective credit facilities, financial liabilities and finance lease liabilities.

Period	Amount
2026	\$ 268,851
2027	341,697
2028	335,718
2029	347,304
2030	216,260
2031 and thereafter	741,562
Total	\$ 2,251,392

NOTE 7 – INTEREST EXPENSE AND FINANCE COST, NET

Interest expense and finance cost, net for the three and nine month periods ended September 30, 2025 and 2024 consisted of the following:

	Three Month Period Ended September 30, 2025 (unaudited)	Three Month Period Ended September 30, 2024 (unaudited)	Nine Month Period Ended September 30, 2025 (unaudited)	Nine Month Period Ended September 30, 2024 (unaudited)
Interest expense incurred on credit facilities and financial liabilities	\$ 29,841	\$ 29,066	\$ 88,933	\$ 81,855
Interest expense incurred on finance lease liabilities	5,359	6,802	16,129	22,619
Interest expense capitalized related to deposits for vessel acquisitions	(4,692)	(5,647)	(12,874)	(18,284)
Amortization and write-off of deferred finance costs	2,405	2,191	6,304	5,900
Discount effect of long-term assets and other finance costs	1,819	196	3,235	14
Total interest expense and finance cost, net	\$ 34,732	\$ 32,608	\$ 101,727	\$ 92,104

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

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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.

Other investments: 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.

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.

Fair value of derivatives, including current portion: The carrying amounts reported in the condensed Consolidated Balance Sheets for interest rate swap agreements represent their fair value.

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

	September 30, 2025		December 31, 2024	
	Book Value	Fair Value	Book Value	Fair Value
Cash and cash equivalents	\$ 360,506	\$ 360,506	\$ 270,166	\$ 270,166
Restricted cash	\$ 579	\$ 579	\$ 29,623	\$ 29,623
Other investments	\$ 20,483	\$ 20,483	\$ 12,289	\$ 12,289
Amounts due from related parties, short-term	\$ 1,601	\$ 1,601	\$ 36,620	\$ 36,620
Amounts due from related parties, long-term	\$ 7,142	\$ 7,142	\$ —	\$ —
Amounts due to related parties, short-term	\$ (53,885)	\$ (53,885)	\$ —	\$ —
Credit facilities and financial liabilities, including current portion, net	\$ (1,881,213)	\$ (1,905,976)	\$ (1,803,153)	\$ (1,827,384)
Fair value of derivatives, including current portion	\$ (2,422)	\$ (2,422)	\$ —	\$ —

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.

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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, 2025 and December 31, 2024.

	Fair Value Measurements as at September 30, 2025			
	Total	Level I	Level II	Level III
Cash and cash equivalents	\$ 360,506	\$ 360,506	\$ —	\$ —
Restricted cash	\$ 579	\$ 579	\$ —	\$ —
Other investments	\$ 20,483	\$ 20,483	\$ —	\$ —
Amounts due from related parties, short-term	\$ 1,601	\$ —	\$ 1,601	\$ —
Amounts due from related parties, long-term	\$ 7,142	\$ —	\$ 7,142	\$ —
Amounts due to related parties, short-term	\$ (53,885)	\$ —	\$ (53,885)	\$ —
Credit facilities and financial liabilities, including current portion, net ⁽¹⁾	\$ (1,905,976)	\$ —	\$ (1,905,976)	\$ —

	Fair Value Measurements as at December 31, 2024			
	Total	Level I	Level II	Level III
Cash and cash equivalents	\$ 270,166	\$ 270,166	\$ —	\$ —
Restricted cash	\$ 29,623	\$ 29,623	\$ —	\$ —
Other investments	\$ 12,289	\$ 12,289	\$ —	\$ —
Amounts due from related parties, short-term	\$ 36,620	\$ —	\$ 36,620	\$ —
Credit facilities and financial liabilities, including current portion, net ⁽¹⁾	\$ (1,827,384)	\$ —	\$ (1,827,384)	\$ —

(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 at September 30, June 30 and March 31, 2025, the estimated fair value of the Company's vessels measured at fair value on a non-recurring basis was categorized based upon the applicable fair value hierarchy. The fair value as at September 30 and March 31, 2025 was determined based on the concluded sale price and the fair value as at June 30, 2025 was determined based on a third party valuation report.

	Fair Value Measurements as at September 30, 2025			
	Total	Level I	Level II	Level III
Vessels, net	\$ 8,245	\$ —	\$ 8,245	\$ —

	Fair Value Measurements as at June 30, 2025			
	Total	Level I	Level II	Level III
Vessel held for sale	\$ 30,000	\$ —	\$ 30,000	\$ —

	Fair Value Measurements as at March 31, 2025			
	Total	Level I	Level II	Level III
Vessel held for sale	\$ 8,051	\$ —	\$ 8,051	\$ —

As at December 31, 2024 and 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 December 31, 2024			
	Total	Level I	Level II	Level III
Vessels, net	\$ 21,250	\$ —	\$ 21,250	\$ —

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

Derivative Instruments

In February 2025, Navios Partners entered into interest rate swaps with a commercial bank for a notional amount of \$87,860 (the “Swap Transaction”) to hedge the interest rate of its existing credit facility. Under the terms of the Swap Transaction, Navios Partners pays a fixed rate of 412 bps per annum and receives a floating rate based on the three month average of the daily Compounded SOFR. No additional collateral is required under the terms of the Swap Transaction.

The Swap Transaction is designated as a Cash Flow Hedge to address the Company’s exposure to variability in expected future cash flows arising from interest rate fluctuations. In accordance with ASC 815, the Company completed the required formal hedge documentation at the inception of the hedging relationship. As a result, the Swap Transaction qualifies for hedge accounting. Changes in the fair value of the Swap Transaction that are determined to be effective are presented under the caption “Accumulated Other Comprehensive Loss” in the condensed Consolidated Balance Sheets and condensed Consolidated Statements of Changes in Partners’ Capital.

As of September 30, 2025, the fair value of the Swap Transaction amounted to \$2,422 loss. The amounts of \$646 and \$1,776 are presented under the captions “Fair value of derivatives, current” and “Fair value of derivatives, non-current”, respectively, in the condensed Consolidated Balance Sheets.

The following table presents the terms of the Swap Transaction and the respective fair value amount as of September 30, 2025. The fair value of the Swap Transaction is measured using level II inputs of the fair value hierarchy and is derived principally from, or corroborated by, observable market data, such as interest rate and yield curves.

Derivative liabilities:

Effective date	Termination date	Notional amount on effective date	Fixed rate	Fair value as at September 30, 2025 (Level II)
1/27/2025	3/26/2029	\$ 87,860	4.12%	\$ (2,422)
Total fair value of derivatives, including current portion				\$ (2,422)

	Amount recognized in other comprehensive loss			
	Three Month Period Ended	Three Month Period Ended	Nine Month Period Ended	Nine Month Period Ended
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
Unrealized loss on cash flow hedges	\$ (108)	\$ —	\$ (2,422)	\$ —
Total other comprehensive loss	\$ (108)	\$ —	\$ (2,422)	\$ —

As of September 30, 2025, the Company did not hold any interest rate swaps that do not qualify for hedge accounting.

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, 2025, the Company had repurchased 827,775 common units in 2025 and 1,317,730 common units since the commencement of the program, for a total cost of approximately \$33,000 and \$58,000, respectively. As of November 24,

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2025, the Company had repurchased 1,445,850 common units since the commencement of the program, for a total cost of approximately \$64,138.

NOTE 10 – INCOME TAXES

The Republic of the Marshall Islands does not impose a tax on international shipping income. Under the laws of the countries of the vessel-owning subsidiaries' incorporation and/or redomiciliation 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 Comprehensive Income.

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.

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.

The Company has elected to be treated and is currently treated as a corporation for U.S. federal income tax purposes. As such, the Company is 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.

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. On September 25, 2025, Navios Partners took delivery of the Nave Ohana. 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 remaining vessel is expected to be delivered into Navios Partners' fleet during 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. During the nine month period ended September 30, 2025, the amount of \$4,500 in relation to the delivery of the one vessel, was paid. As of September 30, 2025, the total amount of \$6,272 including capitalized 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

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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, 2025, the total amount of \$13,318, including capitalized 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, 2025, the total amount of \$13,452, including capitalized 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 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 year ended December 31, 2024, the aggregate amount of \$55,125 was paid. During the nine month period ended September 30, 2025, the aggregate amount of \$24,500 was paid. As of September 30, 2025, the total amount of \$79,625 is presented under the caption "Deposits for vessel 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 the first half of 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 year ended December 31, 2024, the aggregate amount of \$18,375 was paid. As of September 30, 2025, the total amount of \$18,375 is presented under the caption "Deposits for vessel 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 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 nine month period ended September 30, 2025, the amount of \$82,200 was paid. As of September 30, 2025, the total amount of \$82,200 is presented under the caption "Deposits for vessel acquisitions" in the condensed Consolidated Balance Sheets.

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 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 year ended December 31, 2024, the aggregate amount of \$62,625 was paid. As of September 30, 2025, the total amount of \$62,625 is presented under the caption "Deposits for vessel acquisitions" in the condensed Consolidated Balance Sheets.

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 second half of 2026 and 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. During the nine month period ended September 30, 2025, the amount of \$41,100 was paid. As of September 30, 2025, the total amount of \$41,100 is presented under the caption "Deposits for vessel acquisitions" in the condensed Consolidated Balance Sheets.

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During the second quarter of 2025, 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 \$63,200 each (plus \$3,300 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 \$31,600, plus extras in four installments for each vessel and the remaining amount of \$31,600, plus extras for each vessel will be paid upon delivery of each vessel. During the nine month period ended September 30, 2025, the amount of \$18,960 was paid. As of September 30, 2025, the total amount of \$18,960 is presented under the caption "Deposits for vessel acquisitions" in the condensed Consolidated Balance Sheets.

During the third quarter of 2025, Navios Partners agreed to acquire four 8,850 TEU newbuilding methanol-ready and scrubber-fitted containerships from an unrelated third party, for a purchase price of \$113,250 each (plus \$1,845 per vessel in additional features). The vessels are expected to be delivered into Navios Partners' fleet during the second half of 2027 and the first quarter of 2028. Navios Partners agreed to pay in total \$79,275, plus extras in four installments for each vessel and the remaining amount of \$33,975, plus extras for each vessel will be paid upon delivery of each vessel. The closing of the transaction is subject to completion of customary documentation.

As of September 30, 2025, an amount of \$48,746 related to capitalized costs is presented under the caption "Deposits for vessel 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
2026	\$ 1,792
2027	12,663
2028	15,592
2029	15,549
2030	15,549
2031 and thereafter	94,473
Total	\$ 155,618

NOTE 12 – TRANSACTIONS WITH RELATED PARTIES AND AFFILIATES

Vessel operating expenses: Since the closing of Navios Partners' IPO in 2007, the Company entered into management agreements, as amended from time to time, with the Manager, pursuant to which the Manager had agreed to provide certain commercial and technical management services to the Company at fixed rates for these services until January 1, 2025. Costs associated with special surveys, drydockings and certain extraordinary items were reimbursed at cost at occurrence.

In August 2024, Navios Partners renewed its management agreements with the Manager commencing January 1, 2025, for a term of ten years, renewing annually (the "Master Management Agreement" and together with the management agreements the "Management Agreements"). At the same time, Navios Partners renewed for a term of ten years its Administrative Services Agreement (as defined herein and together with the Master Management Agreement the "Agreements"). The conflicts committee of the Board of Directors, consisting of independent directors, negotiated and approved the Agreements with the advice of independent legal and financial advisors.

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 sale 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 Partners. The Master Management Agreement also provides for payment of a termination fee, which is equal to the net present value of the technical and commercial management fees charged for the most recent calendar year, 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.

For a detailed description of the Company's fixed daily fees, as well as fees associated with specialized transhipper vessel in accordance with the Company's management agreements, reflected in the comparative figures, refer to Note 17 –

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Transactions with related parties and affiliates, to the Company's consolidated financial statements included in the Annual Report.

During the three and nine month periods ended September 30, 2025, certain 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 \$7,413 and \$23,547, 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, certain 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, 2025, fixed management fees amounted to \$13,000 and \$38,532, respectively, and are presented under the caption "Vessel operating expenses" in the condensed Consolidated Statements of Comprehensive Income.

Total fixed daily fees for the three and nine month periods ended September 30, 2024, amounted to \$88,963 and \$259,156, respectively, and are presented under the caption "Vessel operating expenses" in the condensed Consolidated Statements of Comprehensive Income.

During the three and nine month periods ended September 30, 2025, commercial management fee on revenues amounted to \$4,244 and \$12,115 respectively, and is presented under the caption "Time charter and voyage expenses" in the condensed Consolidated Statements of Comprehensive Income.

During the three and nine month periods ended September 30, 2025, fee on sales amounted to \$224 and \$871, respectively, and is presented under the caption "(Loss)/ gain on sale of vessels, net" in the condensed Consolidated Statements of Comprehensive Income.

During the three and nine month periods ended September 30, 2025, fee on purchases amounted to \$4,604 and \$5,934, respectively and is presented under the caption "Deposits for acquisition/ option to acquire vessel" in the condensed Consolidated Statements of Cash Flows.

During the three and nine month periods ended September 30, 2025, fees for supervision and delivery of newbuilding vessels initially presented under the captions "Deposits for vessel acquisitions" and "Other long-term assets" in the condensed Consolidated Balance Sheets amounted to \$1,288 and \$5,619, respectively.

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. Of these amounts, \$401 and \$1,123 for the three and nine month periods ended September 30, 2024, respectively, are presented under the caption "Vessel operating expenses" in the condensed Consolidated Statements of Comprehensive Income and \$675 and \$1,477, respectively, are presented under the captions "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 "Vessel operating expenses" in the condensed Consolidated Statements of Comprehensive Income.

General and administrative expenses: 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. The Manager is reimbursed for reasonable allocable general and administrative costs and expenses incurred in connection with the provision of these services. In August 2019, Navios Partners extended the duration of its agreement with the Manager until January 1, 2025. The agreement also provided for payment of a termination fee, equal to the fees charged for the full calendar year preceding the termination date in the event the agreement is terminated on or before its term.

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

Total general and administrative expenses charged by the Manager for the three and nine month periods ended September 30, 2025 amounted to \$17,613 and \$52,403, respectively. 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.

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

Balance due (to)/ from related parties: Balance due (to)/ from Manager, short-term as of September 30, 2025 and December 31, 2024 amounted to \$(53,885) and \$34,089, 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 vessel operating expenses, in accordance with the Management Agreements and are presented under the captions “Amounts due to related parties” and “Amounts due from 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. (“NSAL”) 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 an originally agreed rate of \$25.8 per day. In accordance with an addendum to the time charter agreement, dated in March 2025, the daily rate was amended as follows: (a) \$14.0 per day, effective from January 1, 2025, through December 31, 2026; (b) \$38.8 per day effective from January 1, 2027, through December 31, 2028; and (c) \$25.8 per day effective from January 1, 2029, until termination. This transaction was negotiated with, and unanimously approved by, the conflicts committee of Navios Partners. For the three and nine month periods ended September 30, 2025, the amounts of \$415 and \$5,223, respectively, are presented under the caption “Time charter and voyage revenues” in the condensed Consolidated Statements of Comprehensive Income. 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 Comprehensive Income.

In July 2025, Navios Partners sold the Navios Vega to NSAL for a sale price of \$30,000. The transaction was negotiated and approved by the Conflicts Committee of Navios Partners. The sale agreement included a seller’s credit of \$10,000, payable in four annual installments.

As of September 30, 2025 and December 31, 2024, balance due from the abovementioned related party company, short-term amounted to \$1,601 and \$2,531, respectively, and is presented under the caption “Amounts due from related parties” within current assets in the condensed Consolidated Balance Sheets. As of September 30, 2025 and December 31, 2024, balance due from the abovementioned related party company, long-term amounted to \$7,142 and \$0, respectively, and is presented under the caption “Amounts due from related parties” within non-current assets in the condensed Consolidated Balance Sheets. These balances represent the current and non-current portion of the discounted amount of seller’s credit as of September 30, 2025 and the receivable under the abovementioned time charter agreement as of December 31, 2024.

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 Holdings generally agreed not to acquire or own Panamax or Capesize dry bulk carriers under time charters of three or more years without consent as required under such agreement.

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

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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.

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.

The authorized quarterly cash distributions paid during the nine month periods ended September 30, 2025 and 2024, as well as the quarterly cash distribution paid with respect to the quarter ended September 30, 2025 are presented below:

Date	Authorized Quarterly Cash Distribution for the three months ended	Date of record of Common and General Partnership unit Unitholders	Payment of Distribution	\$/ Unit	Amount of the declared distribution
February 2024	December 31, 2023	February 12, 2024	February 14, 2024	\$ 0.05	\$ 1,540
April 2024	March 31, 2024	May 10, 2024	May 14, 2024	\$ 0.05	\$ 1,540
July 2024	June 30, 2024	August 9, 2024	August 14, 2024	\$ 0.05	\$ 1,531
January 2025	December 31, 2024	February 10, 2025	February 13, 2025	\$ 0.05	\$ 1,511
April 2025	March 31, 2025	May 9, 2025	May 14, 2025	\$ 0.05	\$ 1,493
July 2025	June 30, 2025	August 11, 2025	August 14, 2025	\$ 0.05	\$ 1,481
October 2025	September 30, 2025	November 10, 2025	November 14, 2025	\$ 0.05	\$ 1,470

Navios Partners calculates earnings/ (losses) per unit by allocating reported net income/ (loss) 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/ (losses). Basic earnings/ (losses) 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 earnings/ (loss) per unit undistributed is determined by taking the distributions in excess of net income/ (loss) 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, 2025 and 2024.

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

	Three Month Period Ended September 30, 2025 (unaudited)	Three Month Period Ended September 30, 2024 (unaudited)	Nine Month Period Ended September 30, 2025 (unaudited)	Nine Month Period Ended September 30, 2024 (unaudited)
Net income	\$ 56,332	\$ 97,755	\$ 168,006	\$ 272,585
Income attributable to:				
Common unitholders	\$ 55,149	\$ 95,800	\$ 164,478	\$ 267,133
Weighted average units outstanding basic				
Common unitholders	28,974,864	29,983,226	29,259,401	30,108,793
Earnings per unit basic:				
Common unitholders	\$ 1.90	\$ 3.20	\$ 5.62	\$ 8.87
Weighted average units outstanding diluted				
Common unitholders	28,974,864	29,983,226	29,259,401	30,108,793
Earnings per unit diluted:				
Common unitholders	\$ 1.90	\$ 3.20	\$ 5.62	\$ 8.87
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

No potential common units are included in the calculation of earnings per unit diluted for each of the nine month periods ended September 30, 2025 and 2024.

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 Nave Allegro and the Nave Tempo, and 4% for the Nave Electron.

As of September 30, 2025 and December 31, 2024, the outstanding balance of the operating lease liability amounted to \$221,608 and \$240,602, 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 \$225,375 and \$243,806 as at September 30, 2025 and December 31, 2024, 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, 2025 amounted to \$9,848 and \$29,222, respectively. Lease expense incurred and paid for the three and nine month periods ended

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September 30, 2024 amounted to \$11,439 and \$34,421, respectively. Lease expense is presented under the caption “Time charter and voyage expenses” in the condensed Consolidated Statements of Comprehensive Income.

For the three and nine month periods ended September 30, 2025, the sublease income (net of commissions, if any) for vessels where the Company is a lessee amounted to \$20,480 and \$53,764, respectively. 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. Sublease income is presented under the caption “Time charter and voyage revenues” in the condensed Consolidated Statements of Comprehensive Income.

As of September 30, 2025, the weighted average useful life of the remaining operating lease terms was 7.5 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, 2025:

Period	Amount
2026	\$ 38,339
2027	37,674
2028	37,119
2029	36,257
2030	34,639
2031 and thereafter	87,771
Total	\$ 271,799
Operating lease liabilities, including current portion	\$ 221,608
Discount based on incremental borrowing rate	\$ 50,191

Finance Leases

For a detailed description of the finance lease liabilities and right-of-use assets for vessels under finance leases, refer to Note 6 – Borrowings and Note 4 – Vessels, net, respectively, and Note 10 – Borrowings and Note 6 – 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, 2025, the sublease income (net of commissions, if any) for vessels where the Company is a lessee amounted to \$18,259 and \$50,572, respectively. 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. Sublease income is presented under the caption “Time charter and voyage revenues” in the condensed Consolidated Statements of Comprehensive Income.

As of September 30, 2025, the weighted average useful life of the remaining finance lease terms was 9.8 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, 2025:

Period	Amount
2026	\$ 39,717
2027	39,267
2028	38,979
2029	47,630
2030	67,287
2031 and thereafter	262,006
Total	\$ 494,886
Finance lease liabilities, including current portion (see Note 6 – Borrowings)	\$ 345,416
Discount based on incremental borrowing rate	\$ 149,470

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 two VLCCs and an extra optional period of five years, for both vessels, and for a firm period of up to two-years, extended in direct continuation of previous bareboat charter-out agreement for an additional period of five years for a third VLCC. The Company performed also an assessment of the lease classification under the ASC 842

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and concluded that the agreements are operating leases. On July 4, 2025, Navios Partners terminated the bareboat charter-out agreements for the first two VLCCs.

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 Comprehensive Income on a straight-line basis. For the three and nine month periods ended September 30, 2025, the charter hire income (net of commissions, if any) amounted to \$3,395 and \$20,630 respectively. 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. Charter hire income (net of commissions, if any) is presented under the caption "Time charter and voyage revenues" in the condensed Consolidated Statements of Comprehensive Income.

NOTE 15 – SUBSEQUENT EVENTS

In October 2025, Navios Partners agreed to sell a 2005-built Panamax of 76,619 dwt and a 2007-built MR2 Product Tanker of 50,922 dwt, to unrelated third parties, for an aggregate gross sale price of \$22,380. The sales were completed in the fourth quarter of 2025. The aggregate gain on sale of the above vessels and the vessels agreed to be sold (see Note 4 – Vessels, net), is expected to be approximately \$27,160.

In October 2025, Navios Partners entered into a credit facility with a commercial bank for a total amount of up to \$68,000 (divided into four tranches) to refinance the existing indebtedness of four of its vessels. In October 2025, the amount of \$41,000 in relation to the first two tranches was drawn and the second two tranches remained undrawn. The facility matures five years after each drawdown date and bears interest at Compounded SOFR plus 150 bps per annum.

During the fourth quarter of 2025, Navios Partners successfully placed \$300,000 of senior unsecured bonds in the Nordic bond market. The net proceeds from the bond issue are intended to be used for general corporate purposes and for the repayment of certain outstanding secured debt facilities relating to 41 vessels. The bonds are due to mature in November 2030 and will pay a fixed coupon of 7.75% per annum, payable semi-annually in arrears. An application is expected to be made within one year from the placement for the bonds to be listed on the Oslo Stock Exchange.

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 28, 2025

Dated 9 September 2025

US\$74,200,000

TERM LOAN FACILITY

MESTA SHIPPING CORPORATION
as Borrower

and

THE BANKS AND FINANCIAL INSTITUTIONS
listed in Schedule 1
as Lenders and Original Hedge Counterparties

and

SKANDINAVISKA ENSKILDA BANKEN AB (PUBL)
as Mandated Lead Arranger

and

SKANDINAVISKA ENSKILDA BANKEN AB (PUBL)
as Facility Agent

and

SKANDINAVISKA ENSKILDA BANKEN AB (PUBL)
as Security Agent

and

SKANDINAVISKA ENSKILDA BANKEN AB (PUBL) OSLO BRANCH
as Account Bank

FACILITY AGREEMENT

relating to the financing of
hull no. SN00289 currently under construction at

WATSON FARLEY
&
WILLIAMS

HJ SHIPBUILDING & CONSTRUCTION CO., LTD.

EUROPE/78925568v7

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THIS AGREEMENT is made on 9 September 2025

PARTIES

- (1) **MESTA 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 as Borrower (the "**Borrower**")
- (2) **THE BANKS AND THE FINANCIAL INSTITUTIONS** listed in Part B of Schedule 1 (*The Parties*) as lenders (the "**Original Lenders**")
- (3) **THE BANKS AND FINANCIAL INSTITUTIONS** listed in Part B of Schedule 1 (*The Parties*) as hedge counterparties (the "**Original Hedge Counterparties**")
- (4) **SKANDINAVISKA ENSKILDA BANKEN AB (PUBL)** as mandated lead arranger (the "**Mandated Lead Arranger**")
- (5) **SKANDINAVISKA ENSKILDA BANKEN AB (PUBL)** as agent of the other Finance Parties (the "**Facility Agent**")
- (6) **SKANDINAVISKA ENSKILDA BANKEN AB (PUBL)** as security agent for the Secured Parties (the "**Security Agent**")
- (7) **SKANDINAVISKA ENSKILDA BANKEN AB (PUBL) OSLO BRANCH** as account bank (the "**Account Bank**")

BACKGROUND

- (A) The Lenders have agreed to make available to the Borrower a senior secured pre- and post-delivery term loan facility in an aggregate amount of up to the lesser of (i) US\$74,200,000 and (ii) 70 per cent. of the Initial Market Value of the Ship, in four Advances as follows:
- (i) a pre-delivery advance in an amount of up to \$10,600,000 for the purpose of financing part of the second Contract Price Instalment payable pursuant to paragraph 2(b) of Article X (*payment*) of the Shipbuilding Contract;
 - (ii) a pre-delivery advance in an amount of up to \$10,600,000 for the purpose of financing the third Contract Price Instalment relating to the keel laying of the Ship, payable pursuant to paragraph 2(c) of Article X (*payment*) of the Shipbuilding Contract;
 - (iii) a pre-delivery advance in an amount of up to \$31,800,000 for the purpose of financing the fourth Contract Price Instalment relating to the launching of the Ship, payable pursuant to paragraph 2(d) of Article X (*payment*) of the Shipbuilding Contract; and
 - (iv) a post-delivery advance in an amount which, when aggregated with the amounts already drawn under this facility, does not exceed 70 per cent. of (i) the Initial Market Value of the Ship and (ii) the final Contract Price of the Ship, for the purpose of financing the fifth Contract Price Instalment in relation to the delivery of the Ship, payable pursuant to paragraph 2(e) of Article X (*payment*) of the Shipbuilding Contract.
- (B) The Hedge Counterparties may enter into interest rate swap transactions with the Borrower from time to time to hedge the Borrower's exposure under this Agreement to interest rate fluctuations.

OPERATIVE PROVISIONS

EUROPE/78925568v7

SECTION 1
INTERPRETATION

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement:

"2002 ISDA Master Agreement" means the 2002 Master Agreement as published by the International Swaps and Derivatives Association, Inc.

"Account Bank" means Skandinaviska Enskilda Banken AB (Publ) Oslo Branch acting through its office at Filipstadveien 10, 0250, Oslo, Norway or any replacement bank or other financial institution as may be approved by the Facility Agent acting with the authorisation of the Majority Lenders.

"Account Security" means a document creating Security over the Earnings Account in agreed form.

"Additional Business Day" means any day specified as such in the Reference Rate Terms.

"Additional Hedge Counterparty" means a bank or financial institution which becomes a Hedge Counterparty in accordance with Clause 26.7 (*Additional Hedge Counterparties*).

"Advance" means a borrowing of part of the Facility under this Agreement, being any of the Pre-delivery Advance A, the Pre-delivery Advance B, the Pre-delivery Advance C or the Delivery Advance or, as the context may require, the amount outstanding thereunder.

"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.

"Annex VI" means Annex VI of the Protocol of 1997 to amend the International Convention for the Prevention of Pollution from Ships 1973 (Marpol), as modified by the Protocol of 1978 relating thereto and as further amended from time to time.

"Approved Brokers" means any firm or firms of insurance brokers approved in writing by the Facility Agent (acting on the instructions of the Majority Lenders).

"Approved Classification" means as at the date of this Agreement, the classification specified in Schedule 6 (*Details of the Ship and other Definitions*) with the relevant Approved Classification Society or the equivalent classification with another Approved Classification Society.

"Approved Classification Society" means, as at the date of this Agreement, the classification society specified in Schedule 6 (*Details of the Ship and other Definitions*) or any other classification society approved in writing by the Facility Agent acting with the authorisation of the Majority Lenders which authorisation no Lender shall unreasonably withhold.

"Approved Flag" means, the flag of Liberia at the port of Monrovia, the Marshall Islands at the port of Majuro, Panama at the port of Panama, Cyprus at the port of Limassol or such other flag and, if applicable port of registry approved in writing by the Facility Agent acting with the

authorisation of the Lenders, such authorisation not to be unreasonably withheld and a reference to "the Approved Flag" shall be a reference to the flag and, if applicable port of registry, under which the Ship is then flagged with the agreement of the Facility Agent acting with the authorisation of the Lenders, such agreement not to be unreasonably withheld.

"Approved Manager" means:

- (a) Navios Shipmanagement Inc., a corporation domesticated under the laws of the Republic of the Marshall Islands having its registered address at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960 as commercial and technical manager; and/or
- (b) any Subsidiary or Affiliate of (i) Navios Shipmanagement Holdings Corporation, a corporation incorporated in the Marshall Islands having its registered address at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960 or (ii) any other manager approved in writing by the Facility Agent acting with the authorisation of the Majority Lenders, such authorisation not to be unreasonably withheld, as the commercial and/or technical manager of the Ship.

"Approved Valuer" means Arrow Valuations Limited, Braemar Valuations Limited, Simpson Spence & Young Shipbrokers Ltd., Fearnleys AS, Clarkson Valuations Limited, MB Shipbrokers, Howe Robinson, Barry Rogliano Salles and VesselsValue Limited (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 Facility Agent, acting with the authorisation of the Majority Lenders.

"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.

"Assignable Charter" means:

- (a) the Initial Charter;
- (b) any Charter, consecutive voyage charter or contract of affreightment of a duration (or capable of exceeding a remaining duration) of 13 months or more; or
- (c) any bareboat charter entered into in accordance with Clauses 22.16 (*Restrictions on chartering, appointment of managers etc.*) and 22.23 (*Charterparty Assignment*).

"Assignment Agreement" means an agreement substantially in the form set out in Schedule 5 (*Form of Assignment Agreement*) or any other form agreed between the relevant assignor and assignee.

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

"Availability Period" means in relation to each Advance, the period commencing on the date of this Agreement and ending on the earlier of:

- (a) 10 days after the Delivery Date;
- (b) the date on which the Shipbuilding Contract is cancelled and/or terminated; and

(c) 26 November 2027,

or such later date as may be agreed by the Facility Agent in writing.

"Available Commitment" means a Lender's Commitment minus:

- (a) the amount of its participation in the outstanding Loan; and
- (b) in relation to any proposed Utilisation, the amount of its participation in any Advance that is due to be made on or before the proposed Utilisation Date.

"Available Facility" means the aggregate for the time being of each Lender's Available Commitment.

"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 that term in Clause 6.1 (*Repayment of Loan*).

"Builder" means HJ Shipbuilding & Construction Co., Ltd., a company incorporated in Korea whose registered office is at 233 Taejong-ro, Yeongdo-gu, Busan, BU 49001, Republic of Korea.

"Business Day" means a day (other than a Saturday or Sunday) on which banks are open for general business in Stockholm, Oslo, Athens, Hamburg and New York and, in relation to Clause 5.6 (*Retentions and Payment to Builder*), Seoul, and in relation to:

- (a) any date for payment or purchase of an amount relating to the Loan, any part of the Loan or Unpaid Sum; or
- (b) the determination of the first day or the last day of an Interest Period for the Loan, any part of the Loan or Unpaid Sum, or otherwise in relation to the determination of the length of such an Interest Period,

which is an Additional Business Day relating to the Loan, that part of the Loan or Unpaid Sum.

"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 7.2 (*Change of control*).

"Charter" means any charter relating to the Ship, or other contract for its employment, whether or not already in existence (including without limitation the Initial Charter and an Assignable Charter).

"Charter Guarantee" means any guarantee, bond, letter of credit or other instrument (whether or not already issued) supporting a Charter.

"Charterparty Assignment" means, in relation to an Assignable Charter, a first priority assignment of the rights of the Borrower under that Assignable Charter and any related Charter Guarantee executed or to be executed by the Borrower in favour of the Security Agent in agreed form.

"Code" means the US Internal Revenue Code of 1986.

"Commitment" means:

- (a) in relation to an Original Lender, the amount set opposite its name under the heading "Commitment" in Part B of Schedule 1 (*The Parties*) and the amount of any other Commitment transferred to it under this Agreement; and
- (b) in relation to any other Lender, the amount of any Commitment transferred to it under this Agreement,

to the extent not cancelled, reduced or transferred by it under this Agreement.

"Compounded Reference Rate" means, in relation to any RFR Banking Day during the Interest Period of the Loan or any part of the Loan, the percentage rate per annum which is the Daily Non-Cumulative Compounded RFR Rate for that RFR Banking Day.

"Compounding Methodology Supplement" means, in relation to the Daily Non-Cumulative Compounded RFR Rate or the Cumulative Compounded RFR Rate, a document which:

- (a) is agreed in writing by the Borrower, the Facility Agent (in its own capacity) and the Facility Agent (acting on the instructions of Majority Lenders);
- (b) specifies a calculation methodology for that rate; and
- (c) has been made available to the Borrower and each Finance Party.

"Confidential Information" means all information relating to the Group, the Finance Documents or the Facility of which a Finance Party becomes aware in its capacity as, or for the purpose of becoming, a Finance Party or which is received by a Finance Party in relation to, or for the purpose of becoming a Finance Party under, the Finance Documents or the Facility from either:

- (a) any member of the Group or any of its advisers; or
- (b) another Finance Party, if the information was obtained by that Finance Party directly or indirectly 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:

(i) information that:

- (A) is or becomes public information other than as a direct or indirect result of any breach by that Finance Party of Clause 43 (Confidential Information);
- (B) is identified in writing at the time of delivery as non-confidential by any member of the Group or any of its advisers; or
- (C) is known by that Finance Party before the date the information is disclosed to it in accordance with paragraphs (a) or (b) above or any of its advisers or is lawfully obtained by that Finance Party after that date, from a source which is, as far as that Finance Party is aware, unconnected with the Group and which, in either case, as far as that Finance Party is aware, has not been obtained in breach of, and is not otherwise subject to, any obligation of confidentiality; or
- (D) 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

(c) 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 Borrower and the Facility Agent

"Corresponding Debt" means any amount, other than any Parallel Debt, which the Borrower owes to a Secured Party under or in connection with the Finance Documents.

"Contract Price" means the price payable for the Ship 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.

"Contract Price Instalment" means each instalment of the Contract Price payable under Article X (*payment*) of the Shipbuilding Contract.

"Cumulative Compounded RFR Rate" means, in relation to an Interest Period for the Loan or any part of the Loan, the percentage rate per annum determined by the Facility Agent (or by any other Finance Party which agrees to determine that rate in place of the Facility Agent) in accordance with the methodology set out in Schedule 12 (*Cumulative Compounded RFR Rate*) or in any relevant Compounding Methodology Supplement.

"Daily Non-Cumulative Compounded RFR Rate" means, in relation to any RFR Banking Day during an Interest Period for the Loan or any part of the Loan, the percentage rate per annum determined by the Facility Agent (or by any other Finance Party which agrees to determine that rate in place of the Facility Agent) in accordance with the methodology set out in Schedule

11 (*Daily Non-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, if required by the laws of the Approved Flag of the Ship, a deed of covenant collateral to the Mortgage over the Ship and creating Security over the Ship in agreed form.

"Default" means an Event of Default or a Potential Event of Default.

"Delegate" means any delegate, agent, attorney or co-trustee appointed by the Security Agent.

"Delivery Advance" means any Advance relating to the Contract Price Instalment due to the Builder under the Shipbuilding Contract on the Delivery Date.

"Delivery Date" the date on which the Ship is delivered by the Builder to the Borrower under the Shipbuilding Contract.

"Designated Unitholder" means Mrs. Angeliki Frangou, her direct descendants and their lineal descendants, either directly or indirectly, (through entities owned and controlled by her or any of their affiliates or trusts or foundations established or that may be established of which she is a beneficiary or her direct descendants or their lineal descendants are a beneficiary) being the ultimate beneficial owner(s) of, or having ultimate control of, the voting rights attaching to more than 5 per cent. of all the units (including for the avoidance of doubt both general partner units and common units) in the Guarantor and in the plural means all of them.

"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 all moneys whatsoever which are now, or later become, payable (actually or contingently) to the Borrower or the Security Agent and which arise out of or in connection with or relate to the use or operation of the 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 Facility Agent, 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 the Borrower or the Security Agent in the event of requisition of the 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 the 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 the Borrower in relation to general average contribution; and
- (b) if and whenever the 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 the Ship.

"Earnings Account" means:

- (a) an account in the name of the Borrower with the Account Bank designated "Mesta Shipping Corporation – Earnings Account";
- (b) any other account in the name of the Borrower with the Account Bank which may, with the prior written consent of the Facility Agent, 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 the Ship or from the 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 the Ship and which involves a collision between the Ship and such other vessel or some other incident of navigation or operation, in either case, in connection with which the Ship is actually or potentially liable to be arrested, attached, detained or injuncted and/or the Ship and/or any Transaction Obligor and/or any operator or manager of the 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 the Ship and in connection with which the Ship is actually or potentially liable to be arrested and/or where any Transaction Obligor and/or any operator or manager of the Ship is at fault or allegedly at fault or otherwise liable to any legal or administrative action.

"Environmental Laws" 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 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 25 (*Events of Default*).

"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 notified by a Lender to the Facility Agent in writing on or before the date it becomes a Lender (or, following that date, by not less than 5 Business Days' written notice) as the office or offices through which it 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 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 Application Date" means:

- (a) in relation to a "withholdable payment" described in section 1473(1)(A)(i) of the Code (which relates to payments of interest and certain other payments from sources within the US), 1 July 2014; or
- (b) in relation to a "passthru payment" described in section 1471(d)(7) of the Code not falling within paragraph (a) above, the first date from which such payment may become subject to a deduction or withholding required by FATCA.

"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 Facility Agent, the Security Agent, the Mandated Lead Arranger and the Borrower setting out any of the fees referred to in Clause 11 (*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) the Guarantee;

- (h) any Hedging Agreement;
- (i) any Manager's Undertaking;
- (j) any other document which is executed for the purpose of establishing any priority or subordination arrangement in relation to the Secured Liabilities; or
- (k) any other document designated as such by the Facility Agent and the Borrower.

"Finance Party" means the Facility Agent, the Security Agent, the Mandated Lead Arranger, the Account Bank, a Lender or a Hedge Counterparty.

"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 individual rate notified by a Lender to the Facility Agent pursuant to sub-paragraph (ii) of paragraph (a) of Clause 10.3 (*Cost of funds*).

"GAAP" means generally accepted accounting principles in the US.

"General Assignment" means the general assignment creating Security over:

- (a) the Earnings, the Insurances and any Requisition Compensation;

(b) any Charter and any Charter Guarantee; and

(c) the benefit of any warranties of quality in favour of the Borrower under Article IX (*warranty of quality*) of the Shipbuilding Contract,

in agreed form.

"Group" means the Guarantor and its Subsidiaries from time to time (excluding any Subsidiaries whose shares are listed on any public stock exchange and whose financial statements are not consolidated into the financial statements of the Guarantor) and **"member of the Group"** shall be construed accordingly.

"Group Vessel" means any ship (including, but not limited to, the Ship) from time to time wholly owned by a member of the Group (directly or indirectly) including chartered-in vessels for which a member of the Group has a purchase obligation but excluding, for the avoidance of doubt, any newbuilding vessels not delivered to the relevant member of the Group at the relevant time.

"Guarantee" means a guarantee executed by the Guarantor in agreed form.

"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 MH 96960.

"Hedge Counterparty" means any Original Hedge Counterparty or any Additional Hedge Counterparty.

"Hedge Counterparty Accession Letter" means a document substantially in the form set out in Schedule 8 (*Form of Hedge Counterparty Accession Letter*).

"Hedge Receipts" means all moneys whatsoever which are now, or later become, payable (actually or contingently) to the Borrower or the Security Agent by a Hedge Counterparty under a Hedging Agreement.

"Hedging Agreement" means any master agreement, confirmation, transaction, schedule or other agreement in agreed form entered into or to be entered into by the Borrower for the purpose of hedging interest payable under this Agreement.

"Hedging Agreement Security" means a hedging agreement security creating Security over the Borrower's rights and interests in any Hedging Agreement, in agreed form.

"Hedging Prepayment Proceeds" means any Hedge Receipts arising as a result of termination or closing out under a Hedging Agreement.

"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 14.2 (*Other indemnities*).

"Initial Charter" has the meaning given to that term in Schedule 6 (*Details of the Ship and other Definitions*).

"Initial Charterer" has the meaning given to that term in Schedule 6 (*Details of the Ship and other Definitions*).

"Initial Market Value" means the Market Value of the Ship calculated in accordance with the valuations relative thereto referred to in paragraph 2.6 of Part B, Schedule 2 (*Conditions Precedent*).

"Insurances" means, in relation to the Ship:

- (a) all policies and contracts of insurance, including entries of the Ship in any protection and indemnity or war risks association, effected in relation to the Ship, the Earnings or otherwise in relation to the Ship; 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.

"Interest Payment" means the aggregate amount of interest that is, or is scheduled to become, payable under any Finance Document.

"Interest Payment Date" has the meaning given to it in Clause 8.2 (*Payment of interest*).

"Interest Period" means, in relation to the Loan or any part of the Loan, each period determined in accordance with Clause 9 (*Interest Periods*) and, in relation to an Unpaid Sum, each period determined in accordance with Clause 8.3 (*Default interest*).

"Inventory of Hazardous Materials" means an inventory certificate or statement of compliance (as applicable) issued by the Approved 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, the 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) any Original Lender; and
- (b) any bank, financial institution, trust, fund or other entity which has become a Party in accordance with Clause 26 (*Changes to the Lenders and the Hedge Counterparties*),

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 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 any casualty to the 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.

"Majority Lenders" means:

- (a) if no Advance has yet been made, a Lender or Lenders whose Commitments aggregate more than 66⅔ per cent. of the Total Commitments; or
- (b) at any other time, a Lender or Lenders whose participations in the Loan aggregate more than 66⅔ per cent. of the amount of the Loan then outstanding or, if the Loan has been repaid or prepaid in full, a Lender or Lenders whose participations in the Loan immediately before repayment or prepayment in full aggregate more than 66⅔ per cent. of the Loan immediately before such repayment.

"Management Agreement" means the agreement entered into with an Approved Manager regarding the commercial and/or technical management of the Ship.

"Manager's Undertaking" means the letter of undertaking from the Approved Manager subordinating the rights of the Approved Manager respectively against the Ship and the Borrower to the rights of the Finance Parties in agreed form.

"Margin" means the percentage rate per annum specified as such in the Reference Rate Terms.

"Market Disruption Rate" means the rate (if any) specified as such in the Reference Rate Terms.

"Market Value" means, in relation to the Ship or any other vessel, at any date, the market value of the Ship or vessel determined in accordance with paragraph (a) of Clause 23.7 (*Provision of valuations*) and, prepared:

- (a) unless otherwise specified by the Facility Agent, as at a date not more than 30 days previously;
- (b) by an Approved Valuer or Approved Valuers;
- (c) with or without physical inspection of the Ship or vessel (as the Facility 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 Charter,

"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 the Borrower, 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 any Finance Party under any of the Finance Documents.

"Money Laundering" has the meaning given in Article 1 of Directive 2015/849/EC of the Council of the European Communities.

"Month" means, in relation to an Interest Period (or any other period for the accrual of commission or fees), a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month, subject to adjustment in accordance with the rules specified as Business Day Conventions in the Reference Rate Terms.

"Mortgage" means the first priority, or, as the case may be, preferred ship mortgage on the Ship in agreed form or any replacement first preferred or first priority ship mortgage on the 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 2024:

"Original Jurisdiction" means, in relation to the Borrower, the jurisdiction under whose laws the Borrower is incorporated as at the date of this Agreement.

"Overseas Regulations" means the Overseas Companies Regulations 2009 (SI 2009/1801).

"Parallel Debt" means any amount which the Borrower owes to the Security Agent under Clause 29.2 (*Parallel Debt (Covenant to pay the Security Agent)*) or under that clause as incorporated by reference or in full in any other Finance Document.

"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 a Charter:

- (a) which is a time, voyage or consecutive voyage charter;
- (b) the duration of which does not exceed and is not capable of exceeding, by virtue of any optional extensions, 13 months plus a redelivery allowance of not more than 30 days;
- (c) which is entered into on bona fide arm's length terms at the time at which the Ship is fixed; and

(d) 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 Facility Agent acting with the authorisation of the Majority Lenders.

"Permitted Financial Indebtedness" means:

- (a) any Financial Indebtedness incurred under the Finance Documents; and
- (b) any Financial Indebtedness (including without limitation, any shareholder or intra-Group loans made available to the Borrower in the normal course of its business of trading and operating the Ship) that is subordinated to all Financial Indebtedness incurred under the Finance Documents in writing in a manner acceptable to the Lender in all respects and over which Security is granted by any relevant creditor of such Financial Indebtedness in favour of the Facility Agent in an agreed form.

"Permitted Security" means:

- (a) Security created by the Finance Documents;
- (b) 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;
- (c) liens for salvage;
- (d) 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
- (e) any other lien arising by operation of law or otherwise in the ordinary course of the operation, repair or maintenance of the Ship:
 - (i) not as a result of any default or omission by the Borrower;
 - (ii) not being enforced through arrest; and
 - (iii) subject, in the case of liens for repair or maintenance, to Clause 22.16 (*Restrictions on chartering, appointment of managers etc.*),
 - (iv) provided such lien does not secure amounts more than 30 days overdue (unless the overdue amount is being contested in good faith by appropriate steps).

"Poseidon Principles" means the financial industry framework for assessing and disclosing the climate alignment of ship finance portfolios originally published in June 2019 as the same may be amended or replaced from time to time.

"Potential Event of Default" means any event or circumstance specified in Clause 25 (*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.

"Pre-delivery Advance A" means an amount of up to \$10,600,000 to be made available to the Borrower in accordance with Clause 5.3 (*Currency and amount*) for the purpose set out in the sub-paragraph (A)(i) of preamble (*Background*) to this Agreement.

"Pre-delivery Advance B" means an amount of up to \$10,600,000 to be made available to the Borrower in accordance with Clause 5.3 (*Currency and amount*) for the purpose set out in the sub-paragraph (A)(ii) of preamble (*Background*) to this Agreement.

"Pre-delivery Advance C" means an amount of up to \$31,800,000 to be made available to the Borrower in accordance with Clause 5.3 (*Currency and amount*) for the purpose set out in the sub-paragraph (A)(iii) of preamble (*Background*) to this Agreement.

"Pre-delivery Contract" means the Shipbuilding Contract and each Refund Guarantee.

"Pre-delivery Security" means a document creating Security over the Pre-delivery Contracts in agreed form.

"Protected Party" has the meaning given to it in Clause 12.1 (*Definitions*).

"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 Borrower and the Facility Agent (in its own capacity) and the Facility Agent (acting on the instructions of the Majority Lenders);
- (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 Borrower and each Finance Party.

"Reference Rate Terms" means the terms set out in Schedule 10 (*Reference Rate Terms*) or in any Reference Rate Supplement.

"Refund Guarantee" means each guarantee issued or to be issued by a Refund Guarantor in favour of the Borrower pursuant to the Shipbuilding Contract in the such a form as the Borrower and a Refund Guarantor have agreed (or in such other form as the Borrower and the Facility Agent (acting on the instructions of all the Lenders) shall agree).

"Refund Guarantor" means The Korea Development Bank, a company incorporated in Korea whose registered office is at 14 Eunhaeng-ro, Yeongdeungpo-gu, Seoul 07242, Korea or any other financial institution acceptable to the Facility Agent (acting on the instructions of all the Lenders) in its sole discretion.

"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 Person" means:

- (a) the Borrower, the Guarantor and each of their Subsidiaries; and
- (b) each of their directors, officers and employees.

"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 17 (*Representations*) except Clause 17.10 (*Insolvency*), Clause 17.11 (*No filing or stamp taxes*) and Clause 17.12 (*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:

- (a) any expropriation, confiscation, requisition (excluding a requisition for hire or use which does not involve a requisition for title) or acquisition of the Ship, whether for full consideration, a consideration less than its proper value, a nominal consideration or without any consideration, which is effected (whether de jure or de facto) by any government or official authority or by any person or persons claiming to be or to represent a government or official authority; and
- (b) any capture or seizure of the Ship (including any hijacking, piracy or theft) by any person whatsoever.

"Requisition Compensation" includes all compensation or other moneys payable to the Borrower by reason of any Requisition or any arrest or detention of the Ship in the exercise or purported exercise of any lien or claim.

"Restricted Party" means a person that is:

- (a) listed on any Sanctions List or targeted by Sanctions (whether designated by name or by reason of being included in a class of person); or
- (b) located in or incorporated under the laws of any country or territory that is the target of comprehensive, country- or territory-wide Sanctions; or
- (c) directly or indirectly owned or controlled by, or acting on behalf, at the direction or for the benefit of, a person referred to in (a) and/or (to the extent relevant under Sanctions) (b) above.

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

"RFR" means the rate specified as such in the Reference Rate Terms.

"RFR Banking Day" means any day specified as such in the Reference Rate Terms.

"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.

"Sanctions Authority" means the Norwegian state, the Swedish state, the United Nations, the European Union, the United Kingdom, the United States of America, and any authority acting on behalf of any of them, or their respective legislative, executive, enforcement and/or regulatory authorities or bodies acting in connection with Sanctions.

"Sanctions Laws" means the economic or financial sanctions laws and/or regulations, trade embargoes, prohibitions, restrictive measures, decisions, executive orders or notices from regulators implemented, adapted, imposed, administered, enacted and/or enforced by any Sanctions Authority.

"Sanctions List" means:

- (a) the lists of Sanctions designations and/or targets maintained by any Sanctions Authority and/or
- (b) any other Sanctions designation or target listed and/or adopted by a Sanctions Authority,

in all cases, as amended, supplemented or replaced from time to time.

"Sanctions" means any applicable (to any Relevant Person and/or Finance Party as the context provides) laws, regulations or orders concerning any trade, economic or financial sanctions or embargoes.

"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 any Secured Party under or in connection with each Finance Document.

"Secured Party" means each Finance Party from time to time party to this Agreement, a Receiver or any Delegate.

"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) the Pre-Delivery Security;
- (b) any Shares Security;
- (c) any Mortgage;
- (d) any Deed of Covenant
- (e) the General Assignment;
- (f) any Charterparty Assignment;
- (g) any Account Security;
- (h) any Hedging Agreement Security;
- (i) any other document (whether or not it creates Security) which is executed as security for the Secured Liabilities;
or
- (j) any other document designated as such by the Facility Agent and the Borrower.

"Security Period" means the period starting on the date of this Agreement and ending on the date on which the Facility Agent 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 Security Agent as trustee for the Secured Parties 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 Security Agent as trustee for the Secured Parties 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 Security Agent as trustee for the Secured Parties;
- (c) the Security Agent's interest in any turnover trust created under the Finance Documents.
- (d) any other amounts or property, whether rights, entitlements, choses in action or otherwise, actual or contingent, which the Security Agent is required by the terms of the Finance Documents to hold as trustee on trust for the Secured Parties,

except:

- (i) rights intended for the sole benefit of the Security Agent; and
- (ii) any moneys or other assets which the Security Agent has transferred to the Facility Agent or (being entitled to do so) has retained in accordance with the provisions of this Agreement.

"Selection Notice" means a notice substantially in the form set out in Part B of Schedule 3 (*Requests*) given in accordance with Clause 9 (*Interest Periods*).

"Servicing Party" means the Facility Agent or the Security Agent.

"Shareholder" means Boheme Navigation Company, 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.

"Shares Security" means a document creating Security over the issued shares in the Borrower in agreed form.

"Ship" has the meaning given to that term in Schedule 6 (*Details of the Ship and other Definitions*).

"Shipbuilding Contract" means the shipbuilding contract dated 12 September 2024 (as amended by an addendum no. 1 dated 3 February 2025 and an addendum no. 2 dated 18 April 2025 and as further amended from time to time) and made between (i) the Builder and (ii) the Borrower for the construction by the Builder of the Ship and its purchase by the Borrower.

"Specified Time" means a day or time determined in accordance with Schedule 9 (*Timetables*).

"Statement of Compliance" means a Statement of Compliance related to fuel oil consumption pursuant to regulations 6.6 and 6.7 of Annex VI.

"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 12.1 (*Definitions*).

"Tax Deduction" has the meaning given to it in Clause 12.1 (*Definitions*).

"Tax Payment" has the meaning given to it in Clause 12.1 (*Definitions*).

"Termination Date" means, the earlier of (i) the date falling on the seventh anniversary of the Delivery Date of the Ship and (ii) 26 November 2034.

"Third Parties Act" has the meaning given to it in Clause 1.5 (*Third party rights*).

"Total Commitments" means the aggregate of the Commitments, being in an amount of up to \$74,200,000.

"Total Loss" means:

- (a) actual, constructive, compromised, agreed or arranged total loss of the Ship; or
- (b) in the case of any of the events described in paragraph (a) of the definition "Requisition", any such Requisition of the Ship unless the Ship is returned to the full control of the Borrower within 60 days of such Requisition; and
- (c) in the case of any of the events described in paragraph (a) of the definition "Requisition", any such Requisition of the Ship unless the Ship is returned to the full control of the Borrower within 90 days of such Requisition, provided that in the event of piracy if the relevant underwriters confirm to the Facility Agent in writing (in customary terms) prior to the end of the 90-day period that the Ship is subject to an approved piracy insurance cover, the earlier of 12 Months after the date on which the Ship is captured by pirates and the date on which the piracy insurance cover expires.

"Total Loss Date" means, in relation to the Total Loss of the Ship:

- (a) in the case of an actual loss of the Ship, the date on which it occurred or, if that is unknown, the date when the Ship was last heard of;
- (b) in the case of a constructive, compromised, agreed or arranged total loss of the 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 Borrower with the Ship's insurers in which the insurers agree to treat the Ship as a total loss; and
- (c) in the case of any other type of Total Loss, the date (or the most likely date) on which it appears to the Facility Agent that the event constituting the total loss occurred.

"Transaction Document" means:

- (a) a Finance Document;
- (b) a Pre-delivery Contract;
- (c) any Assignable Charter;
- (d) any Charter Guarantee relating to an Assignable Charter; or
- (e) any other document designated as such by the Facility Agent and the Borrower.

"Transaction Obligor" means the Borrower, the Guarantor, the Shareholder, any Approved Manager who is a member of the Group or any other member of the Group who executes a Transaction Document.

"Transaction Security" means the Security created or evidenced or expressed to be created or evidenced under the Security Documents.

"Transfer Certificate" means a certificate substantially in the form set out in Schedule 4 (*Form of Transfer Certificate*) or any other form agreed between the Facility Agent and the Borrower.

"Transfer Date" means, in relation to an assignment or a transfer, the later of:

- (a) the proposed Transfer Date specified in the relevant Assignment Agreement or Transfer Certificate; and
- (b) the date on which the Facility Agent executes the relevant Assignment Agreement or Transfer Certificate.

"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.

"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 "**Facility Agent**", any "**Finance Party**", the "**Mandated Lead Arranger**", any "**Lender**", any "**Hedge Counterparty**", any "**Party**", any "**Secured Party**", the "**Security Agent**", any "**Transaction Obligor**" or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees to, or of, its rights and/or obligations under the Finance Documents;
 - (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) a Lender's "**cost of funds**" in relation to its participation in 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 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 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) a "**group of Lenders**" includes all the Lenders;
- (ix) "**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;
- (x) "**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;
- (xi) "**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;
- (xii) 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);
- (xiii) 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;
- (xiv) a reference to the "**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 Facility Agent acting with the authorisation of the Majority Lenders;
- (xv) a provision of law is a reference to that provision as amended or re-enacted from time to time;
- (xvi) a time of day is a reference to Stockholm time;
- (xvii) 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;

- (xviii) words denoting the singular number shall include the plural and vice versa; and
- (xix) "**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) 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.
- (c) 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.
- (d) 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 Facility Agent after consultation with the Borrower.
- (e) A reference in this Agreement to a Central Bank Rate shall include any successor rate to, or replacement rate for, that rate.
- (f) Any Reference Rate Supplement overrides anything in:
- (i) Schedule 10 (*Reference Rate Terms*); or
 - (ii) any earlier Reference Rate Supplement.
- (g) A Compounding Methodology Supplement relating to the Daily Non-Cumulative Compounded RFR Rate or the Cumulative Compounded RFR Rate overrides anything relating to that rate in:
- (i) Schedule 11 (*Daily Non-Cumulative Compounded RFR Rate*) or Schedule 12 (*Cumulative Compounded RFR Rate*), as the case may be; or
 - (ii) any earlier Compounding Methodology Supplement.
- (h) 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 20 (*Insurance Undertakings*), approved in writing by the Facility Agent.

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

"obligatory insurances" means all insurances effected, or which the Borrower is obliged to effect, under Clause 20 (*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 provisions.

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 the Borrower and the Facility Agent); or
- (b) in any other form agreed in writing between the Borrower and the Facility Agent acting with the authorisation of the Majority Lenders or, where Clause 42.2 (*All Lender matters*) applies, all the Lenders.

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) Subject to Clause 42.3 (*Other exceptions*) but otherwise 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 Receiver, Delegate, Affiliate or any other person described in paragraph (d) of Clause 14.2 (*Other indemnities*), paragraph (b) of Clause 28.11 (*Exclusion of liability*), or paragraph (b) of Clause 29.11 (*Exclusion of liability*) 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 Lenders make available to the Borrower a dollar term loan facility in an aggregate amount not exceeding the Total Commitments.

2.2 Finance Parties' rights and obligations

- (a) The obligations of each Finance Party under the Finance Documents are several. Failure by a Finance Party to perform its obligations under the Finance Documents does not affect the obligations of any other Party under the Finance Documents. No Finance Party is responsible for the obligations of any other Finance Party under the Finance Documents.
- (b) The rights of each Finance Party under or in connection with the Finance Documents are separate and independent rights and any debt arising under the Finance Documents to a Finance Party from a Transaction Obligor is a separate and independent debt in respect of which a Finance Party shall be entitled to enforce its rights in accordance with paragraph (c) below. The rights of each Finance Party include any debt owing to that Finance Party under the Finance Documents and, for the avoidance of doubt, any part of the Loan or any other amount owed by a Transaction Obligor which relates to a Finance Party's participation in the Facility or its role under a Finance Document (including any such amount payable to the Facility Agent on its behalf) is a debt owing to that Finance Party by that Transaction Obligor.
- (c) A Finance Party may, except as specifically provided in the Finance Documents, separately enforce its rights under or in connection with the Finance Documents.

3 PURPOSE

3.1 Purpose

The 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

No Finance Party is 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 Borrower may not deliver a Utilisation Request unless the Facility Agent 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 Facility Agent.

4.2 Further conditions precedent

The Lenders will only be obliged to comply with Clause 5.4 (*Lenders' participation*) 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 is continuing or would result from the proposed Advance;
 - (ii) the Repeating Representations to be made by each Transaction Obligor are true in all material respects;
 - (iii) no material adverse change in the Borrower's or any the Guarantor's assets, business, financial conditions or prospects has occurred since the date of this Agreement; and
 - (iv) no event described in paragraphs (a) to (d) of Clause 7.5 (*Mandatory prepayment on default under Shipbuilding Contract*) has occurred;
- (b) in the case of each Advance other than the Delivery Advance, the Facility Agent has received on or before the relevant Utilisation Date, or is satisfied it will receive when the Advance is made available, all of the documents and other evidence listed in Part B of Schedule 2 (*Conditions Precedent*) in form and substance satisfactory to the Facility Agent; and
- (c) in the case of the Delivery Advance, the Facility Agent has received on or before the relevant Utilisation Date, or is satisfied that it will receive when the Delivery Advance is made available, all of the documents and other evidence listed in Part C of Schedule 2 (*Conditions Precedent*) in form and substance satisfactory to the Facility Agent.

4.3 Conditions precedent to release of the relevant Advance

The Facility Agent will only be obliged to comply with Clause 5.4 (*Lenders' participation*) if on or before the Delivery Date, the Facility Agent has received, or is satisfied it will receive when the relevant Advance is made available, all of the documents and other evidence listed in Part C of Schedule 2 (*Conditions Precedent*) in form and substance satisfactory to the Facility Agent.

4.4 Notification of satisfaction of conditions precedent

- (a) The Facility Agent shall notify the Borrower and the Lenders 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*).
- (b) Other than to the extent that the Majority Lenders notify the Facility Agent in writing to the contrary before the Facility Agent gives the notification described in paragraph (a) above, the Lenders authorise (but do not require) the Facility Agent to give that notification. The Facility Agent shall not be liable for any damages, costs or losses whatsoever as a result of giving any such notification.

4.5 Waiver of conditions precedent

If the Majority Lenders, at their discretion, permit 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 Borrower shall ensure that that condition is satisfied within five Business Days after the relevant Utilisation Date or such later date as the

Facility Agent, acting with the authorisation of the Majority Lenders may agree in writing with the Borrower.

SECTION 3
UTILISATION

5 UTILISATION

5.1 Delivery of a Utilisation Request

- (a) The Borrower may utilise the Facility by delivery to the Facility Agent of a duly completed Utilisation Request not later than the Specified Time.
- (b) The Borrower may not deliver more than one Utilisation Request in respect of the same Contract Price Instalment, unless otherwise agreed by the Facility Agent.
- (c) The Borrower may not deliver a Utilisation Request if, as a result of the proposed Utilisation, more than four Advances would have been made.

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 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 9 (*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 the relevant Contract Price Instalment due to the Builder under the Shipbuilding Contract and to be financed by this Agreement on the proposed Utilisation Date.
- (c) Subject to paragraph (c) below, the amount of the proposed Advance must be an amount which is not more than:
 - (i) in respect of the Pre-delivery Advance A, \$10,600,000;
 - (ii) in respect of the Pre-delivery Advance B, \$10,600,000;
 - (iii) in respect of the Pre-delivery Advance C, \$31,800,000; and
 - (iv) in respect of the Delivery Advance, an amount which, when aggregated with the amounts already drawn under this facility, does not exceed 70 per cent. of (i) the Initial Market Value of the Ship and (ii) the final Contract Price of the Ship,

due to the Builder under the Shipbuilding Contract and to be financed by this Agreement on the proposed Utilisation Date.

- (d) The amount of the proposed Advance must be an amount which is not more than the Available Facility.
- (e) The amount of the proposed Delivery Advance must be an amount which would not oblige the Borrower to provide additional security or prepay part of the Advance if the ratio set out in Clause 23 (*Security Cover*) were applied and notice was given by the Facility Agent under Clause 23.1 (*Minimum required security cover*) immediately after the Delivery Advance was made.

5.4 Lenders' participation

- (a) If the conditions set out in this Agreement have been met, each Lender shall make its participation in each Advance available by the Utilisation Date through its Facility Office.
- (b) The amount of each Lender's participation in each Advance will be equal to the proportion borne by its Available Commitment to the Available Facility immediately before making that Advance.
- (c) The Facility Agent shall notify each Lender of the amount of each Advance and the amount of its participation in that Advance by the Specified Time.

5.5 Cancellation of Commitments

The Commitments in respect of any Advance which are unutilised at the end of the Availability Period for such Advance shall then be cancelled.

5.6 Retentions and Payment to Builder

The Borrower irrevocably authorises the Facility Agent:

- (a) to deduct from the proceeds of each Advance any fees then payable to the Finance Parties in accordance with Clause 11 (*Fees*) and any other items listed as deductible items in the Utilisation Request and to apply them in payment of the items to which they relate; and
- (b) on each Utilisation Date, to pay to, or for the account of, the Borrower the balance (after any deduction made in accordance with paragraph (a) above) the amounts which the Facility Agent receives from the Lenders in respect of the Advance. That payment shall be made:
 - (i) to the account of the Builder which the Borrower specifies in the relevant Utilisation Request Builder or to the Earnings Account of the Borrower; and
 - (ii) in like funds as the Facility Agent received from the Lenders in respect of the Advance.

5.7 Disbursement of Advance to third party

Payment by the Facility Agent under Clause 5.6 (Retentions and *Payment to Builder*) to a person other than the Borrower shall constitute the making of the relevant Advance and the Borrower shall at that time become indebted, as principal and direct obligor, to each Lender in an amount equal to that Lender's participation in that Advance.

5.8 Prepositioning of funds

If, in respect of any proposed Advance, the Lenders, at the request of the Borrower and on terms acceptable to all the Lenders and in their absolute discretion, preposition funds with the Builder's or any other bank, the Borrower and the Guarantor:

- (a) agree to pay interest on the amount of the funds so prepositioned at the rate described in Clause 8.1 (*Calculation of interest*) 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 in respect of it or, if such Utilisation Date does not occur, within three Business Days of demand by the Facility Agent; and
- (b) shall, without duplication, indemnify each Finance Party 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 Borrower shall repay the Loan by:

- (a) 27 consecutive quarterly instalments, each of the first twenty instalments in an amount of \$1,325,000, followed by seven instalments each in an amount of \$976,000 (each a "**Repayment Instalment**" and together the "**Repayment Instalments**"), the first of which shall be repaid on the date falling three Months after the Delivery Date and the last on the Termination Date; and
- (b) a balloon instalment in the amount of \$40,868,000 (a "**Balloon Instalment**") to be repaid on the Termination Date.

6.2 Effect of cancellation and prepayment on scheduled repayments

- (a) If the Borrower cancels the whole or any part of any Available Commitment in accordance with Clause 7.7 (*Right of repayment and cancellation in relation to a single Lender*) or if the Available Commitment of any Lender is cancelled under Clause 7.1 (*Illegality and Sanctions affecting a Lender*) then the Repayment Instalments falling after that cancellation will be reduced *pro rata* by the amount of the Available Commitments so cancelled.
- (b) If the Borrower cancels the whole or any part of any Available Commitment in accordance with Clause 7.3 (*Voluntary and automatic cancellation*) or if the whole or part of any Commitment is cancelled pursuant to Clause 5.5 (*Cancellation of Commitments*), then the Repayment Instalments for each Repayment Date falling after that cancellation will be reduced *pro rata* by the amount of the Commitments so cancelled.
- (c) If any part of the Loan is repaid or prepaid in accordance with Clause 7.7 (*Right of repayment and cancellation in relation to a single Lender*) or Clause 7.1 (*Illegality and Sanctions affecting a Lender*) then the Repayment Instalments for each Repayment Date falling after that repayment or prepayment (as applicable) will be reduced *pro rata* by the amount of the Loan repaid or prepaid.
- (d) If any part of the Loan is prepaid in accordance with Clause 7.4 (*Voluntary prepayment of Loan*) or Clause 7.8 (*Mandatory prepayment of Hedging Prepayment Proceeds*), then the amount of the Repayment Instalments for each Repayment Date falling after that repayment or prepayment will be reduced *pro rata* by the amount of the Loan repaid or prepaid.

6.3 Termination Date

On the Termination Date, the Borrower shall additionally pay to the Facility Agent for the account of the Finance Parties all other sums then accrued and owing under the Finance Documents.

6.4 Reborrowing

The Borrower may not reborrow any part of the Facility which is repaid.

7 PREPAYMENT AND CANCELLATION

7.1 Illegality and Sanctions affecting a Lender

If it becomes unlawful or contrary to Sanctions in any applicable jurisdiction for a Lender to perform any of its obligations as contemplated by this Agreement or to fund or maintain its participation in an Advance or the Loan or it becomes unlawful for any Affiliate of a Lender for that Lender to do so:

- (a) that Lender shall promptly notify the Facility Agent upon becoming aware of that event;
- (b) upon the Facility Agent notifying the Borrower, the Available Commitment of that Lender will be immediately cancelled; and
- (c) the Borrower shall prepay that Lender's participation in the Loan on the last day of the Interest Period for the Loan occurring after the Facility Agent has notified the Borrower or, if earlier, the date specified by the Lender in the notice delivered to the Facility Agent (being no earlier than the last day of any applicable grace period permitted by law) and that Lender's corresponding Commitment shall be immediately cancelled in the amount of the participation prepaid; and
- (d) accrued interest and all other amounts accrued for that Lender under the Finance Documents shall be immediately due and payable.

7.2 Change of control

If there is a Change of Control:

- (a) the Borrower and/or the Guarantor shall promptly notify the Facility Agent upon becoming aware of that event; and
- (b) if the Majority Lenders so require, the Facility Agent shall, by not less than 10 Business Days' notice to the Borrower, cancel the Facility and declare the Loan, together with accrued interest, and all other amounts accrued under the Finance Documents immediately due and payable, whereupon the Facility will be cancelled and the Loan and all such outstanding interest and other amounts will become immediately due and payable.

In this Clause 7.2 (*Change of control*):

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

- (a) the Designated Unitholder ceases to be the ultimate beneficial owner(s) of, or to have ultimate control of, the voting rights attaching to more than 5 per cent. of all the units (including for the avoidance of doubt both general partner units and common units) in the Guarantor; or
- (b) the Designated Unitholder ceases to be the owner of, or to have 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 ceases to act as chairwoman or chief executive officer of the Guarantor and/or Olympos Maritime Ltd ceases to be the general partner of the Guarantor; or

- (d) any person or group of persons (other than the Designated Unitholder) acting in concert, becomes the holder, directly or indirectly, of 50 per cent. or more of the beneficially issued units of the Guarantor entitled to vote for members of the board of directors or equivalent governing body of the Guarantor on a fully-diluted basis (and taking into account all such securities that such person or group has the right to acquire pursuant to any option right).

and for the purpose of paragraph (d) above "acting in concert" means a group of persons who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition, directly or indirectly, of units in the Guarantor by any of them, either directly or indirectly, to obtain or consolidate the holding of beneficially owned units of the Guarantor.

7.3 Voluntary and automatic cancellation

- (a) The Borrower may, if it gives the Facility Agent not less than five Business Days' (or such shorter period as the Majority Lenders may agree) prior notice, cancel the whole or any part (being a minimum amount of \$1,000,000) of the Available Facility. Any cancellation under this Clause 7.3 (*Voluntary and automatic cancellation*) shall reduce the Commitments of the Lenders rateably.
- (b) The unutilised Commitment (if any) of each Lender shall be automatically cancelled at close of business on the date on which the Delivery Advance is made available.

7.4 Voluntary prepayment of Loan

- (a) Subject to paragraph (b), the Borrower may, if it gives the Facility Agent not less than five RFR Banking Days' (or such shorter period as the Majority Lenders 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 \$1,000,000 or an integral multiple of that amount or such lesser amount as may be acceptable to the Majority Lenders).
- (b) The Loan may only be prepaid after the last day of the Availability Period (or, if earlier, the day on which the Available Facility is zero).

7.5 Mandatory prepayment on default under Shipbuilding Contract

If:

- (a) any of the events specified in Clause 25.7 (*Insolvency*), Clause 25.8 (*Insolvency proceedings*) or Clause 25.9 (*Creditors' process*) occurs in relation to the Builder or a Refund Guarantor; or
- (b) any of the events specified in article XI (*buyer's and builder's default*) of the Shipbuilding Contract occurs unless remedied within 10 Business Days; or
- (c) a party to any Pre-delivery Contract rescinds or purports to rescind or repudiates or purports to repudiate a Pre-delivery Contract or evidences an intention to rescind or repudiate a Pre-delivery Contract or any Pre-delivery Contract otherwise ceases to remain in full force and effect for any reason; or
- (d) the Ship has not been delivered to, and accepted by, the Borrower by the date specified in Articles VII (*delivery*) and VIII (*delays and extensions of time (force majeure)*) of the Shipbuilding Contract,

then:

- (i) the Borrower shall promptly notify the Facility Agent upon becoming aware of that event; and
- (ii) if the Majority Lenders so require, the Facility Agent shall, by not less than 10 days' notice to the Borrower, cancel the Facility and declare the Loan, together with accrued interest, and all other amounts accrued under the Finance Documents immediately due and payable, whereupon the Facility will be cancelled and all such outstanding amounts will become immediately due and payable.

7.6 Mandatory prepayment on sale or Total Loss

If the Ship is sold (without prejudice to paragraph (a) of Clause 19.12 (*Disposals*)) or becomes a Total Loss, the Borrower shall repay the Loan together with accrued interest, and all other amounts accrued under the Finance Documents. Such repayment shall be made:

- (a) in the case of a sale of the Ship, on or before the date on which the sale is completed by delivery of the Ship to the buyer; or
- (b) in the case of a Total Loss, on the earlier of (i) the date falling 120 days after the Total Loss Date and (ii) the date of receipt by the Security Agent of the proceeds of insurance relating to such Total Loss.

7.7 Right of repayment and cancellation in relation to a single Lender

- (a) If:
 - (i) any sum payable to any Lender by the Borrower is required to be increased under paragraph (c) of Clause 12.2 (*Tax gross-up*); or
 - (ii) any Lender claims indemnification from the Borrower under Clause 12.3 (*Tax indemnity*) or Clause 13 (*Increased costs*); or
 - (iii) the Facility Agent receives notification from a Lender under Clause 10.2 (*Market disruption*),

the Borrower may:

- (A) whilst in the case of sub-paragraphs (i) and (ii) above the circumstance giving rise to the requirement for that increase or indemnification continues; or
- (B) whilst in the case of sub-paragraph (iii) above the situation in relation to the relevant Lender continues,

give the Facility Agent notice of cancellation of the Commitment of that Lender and its intention to procure the repayment of that Lender's participation in the Loan or give the Facility Agent notice of its intention to replace that Lender in accordance with paragraph (d) below.

- (b) On receipt of a notice of cancellation referred to in paragraph (a) above, the Commitment of that Lender shall immediately be reduced to zero.

- (c) On the last day of each Interest Period which ends after the Borrower has given notice of cancellation under paragraph (a) above in relation to a Lender (or, if earlier, the date specified by the Borrower in that notice), the Borrower shall repay that Lender's participation in the Loan.
- (d) The Borrower may, in the circumstances set out in paragraph (a) above, on 15 Business Days' prior notice to the Facility Agent and that Lender, replace that Lender by requiring that Lender to (and, to the extent permitted by law, that Lender shall) transfer pursuant to Clause 26 (*Changes to the Lenders and Hedge Counterparties*) all (and not part only) of its rights and obligations under this Agreement to a Lender or other bank, financial institution, trust, fund or other entity selected by the Borrower which confirms its willingness to assume and does assume all the obligations of the transferring Lender in accordance with Clause 26 (*Changes to the Lenders and the Hedge Counterparties*) for a purchase price in cash or other cash payment payable at the time of the transfer equal to the outstanding principal amount of such Lender's participation in the Loan and all accrued interest (to the extent that the Facility Agent has not given a notification under Clause 26.14 (*Pro rata interest settlement*)) and other amounts payable in relation thereto under the Finance Documents.
- (e) The replacement of a Lender pursuant to paragraph (d) above shall be subject to the following conditions:
 - (i) the Borrower shall have no right to replace a Lender acting in its capacity as a Servicing Party;
 - (ii) neither the Facility Agent nor any Lender shall have any obligation to find a replacement Lender;
 - (iii) in no event shall the Lender replaced under paragraph (d) above be required to pay or surrender any of the fees received by such Lender pursuant to the Finance Documents; and
 - (iv) the Lender shall only be obliged to transfer its rights and obligations pursuant to paragraph (d) above once it is satisfied that it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations in relation to that transfer.
- (f) A Lender shall perform the checks described in sub-paragraph (iv) of paragraph (e) above as soon as reasonably practicable following delivery of a notice referred to in paragraph (d) above and shall notify the Facility Agent and the Borrower when it is satisfied that it has complied with those checks.

7.8 Mandatory prepayment of Hedging Prepayment Proceeds

Any Hedging Prepayment Proceeds arising as a result of any cancellation or prepayment under this Agreement shall, following payment into the Earnings Account in accordance with Clause 24.2 (*Payment of Earnings*), be applied on the last day of the next Interest Period for the Loan which ends after such payment in, in prepayment of the Loan.

7.9 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 and, if relevant, the part of the Loan to be prepaid or cancelled.

- (b) Any prepayment under this Agreement shall be made together with accrued interest on the amount prepaid and amounts (if any) payable under the Hedging Agreements in connection with that prepayment, without premium or penalty.
- (c) The Borrower may not reborrow any part of the Facility which is prepaid.
- (d) The Borrower shall not repay or prepay all or any part of the Loan or cancel all or any part of the Commitments except at the times and in the manner expressly provided for in this Agreement.
- (e) No amount of the Total Commitments cancelled under this Agreement may be subsequently reinstated.
- (f) If the Facility Agent receives a notice under this Clause 7 (*Prepayment and Cancellation*) it shall promptly forward a copy of that notice to either the Borrower or the affected Lenders and/or Hedge Counterparties, as appropriate.
- (g) If all or part of any Lender's participation in the Loan is repaid or prepaid, an amount of that Lender's Commitment (equal to the amount of the participation which is repaid or prepaid) will be deemed to be cancelled on the date of repayment or prepayment.

7.10 Application of prepayments

Any prepayment of any part of the Loan (other than a prepayment pursuant to Clause 7.1 (*Illegality and Sanctions affecting a Lender*)) or Clause 7.7 (*Right of repayment and cancellation in relation to a single Lender*) shall be applied pro rata to each Lender's participation in that part of the Loan.

SECTION 5
COSTS OF UTILISATION

8 INTEREST

8.1 Calculation of interest

- (a) The rate of interest on the Loan or any part of the Loan for any day during an Interest Period is the percentage rate per annum which is the aggregate of:
- (i) the Margin; and
 - (ii) the Compounded Reference Rate for that day.
- (b) If any day during an Interest Period for the Loan or any part of the Loan is not an RFR Banking Day, the rate of interest on the Loan or that part of the Loan for that day will be the rate applicable to the immediately preceding RFR Banking Day.

8.2 Payment of interest

The Borrower 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**").

8.3 Default interest

- (a) If a Transaction Obligor fails to pay any amount payable by it under a Finance Document (other than a Hedging Agreement) on its due date, interest shall accrue on the Unpaid Sum from the due date up to the date of actual payment (both before and after judgment) at a rate which is 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 Facility Agent. Any interest accruing under this Clause 8.3 (*Default interest*) shall be immediately payable by that Transaction Obligor on demand by the Facility Agent.
- (b) 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.

8.4 Notification of rates of interest

- (a) The Facility Agent shall no later than 3 Business Days prior to each Interest Payment Date, notify:
- (i) the Borrower of that Interest Payment;
 - (ii) each Lender of the proportion of that Interest Payment which relates to that Lender's participation in the Loan or the relevant part of the Loan; and
 - (iii) the Lenders and the Borrower of:
 - (A) each applicable rate of interest relating to the determination of that Interest Payment; and

(B) to the extent it is then determinable, the Market Disruption Rate (if any) relating to the Loan or the relevant part of the Loan.

This paragraph (a) shall not apply to any Interest Payment determined pursuant to Clause 10.3 (*Cost of funds*).

- (b) The Facility Agent shall promptly notify the Borrower of each Funding Rate relating to the Loan or any part of the Loan.
- (c) The Facility Agent shall promptly notify the Lenders and the Borrower of the determination of a rate of interest relating to the Loan or any part of the Loan to which Clause 10.3 (*Cost of funds*) applies.
- (d) This Clause 8.4 (*Notification of rates of interest*) shall not require the Facility Agent to make any notification to any Party on a day which is not a Business Day.

8.5 Hedging

- (a) On or before the date of this Agreement, the Borrower shall enter into Hedging Agreements and shall after that date maintain such Hedging Agreements in accordance with this Clause 8.5 (*Hedging*).
- (b) If a Hedging Agreement is entered into after the Mortgage has been registered, the Borrower shall (at the cost of the Borrower) enter into any supplemental documentation and/or addenda to the Mortgage as reasonably required by the Lender.
- (c) The aggregate notional amount of the transactions in respect of the Hedging Agreements shall not exceed the Loan.
- (d) Each Hedging Agreement shall:
 - (i) be with a Hedge Counterparty and each Hedge Counterparty shall also be a Lender;
 - (ii) be for a term ending on the Termination Date;
 - (iii) have settlement dates coinciding with the Interest Payment Dates;
 - (iv) be based on a 2002 ISDA Master Agreement and otherwise in form and substance satisfactory to the Facility Agent; and
 - (v) provide that the Termination Currency (as defined in the relevant Hedging Agreement) shall be dollars.
- (e) The rights of the Borrower under the Hedging Agreements shall be charged by way of security under a Hedging Agreement Security.
- (f) The parties to each Hedging Agreement must comply with the terms of that Hedging Agreement.
- (g) Neither a Hedge Counterparty nor the Borrower may amend, supplement, extend or waive the terms of any Hedging Agreement or Hedge Counterparty Guarantee without the consent of the Security Agent.

- (h) Paragraph (g) above shall not apply to an amendment, supplement or waiver that is administrative and mechanical in nature and does not give rise to a conflict with any provision of this Agreement or the Hedging Agreement Security.
- (i) If, at any time, the aggregate notional amount of the transactions in respect of the Hedging Agreements exceeds or, as a result of any repayment or prepayment under this Agreement, will exceed the amount of the Loan at that time, the Borrower must promptly notify the Facility Agent and must, at the request of the Facility Agent, reduce the aggregate notional amount of those transactions by an amount and in a manner satisfactory to the Facility Agent so that it no longer exceeds or will not exceed the amount of the Loan then or that will be outstanding.
- (j) Any reductions in the aggregate notional amount of the transactions in respect of the Hedging Agreements in accordance with paragraph (i) above will be apportioned as between those transactions pro rata.
- (k) Paragraph (i) above shall not apply to any transactions in respect of any Hedging Agreement under which the Borrower has no actual or contingent indebtedness.
- (l) The Facility Agent must make a request under paragraph (i) above if so required by a Hedge Counterparty.
- (m) Neither a Hedge Counterparty nor the Borrower may terminate or close out any transactions in respect of any Hedging Agreement (in whole or in part) except:
 - (i) in accordance with paragraphs (i) - (l) above;
 - (ii) on the occurrence of an Illegality, (as such expression is defined in the relevant Hedging Agreement);
 - (iii) if a Hedge Counterparty ceases to be a Lender pursuant to the terms of this Agreement (other than under Clause 7.1 (*Illegality and Sanctions affecting a Lender*) and Clause 7.7 (*Right of repayment and cancellation in relation to a single Lender*)), provided that no Event of Default is continuing, that Hedge Counterparty shall use all reasonable endeavours to novate the relevant Hedging Agreement in accordance with Clause 26.8 (*Change of Hedge Counterparty*);
 - (iv) in the case of termination or closing out by a Hedge Counterparty, if the Facility Agent serves notice under paragraph (ii) of Clause 25.21 (*Acceleration*) or, having served notice under paragraph (iii) of Clause 25.21 (*Acceleration*), makes a demand;
 - (v) in the case of any other termination or closing out by a Hedge Counterparty or the Borrower, with the consent of the Facility Agent; or
 - (vi) if the Secured Liabilities (other than in respect of the Hedging Agreements) have been irrevocably and unconditionally paid and discharged in full;
- (n) If a Hedge Counterparty or the Borrower terminates or closes out a transaction in respect of a Hedging Agreement (in whole or in part) in accordance with sub-paragraphs (ii) or (in the case of a Hedge Counterparty only) (iii) of paragraph (m) above, it shall promptly notify the Facility Agent of that termination or close out.
- (o) If a Hedge Counterparty is entitled to terminate or close out any transaction in respect of any Hedging Agreement under sub-paragraph (iii) of paragraph (m) above, such Hedge

Counterparty shall promptly terminate or close out such transaction following a request to do so by the Security Agent.

- (p) A Hedge Counterparty may only suspend making payments under a transaction in respect of a Hedging Agreement if the Borrower is in breach of its payment obligations under any transaction in respect of that Hedging Agreement.
- (q) Each Hedge Counterparty consents to, and acknowledges notices of, the charging or assigning by way of security by the Borrower pursuant to the relevant Hedging Agreement Security of its rights under the Hedging Agreements to which it is party in favour of the Security Agent.
- (r) Any such charging or assigning by way of security is without prejudice to, and after giving effect to, the operation of any payment or close-out netting in respect of any amounts owing under any Hedging Agreement.
- (s) The Security Agent shall not be liable for the performance of the Borrower's obligations under a Hedging Agreement.
- (t) Neither the Borrower nor any Hedge Counterparty shall assign any of its rights or transfer any of its rights or obligations under a Hedging Agreement or permit a change of Hedge Counterparty Guarantor without the consent of the Security Agent.

9 INTEREST PERIODS

9.1 Selection of Interest Periods

- (a) The Borrower may select the Interest Period for the Loan in the Utilisation Request for the first Advance. Subject to paragraphs (f) and (h) below and Clause 9.2 (*Changes to Interest Periods*), the Borrower may select each subsequent Interest Period in respect of the Loan in a Selection Notice.
- (b) Each Selection Notice is irrevocable and must be delivered to the Facility Agent by the Borrower not later than the Specified Time.
- (c) If the Borrower fails to select an Interest Period in the first Utilisation Request or fails to deliver a Selection Notice to the Facility Agent in accordance with paragraphs (a) and (b) above, the relevant Interest Period will, subject to paragraphs (f) and (h) below and Clause 9.2 (*Changes to Interest Periods*), be three Months.
- (d) Subject to this Clause 9 (*Interest Periods*), each Interest Period in respect of each Advance shall be the period specified in the Reference Rate Terms or any other period agreed between the Borrower and the Facility Agent save that the Borrower may not select more than three (3) Interest Periods of one (1) month in each calendar year.
- (e) An Interest Period in respect of the Loan or any part of the Loan shall not extend beyond the Termination Date.
- (f) In respect of a Repayment Instalment, the Borrower may request in the relevant Selection Notice that an Interest Period for a part of the Loan 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 the Loan.

- (g) The first Interest Period for the Loan shall start on the first Utilisation Date and, subject to paragraph (h) below, each subsequent Interest Period shall start on the last day of the preceding Interest Period.
- (h) The first Interest Period for the second and any subsequent Advance shall start on the Utilisation Date of such Advance and end on the last day of the Interest Period applicable to the Loan on the date on which such Advance is made.
- (i) Except for the purposes of paragraph (f) and paragraph (h) above and Clause 9.2 (*Changes to Interest Periods*), the Loan shall have one Interest Period only at any time.
- (j) No Interest Period shall be longer than three Months.

9.2 Changes to Interest Periods

- (a) In respect of a Repayment Instalment, prior to determining the interest rate of the Loan, the Facility Agent may establish an Interest Period for a part of the Loan equal to such Repayment Instalment to end on the Repayment Date relating to it and the remaining part of the Loan shall have the Interest Period selected in the relevant Selection Notice, subject to paragraph (d) of Clause 9.1 (*Selection of Interest Periods*).
- (b) If the Facility Agent makes any change to an Interest Period referred to in this Clause 9.2 (*Changes to Interest Periods*), it shall promptly notify the Borrower and the Lenders.

9.3 Non-Business Days

Any rules specified as "Business Day Conventions" in the Reference Rate Terms shall apply to each Interest Period.

10 CHANGES TO THE CALCULATION OF INTEREST

10.1 Interest calculation if no RFR or Central Bank Rate

If:

- (a) there is no RFR or Central Bank Rate for the purposes of calculating the Daily Non-Cumulative Compounded RFR Rate for an RFR Banking Day during an Interest Period for the Loan or any part of the Loan; and
- (b) "Cost of funds will apply as a fallback" is specified in the Reference Rate Terms,

Clause 10.3 (*Cost of funds*) shall apply to the Loan or that part of the Loan (as applicable) for that Interest Period.

10.2 Market disruption

If:

- (a) a Market Disruption Rate is specified in the Reference Rate Terms; and
- (b) before the Reporting Time for the Loan or any part of the Loan, the Facility Agent receives notifications from a Lender or Lenders (whose participations in the Loan or the relevant part of the Loan exceed 40 per cent. of the Loan or the relevant part of the Loan as appropriate)

that its cost of funds relating to its participation in the Loan or that part of the Loan would be in excess of that Market Disruption Rate,

then Clause 10.3 (*Cost of funds*) shall apply to the Loan or that part of the Loan (as applicable) for the relevant Interest Period.

10.3 Cost of funds

- (a) If this Clause 10.3 (*Cost of funds*) applies to the Loan or part of the Loan for an Interest Period, Clause 8.1 (*Calculation of interest*) shall not 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;
 - (ii) the weighted average of the rates notified to the Facility Agent by each Lender as soon as practicable and in any event by the Reporting Time for the Loan or that part of the Loan to be that which expresses as a percentage rate per annum its cost of funds relating to its participation in the Loan or that part of the Loan.
- (b) If this Clause 10.3 (*Cost of funds*) applies and the Facility Agent or the Borrower so require, the Facility Agent and the Borrower 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 42.4 (*Changes to reference rates*), any substitute or alternative basis agreed pursuant to paragraph (b) above shall, with the prior consent of all the Lenders and the Borrower, be binding on all Parties.
- (d) If paragraph (e) below does not apply and any rate notified to the Facility 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 10.3 (*Cost of funds*) applies pursuant to Clause 10.2 (*Market disruption*) and a Lender's Funding Rate is less than the relevant Market Disruption Rate that Lender's cost of funds relating to its participation in the Loan or the relevant part of the Loan for that Interest Period shall be deemed, for the purposes of sub-paragraph (a)(ii) of paragraph (a) above, to be the Market Disruption Rate for the Loan or that part of the Loan.
- (f) If this Clause 10.3 (*Cost of funds*) applies but any Lender does not supply a quotation by the time specified in sub-paragraph (a)(ii) of paragraph (a) above, the rate of interest shall be calculated on the basis of the rates notified by the remaining Lenders.
- (g) If this Clause 10.3 (*Cost of funds*) applies, the Facility Agent shall, as soon as practicable, notify the Borrower.

11 FEES

11.1 Commitment fee

- (a) The Borrower shall pay to the Facility Agent (for the account of each Lender) a fee computed at the rate per annum of 35 per cent. of the Margin, calculated on a daily basis, on the Available Commitment from time to time for the Availability Period.

- (b) The accrued commitment fee is payable quarterly in arrears during the period commencing on (and including) the date of this Agreement to the last day of the Availability Period, on the last day of the Availability Period and, if cancelled, on the cancelled amount of the relevant Lender's Commitment at the time the cancellation is effective.

11.2 Arrangement fee

The Borrower shall pay to the Mandated Lead Arranger an arrangement fee in the amount and at the times agreed in a Fee Letter.

SECTION 6

ADDITIONAL PAYMENT OBLIGATIONS

12 TAX GROSS UP AND INDEMNITIES

12.1 Definitions

(a) In this Agreement:

"Protected Party" means a Finance Party which is or will be subject to any liability, or required to make any payment, for or on account of Tax in relation to a sum received or receivable (or any sum deemed for the purposes of Tax to be received or receivable) under a Finance Document.

"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 the Borrower to a Finance Party under Clause 12.2 (*Tax gross-up*) or a payment under Clause 12.3 (*Tax indemnity*).

(b) Unless a contrary indication appears, in this Clause 12 (*Tax Gross Up and Indemnities*) reference to **"determines"** or **"determined"** means a determination made in the absolute discretion of the person making the determination.

(c) This Clause 12 (*Tax Gross Up and Indemnities*) shall not apply to any Hedging Agreement.

12.2 Tax gross-up

(a) The Borrower shall make all payments to be made by it without any Tax Deduction, unless a Tax Deduction is required by law.

(b) The Borrower shall promptly upon becoming aware that it must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Facility Agent accordingly. Similarly, a Lender shall notify the Facility Agent on becoming so aware in respect of a payment payable to that Lender. If the Facility Agent receives such notification from a Lender it shall notify the Borrower.

(c) If a Tax Deduction is required by law to be made by the Borrower, the amount of the payment due from the 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 the Borrower is required to make a Tax Deduction, the 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 Facility Agent for the Finance Party entitled to the payment evidence reasonably satisfactory to that Finance

Party that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant taxing authority.

12.3 Tax indemnity

- (a) The Borrower shall (within three Business Days of demand by the Facility Agent) pay to a Protected Party an amount equal to the loss, liability or cost which that Protected Party determines will be or has been (directly or indirectly) suffered for or on account of Tax by that Protected Party in respect of a Finance Document.
- (b) Paragraph (a) above shall not apply:
 - (i) with respect to any Tax assessed on a Finance Party:
 - (A) under the law of the jurisdiction in which that Finance Party is incorporated or, if different, the jurisdiction (or jurisdictions) in which that Finance Party is treated as resident for tax purposes; or
 - (B) under the law of the jurisdiction in which that Finance Party'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 that Finance Party; or
 - (ii) to the extent a loss, liability or cost:
 - (A) is compensated for by an increased payment under Clause 12.2 (*Tax gross-up*); or
 - (B) relates to a FATCA Deduction required to be made by a Party.
- (c) A Protected Party making, or intending to make, a claim under paragraph (a) above shall promptly notify the Facility Agent of the event which will give, or has given, rise to the claim, following which the Facility Agent shall notify the Borrower.
- (d) A Protected Party shall, on receiving a payment from the Borrower under this Clause 12.3 (*Tax indemnity*), notify the Facility Agent.

12.4 Tax Credit

If the Borrower makes a Tax Payment and the relevant Finance Party 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) that Finance Party has obtained and utilised that Tax Credit,

the Finance Party shall pay an amount to the Borrower which that Finance Party 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.

12.5 Stamp taxes

The Borrower shall pay and, within three Business Days of demand, indemnify each Secured Party against any cost, loss or liability which that Secured Party incurs in relation to all stamp duty, registration and other similar Taxes payable in respect of any Finance Document.

12.6 VAT

- (a) All amounts expressed to be payable under a Finance Document by any Party to a Finance Party 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, subject to paragraph (b) below, if VAT is or becomes chargeable on any supply made by any Finance Party to any Party under a Finance Document and such Finance Party is required to account to the relevant tax authority for the VAT, that Party must pay to such Finance Party (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 such Finance Party must promptly provide an appropriate VAT invoice to that Party).
- (b) If VAT is or becomes chargeable on any supply made by any Finance Party (the "**Supplier**") to any other Finance Party (the "**Recipient**") under a Finance Document, and any Party other than the Recipient (the "**Relevant Party**") is required by the terms of any Finance Document to pay an amount equal to the consideration for that supply to the Supplier (rather than being required to reimburse or indemnify the Recipient in respect of that consideration):
- (i) (where the Supplier is the person required to account to the relevant tax authority for the VAT) the Relevant Party must also pay to the Supplier (at the same time as paying that amount) an additional amount equal to the amount of the VAT. The Recipient must (where this sub-paragraph (i) applies) promptly pay to the Relevant Party an amount equal to any credit or repayment the Recipient receives from the relevant tax authority which the Recipient reasonably determines relates to the VAT chargeable on that supply; and
 - (ii) (where the Recipient is the person required to account to the relevant tax authority for the VAT) the Relevant Party must promptly, following demand from the Recipient, pay to the Recipient an amount equal to the VAT chargeable on that supply but only to the extent that the Recipient reasonably determines that it is not entitled to credit or repayment from the relevant tax authority in respect of that VAT.
- (c) Where a Finance Document requires any Party to reimburse or indemnify a Finance Party for any cost or expense, that Party shall reimburse or indemnify (as the case may be) such Finance Party for the full amount of such cost or expense, including such part of it as represents VAT, save to the extent that such Finance Party reasonably determines that it is entitled to credit or repayment in respect of such VAT from the relevant tax authority.
- (d) Any reference in this Clause 12.6 (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).

- (e) In relation to any supply made by a Finance Party to any Party under a Finance Document, if reasonably requested by such Finance Party, that Party must promptly provide such Finance Party with details of that Party's VAT registration and such other information as is reasonably requested in connection with such Finance Party's VAT reporting requirements in relation to such supply.

12.7 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 any Finance Party 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-paragraphs (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.

- (e) If the Borrower is a US Tax Obligor, or the Facility Agent reasonably believes that its obligations under FATCA or any other applicable law or regulation require it, each Lender shall, within ten Business Days of:
- (i) where the Borrower is a US Tax Obligor and the relevant Lender is an Original Lender, the date of this Agreement;
 - (ii) where the Borrower is a US Tax Obligor on a Transfer Date and the relevant Lender is a New Lender, the relevant Transfer Date; or
 - (iii) where the Borrower is not a US Tax Obligor, the date of a request from the Facility Agent, supply to the Facility Agent:
 - (iv) a withholding certificate on Form W-8, Form W-9 or any other relevant form; or
 - (v) any withholding statement or other document, authorisation or waiver as the Facility Agent may require to certify or establish the status of such Lender under FATCA or that other law or regulation.
- (f) The Facility Agent shall provide any withholding certificate, withholding statement, document, authorisation or waiver it receives from a Lender pursuant to paragraph (e) above to the Borrower.
- (g) If any withholding certificate, withholding statement, document, authorisation or waiver provided to the Facility Agent by a Lender pursuant to paragraph (e) above is or becomes materially inaccurate or incomplete, that Lender shall promptly update it and provide such updated withholding certificate, withholding statement, document, authorisation or waiver to the Facility Agent unless it is unlawful for the Lender to do so (in which case the Lender shall promptly notify the Facility Agent). The Facility Agent shall provide any such updated withholding certificate, withholding statement, document, authorisation or waiver to the Borrower.
- (h) The Facility Agent may rely on any withholding certificate, withholding statement, document, authorisation or waiver it receives from a Lender pursuant to paragraph (e) or (g) above without further verification. The Facility Agent shall not be liable for any action taken by it under or in connection with paragraphs (e), (f) or (g) above.

12.8 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 and, in addition, shall notify the Borrower and the Facility Agent and the Facility Agent shall notify the other Finance Parties.

13 INCREASED COSTS

13.1 Increased costs

- (a) Subject to Clause 13.3 (*Exceptions*), the Borrower shall, within three Business Days of a demand by the Facility Agent, pay for the account of a Finance Party the amount of any Increased Costs incurred by that Finance Party 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 a Finance Party'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 a Finance Party or any of its Affiliates to the extent that it is attributable to that Finance Party having entered into the Commitment or funding or performing its obligations under any Finance Document.

13.2 Increased cost claims

- (a) A Finance Party intending to make a claim pursuant to Clause 13.1 (*Increased costs*) shall notify the Facility Agent of the event giving rise to the claim, following which the Facility Agent shall promptly notify the Borrower.
- (b) Each Finance Party shall, as soon as practicable after a demand by the Facility Agent, provide a certificate confirming the amount of its Increased Costs.

13.3 Exceptions

Clause 13.1 (*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 the Borrower;
- (b) attributable to a FATCA Deduction required to be made by a Party;
- (c) compensated for by Clause 12.3 (*Tax indemnity*) (or would have been compensated for under Clause 12.3 (*Tax indemnity*) but was not so compensated solely because any of the exclusions in paragraph (b) of Clause 12.3 (*Tax indemnity*) applied);
- (d) attributable to the wilful breach by the relevant Finance Party or its Affiliates of any law or regulation; or
- (e) incurred by a Hedge Counterparty in its capacity as such.

14 OTHER INDEMNITIES

14.1 Currency indemnity

- (a) If any sum due from the 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 the Borrower; or
 - (ii) obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings,

the Borrower shall, as an independent obligation, on demand, indemnify each Secured party to which that Sum is due 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) The 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.
- (c) This Clause 14.1 (*Currency indemnity*) does not apply to any sum due to a Hedge Counterparty in its capacity as such.

14.2 Other indemnities

- (a) The Borrower shall, on demand, indemnify each Secured Party against any cost, loss or liability incurred by it as a result of:
 - (i) the occurrence of any Event of Default;
 - (ii) a failure by a Transaction Obligor to pay any amount due under a Finance Document on its due date, including without limitation, any cost, loss or liability arising as a result of Clause 31 (*Sharing among the Finance Parties*);
 - (iii) funding, or making arrangements to fund, its participation in an Advance requested by the Borrower in the 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 that Secured Party alone); or
 - (iv) the Loan (or part of the Loan) not being prepaid in accordance with a notice of prepayment given by the Borrower.
- (b) The Borrower shall, on demand, indemnify each Finance Party, each Affiliate of a Finance Party and each officer or employee of a Finance Party or its Affiliate (each such person for the purposes of this Clause 14.2 (*Other indemnities*) an "**Indemnified Person**"), against any cost, loss or liability 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) 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.

- (d) Any Affiliate or any officer or employee of a Finance Party or of any of its Affiliates may rely on this Clause 14.2 (*Other indemnities*) subject to Clause 1.5 (*Third party rights*) and the provisions of the Third Parties Act.

14.3 Indemnity to the Facility Agent

The Borrower shall, on demand, indemnify the Facility Agent against:

- (a) any cost, loss or liability incurred by the Facility Agent (acting reasonably) as a result of:
- (i) investigating any event which it reasonably believes is a Default; or
 - (ii) acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised; or
 - (iii) instructing lawyers, accountants, tax advisers, surveyors or other professional advisers or experts as permitted under the Finance Documents; and
- (b) any cost, loss or liability incurred by the Facility Agent (otherwise than by reason of the Facility Agent's gross negligence or wilful misconduct) or, in the case of any cost, loss or liability pursuant to Clause 32.11 (*Disruption to Payment Systems etc.*) not including any claim based on the gross negligence, wilful misconduct or fraud of the Facility Agent in acting as Facility Agent under the Finance Documents.

14.4 Indemnity to the Security Agent

- (a) The Borrower shall, on demand, indemnify the Security Agent 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 the 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 Security Agent 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) acting as Security Agent, Receiver or Delegate under the Finance Documents or 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 relevant Security Agent's, Receiver's or Delegate's gross negligence or wilful misconduct).
- (b) The Security Agent and every Receiver and Delegate may, in priority to any payment to the Secured Parties, indemnify itself out of the Security Assets in respect of, and pay and retain, all sums necessary to give effect to the indemnity in this Clause 14.4 (*Indemnity to the Security Agent*) and shall have a lien on the Transaction Security and the proceeds of the enforcement of the Transaction Security for all monies payable to it.

15 MITIGATION BY THE FINANCE PARTIES

15.1 Mitigation

- (a) Each Finance Party shall, in consultation with the Borrower, take all reasonable steps to mitigate any circumstances which arise and which would result in any amount becoming payable under or pursuant to, or cancelled pursuant to, any of Clause 7.1 (*Illegality and Sanctions affecting a Lender*), Clause 12 (*Tax Gross Up and Indemnities*) or Clause 13 (*Increased Costs*) including (but not limited to) transferring its rights and obligations under the Finance Documents to another Affiliate or Facility Office.
- (b) Paragraph (a) above does not in any way limit the obligations of any Transaction Obligor under the Finance Documents.

15.2 Limitation of liability

- (a) The Borrower shall, on demand, indemnify each Finance Party for all costs and expenses reasonably incurred by that Finance Party as a result of steps taken by it under Clause 15.1 (*Mitigation*).
- (b) A Finance Party is not obliged to take any steps under Clause 15.1 (*Mitigation*) if either:
 - (i) a Default has occurred and is continuing; or
 - (ii) in the opinion of that Finance Party (acting reasonably), to do so might be prejudicial to it.

16 COSTS AND EXPENSES

16.1 Transaction expenses

The Borrower shall, on demand, pay the Facility Agent, the Security Agent and the Mandated Lead Arranger the amount of all costs and expenses (including legal fees) reasonably incurred by any Secured Party in connection with the negotiation, preparation, printing, execution, syndication 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; or
- (b) an amendment is required pursuant to Clause 32.9 (*Change of currency*); or
- (c) a Transaction Obligor requests, and the Security Agent agrees to, the release of all or any part of the Security Assets from the Transaction Security,

the Borrower shall, on demand, reimburse each of the Facility Agent and the Security Agent for the amount of all costs and expenses (including legal fees) reasonably incurred by each Secured Party in responding to, evaluating, negotiating or complying with that request or requirement.

16.3 Enforcement and preservation costs

The Borrower shall, on demand, pay to each Secured Party the amount of all costs and expenses (including legal fees and VAT) incurred by that Secured Party 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 that Secured Party 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 Borrower shall on demand reimburse each of the Facility Agent and the Security Agent for the amount of all documented costs and expenses (including legal fees and VAT) reasonably incurred by each Secured Party 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 relating to:
 - (i) any Reference Rate Supplement or Compounding Methodology Supplement; or
 - (ii) any change arising as a result of an amendment required under Clause 42.4 (*Changes to reference rates*).

SECTION 7

REPRESENTATIONS, UNDERTAKINGS AND EVENTS OF DEFAULT

17 REPRESENTATIONS

17.1 General

The Borrower makes the representations and warranties set out in this Clause 17 (*Representations*) to each Finance Party on the date of this Agreement.

17.2 Status

- (a) It is a corporation, 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.

17.3 Share capital and ownership

- (a) The Borrower is authorised to issue 500 registered shares without par value, all of which shares have been issued in registered form and are fully paid and non-assessable.
- (b) The legal title to and beneficial interest in the issued shares in the Borrower is held free of any Security (other than the Shares Security) or any other claim by the Shareholder and the Borrower is 100 per cent. owned indirectly by the Guarantor.
- (c) None of the issued shares in the Borrower is subject to any option to purchase, pre-emption rights or similar rights.

17.4 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.

17.5 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 and, where applicable, registration as provided for in that Finance Document 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 over any assets that are the subject of any Transaction Security granted by it.
- (c) The Transaction Security (except for Permitted Security) granted by it to the Security Agent or any other Secured Party 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.

17.6 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 Transaction Obligor or 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 of its assets or any member of the Group's assets or constitute a default or termination event (however described) under any such agreement or instrument.

17.7 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 the Borrower, on and from the Delivery Date, its registration of the Ship under the 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.

17.8 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.

17.9 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.

17.10 Insolvency

No:

- (a) corporate action, legal proceeding or other procedure or step described in paragraph (a) of Clause 25.8 (*Insolvency proceedings*); or
- (b) creditors' process described in Clause 25.9 (*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 25.7 (*Insolvency*) applies to a member of the Group.

17.11 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 any filing, recording or enrolling or any tax or fee payable in relation to any Transaction Obligor which is referred to in any legal opinion delivered pursuant to Clause 4 (*Conditions of Utilisation*) and which will be made or paid promptly after the date of the relevant Finance Document.

17.12 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.

17.13 No default

- (a) No Event of Default and, on the date of this Agreement and on each Utilisation Date and on the Delivery 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 any of its Subsidiaries or to which its (or any of its Subsidiaries') assets are subject which might have a Material Adverse Effect.

17.14 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.

17.15 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 Group's financial condition as at the end of the relevant financial year and its and the Group's results of operations during the relevant financial year.
- (c) There has been no material adverse change in its assets, business or financial condition (or the assets, business or consolidated financial condition of the Group, in the case of the Guarantor) since 31 December 2024 (other than as disclosed to the Facility Agent prior to the date of this Agreement).
- (d) Its and the Guarantor's most recent financial statements delivered pursuant to Clause 18.2 (*Financial statements*):
 - (i) have been prepared in accordance with Clause 18.3 (*Requirements as to financial statements*); and
 - (ii) give a true and fair view of (if audited) or fairly represent (if unaudited) its financial condition as at the end of the relevant financial year and operations during the relevant financial year (consolidated in the case of the Guarantor).
- (e) Since the date of the most recent financial statements delivered pursuant to Clause 18.2 (*Financial statements*) there has been no material adverse change in its business, assets or financial condition (or the business or consolidated financial condition of the Group, in the case of the Guarantor).

17.16 *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.

17.17 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 or any member of the Group.
- (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 or any member of the Group.

17.18 Validity and completeness of the Pre-delivery Contracts

- (a) The Shipbuilding Contract and each Refund Guarantee constitute legal, valid, binding and enforceable obligations of the Builder and the relevant Refund Guarantor respectively.
- (b) The copies of the Pre-delivery Contracts delivered to the Facility Agent before the date of this Agreement are true and complete copies.
- (c) No material amendments or additions to the Shipbuilding Contract or any Refund Guarantee have been agreed nor has the Borrower, the Builder or the relevant Refund Guarantor waived any of their respective rights under the Shipbuilding Contract or the relevant Refund Guarantee,

for the purposes of this Clause "**material**" shall mean, without limitation, any amendments in respect of the duration of each Pre-delivery Contract, the parties to each Pre-delivery Contract, the Purchase Price of the Ship and the Delivery Date of the Ship.

17.19 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 the Borrower or any other member of the Group, the Builder or a third party in connection with the purchase by the Borrower of the Ship, other than as disclosed to the Facility Agent in writing on or before the date of this Agreement.

17.20 Valuations

- (a) All information supplied by it or on its behalf to an Approved Valuer for the purposes of a valuation delivered to the Facility Agent 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.

17.21 No breach of laws

It has not (and 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.

17.22 No Charter

The Ship is not subject to any Charter other than a Permitted Charter.

17.23 Compliance with Environmental Laws

All Environmental Laws relating to the ownership, operation and management of the Ship and 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.

17.24 No Environmental Claim

No Environmental Claim has been made or threatened against any member of the Group or the Ship which might reasonably be expected to have a Material Adverse Effect.

17.25 No Environmental Incident

No Environmental Incident has occurred and no person has claimed that an Environmental Incident has occurred.

17.26 ISM and ISPS Code compliance

All requirements of the ISM Code and the ISPS Code as they relate to the Borrower, the Approved Manager and the Ship have been complied with.

17.27 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 the Borrower's knowledge, are reasonably likely to be, made or conducted against it (or any other member of the Group) with respect to Taxes.

17.28 Financial Indebtedness

The Borrower does not have any Financial Indebtedness outstanding other than Permitted Financial Indebtedness.

17.29 Overseas companies

The Borrower has not 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 Facility Agent sufficient details to enable an accurate search against it to be undertaken by the Lenders at the Companies Registry.

17.30 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.

17.31 Ownership

- (a) The Borrower is the sole legal and beneficial owner of all rights and interests which each of the Pre-delivery Contracts creates in favour of the Borrower.
- (b) With effect on and from the Delivery Date, the Borrower will be the sole legal and beneficial owner of the Ship, the Earnings and the Insurances.

- (c) The Shareholder is 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.
- (d) The Guarantor is indirectly the sole legal and beneficial owner of all the issued shares in the Shareholder.
- (e) The constitutional documents of each Transaction Obligor do not and could not restrict or inhibit any transfer of the shares of the Borrower on creation or enforcement of the security conferred by the Security Documents.

17.32 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 situated 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 such jurisdiction.

17.33 Place of business

No Transaction Obligor has a place of business in the US (save for the Guarantor) or the United Kingdom and its head office functions are carried out at the address stated in Part A of Schedule 1 (*The Parties*).

17.34 No employee or pension arrangements

The Borrower does not have any employees or any liabilities under any pension scheme.

17.35 Sanctions

- (a) No Relevant Person is:
 - (i) a Restricted Party;
 - (ii) in breach of Sanctions; or
 - (iii) to its knowledge subject to or involved in any complaint, claim, proceeding, formal notice, investigation or other action by any regulatory or enforcement authority or third party concerning any Sanctions.
- (b) No proceeds of the Loan shall be made available, directly or indirectly, to or for the benefit of a Restricted Party nor shall they be otherwise, directly or indirectly, applied in a manner or for a purpose prohibited by Sanctions.

17.36 US Tax Obligor

No Transaction Obligor is a US Tax Obligor.

17.37 No Money laundering

- (a) The Borrower is acting for its own account in relation to the Loan and in relation to the performance and the discharge of its respective obligations and liabilities under the Finance Documents and the transactions and other arrangements effected or contemplated by the Finance Documents to which the Borrower is a party, and 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.

- (b) Without prejudice to any of the foregoing, none of the Transaction Obligors nor any other member of the Group and their respective members, directors, officers, Subsidiaries and, to the best of their knowledge, their Affiliates or employees has engaged in any activity or conduct which would violate any applicable anti-bribery, anti-corruption or anti-Money Laundering laws, regulations or rules in any applicable jurisdiction and each of the Transaction Obligors has instituted and maintains policies and procedures designed to prevent violation of such laws, regulations and rules.

17.38 Repetition

The Repeating Representations are deemed to be made by the Borrower by reference to the facts and circumstances then existing on the date of each Utilisation Request, the Delivery Date and the first day of each Interest Period.

18 INFORMATION UNDERTAKINGS

18.1 General

The undertakings in this Clause 18 (*Information Undertakings*) remain in force throughout the Security Period unless the Facility Agent, acting with the authorisation of the Majority Lenders (or, where specified, all the Lenders), may otherwise permit.

18.2 Financial statements

The Borrower procures that the Guarantor shall supply to the Facility Agent in sufficient copies for all the Lenders:

- (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, 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 quarter of each of the Guarantor's financial years (ending 31 March, 30 June and 30 September), the unaudited consolidated quarterly financial statements of the Group for that financial quarter.

18.3 Requirements as to financial statements

- (a) Each set of financial statements delivered by the Guarantor pursuant to Clause 18.2 (*Financial statements*) shall be certified by an officer of the company 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 it has not been filed with the US Securities and Exchange Commission.
- (b) The Borrower shall procure that each set of financial statements of the Guarantor delivered pursuant to Clause 18.2 (*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 Facility Agent that there has been a change in GAAP, the accounting practices or reference periods, unless 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 Guarantor) deliver to the Facility Agent:

- (i) a description of any change necessary for those financial statements to reflect the GAAP, accounting practices and reference periods upon which the Original Financial Statements were prepared; and
- (ii) sufficient information, in form and substance as may be reasonably required by the Facility Agent, to enable the Lenders 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 Guarantor'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.

18.4 DAC6

- (a) In this Clause 18.4 (*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 Borrower shall supply to the Facility Agent (in sufficient copies for all the Lenders, if the Facility 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 Transaction Documents or any transaction carried out (or to be carried out) in connection with any transaction contemplated by the Transaction Documents 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).

18.5 Information: miscellaneous

The Borrower shall and shall procure that each other Transaction Obligor shall supply to the Facility Agent (in sufficient copies for all the Lenders, if the Facility Agent so requests):

- (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 the contents of such communication 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 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 a liability, or a potential or alleged liability, exceeding \$1,000,000 (or its equivalent in other currencies);
- (d) promptly, its constitutional documents where these have been amended or varied unless, in respect of the Guarantor, these changes have been disclosed in the filings with the US Securities and Exchange Commission;
- (e) promptly, such further information and/or documents regarding:
 - (i) the Ship, goods transported on the Ship, the Earnings or the 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 any Finance Party (through the Facility Agent) may reasonably request; and
- (f) promptly, such further information and/or documents as any Finance Party (through the Facility Agent) may reasonably request so as to enable such Finance Party to comply with any laws applicable to it or as may be required by any regulatory authority.

18.6 Notification of Default

- (a) The Borrower shall, and shall procure that each other Transaction Obligor shall, notify the Facility Agent of any Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence (unless the Borrower is aware that a notification has already been provided by any Transaction Obligor).
- (b) Promptly upon a request by the Facility Agent, the Borrower shall supply to the Facility Agent a certificate signed by an officer 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).

18.7 Use of websites

- (a) The Borrower may satisfy its obligation under the Finance Documents to which it is a party to deliver any information in relation to those Lenders (the "**Website Lenders**") which accept this method of communication by posting this information onto an electronic website designated by the Borrower and the Facility Agent (the "**Designated Website**") if:
 - (i) the Facility Agent expressly agrees (after consultation with each of the Lenders) that it will accept communication of the information by this method;
 - (ii) both the Borrower and the Facility Agent are aware of the address of and any relevant password specifications for the Designated Website; and

(iii) the information is in a format previously agreed between the Borrower and the Facility Agent.

If any Lender (a "**Paper Form Lender**") does not agree to the delivery of information electronically then the Facility Agent shall notify the Borrower accordingly and the Borrower shall supply the information to the Facility Agent (in sufficient copies for each Paper Form Lender) in paper form. In any event the Borrower shall supply the Facility Agent with at least one copy in paper form of any information required to be provided by it.

- (b) The Facility Agent shall supply each Website Lender with the address of and any relevant password specifications for the Designated Website following designation of that website by the Obligors or any of them and the Facility Agent.
- (c) The Borrower shall promptly upon becoming aware of its occurrence notify the Facility Agent if:
- (i) the Designated Website cannot be accessed due to technical failure;
 - (ii) the password specifications for the Designated Website change;
 - (iii) any new information which is required to be provided under this Agreement is posted onto the Designated Website;
 - (iv) any existing information which has been provided under this Agreement and posted onto the Designated Website is amended; or
 - (v) if the Borrower becomes aware that the Designated Website or any information posted onto the Designated Website is or has been infected by any electronic virus or similar software.

If the Borrower notifies the Facility Agent under sub-paragraph (i) or (v) of paragraph (c) above, all information to be provided by the Borrower under this Agreement and the other Finance Documents after the date of that notice shall be supplied in paper form unless and until the Facility Agent and each Website Lender is satisfied that the circumstances giving rise to the notification are no longer continuing.

- (d) Any Website Lender may request, through the Facility Agent, one paper copy of any information required to be provided under this Agreement which is posted onto the Designated Website. The Borrower shall comply with any such request within 10 Business Days.

18.8 "Know your customer" checks

- (a) If:
- (i) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation made after the date of this Agreement;
 - (ii) any change in the status of a Transaction Obligor (including, without limitation, a change of ownership of a Transaction Obligor save for the Guarantor) after the date of this Agreement; or

- (iii) 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 a Finance Party (or, in the case of sub-paragraph (iii) above, 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, the Borrower shall promptly upon the request of any Finance Party supply, or procure the supply of, such documentation and other evidence as is reasonably requested by a Servicing Party (for itself or on behalf of any other Finance Party) or any Lender (for itself or, in the case of the event described in sub-paragraph (iii) above, on behalf of any prospective new Lender) in order for such Finance Party or, in the case of the event described in sub-paragraph (iii) above, any prospective new Lender) in order for such Finance Party or, in the case of the event described in sub-paragraph (iii) above, 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.

- (b) Each Lender shall promptly upon the request of a Servicing Party supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Servicing Party (for itself) in order for that Servicing Party 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.

19 GENERAL UNDERTAKINGS

19.1 General

The undertakings in this Clause 19 (*General Undertakings*) remain in force throughout the Security Period except as the Facility Agent, acting with the authorisation of the Majority Lenders (or, where specified, all the Lenders) may otherwise permit.

19.2 Authorisations

The 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; and
- (b) supply certified copies to the Facility Agent of,

any Authorisation required under any law or regulation of a Relevant Jurisdiction or the state of the Approved Flag at any time of the 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 and in the state of the Approved Flag at any time of the Ship of any Transaction Document to which it is a party; and
- (iii) own and operate the Ship (in the case of the Borrower).

19.3 Compliance with laws

The Borrower shall, and shall procure that each other Transaction Obligor will, comply in all respects with:

- (a) all Sanctions Laws to which it may be subject; and
- (b) all other 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.

19.4 Environmental compliance

The 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.

19.5 Environmental Claims

The Borrower shall, and shall procure that each other Transaction Obligor will, (through the Guarantor), promptly upon becoming aware of the same, inform the Facility Agent 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.

19.6 Taxation

- (a) The 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:
 - (i) such payment is being contested in good faith;
 - (ii) 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 Facility Agent under Clause 18.2 (*Financial statements*); and
 - (iii) 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.
- (b) The Borrower will not change its residence for Tax purposes.

19.7 Overseas companies

The Borrower shall, and shall procure that each other Transaction Obligor will, promptly inform the Facility Agent 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 Facility Agent 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.

19.8 No change to centre of main interests

The Borrower shall not 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 17.32 (*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 such jurisdiction.

19.9 *Pari passu* ranking

The Borrower shall, and shall procure that each other Transaction Obligor will, ensure that at all times any unsecured and unsubordinated claims of a Finance Party 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.

19.10 Title

- (a) The Borrower shall hold the legal title to, and own the entire beneficial interest in:
- (i) each Pre-delivery Contract;
 - (ii) with effect from the Delivery Date the Ship, the Earnings and the Insurances; and
 - (iii) with effect on and from its creation or intended creation, any other assets the subject of any Transaction Security created or intended to be created by the Borrower.
- (b) The Guarantor shall hold the legal title to, and own the entire beneficial interest in with effect on and from its creation or intended creation, any assets the subject of any Transaction Security created or intended to be created by the Guarantor.

19.11 Negative pledge

- (a) The Borrower shall not, and 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 members of the Group other than the Borrower, the subject of the Security created or intended to be created by the Finance Documents.
- (b) The Borrower shall not:
- (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.

19.12 Disposals

(a) The Borrower shall not 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 the Ship, the Earnings or the Insurances).

(b) Paragraph (a) above does not apply to any Charter as all Charters are subject to Clause 22.16 (*Restrictions on chartering, appointment of managers etc.*).

19.13 Merger

The Borrower shall not, and shall procure that the Guarantor shall not enter into any amalgamation, demerger, merger, consolidation or corporate reconstruction except in circumstances where the Guarantor is the surviving entity of any such event and there is no Material Adverse Effect on the Guarantor.

19.14 Change of business

(a) The 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) The Borrower shall not engage in any business other than the ownership and operation of the Ship.

19.15 Financial Indebtedness

The Borrower shall not incur or permit to be outstanding any Financial Indebtedness except Permitted Financial Indebtedness.

19.16 Expenditure

The Borrower shall not incur any expenditure, except for expenditure reasonably incurred in the ordinary course of owning, operating, maintaining and repairing the Ship.

19.17 Share capital

The Borrower shall not:

(a) purchase, cancel, redeem or retire any of its issued shares;

(b) increase or reduce 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;

- (c) issue any further shares except to the Shareholder and provided such new shares are made subject to the terms of the Shares Security immediately upon the issue of such new shares in a manner satisfactory to the Security Agent and the terms of the Shares Security are complied with; or
- (d) appoint any further director or officer of the Borrower (unless the provisions of the Shares Security are complied with).

19.18 Dividends

The Borrower shall not, and shall procure that the Guarantor shall not 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 issued shares or resolve to do so.

19.19 Other transactions

The Borrower shall not:

- (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 Facility Agent;
- (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 the Borrower 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 the 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.

19.20 Unlawfulness, invalidity and ranking; Security imperilled

The Borrower shall not, and shall procure that no other Transaction Obligor will, do (or fail to do) or cause or permit 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 if that cessation individually or together with any other cessations materially or adversely affects the interests of the Secured Parties under the Finance Documents;
- (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.

19.21 Sanctions undertakings

- (a) The Borrower shall not (and the Borrower shall ensure that no other Relevant Person will) take any action, make any omission or use (directly or indirectly) any proceeds of the Loan, in a manner that:
 - (i) is a breach of Sanctions; and/or
 - (ii) causes (or will cause) a breach of Sanctions by any Finance Party.
- (b) The Borrower shall not (and the Borrower shall ensure that no other Relevant Person will) take any action or make any omission that results, or is reasonably likely to result, in it or any Finance Party becoming a Restricted Party.

19.22 Delivery Security and other documentation and evidence

If the Delivery Advance is not requested or is not for any reason made available, the Borrower shall, on or before the Delivery Date, execute and deliver the documents and evidence referred to in Part C of Schedule 2 (*Conditions Precedent*), with necessary modifications (if any) to reflect the non-utilisation of the Delivery Advance, in form and substance satisfactory to the Facility Agent.

19.23 Further assurance

- (a) The Borrower shall, and shall procure that each other Transaction Obligor will, promptly, and in any event within the time period specified by the Security Agent 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 Security Agent may specify (and in such form as the Security Agent may require in favour of the Security Agent or its nominee(s)):
 - (i) to create, perfect, vest in favour of the Security Agent 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 any of the Secured Parties provided by or pursuant to the Finance Documents or by law;

- (ii) to confer on the Security Agent or confer on the Secured Parties 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 Security Agent 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) The 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 Security Agent or the Secured Parties by or pursuant to the Finance Documents.
- (c) At the same time as the Borrower delivers to the Security Agent any document executed by itself or another Transaction Obligor pursuant to this Clause 19.23 (*Further assurance*), the Borrower shall deliver, or shall procure that such other Transaction Obligor will deliver, to the Security Agent a certificate signed by one of the Borrower's or Transaction Obligor's officers which shall:
- (i) set out the text of a resolution of the Borrower's or Transaction Obligor's directors specifically authorising the execution of the document specified by the Security Agent; 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 the Borrower's or Transaction Obligor's articles of incorporation or limited partnership agreement, as applicable.

19.24 Money Laundering

The Borrower undertakes throughout the Security Period to:

- (a) provide the Lenders with information, certificates and any documents required by the Lenders to ensure compliance with any law, official requirement or other regulatory measure or procedure implemented to combat Money Laundering; and
- (b) notify the Lenders as soon as it becomes aware of any matters evidencing that a breach of any law, official requirement or other regulatory measure or procedure implemented to combat Money Laundering may or is about to occur.

19.25 Use of proceeds

No proceeds of any Advance shall be lent, contributed or otherwise made available, directly or indirectly, to or for the benefit of a Restricted Party (including to fund any activities or business of a Restricted Party) nor shall they be lent, contributed or otherwise made available, directly or indirectly, to any person or otherwise be applied (i) to fund any activities or business in any country or territory, that, at the time of such funding, is a country or territory which is subject to Sanctions Laws or (ii) in any other manner that would result in a violation of Sanctions Laws by any person (including any person participating in the Loan, whether as a Finance Party or otherwise) or otherwise in a manner or for a purpose prohibited by Sanctions Laws including, but not limited to, in using any benefits of any money, proceeds or services provided by, or received from, the Lenders under this Agreement, in business activities (including, but not limited to, entering into any ship finance acquisition agreement, ship refinancing agreement or charter agreement relating to a vessel, project or asset) subject to Sanctions Laws or related to a country which is subject to Sanctions Laws and/or a Restricted Party.

19.26 Anti-corruption law

- (a) No Transaction Obligor shall directly or indirectly use the proceeds of the Facility for any purpose which would breach the Bribery Act 2010, the United States Foreign Corrupt Practices Act of 1977 or other similar legislation in other jurisdictions.
- (b) Each Transaction Obligor shall:
- (i) conduct its business in compliance with applicable anti-corruption laws; and
 - (ii) maintain policies and procedures designed to promote and achieve compliance with such laws.

19.27 No change in financial year

The Borrower shall procure that the Guarantor shall not change the end of its financial year.

19.28 Listing of Guarantor

The Borrower shall procure that the Guarantor's shares are listed on the New York Stock Exchange or any other stock exchange acceptable to the Facility Agent.

20 INSURANCE UNDERTAKINGS

20.1 General

The undertakings in this Clause 20 (*Insurance Undertakings*) remain in force on and from the Delivery Date and throughout the rest of the Security Period except as the Facility Agent, acting with the authorisation of the Majority Lenders (or, where specified, all the Lenders) may otherwise permit.

20.2 Maintenance of obligatory insurances

The Borrower shall keep the Ship 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, piracy, hijacking and confiscation);
- (c) protection and indemnity risks (including freight, demurrage and defence cover without exclusion of any Environmental Incident) with a protection and indemnity association being a member of the International Group of Protection and Indemnity Clubs; and
- (d) any other risks against which the Facility Agent acting on the instructions of the Majority Lenders considers, having regard to practices and other circumstances prevailing at the relevant time, it would be reasonable for the Borrower to insure and which are specified by the Facility Agent by notice to the Borrower.

20.3 Terms of obligatory insurances

The 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) 120 per cent. of the Loan; and
 - (ii) the Market Value of the Ship;
- (c) in the case of hull and machinery insurance, in an amount on an agreed value basis of at least 80 per cent. of the Agreed Insured Value of the Ship with the remainder of that Agreed Insured Value being covered by hull interest and freight interest covers;
- (d) 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 but in any case no less than \$1,000,000,000;
- (e) in the case of protection and indemnity risks, in respect of the full tonnage of the Ship;
- (f) on approved terms; and
- (g) 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.

20.4 Further protections for the Finance Parties

In addition to the terms set out in Clause 20.3 (*Terms of obligatory insurances*), the Borrower shall procure that the obligatory insurances shall:

- (a) subject always to paragraph (b), name the Borrower, the Guarantor or any Approved Manager as the sole named assured or co-assureds 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;

and every other named insured has undertaken in writing to the Security Agent (in such form as it requires) that any deductible shall be apportioned between the 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 Security Agent to collect or recover any moneys which at any time become payable in respect of the obligatory insurances;

- (b) whenever the Facility Agent requires, name (or be amended to name) the Security Agent as additional named insured for its rights and interests, warranted no operational interest and with full waiver of rights of subrogation against the Security Agent, but without the Security Agent being liable to pay (but having the right to pay) premiums, calls or other assessments in respect of such insurance;
- (c) name the Security Agent as loss payee with such directions for payment as the Facility Agent may specify;
- (d) provide that all payments by or on behalf of the insurers under the obligatory insurances to the Security Agent 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 Security Agent or any other Finance Party; and
- (f) provide that the Security Agent may make proof of loss if the Borrower fails to do so.

20.5 Renewal of obligatory insurances

The Borrower shall:

- (a) at least 21 days before the expiry of any obligatory insurance:
 - (i) notify the Facility Agent of the Approved Brokers (or other insurers) and any protection and indemnity or war risks association through or with which the Borrower proposes to renew that obligatory insurance and of the proposed terms of renewal; and
 - (ii) obtain the Facility Agent'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 Facility Agent'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 Facility Agent in writing of the terms and conditions of the renewal.

20.6 Copies of policies; letters of undertaking

The Borrower shall ensure that the Approved Brokers provide the Security Agent 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 Facility Agent 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 20.4 (*Further protections for the Finance Parties*);
 - (ii) they will hold such policies, and the benefit of such insurances, to the order of the Security Agent in accordance with such loss payable clause;
 - (iii) they will advise the Security Agent 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 Borrower or its agents, notify the Security Agent 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 Facility Agent 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 under such obligatory insurances any premiums or other amounts due to them or any other person whether in respect of the 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
 - (vii) they will arrange for a separate policy to be issued in respect of the Ship forthwith upon being so requested by the Facility Agent.

20.7 Copies of certificates of entry

The Borrower shall ensure that any protection and indemnity and/or war risks associations in which the Ship is entered provide the Security Agent with:

- (a) a certified copy of the certificate of entry for the Ship;
- (b) a letter or letters of undertaking in such form as may be required by the Facility Agent acting on the instructions of Majority Lenders; 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 the Ship.

20.8 Deposit of original policies

The Borrower shall ensure that all policies relating to obligatory insurances are deposited with the Approved Brokers through which the insurances are effected or renewed.

20.9 Payment of premiums

The Borrower shall punctually pay all premiums or other sums payable in respect of the obligatory insurances and produce all relevant receipts when so required by the Facility Agent or the Security Agent.

20.10 Guarantees

The 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.

20.11 Compliance with terms of insurances

- (a) The Borrower shall not 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.
- (b) Without limiting paragraph (a) above and without prejudice to the Borrower's obligations under Clause 22 (*Post-Delivery Ship Undertakings*), the 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 20.6 (*Copies of policies; letters of undertaking*)) ensure that the obligatory insurances are not made subject to any exclusions or qualifications to which the Facility Agent 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 unless they are approved by the underwriters of the obligatory insurances;
 - (iii) make (and promptly supply copies to the Facility Agent of) all quarterly or other voyage declarations which may be required by the protection and indemnity risks association in which the Ship 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, 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.

20.12 Alteration to terms of insurances

The Borrower shall not make or agree to any alteration to the terms of any obligatory insurance or waive any right relating to any obligatory insurance.

20.13 Settlement of claims

The 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 Security Agent to collect or recover any moneys which at any time become payable in respect of the obligatory insurances.

20.14 Provision of copies of communications

The Borrower shall provide the Security Agent, at the time of each such communication, with copies of all written communications between the 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) the 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 the 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.

20.15 Provision of information

The Borrower shall promptly provide the Facility Agent (or any persons which it may designate) with any information which the Facility Agent (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 20.16 (*Mortgagee's interest and additional perils insurances*) or dealing with or considering any matters relating to any such insurances,

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

20.16 Mortgagee's interest and additional perils insurances

- (a) The Security Agent 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 an amount which equals 110 per cent. of the Loan, on such terms, through such insurers and

generally in such manner as the Security Agent acting on the instructions of the Majority Lenders may reasonably from time to time consider appropriate.

- (b) The Borrower shall upon demand fully indemnify the Security Agent 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.

21 PRE-DELIVERY CONTRACT UNDERTAKINGS

21.1 General

The undertakings in this Clause 21 (*Pre-delivery Contract Undertakings*) remain in force throughout the Security Period except as the Facility Agent, acting with the authorisation of the Majority Lenders (or, where specified, all the Lenders) may otherwise permit.

21.2 Performance of Pre-delivery Contracts

The Borrower shall:

- (a) observe and perform all its obligations and meet all its liabilities under or in connection with each Pre-delivery Contract;
- (b) use all reasonable endeavours to ensure performance and observance by the other parties of their obligations and liabilities under each Pre-delivery Contract; and
- (c) take any action, or refrain from taking any action, which the Facility Agent may specify in connection with any breach, or possible future breach, of a Pre-delivery Contract by the Borrower or any other party or with any other matter which arises or may later arise out of or in connection with a Pre-delivery Contract.

21.3 No variation, release etc. of Pre-delivery Contracts

The Borrower shall not, whether by a document, by conduct, by acquiescence or in any other way:

- (a) vary any Pre-delivery Contract in any material way;
- (b) release, waive, suspend, subordinate or permit to be lost or impaired any interest or right of any kind which the Borrower has at any time to, in or in connection with, each of the Pre-delivery Contracts or in relation to any matter arising out of or in connection with any Pre-delivery Contract;
- (c) waive any person's breach of any Pre-delivery Contract; or
- (d) rescind or terminate any Pre-delivery Contract or treat itself as discharged or relieved from further performance of any of its obligations or liabilities under a Pre-delivery Contract,

for the purposes of this Clause "**material**" shall mean, without limitation, any amendments in respect of the duration of each Pre-delivery Contract, the parties to each Pre-delivery Contract, the Purchase Price of the Ship and the Delivery Date of the Ship.

21.4 Action to protect validity of Pre-delivery Contracts

The Borrower shall use its best endeavours to ensure that all interests and rights conferred by each relevant Pre-delivery Contract remain valid and enforceable in all respects and retain the priority which they were intended to have.

21.5 No assignment etc. of Pre-delivery Contracts

Save as permitted by the Finance Documents, the Borrower shall not assign, novate, transfer or dispose of any of its rights or obligations under any Pre-delivery Contract.

21.6 Provision of information relating to Pre-delivery Contracts

Without prejudice to Clause 18.5 (*Information: miscellaneous*) the Borrower shall:

- (a) immediately inform the Facility Agent if any breach of any Pre-delivery Contract occurs or a serious risk of such a breach arises and of any other event or matter affecting a Pre-delivery Contract which has or is reasonably likely to have a Material Adverse Effect;
- (b) provide the Facility Agent, promptly after service, with copies of all notices, save for the notices and exchanges relating to the ordinary progress of the construction of the Ship, served on or by the Borrower under or in connection with any Pre-delivery Contract; and
- (c) provide the Facility Agent with any information which it requests about any interest or right of any kind which the Borrower has at any time to, in or in connection with, each of the Pre-delivery Contracts or in relation to any matter arising out of or in connection with any Pre-delivery Contract including the progress of the construction of the Ship.

21.7 Pre-delivery Insurance

The Borrower shall ensure that at all times during construction, the Ship is insured in accordance with the provisions of Article XIX (*insurance*) of the Shipbuilding Contract.

22 POST-DELIVERY SHIP UNDERTAKINGS

22.1 General

The undertakings in this Clause 22 (*Post-Delivery Ship Undertakings*) remain in force on and from the Delivery Date and throughout the rest of the Security Period except as the Facility Agent, acting with the authorisation of the Majority Lenders (or, where specified, all the Lenders) may otherwise permit.

22.2 Ship's name and registration

The Borrower shall:

- (a) keep the 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 the Ship; and

- (d) not change the name of the Ship,

provided that any agreed change of name or flag of the Ship shall be subject to:

- (i) the Ship remaining subject to Security securing the Secured Liabilities created by a first priority or preferred ship mortgage on the 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 and, if applicable, the related Deed of Covenant and on such other terms and in such other form as the Facility Agent, acting with the authorisation of the Majority Lenders, shall approve or require; and
- (ii) the execution of such other documentation amending and supplementing the Finance Documents as the Facility Agent, acting with the authorisation of the Majority Lenders, shall approve or require.

22.3 Repair and classification

The Borrower shall keep the Ship 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 the Ship's class.

22.4 Classification society undertaking

The Borrower shall instruct the Approved Classification Society:

- (a) to send to the Security Agent, 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 the Ship;
- (b) to allow the Security Agent (or its agents), at any time and from time to time, to inspect the original class and related records of the Borrower and the Ship at the offices of the Approved Classification Society and to take copies of them;
- (c) to notify the Security Agent immediately in writing if the Approved Classification Society:
 - (i) receives notification from the Borrower or any person that the 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 the Ship's class under the rules or terms and conditions of the Borrower or the Ship's membership of the Approved Classification Society;
- (d) following receipt of a written request from the Security Agent:
 - (i) to confirm that the 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 the Borrower is in default of any of its contractual obligations or liabilities to the Approved Classification Society, to specify to the Security Agent 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.

22.5 Modifications

The Borrower shall not make any modification or repairs to, or replacement of, the Ship or equipment installed on it which would or might materially alter the structure, type or performance characteristics of the Ship or materially reduce its value.

22.6 Removal and installation of parts

- (a) Subject to paragraph (b) below, the Borrower shall not remove any material part of the Ship, or any item of equipment installed on the 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 Security Agent; and
 - (iii) the replacement part or item becomes, on installation on the Ship, the property of the Borrower and subject to the security constituted by the Mortgage and, if applicable, the related Deed of Covenant.
- (b) The Borrower may install equipment owned by a third party if the equipment can be removed without any risk of damage to the Ship.

22.7 Surveys

The Borrower shall submit the Ship regularly to all periodic or other surveys which may be required for classification purposes and, if so required by the Facility Agent acting on the instructions of the Majority Lenders, provide the Facility Agent, with copies of all survey reports.

22.8 Inspection

The Borrower shall permit the Security Agent (acting through surveyors or other persons appointed by it for that purpose) to board the Ship at all reasonable times and provided there is no interference with the Ship's operation to inspect its condition or to satisfy themselves about proposed or executed repairs and shall afford all proper facilities for such inspections. The cost of the inspection shall be borne by the Borrower 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 Borrower.

22.9 Prevention of and release from arrest

- (a) The Borrower shall promptly discharge:
 - (i) all liabilities which give or may give rise to maritime or possessory liens on or claims enforceable against the Ship, the Earnings or the Insurances;

- (ii) all Taxes, dues and other amounts charged in respect of the Ship, the Earnings or the Insurances; and
 - (iii) all other outgoings whatsoever in respect of the Ship, the Earnings or the Insurances.
- (b) The Borrower shall, immediately upon receiving notice of the arrest of the Ship 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.

22.10 Compliance with laws etc.

The Borrower shall:

- (a) comply, or procure compliance with all laws or regulations:
 - (i) relating to its business generally; and
 - (ii) relating to the Ship, 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; and
- (c) without limiting paragraph (a) above, not employ the Ship nor allow its employment, operation or management in any manner contrary to any law or regulation including but not limited to the ISM Code, the ISPS Code, all Environmental Laws and Sanctions (or which would be contrary to Sanctions if Sanctions were binding on each Transaction Obligor).

22.11 ISPS Code

Without limiting paragraph (a) of Clause 22.10 (*Compliance with laws etc.*), the Borrower shall:

- (a) procure that the Ship and the company responsible for the Ship's compliance with the ISPS Code comply with the ISPS Code; and
- (b) maintain an ISSC for the Ship; and
- (c) notify the Facility Agent immediately in writing of any actual or threatened withdrawal, suspension, cancellation or modification of the ISSC.

22.12 Sanctions and Ship trading

Without limiting Clause 22.10 (*Compliance with laws etc.*), the Borrower shall procure:

- (a) that the Ship shall not be used by or for the benefit of a Restricted Party;
- (b) that the Ship shall not be used in trading in any manner contrary to Sanctions (or which could be contrary to Sanctions if Sanctions were binding on each Transaction Obligor);
- (c) that the Ship 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
- (d) that each Charter in respect of the Ship shall contain, for the benefit of the Borrower, language which gives effect to the provisions of paragraph (c) of Clause 22.10 (*Compliance with laws etc.*) as regards Sanctions and of this Clause 22.12 (*Sanctions and Ship trading*) and which Charter permits refusal of employment or voyage orders if such employment or compliance with such orders results in non-compliance with such provisions or breaches Sanctions (or which would result in a breach of Sanctions if Sanctions were binding on the Borrower).

22.13 Trading in war zones or excluded areas

In the event of hostilities in any part of the world (whether war is declared or not), the Borrower shall not cause or permit the Ship to enter or trade to any zone which is declared a war zone by any government or by the Ship's war risks insurers unless the Borrower has (at its expense) effected any special, additional or modified insurance cover which the insurers require to ensure that the Ship remains properly insured in accordance with the Finance Documents (including, without limitation, any requirement for the payment of additional or extra insurance premia).

22.14 Provision of information

Without prejudice to Clause 18.5 (*Information: miscellaneous*) the Borrower shall promptly provide the Facility Agent with any information which it requests regarding:

- (a) the 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 the Ship and any payments made by it in respect of the Ship;
- (d) any towages and salvages; and
- (e) its compliance, the Approved Manager's compliance and the compliance of the Ship with the ISM Code and the ISPS Code,

and, upon the Facility Agent's request, promptly provide copies of any current Charter relating to the Ship, of any current guarantee of any such Charter, the Ship's Safety Management Certificate and any relevant Document of Compliance.

22.15 Notification of certain events

The Borrower shall immediately notify the Facility Agent by email of:

- (a) any casualty to the Ship which is or is likely to be or to become a Major Casualty;
- (b) any occurrence as a result of which the Ship has become or is, by the passing of time or otherwise, likely to become a Total Loss;
- (c) any requisition of the Ship for hire;
- (d) any requirement or recommendation made in relation to the Ship by any insurer or classification society or by any competent authority which is not immediately complied with;
- (e) any arrest or detention of the Ship or any exercise or purported exercise of any lien on the Ship or the Earnings;
- (f) any extraordinary or unscheduled dry docking of the Ship;
- (g) any Environmental Claim made against the Borrower or in connection with the Ship, or any Environmental Incident;
- (h) any claim for breach of the ISM Code or the ISPS Code being made against the Borrower, an Approved Manager or otherwise in connection with the 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 in connection with the Ship,
- (j) any notice, or the Borrower becoming aware, of any claim, action, suit, proceedings 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 the Borrower shall keep the Facility Agent advised in writing on a regular basis and in such detail as the Facility Agent shall require as to the Borrower's, any such Approved Manager's or any other person's response to any of those events or matters.

22.16 Restrictions on chartering, appointment of managers etc.

The Borrower shall not:

- (a) let the Ship on demise charter for any period;
- (b) enter into any time, voyage or consecutive voyage charter in respect of the Ship other than a Permitted Charter;
- (c) appoint a manager of the Ship other than an Approved Manager;
- (d) de activate or lay up the Ship; or
- (e) put the 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 Security Agent and in terms satisfactory to it a written undertaking not to exercise any lien on the Ship or the Earnings for the cost of such work or for any other reason.

22.17 Notice of Mortgage

The Borrower shall keep the Mortgage registered against the Ship as a valid first priority or, as the case may be, preferred mortgage, carry on board 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 the Ship a framed printed notice stating that the Ship is mortgaged by the Borrower to the Security Agent.

22.18 Sharing of Earnings

The Borrower shall not enter into any agreement or arrangement for the sharing of any Earnings other than any profit-sharing arrangements on arm's length terms.

22.19 Poseidon Principles

The Borrower shall, upon the request of any Lender and at the cost of the Borrower, on or before 31st July in each calendar year, supply or procure the supply by the Approved Classification Society (as specified by the relevant Lender) to the Facility Agent of all information necessary in order for any Lender to comply with its obligations under the Poseidon Principles in respect of the preceding year, including, without limitation, all ship fuel oil consumption data required to be collected and reported in accordance with Regulation 22A of Annex VI and any Statement of Compliance, in each case relating to the Ship for the preceding calendar year provided always that, for the avoidance of doubt, such information shall be "Confidential Information" for the purposes of Clause 43 (*Confidential Information*) but the Borrower acknowledges that, in accordance with the Poseidon Principles, such information will form part of the information published regarding the relevant Lender's portfolio climate alignment.

22.20 Inventory of Hazardous Materials

The Borrower shall maintain the Inventory of Hazardous Materials.

22.21 Dismantling of Ship

The Borrower confirms that it will procure that the Ship and any other Group Vessel will be (or, if sold to an intermediary with the intention of being scrapped, will use their best endeavours to procure), that the Ship and any other Group Vessel will be recycled at a recycling yard which conducts its recycling business in a socially and environmentally responsible manner, in accordance with the provisions of The Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships, 2009 (whether or not in force) or, with regards to any EU flagged vessels, the EU Ship Recycling Regulation.

22.22 Notification of compliance

The Borrower shall promptly provide the Facility Agent from time to time with evidence (in such form as the Facility Agent requires) that it is complying with this Clause 22 (*Post-Delivery Ship Undertakings*).

22.23 Charterparty Assignment

If the Borrower enters into an Assignable Charter the Borrower shall promptly after the date of such Assignable Charter enter into a Charterparty Assignment and the assignment contemplated thereunder shall be notified to the relevant charterer and any charter guarantor

in accordance with the terms of such Charterparty Assignment and the Borrower shall use its commercially reasonable endeavours to obtain an acknowledgment of that Charterparty Assignment from the relevant Charterer and/or charter guarantor, and shall additionally deliver to the Facility Agent such other documents relevant to the Borrower and the Ship equivalent to those referred to at paragraphs 1.2, 1.3, 1.4, 1.5, 1.8, 6.2 and 6.3 of Part A of Schedule 2 (*Conditions Precedent*) as the Facility Agent may require.

23 SECURITY COVER

23.1 Minimum required security cover

Clause 23.2 (*Provision of additional security; prepayment*) applies if the Facility Agent, on or after the Delivery Date, the Facility Agent notifies the Borrower that:

- (a) the Market Value of the Ship; plus
- (b) the net realisable value of additional Security previously provided under this Clause 23 (*Security Cover*),

is below:

- (i) 120 per cent. of the Loan after its delivery to the Borrower and while the Ship is employed by the Initial Charterer; and
- (ii) 125 per cent. of the Loan thereafter.

23.2 Provision of additional security; prepayment

- (a) If the Facility Agent serves a notice on the Borrower under Clause 23.1 (*Minimum required security cover*), the Borrower shall, on or before the date falling one Month after the date on which the Facility Agent's notice is served (the "**Prepayment Date**"), prepay such part of the Loan as shall eliminate the shortfall.
- (b) The 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 Facility Agent acting on the instructions of the Majority Lenders:
 - (i) has a net realisable value at least equal to the shortfall (save for cash collateral provided in Dollars which shall be valued at par); and
 - (ii) is documented in such terms as the Facility Agent may approve or require,

before the Prepayment Date; and conditional upon such security being provided in such manner, it shall satisfy such prepayment obligation.

23.3 Value of additional vessel security

The net realisable value of any additional security which is provided under Clause 23.2 (*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.

23.4 Valuations binding

Any valuation under this Clause 23 (*Security Cover*) shall be binding and conclusive as regards the Borrower.

23.5 Provision of information

- (a) The Borrower shall promptly provide the Facility Agent and any shipbroker acting under this Clause 23 (*Security Cover*) with any information which the Facility Agent or the shipbroker may request for the purposes of the valuation.
- (b) If the 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 Facility Agent considers prudent.

23.6 Prepayment mechanism

Any prepayment pursuant to Clause 23.2 (*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 7.4 (*Voluntary prepayment of Loan*).

23.7 Provision of valuations

- (a) For the purpose of the Utilisation and subject to paragraph (b) below, the Market Value of the Ship shall be determined by reference to the valuation of the Ship as given by an Approved Valuer selected and appointed by the Borrower and addressed to the Facility Agent or, in the event that the Borrower fails to do so, appointed by the Facility Agent. The Facility Agent shall, in its full discretion be entitled to request a second valuation from an Approved Valuer selected and appointed by the Borrower or, in the event that the Borrower fails to do so, appointed by the Facility Agent, in which case, the Market Value shall be the arithmetic average of the two valuations.
- (b) The Facility Agent shall be entitled, after the Utilisation Date, to test the security cover requirement under Clause 23.1 (*Minimum required security cover*) by reference to the Market Value of the Ship as determined in accordance with paragraph (a) above, semi-annually during the Security Period.
- (c) The Facility Agent shall ascertain compliance with clause 10 (*financial covenants*) of the Guarantee by reference to the market value of the Fleet Vessels as provided in the Latest Accounts (as each such term is defined in the Guarantee).
- (d) Each of the valuations referred to at paragraph (a) above shall be obtained not more than 30 days before the Utilisation Date, while each of the valuations referred to in paragraph (c) above shall be obtained not more than 30 days before the Test Date (as such term is defined in the Guarantee) of the relevant quarter.
- (e) The Facility Agent may at any time after an Event of Default has occurred and is continuing obtain valuations of the Ship and any other vessel over which additional security has been created in accordance with Clause 23.2 (*Provision of additional security; prepayment*) from Approved Valuers to enable the Facility Agent to determine the Market Value of the Ship and any other vessel and also for the purpose of testing the security cover requirement under

Clause 23.1 (*Minimum required security cover*). The Facility Agent shall be entitled to determine the Market Value of the Ship at any other time.

- (f) The valuations referred to in paragraph (a) to (b) above shall be obtained at the cost and expense of the Borrower and the Borrower shall within three Business Days of demand by the Facility Agent pay to the Facility Agent all costs and expenses incurred by it in obtaining any such valuation. The cost of the valuations referred to in paragraph (c) for the Borrower shall be limited to four times per annum, unless an Event of Default has occurred or the covenant contained in Clause 23.1 (*Minimum required security cover*) is not complied with, in which case the cost of all valuations shall be borne by the Borrower.

23.8 Release of additional security

If at any time the Lender holds additional security provided under this Clause 23 (*Security Cover*) for a consecutive period of no less than 90 days, the Borrower may request, at its own cost and expense, the prompt release of such additional security **provided that**:

- (a) the Borrower can demonstrate to the Facility Agent's satisfaction that the minimum required security cover, disregarding the value of that additional security, is at least equal to the security cover required pursuant to Clause 23.1 (*Minimum required security cover*); and
- (b) no Event of Default has occurred and is continuing or would result from the release of such additional security.

24 ACCOUNTS AND APPLICATION OF EARNINGS AND HEDGE RECEIPTS

24.1 Accounts

The Borrower may not, without the prior consent of the Facility Agent, maintain any bank account other than the Earnings Account save for the account opened with Hamburg Commercial Bank AG notified to the Lender prior to the date of this Agreement which the Borrower undertakes to close within 30 days of the Delivery Date of the Ship.

24.2 Payment of Earnings

The Borrower shall ensure that:

- (a) subject only to the provisions of the General Assignment, all the Earnings are paid in to the Earnings Account; and
- (b) all Hedge Receipts are paid in to the Earnings Account.

24.3 Location of Accounts

The Borrower shall promptly:

- (a) comply with any requirement of the Facility Agent as to the location or relocation of the Earnings Account; and
- (b) execute any documents which the Facility Agent specifies to create or maintain in favour of the Security Agent Security over (and/or rights of set-off, consolidation or other rights in relation to) the Earnings Account.

24.4 Restriction on withdrawal

During the Security Period the Borrower may withdraw any sum from its Earnings Account provided that (i) no Event of Default has occurred from such withdrawal and (ii) no notice has been given to the Borrower by the Facility Agent or the Security Agent that such withdrawal is not permitted.

25 EVENTS OF DEFAULT

25.1 General

Each of the events or circumstances set out in this Clause 25 (*Events of Default*) is an Event of Default except for Clause 25.21 (*Acceleration*) and Clause 25.22 (*Enforcement of security*).

25.2 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.

25.3 Specific obligations

A breach occurs of Clause 4.5 (*Waiver of conditions precedent*), clause 10 (*financial covenants*) of the Guarantee, Clause 19.10 (*Title*), Clause 19.11 (*Negative pledge*), Clause 19.20 (*Unlawfulness, invalidity and ranking; Security imperilled*), Clause 19.22 (*Delivery Security and other documentation and evidence*), Clause 20.2 (*Maintenance of obligatory insurances*), Clause 20.3 (*Terms of obligatory insurances*), Clause 22.13 (*Trading in war zones or excluded areas*) Clause 20.5 (*Renewal of obligatory insurances*) or, save to the extent such breach is a failure to pay and therefore subject to Clause 25.2 (*Non-payment*), Clause 23 (*Security Cover*).

25.4 Other obligations

- (a) A Transaction Obligor does not comply with any provision of the Finance Documents (other than those referred to in Clause 25.2 (*Non-payment*) and Clause 25.3 (*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 Business Days of the Facility Agent giving notice to the Borrower or (if earlier) any Transaction Obligor becoming aware of the failure to comply.

25.5 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.

25.6 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) unless the Transaction Obligor (other than an Approved Manager) is contesting the declaration of an event of default or of the Financial Indebtedness becoming due and payable in good faith and on substantial grounds by appropriate proceedings and adequate reserves (in the reasonable opinion of the Facility Agent) have been set aside for its payment if such proceedings fail, which in any case must be settled within 30 days.
- (c) Any commitment for any Financial Indebtedness of any Transaction Obligor (other than an Approved Manager) is cancelled or suspended by a creditor of any Transaction Obligor as a result of an event of default (however described).
- (d) Any creditor of any Transaction Obligor (other than an Approved Manager) becomes entitled to declare any Financial Indebtedness of any Transaction Obligor (other than an Approved Manager) due and payable prior to its specified maturity as a result of an event of default (however described).
- (e) No Event of Default will occur under this Clause 25.6 (*Cross default*) in respect of:
 - (i) the Guarantor if the aggregate amount of Financial Indebtedness or commitment for Financial Indebtedness falling within paragraphs (a) to (d) above is less than \$20,000,000 (or its equivalent in any other currency); and
 - (ii) the Shareholder if the aggregate amount of Financial Indebtedness or commitment for Financial Indebtedness falling within paragraphs (a) to (d) above is less than \$5,000,000 (or its equivalent in any other currency).

25.7 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.

25.8 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.

25.9 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 any Approved Manager or an arrest or detention of the Ship referred to in Clause 25.14 (*Arrest*)) is discharged within 30 days).

25.10 Ownership of the Borrower

There is in respect of the Borrower, a change in its ownership which results in the Guarantor owning directly or indirectly (but if indirectly only through companies with registered shares), less than 100 per cent. of the shares in the Borrower.

25.11 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.
- (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 a Finance Party) to be ineffective.
- (d) Any Transaction Security proves to have ranked after, or loses its priority to, any other Security.

25.12 Security imperilled

Any Security created or intended to be created by a Finance Document is in any way imperilled or in jeopardy.

25.13 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.

25.14 Arrest

Any arrest of the 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 Borrower within 30 days of such arrest or detention.

25.15 Expropriation and loss of property

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 the Ship referred to in Clause 25.14 (*Arrest*); or
- (b) any Requisition.

25.16 Repudiation and rescission of agreements

- (a) 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.
- (b) If a Refund Guarantee is cancelled, rescinded or frustrated for any reason whatsoever, unless an acceptable (in the Lender's sole discretion) replacement Refund Guarantee is issued within 30 days.

25.17 Initial Charter

- (a) The Initial Charter is frustrated (except as a result of a Total Loss of the Ship), terminated (except by mere effluxion of time), cancelled or rescinded or the relevant Ship is withdrawn from service under the Initial Charter prior to its termination by effluxion of time.
- (b) No Event of Default will occur under paragraph (a) of Clause 25.17 (*Initial Charter*) if, as soon as possible, but in any event not later than 90 days after such frustration, termination, cancellation, rescission or withdrawal the Borrower:
 - (i) has entered into a new charter (a "**Replacement Charter**") in respect of the Ship on terms acceptable to the Facility Agent (acting on the instructions of the Majority Lenders at their sole discretion);
 - (ii) has delivered to the Facility Agent copies of such Replacement Charter or sufficient evidence that such Replacement Charter has been agreed and, if applicable, any related Charter Guarantee duly executed by the parties thereto and of each document to be delivered under or pursuant to each of them; and
 - (iii) has complied with its obligations pursuant to Clause 22.23 (*Charterparty Assignment*) in relation to such Replacement Charter (as if same was by definition an Assignable Charter) and, if applicable, any related Charter Guarantee.

25.18 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 Transaction Documents or the transactions contemplated

in any of the Transaction Documents or against any member of the Group or its assets which has or is reasonably likely to have a Material Adverse Effect.

25.19 Sanctions

- (a) Any of the Transaction Obligors becomes a Restricted Party or becomes owned or controlled by, or acts directly or indirectly on behalf of, a Restricted Party or any of such persons becomes the owner or controller of a Restricted Party.
- (b) Any proceeds of the Loan is made available, directly or indirectly, to or for the benefit of a Restricted Party or otherwise is, directly or indirectly, applied in a manner or for a purpose prohibited by Sanctions Laws.
- (c) Any Transaction Obligor is not in compliance with all Sanctions Laws.

25.20 Material adverse change

Any event or circumstance occurs which has or is reasonably likely to have a Material Adverse Effect.

25.21 Acceleration

On and at any time after the occurrence of an Event of Default which is continuing the Facility Agent may, and shall if so directed by the Majority Lenders:

- (a) by notice to the Borrower;
 - (i) cancel the Available Commitment of each Lender, whereupon they shall immediately be cancelled;
 - (ii) 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
 - (iii) declare that all or part of the Loan be payable on demand, whereupon it shall immediately become payable on demand by the Facility Agent acting on the instructions of the Majority Lenders; and/or,
- (b) exercise or direct the Security Agent to exercise any or all of its rights, remedies, powers or discretions under the Finance Documents,

and the Facility Agent may serve notices under sub-paragraphs (i), (ii) and (iii) of paragraph (a) above simultaneously or on different dates and any Servicing Party may take any action referred to in paragraph (a) above or Clause 25.22 (*Enforcement of security*) if no such notice is served or simultaneously with or at any time after the service of any of such notice.

25.22 Enforcement of security

On and at any time after the occurrence of an Event of Default the Security Agent may, and shall if so directed by the Majority Lenders, may take any action which, as a result of the Event of Default or any notice served under Clause 25.21 (*Acceleration*), the Security Agent is entitled to take under any Finance Document or any applicable law or regulation.

SECTION 8
CHANGES TO PARTIES

26 CHANGES TO THE LENDERS AND THE HEDGE COUNTERPARTIES

26.1 Assignments and transfers by the Lenders

Subject to this Clause 26 (*Changes to the Lenders and the Hedge Counterparties*), a Lender (the "**Existing Lender**") may:

- (a) assign any of its rights; or
- (b) transfer by novation any of its rights and obligations,

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**").

26.2 Conditions of assignment or transfer

- (a) The consent of the Borrower is required for an assignment or transfer by an Existing Lender pursuant to Clause 26.1 (*Assignments and transfers by the Lenders*), unless the assignment or transfer is:
 - (i) to another Lender or an Affiliate of a Lender;
 - (ii) to a fund which is a Related Fund of that Lender or an Affiliate of that Lender; or
 - (iii) made at a time when an Event of Default is continuing.
- (b) The consent of the Borrower to an assignment or transfer must not be unreasonably withheld or delayed. The Borrower will be deemed to have given its consent five Business Days after the Existing lender has requested it unless consent is expressly refused by the Borrower within that time.
- (c) An assignment will only be effective on:
 - (i) receipt by the Facility Agent (whether in the Assignment Agreement or otherwise) of written confirmation from the New Lender (in form and substance satisfactory to the Facility Agent) that the New Lender will assume the same obligations to the other Secured Parties as it would have been under if it had been an Original Lender; and
 - (ii) performance by the Facility Agent of all necessary "know your customer" or other similar checks under all applicable laws and regulations in relation to such assignment to a New Lender, the completion of which the Facility Agent shall promptly notify to the Existing Lender and the New Lender.
- (d) The 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 the Borrower or any other Transaction Obligor had against the Existing Lender.

(e) A transfer will only be effective if the procedure set out in Clause 26.5 (*Procedure for transfer*) is complied with.

(f) If:

- (i) a Lender assigns or transfers 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, transfer or change occurs, a Transaction Obligor would be obliged to make a payment to the New Lender or Lender acting through its new Facility Office under Clause 12 (*Tax Gross Up and Indemnities*) or under that clause as incorporated by reference or in full in any other Finance Document or Clause 13 (*Increased Costs*),

then the New Lender or Lender acting through its new Facility Office is only entitled to receive payment under those Clauses to the same extent as the Existing Lender or Lender acting through its previous Facility Office would have been if the assignment, transfer or change had not occurred. This paragraph (f) shall not apply in respect of an assignment or transfer made in the ordinary course of the primary syndication of the Facility.

(g) Each New Lender, by executing the relevant Transfer Certificate or Assignment Agreement, confirms, for the avoidance of doubt, that the Facility Agent has authority to execute on its behalf any amendment or waiver that has been approved by or on behalf of the requisite Lender or Lenders in accordance with this Agreement on or prior to the date on which the transfer or assignment becomes effective in accordance with this Agreement and that it is bound by that decision to the same extent as the Existing Lender would have been had it remained a Lender.

26.3 Assignment or transfer fee

The New Lender shall, on the date upon which an assignment or transfer takes effect, pay to the Facility Agent (for its own account) a fee of \$3,000.

26.4 Limitation of responsibility of Existing Lenders

(a) Unless expressly agreed to the contrary, an Existing Lender makes no representation or warranty and assumes no responsibility to a New Lender for:

- (i) the legality, validity, effectiveness, adequacy or enforceability of the Transaction Documents, the Transaction Security or any other documents;
- (ii) the financial condition of any Transaction Obligor;
- (iii) the performance and observance by any Transaction Obligor of its obligations under the Transaction Documents or any other documents; or
- (iv) the accuracy of any statements (whether written or oral) made in or in connection with any Transaction Document or any other document,

and any representations or warranties implied by law are excluded.

- (b) Each New Lender confirms to the Existing Lender and the other Finance Parties and the Secured Parties that it:
 - (i) has made (and shall continue to make) its own independent investigation and assessment of the financial condition and affairs of each Transaction Obligor and its related entities in connection with its participation in this Agreement and has not relied exclusively on any information provided to it by the Existing Lender or any other Finance Party in connection with any Transaction Document or the Transaction Security; and
 - (ii) will continue to make its own independent appraisal of the creditworthiness of each Transaction Obligor and its related entities throughout the Security Period.
- (c) Nothing in any Finance Document obliges an Existing Lender to:
 - (i) accept a re-transfer or re-assignment from a New Lender of any of the rights and obligations assigned or transferred under this Clause 26 (*Changes to the Lenders and the Hedge Counterparties*); or
 - (ii) support any losses directly or indirectly incurred by the New Lender by reason of the non-performance by any Transaction Obligor of its obligations under the Transaction Documents or otherwise.

26.5 Procedure for transfer

- (a) Subject to the conditions set out in Clause 26.2 (*Conditions of assignment or transfer*), a transfer is effected in accordance with paragraph (c) below when the Facility Agent executes an otherwise duly completed Transfer Certificate delivered to it by the Existing Lender and the New Lender. The Facility Agent shall, subject to paragraph (b) below as soon as reasonably practicable after receipt by it of a duly completed Transfer Certificate appearing on its face to comply with this Agreement and delivered in accordance with this Agreement, execute that Transfer Certificate.
- (b) The Facility Agent shall only be obliged to execute a Transfer Certificate delivered to it by the Existing Lender and the New 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 such New Lender.
- (c) Subject to Clause 26.14 (*Pro rata interest settlement*), on the Transfer Date:
 - (i) to the extent that in the Transfer Certificate the Existing Lender seeks to transfer by novation its rights and obligations under the Finance Documents and in respect of the Transaction Security, each of the Transaction Obligors and the Existing Lender shall be released from further obligations towards one another under the Finance Documents and in respect of the Transaction Security and their respective rights against one another under the Finance Documents and in respect of the Transaction Security shall be cancelled (being the **"Discharged Rights and Obligations"**);
 - (ii) each of the Transaction Obligors and the New Lender shall assume obligations towards one another and/or acquire rights against one another which differ from the Discharged Rights and Obligations only insofar as that Transaction Obligor and the New Lender have assumed and/or acquired the same in place of that Transaction Obligor and the Existing Lender;

- (iii) the Facility Agent, the Security Agent, the Mandated Lead Arranger, the New Lender and other Lenders shall acquire the same rights and assume the same obligations between themselves and in respect of the Transaction Security as they would have acquired and assumed had the New Lender been an Original Lender with the rights and/or obligations acquired or assumed by it as a result of the transfer and to that extent the Facility Agent, the Security Agent, the Mandated Lead Arranger and the Existing Lenders shall each be released from further obligations to each other under the Finance Documents; and
- (iv) the New Lender shall become a Party as a "**Lender**".

26.6 Procedure for assignment

- (a) Subject to the conditions set out in Clause 26.2 (*Conditions of assignment or transfer*) an assignment may be effected in accordance with paragraph (c) below when the Facility Agent executes an otherwise duly completed Assignment Agreement delivered to it by the Existing Lender and the New Lender. The Facility Agent shall, subject to paragraph (b) below, as soon as reasonably practicable after receipt by it of a duly completed Assignment Agreement appearing on its face to comply with the terms of this Agreement and delivered in accordance with the terms of this Agreement, execute that Assignment Agreement.
- (b) The Facility Agent shall only be obliged to execute an Assignment Agreement delivered to it by the Existing Lender and the New 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 assignment to such New Lender.
- (c) Subject to Clause 26.14 (*Pro rata interest settlement*), on the Transfer Date:
 - (i) the Existing Lender will assign absolutely to the New Lender its rights under the Finance Documents and in respect of the Transaction Security expressed to be the subject of the assignment in the Assignment Agreement;
 - (ii) the Existing Lender will be released from the obligations (the "**Relevant Obligations**") expressed to be the subject of the release in the Assignment Agreement (and any corresponding obligations by which it is bound in respect of the Transaction Security); and
 - (iii) the New Lender shall become a Party as a "Lender" and will be bound by obligations equivalent to the Relevant Obligations.
- (d) Lenders may utilise procedures other than those set out in this Clause 26.6 (*Procedure for assignment*) to assign their rights under the Finance Documents (but not, without the consent of the relevant Transaction Obligor or unless in accordance with Clause 26.5 (*Procedure for transfer*), to obtain a release by that Transaction Obligor from the obligations owed to that Transaction Obligor by the Lenders nor the assumption of equivalent obligations by a New Lender) **provided that** they comply with the conditions set out in Clause 26.2 (*Conditions of assignment or transfer*).

26.7 Additional Hedge Counterparties

- (a) The Borrower or a Lender may request that a Lender or an Affiliate of a Lender becomes an Additional Hedge Counterparty, with the prior approval of the Facility Agent and (in the case

of a request by a Lender) the Borrower, by delivering to the Facility Agent a duly executed Hedge Counterparty Accession Letter.

- (b) The relevant Lender or Affiliate will become an Additional Hedge Counterparty when (i) the Facility Agent enters into the relevant Hedge Counterparty Accession Letter and (ii) the Borrower has entered into any supplemental documentation and/or addenda to any Mortgage as reasonably required by the Facility Agent (which the Borrower shall do upon the Facility Agent's request).

26.8 Change of Hedge Counterparty

Subject to Clause 26.11 (*Costs*), a Hedge Counterparty (the "**Existing Hedge Counterparty**") may (in accordance with the terms of the relevant Hedging Agreement and subject to any consent required under that Hedging Agreement and paragraph (t) of Clause 8.5 (*Hedging*)), transfer by novation any of its rights and obligations in respect of the Hedging Agreements to which it is a party if any transferee (the "**New Hedge Counterparty**") has (if not already a Party as a Hedge Counterparty) acceded to this Agreement pursuant to Clause 26.7 (*Additional Hedge Counterparties*) as a Hedge Counterparty.

26.9 Conditions of transfer

Each New Hedge Counterparty, by executing the Hedge Counterparty Accession Letter, confirms, for the avoidance of doubt, that the Facility Agent has authority to execute on its behalf any amendment or waiver that has been approved by or on behalf of the Existing Hedge Counterparty in accordance with this Agreement on or prior to the date on which the transfer becomes effective in accordance with this Agreement and that it is bound by that decision to the same extent as the Existing Hedge Counterparty would have been had it remained a Hedge Counterparty.

26.10 Limitation of responsibility of Hedge Counterparty

- (a) Unless expressly agreed to the contrary, an Existing Hedge Counterparty makes no representation or warranty and assumes no responsibility to a New Hedge Counterparty for:
- (i) the legality, validity, effectiveness, adequacy or enforceability of the Transaction Documents, the Transaction Security or any other documents;
 - (ii) the financial condition of any Transaction Obligor;
 - (iii) the performance and observance by any Transaction Obligor of its obligations under the Transaction Documents or any other documents; or
 - (iv) the accuracy of any statements (whether written or oral) made in or in connection with any Transaction Document or any other document,
- and any representations or warranties implied by law are excluded.
- (b) Each New Hedge Counterparty confirms to the Existing Hedge Counterparty and the other Finance Parties and the Secured Parties that it:
- (i) has made (and shall continue to make) its own independent investigation and assessment of the financial condition and affairs of each Transaction Obligor and its related entities in connection with its participation in this Agreement and has not relied

exclusively on any information provided to it by the Existing Hedge Counterparty or any other Finance Party in connection with any Transaction Document or the Transaction Security; and

- (ii) will continue to make its own independent appraisal of the creditworthiness of each Transaction Obligor and its related entities throughout the Security Period.

(c) Nothing in any Finance Document obliges an Existing Hedge Counterparty to:

- (i) accept a re-transfer from a New Hedge Counterparty of any of the rights and obligations transferred under this Clause 26 (*Changes to the Lenders and the Hedge Counterparties*) or
- (ii) support any losses directly or indirectly incurred by the New Hedge Counterparty by reason of the non-performance by any Transaction Obligor of its obligations under the Transaction Documents or otherwise.

26.11 Costs

The Existing Hedge Counterparty shall on demand (and irrespective of whether the novation is entered into) reimburse each of the Facility Agent and the Security Agent for the amount of all costs and expenses (including legal fees) reasonably incurred by each Secured Party in responding to, evaluating, negotiating or complying with the requested novation.

26.12 Copy of Transfer Certificate or Assignment Agreement to Borrower

The Facility Agent shall, as soon as reasonably practicable after it has executed a Transfer Certificate or an Assignment Agreement, send to the Borrower a copy of that Transfer Certificate or Assignment Agreement.

26.13 Security over Lenders' rights

In addition to the other rights provided to Lenders under this Clause 26 (*Changes to the Lenders and the Hedge Counterparties*), each 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 that Lender including, without limitation:

- (a) any charge, assignment or other Security to secure obligations to a federal reserve or central bank; and
- (b) any charge, assignment or other Security 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 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 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 relevant Lender under the Finance Documents.

26.14 Pro rata interest settlement

- (a) If the Facility Agent has notified the Lenders that it is able to distribute interest payments on a "*pro rata* basis" to Existing Lenders and New Lenders then (in respect of any transfer pursuant to Clause 26.5 (*Procedure for transfer*) or any assignment pursuant to Clause 26.6 (*Procedure for assignment*) the Transfer Date of which, in each case, is after the date of such notification and is not on the last day of an Interest Period):
 - (i) any interest or fees in respect of the relevant participation which are expressed to accrue by reference to the lapse of time shall continue to accrue in favour of the Existing Lender up to but excluding the Transfer Date ("**Accrued Amounts**") and shall become due and payable to the Existing Lender (without further interest accruing on them) on the last day of the current Interest Period (or, if the Interest Period is longer than six Months, on the next of the dates which falls at six Monthly intervals after the first day of that Interest Period); and
 - (ii) The rights assigned or transferred by the Existing Lender will not include the right to the Accrued Amounts, so that, for the avoidance of doubt:
 - (A) when the Accrued Amounts become payable, those Accrued Amounts will be payable to the Existing Lender; and
 - (B) the amount payable to the New Lender on that date will be the amount which would, but for the application of this Clause 26.14 (*Pro rata interest settlement*), have been payable to it on that date, but after deduction of the Accrued Amounts.
- (b) In this Clause 26.14 (*Pro rata interest settlement*) references to "Interest Period" shall be construed to include a reference to any other period for accrual of fees.
- (c) An Existing Lender which retains the right to the Accrued Amounts pursuant to this Clause 26.14 (*Pro rata interest settlement*) but which does not have a Commitment shall be deemed not to be a Lender for the purposes of ascertaining whether the agreement of any specified group of Lenders has been obtained to approve any request for a consent, waiver, amendment or other vote of Lenders under the Finance Documents.

27 CHANGES TO THE TRANSACTION OBLIGORS

27.1 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.

27.2 Release of security

- (a) If a disposal of any asset subject to security created by a Security Document is made in the following circumstances:
 - (i) the disposal is permitted by the terms of any Finance Document;

(ii) all the Lenders agree to the disposal;

(iii) the disposal is being made at the request of the Security Agent in circumstances where any security created by the Security Documents has become enforceable; or

(iv) the disposal is being effected by enforcement of a Security Document,

the Security Agent may release the asset(s) being disposed of from any security over those assets created by a Security Document. However, the proceeds of any disposal (or an amount corresponding to them) must be applied in accordance with the requirements of the Finance Documents (if any).

(b) If the Security Agent is satisfied that a release is allowed under this Clause 27.2 (*Release of security*) (at the request and expense of the Borrower) each Finance Party must enter into any document and do all such other things which are reasonably required to achieve that release. Each other Finance Party irrevocably authorises the Security Agent to enter into any such document. Any release will not affect the obligations of any other Transaction Obligor under the Finance Documents.

SECTION 9

THE FINANCE PARTIES

28 THE FACILITY AGENT AND THE MANDATED LEAD ARRANGER

28.1 Appointment of the Facility Agent

- (a) Each of the Mandated Lead Arranger, the Lenders and the Hedge Counterparties appoints the Facility Agent to act as its agent under and in connection with the Finance Documents.
- (b) Each of the Mandated Lead Arranger, the Lenders and the Hedge Counterparties authorises the Facility Agent to perform the duties, obligations and responsibilities and to exercise the rights, powers, authorities and discretions specifically given to the Facility Agent under, or in connection with, the Finance Documents together with any other incidental rights, powers, authorities and discretions.

28.2 Instructions

- (a) The Facility Agent shall:
 - (i) unless a contrary indication appears in a Finance Document, exercise or refrain from exercising any right, power, authority or discretion vested in it as Facility Agent in accordance with any instructions given to it by:
 - (A) all Lenders if the relevant Finance Document stipulates the matter is an all Lender decision; and
 - (B) in all other cases, the Majority Lenders; and
 - (ii) not be liable for any act (or omission) if it acts (or refrains from acting) in accordance with sub-paragraph (i) above (or, if this Agreement stipulates the matter is a decision for any other Finance Party or group of Finance Parties, in accordance with instructions given to it by that Finance Party or group of Finance Parties).
- (b) The Facility Agent shall be entitled to request instructions, or clarification of any instruction, from the Majority Lenders (or, if the relevant Finance Document stipulates the matter is a decision for any other Finance Party or group of Finance Parties, from that Finance Party or group of Finance Parties) as to whether, and in what manner, it should exercise or refrain from exercising any right, power, authority or discretion and the Facility Agent may refrain from acting unless and until it receives any such instructions or clarification that it has requested.
- (c) Save in the case of decisions stipulated to be a matter for any other Finance Party or group of Finance Parties under the relevant Finance Document and unless a contrary indication appears in a Finance Document, any instructions given to the Facility Agent by the Majority Lenders shall override any conflicting instructions given by any other Parties and will be binding on all Finance Parties.
- (d) Paragraph (a) above shall not apply:
 - (i) where a contrary indication appears in a Finance Document;

- (ii) where a Finance Document requires the Facility Agent to act in a specified manner or to take a specified action;
 - (iii) in respect of any provision which protects the Facility Agent's own position in its personal capacity as opposed to its role of Facility Agent for the relevant Finance Parties.
- (e) If giving effect to instructions given by the Majority Lenders would in the Facility Agent's opinion have an effect equivalent to an amendment or waiver referred to in Clause 42 (*Amendments and Waivers*), the Facility Agent shall not act in accordance with those instructions unless consent to it so acting is obtained from each Party (other than the Facility Agent) whose consent would have been required in respect of that amendment or waiver.
 - (f) In exercising any discretion to exercise a right, power or authority under the Finance Documents where it has not received any instructions as to the exercise of that discretion the Facility Agent shall do so having regard to the interests of all the Finance Parties.
 - (g) The Facility Agent may refrain from acting in accordance with any instructions of any Finance Party or group of Finance Parties until it has received any indemnification and/or security that it may in its discretion require (which may be greater in extent than that contained in the Finance Documents and which may include payment in advance) for any cost, loss or liability (together with any applicable VAT) which it may incur in complying with those instructions.
 - (h) Without prejudice to the remainder of this Clause 28.2 (*Instructions*), in the absence of instructions, the Facility Agent shall not be obliged to take any action (or refrain from taking action) even if it considers acting or not acting to be in the best interests of the Finance Parties. The Facility Agent may act (or refrain from acting) as it considers to be in the best interest of the Finance Parties.
 - (i) The Facility Agent is not authorised to act on behalf of a Finance Party (without first obtaining that Finance Party's consent) in any legal or arbitration proceedings relating to any Finance Document. This paragraph (i) shall not apply to any legal or arbitration proceeding relating to the perfection, preservation or protection of rights under the Security Documents or enforcement of the Transaction Security or Security Documents.

28.3 Duties of the Facility Agent

- (a) The Facility Agent's duties under the Finance Documents are solely mechanical and administrative in nature.
- (b) Subject to paragraph (c) below, the Facility Agent shall promptly forward to a Party the original or a copy of any document which is delivered to the Facility Agent for that Party by any other Party.
- (c) Without prejudice to Clause 26.12 (*Copy of Transfer Certificate or Assignment Agreement to Borrower*), paragraph (b) above shall not apply to any Transfer Certificate or any Assignment Agreement.
- (d) Except where a Finance Document specifically provides otherwise, the Facility Agent is not obliged to review or check the adequacy, accuracy or completeness of any document it forwards to another Party.

- (e) If the Facility Agent receives notice from a Party referring to any Finance Document, describing a Default and stating that the circumstance described is a Default, it shall promptly notify the other Finance Parties.
- (f) If the Facility Agent is aware of the non-payment of any principal, interest, commitment fee or other fee payable to a Finance Party (other than the Facility Agent, the Mandated Lead Arranger or the Security Agent) under this Agreement, it shall promptly notify the other Finance Parties.
- (g) The Facility Agent shall have only those duties, obligations and responsibilities expressly specified in the Finance Documents to which it is expressed to be a party (and no others shall be implied).

28.4 Role of the Mandated Lead Arranger

Except as specifically provided in the Finance Documents, the Mandated Lead Arranger has no obligations of any kind to any other Party under or in connection with any Finance Document.

28.5 No fiduciary duties

- (a) Nothing in any Finance Document constitutes the Facility Agent or the Mandated Lead Arranger as a trustee or fiduciary of any other person.
- (b) Neither the Facility Agent nor the Mandated Lead Arranger shall be bound to account to other Finance Party for any sum or the profit element of any sum received by it for its own account.

28.6 Application of receipts

Except as expressly stated to the contrary in any Finance Document, any moneys which the Facility Agent receives or recovers in its capacity as Facility Agent shall be applied by the Facility Agent in accordance with Clause 32.5 (*Application of receipts; partial payments*).

28.7 Business with the Group

The Facility Agent and the Mandated Lead Arranger may accept deposits from, lend money to, and generally engage in any kind of banking or other business with, any member of the Group.

28.8 Rights and discretions

- (a) The Facility Agent may:
 - (i) rely on any representation, communication, notice or document believed by it to be genuine, correct and appropriately authorised;
 - (ii) assume that:
 - (A) any instructions received by it from the Majority Lenders, any Finance Parties or any group of Finance Parties are duly given in accordance with the terms of the Finance Documents; and
 - (B) unless it has received notice of revocation, that those instructions have not been revoked; and

- (iii) rely on a certificate from any person:
 - (A) as to any matter of fact or circumstance which might reasonably be expected to be within the knowledge of that person; or
 - (B) to the effect that such person approves of any particular dealing, transaction, step, action or thing, as sufficient evidence that that is the case and, in the case of paragraph (A) above, may assume the truth and accuracy of that certificate.
- (b) The Facility Agent may assume (unless it has received notice to the contrary in its capacity as agent for the Finance Parties) that:
 - (i) no Default has occurred (unless it has actual knowledge of a Default arising under Clause 25.2 (*Non-payment*));
 - (ii) any right, power, authority or discretion vested in any Party or any group of Finance Parties has not been exercised; and
 - (iii) any notice or request made by the Borrower (other than the Utilisation Request) is made on behalf of and with the consent and knowledge of all the Transaction Obligors.
- (c) The Facility Agent may engage and pay for the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts.
- (d) Without prejudice to the generality of paragraph (c) above or paragraph (e) below, the Facility Agent may at any time engage and pay for the services of any lawyers to act as independent counsel to the Facility Agent (and so separate from any lawyers instructed by the Lenders) if the Facility Agent in its reasonable opinion deems this to be desirable.
- (e) The Facility Agent may rely on the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts (whether obtained by the Facility Agent or by any other Party) and shall not be liable for any damages, costs or losses to any person, any diminution in value or any liability whatsoever arising as a result of its so relying.
- (f) The Facility Agent may act in relation to the Finance Documents and the Security Property through its officers, employees and agents and shall not:
 - (i) be liable for any error of judgment made by any such person; or
 - (ii) be bound to supervise, or be in any way responsible for any loss incurred by reason of misconduct, omission or default on the part of any such person,unless such error or such loss was directly caused by the Facility Agent's gross negligence or wilful misconduct.
- (g) Unless a Finance Document expressly provides otherwise the Facility Agent may disclose to any other Party any information it reasonably believes it has received as agent under the Finance Documents.
- (h) Notwithstanding any other provision of any Finance Document to the contrary, neither the Facility Agent nor the Mandated Lead Arranger is obliged to do or omit to do anything if it

would or might, in its reasonable opinion, constitute a breach of any law or regulation or a breach of a fiduciary duty or duty of confidentiality.

- (i) Notwithstanding any provision of any Finance Document to the contrary, the Facility Agent is not obliged to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties, obligations or responsibilities or the exercise of any right, power, authority or discretion if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it.

28.9 Responsibility for documentation

Neither the Facility Agent nor the Mandated Lead Arranger is responsible or liable for:

- (a) the adequacy, accuracy or completeness of any information (whether oral or written) supplied by the Facility Agent, the Security Agent, the Mandated Lead Arranger, a Transaction Obligor or any other person in, or in connection with, any Transaction Document or the transactions contemplated in the Transaction Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Transaction Document;
- (b) the legality, validity, effectiveness, adequacy or enforceability of any Transaction Document or the Security Property or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with, any Transaction Document or the Security Property; or
- (c) any determination as to whether any information provided or to be provided to any Finance Party or Secured Party is non-public information the use of which may be regulated or prohibited by applicable law or regulation relating to insider dealing or otherwise.

28.10 No duty to monitor

The Facility Agent shall not be bound to enquire:

- (a) whether or not any Default has occurred;
- (b) as to the performance, default or any breach by any Transaction Obligor of its obligations under any Transaction Document; or
- (c) whether any other event specified in any Transaction Document has occurred.

28.11 Exclusion of liability

- (a) Without limiting paragraph (b) below (and without prejudice to paragraph (e) of Clause 32.11 (*Disruption to Payment Systems etc.*) or any other provision of any Finance Document excluding or limiting the liability of the Facility Agent), the Facility Agent will not be liable for (including, without limitation, for negligence or any other category of liability whatsoever):
 - (i) any damages, costs or losses to any person, any diminution in value, or any liability whatsoever arising as a result of taking or not taking any action under or in connection with any Transaction Document or the Security Property, unless directly caused by its gross negligence or wilful misconduct;

- (ii) exercising, or not exercising, any right, power, authority or discretion given to it by, or in connection with, any Transaction Document, the Security Property or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with, any Transaction Document or the Security Property; or
- (iii) any shortfall which arises on the enforcement or realisation of the Security Property; or
- (iv) without prejudice to the generality of sub-paragraphs (i) to (iii) above, any damages, costs or losses to any person, any diminution in value or any liability whatsoever arising as a result of:
 - (A) any act, event or circumstance not reasonably within its control; or
 - (B) the general risks of investment in, or the holding of assets in, any jurisdiction,

including (in each case and without limitation) such damages, costs, losses, diminution in value or liability arising as a result of nationalisation, expropriation or other governmental actions; any regulation, currency restriction, devaluation or fluctuation; market conditions affecting the execution or settlement of transactions or the value of assets (including any Disruption Event); breakdown, failure or malfunction of any third party transport, telecommunications, computer services or systems; natural disasters or acts of God; war, terrorism, insurrection or revolution; or strikes or industrial action.
- (b) No Party other than the Facility Agent may take any proceedings against any officer, employee or agent of the Facility Agent in respect of any claim it might have against the Facility Agent 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 and any officer, employee or agent of the Facility Agent may rely on this paragraph (b) subject to Clause 1.5 (*Third party rights*) and the provisions of the Third Parties Act.
- (c) The Facility Agent will not be liable for any delay (or any related consequences) in crediting an account with an amount required under the Finance Documents to be paid by the Facility Agent if the Facility Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Facility Agent for that purpose.
- (d) Nothing in this Agreement shall oblige the Facility Agent or the Mandated Lead Arranger carry out:
 - (i) any "know your customer" or other checks in relation to any person; or
 - (ii) any check on the extent to which any transaction contemplated by this Agreement might be unlawful for any Finance Party,

on behalf of any Finance Party and each Finance Party confirms to the Facility Agent and the Mandated Lead Arranger that it is solely responsible for any such checks it is required to carry out and that it may not rely on any statement in relation to such checks made by the Facility Agent or the Mandated Lead Arranger.
- (e) Without prejudice to any provision of any Finance Document excluding or limiting the Facility Agent's liability, any liability (including, without limitation, for negligence or any other category

of liability whatsoever) of the Facility Agent arising under or in connection with any Transaction Document or the Security Property shall be limited to the amount of actual loss which has been finally judicially determined to have been suffered (as determined by reference to the date of default of the Facility Agent or, if later, the date on which the loss arises as a result of such default) but without reference to any special conditions or circumstances known to the Facility Agent at any time which increase the amount of that loss. In no event shall the Facility Agent be liable for any loss of profits, goodwill, reputation, business opportunity or anticipated saving, or for special, punitive, indirect or consequential damages, whether or not the Facility Agent has been advised of the possibility of such loss or damages.

28.12 Lenders' indemnity to the Facility Agent

- (a) Each Lender shall (in proportion to its share of the Total Commitments or, if the Total Commitments are then zero, to its share of the Total Commitments immediately prior to their reduction to zero) indemnify the Facility Agent, within three Business Days of demand, against any cost, loss or liability (including, without limitation, for negligence or any other category of liability whatsoever) incurred by the Facility Agent (otherwise than by reason of the Facility Agent's gross negligence or wilful misconduct) (or, in the case of any cost, loss or liability pursuant to Clause 32.11 (*Disruption to Payment Systems etc.*) notwithstanding the Facility Agent's negligence, gross negligence or any other category of liability whatsoever but not including any claim based on the fraud of the Facility Agent) in acting as Facility Agent under the Finance Documents (unless the Facility Agent has been reimbursed by a Transaction Obligor pursuant to a Finance Document).
- (b) Subject to paragraph (c) below, the Borrower shall immediately on demand reimburse any Lender for any payment that Lender makes to the Facility Agent pursuant to paragraph (a) above.
- (c) Paragraph (b) above shall not apply to the extent that the indemnity payment in respect of which the Lender claims reimbursement relates to a liability of the Facility Agent to an Obligor.

28.13 Resignation of the Facility Agent

- (a) The Facility Agent may resign and appoint one of its Affiliates as successor by giving notice to the other Finance Parties and the Borrower.
- (b) Alternatively, the Facility Agent may resign by giving 30 days' notice to the other Finance Parties and the Borrower, in which case the Majority Lenders may appoint a successor Facility Agent.
- (c) If the Majority Lenders have not appointed a successor Facility Agent in accordance with paragraph (b) above within 20 days after notice of resignation was given, the retiring Facility Agent may appoint a successor Facility Agent.
- (d) If the Facility Agent wishes to resign because (acting reasonably) it has concluded that it is no longer appropriate for it to remain as agent and the Facility Agent is entitled to appoint a successor Facility Agent under paragraph (c) above, the Facility Agent may (if it concludes (acting reasonably) that it is necessary to do so in order to persuade the proposed successor Facility Agent to become a party to this Agreement as Facility Agent) agree with the proposed successor Facility Agent amendments to this Clause 28 (*The Facility Agent and the Mandated Lead Arranger*) and any other term of this Agreement dealing with the rights or obligations of the Facility Agent consistent with then current market practice for the appointment and protection of corporate trustees.

- (e) The retiring Facility Agent shall make available to the successor Facility Agent such documents and records and provide such assistance as the successor Facility Agent may reasonably request for the purposes of performing its functions as Facility Agent under the Finance Documents. The Borrower shall, within three Business Days of demand, reimburse the retiring Facility Agent for the amount of all costs and expenses (including legal fees) properly incurred by it in making available such documents and records and providing such assistance.
- (f) The Facility Agent's resignation notice shall only take effect upon the appointment of a successor.
- (g) Upon the appointment of a successor, the retiring Facility Agent shall be discharged from any further obligation in respect of the Finance Documents (other than its obligations under paragraph (e) above) but shall remain entitled to the benefit of Clause 14.3 (*Indemnity to the Facility Agent*) and this Clause 28 (*The Facility Agent and the Mandated Lead Arranger*) and any other provisions of a Finance Document which are expressed to limit or exclude its liability (or to indemnify it) in acting as Facility Agent. Any fees for the account of the retiring Facility Agent shall cease to accrue from (and shall be payable on) that date. Any successor and each of the other Parties shall have the same rights and obligations amongst themselves as they would have had if such successor had been an original Party.
- (h) The Majority Lenders may, by notice to the Facility Agent, require it to resign in accordance with paragraph (b) above. In this event, the Facility Agent shall resign in accordance with paragraph (b) above but the cost referred to in paragraph (e) above shall be for the account of the Borrower.
- (i) The consent of the Borrower (or any other Transaction Obligor) is not required for an assignment or transfer of rights and/or obligations by the Facility Agent.
- (j) The Facility Agent shall resign in accordance with paragraph (b) above (and, to the extent applicable, shall use reasonable endeavours to appoint a successor Facility Agent pursuant to paragraph (c) above) if on or after the date which is three months before the earliest FATCA Application Date relating to any payment to the Facility Agent under the Finance Documents, either:
 - (i) the Facility Agent fails to respond to a request under Clause 12.7 (*FATCA Information*) and a Lender reasonably believes that the Facility Agent will not be (or will have ceased to be) a FATCA Exempt Party on or after that FATCA Application Date;
 - (ii) the information supplied by the Facility Agent pursuant to Clause 12.7 (*FATCA Information*) indicates that the Facility Agent will not be (or will have ceased to be) a FATCA Exempt Party on or after that FATCA Application Date; or
 - (iii) the Facility Agent notifies the Borrower and the Lenders that the Facility Agent will not be (or will have ceased to be) a FATCA Exempt Party on or after that FATCA Application Date;

and (in each case) a Lender reasonably believes that a Party will be required to make a FATCA Deduction that would not be required if the Facility Agent were a FATCA Exempt Party, and that Lender, by notice to the Facility Agent, requires it to resign.

28.14 Confidentiality

- (a) In acting as Facility Agent for the Finance Parties, the Facility Agent shall be regarded as acting through its agency division which shall be treated as a separate entity from any other of its divisions or departments.
- (b) If information is received by a division or department of the Facility Agent other than the division or department responsible for complying with the obligations assumed by it under the Finance Documents, that information may be treated as confidential to that division or department, and the Facility Agent shall not be deemed to have notice of it nor shall it be obliged to disclose such information to any Party.
- (c) Notwithstanding any other provision of any Finance Document to the contrary, neither the Facility Agent nor the Mandated Lead Arranger is obliged to disclose to any other person (i) any confidential information or (ii) any other information if the disclosure would, or might in its reasonable opinion, constitute a breach of any law or regulation or a breach of a fiduciary duty.

28.15 Relationship with the other Finance Parties

- (a) Subject to Clause 26.14 (*Pro rata interest settlement*), the Facility Agent may treat the person shown in its records as Lender or Hedge Counterparty at the opening of business (in the place of the Facility Agent's principal office as notified to the Finance Parties from time to time) as the Lender acting through its Facility Office or, as the case may be, the Hedge Counterparty:
 - (i) entitled to or liable for any payment due under any Finance Document on that day; and
 - (ii) entitled to receive and act upon any notice, request, document or communication or make any decision or determination under any Finance Document made or delivered on that day,

unless it has received not less than five Business Days' prior notice from that Lender or Hedge Counterparty to the contrary in accordance with the terms of this Agreement.

- (b) Each Finance Party shall supply the Facility Agent with any information that the Security Agent may reasonably specify (through the Facility Agent) as being necessary or desirable to enable the Security Agent to perform its functions as Security Agent. Each Finance Party shall deal with the Security Agent exclusively through the Facility Agent and shall not deal directly with the Security Agent and any reference to any instructions being given by or sought from any Finance Party or group of Finance Parties to or by the Security Agent in this Agreement must be given or sought through the Facility Agent.
- (c) Any Lender may by notice to the Facility Agent appoint a person to receive on its behalf all notices, communications, information and documents to be made or despatched to that Lender under the Finance Documents. Such notice shall contain the address, fax number and (where communication by electronic mail or other electronic means is permitted under Clause 35.5 (*Electronic communication*)) electronic mail address and/or any other information required to enable the transmission of information by that means (and, in each case, the department or officer, if any, for whose attention communication is to be made) and be treated as a notification of a substitute address, fax number, electronic mail address (or such other information), department and officer by that Lender for the purposes of Clause 35.2 (*Addresses*) and sub-paragraph 35.5(a)(ii) of paragraph 35.5(a) of Clause 35.5 (*Electronic*

communication) and the Facility Agent shall be entitled to treat such person as the person entitled to receive all such notices, communications, information and documents as though that person were that Lender.

28.16 Credit appraisal by the Finance Parties

Without affecting the responsibility of any Transaction Obligor for information supplied by it or on its behalf in connection with any Transaction Document, each Finance Party confirms to the Facility Agent and the Mandated Lead Arranger that it has been, and will continue to be, solely responsible for making its own independent appraisal and investigation of all risks arising under, or in connection with, any Transaction Document including but not limited to:

- (a) the financial condition, status and nature of each member of the Group;
- (b) the legality, validity, effectiveness, adequacy or enforceability of any Transaction Document, the Security Property and any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Transaction Document or the Security Property;
- (c) whether that Finance Party has recourse, and the nature and extent of that recourse, against any Party or any of its respective assets under, or in connection with, any Transaction Document, the Security Property, the transactions contemplated by the Transaction Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Transaction Document or the Security Property;
- (d) the adequacy, accuracy or completeness of any information provided by the Facility Agent, any Party or by any other person under, or in connection with, any Transaction Document, the transactions contemplated by any Transaction Document or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Transaction Document; and
- (e) the right or title of any person in or to or the value or sufficiency of any part of the Security Assets, the priority of any of the Transaction Security or the existence of any Security affecting the Security Assets.

28.17 Facility Agent's management time

Any amount payable to the Facility Agent under Clause 14.3 (*Indemnity to the Facility Agent*), Clause 16 (*Costs and Expenses*) and Clause 28.12 (*Lenders' indemnity to the Facility Agent*) shall include the cost of utilising the Facility Agent's management time or other resources and will be calculated on the basis of such reasonable daily or hourly rates as the Facility Agent may notify to the Borrower and the other Finance Parties, and is in addition to any fee paid or payable to the Facility Agent under Clause 11 (*Fees*).

28.18 Deduction from amounts payable by the Facility Agent

If any Party owes an amount to the Facility Agent under the Finance Documents, the Facility Agent may, after giving notice to that Party, deduct an amount not exceeding that amount from any payment to that Party which the Facility Agent would otherwise be obliged to make under the Finance Documents and apply the amount deducted in or towards satisfaction of the amount owed. For the purposes of the Finance Documents that Party shall be regarded as having received any amount so deducted.

28.19 Reliance and engagement letters

Each Secured Party confirms that each of the Mandated Lead Arranger and the Facility Agent has authority to accept on its behalf (and ratifies the acceptance on its behalf of any letters or reports already accepted by the Mandated Lead Arranger or the Facility Agent) the terms of any reliance letter or engagement letters or any reports or letters provided by accountants, auditors or providers of due diligence reports in connection with the Finance Documents or the transactions contemplated in the Finance Documents and to bind it in respect of those, reports or letters and to sign such letters on its behalf and further confirms that it accepts the terms and qualifications set out in such letters.

28.20 Full freedom to enter into transactions

Without prejudice to Clause 28.7 (*Business with the Group*) or any other provision of a Finance Document and notwithstanding any rule of law or equity to the contrary, the Facility Agent shall be absolutely entitled:

- (a) to enter into and arrange banking, derivative, investment and/or other transactions of every kind with or affecting any Transaction Obligor or any person who is party to, or referred to in, a Finance Document (including, but not limited to, any interest or currency swap or other transaction, whether related to this Agreement or not, and acting as syndicate agent and/or security agent for, and/or participating in, other facilities to such Transaction Obligor or any person who is party to, or referred to in, a Finance Document);
- (b) to deal in and enter into and arrange transactions relating to:
 - (i) any securities issued or to be issued by any Transaction Obligor or any other person; or
 - (ii) any options or other derivatives in connection with such securities; and
- (c) to provide advice or other services to the Borrower or any person who is a party to, or referred to in, a Finance Document,

and, in particular, the Facility Agent shall be absolutely entitled, in proposing, evaluating, negotiating, entering into and arranging all such transactions and in connection with all other matters covered by paragraphs (a), (b) and (c) above, to use (subject only to insider dealing legislation) any information or opportunity, howsoever acquired by it, to pursue its own interests exclusively, to refrain from disclosing such dealings, transactions or other matters or any information acquired in connection with them and to retain for its sole benefit all profits and benefits derived from the dealings transactions or other matters.

28.21 Amounts paid in error

- (a) If the Facility Agent pays an amount to another Party and the Facility Agent notifies that Party that such payment was an Erroneous Payment then the Party to whom that amount was paid by the Facility Agent shall on demand refund the same to the Facility Agent together with interest on that amount from the date of payment to the date of receipt by the Facility Agent, calculated by the Facility Agent to reflect its cost of funds.
- (b) Neither:
 - (i) the obligations of any Party to the Facility Agent; nor

(ii) the remedies of the Facility Agent,

(whether arising under this Clause 28.21 (*Amounts paid in error*) or otherwise) which relate to an Erroneous Payment will be affected by any act, omission, matter or thing which, but for this paragraph (b), would reduce, release or prejudice any such obligation or remedy (whether or not known by the Facility Agent or any other Party).

- (c) All payments to be made by a Party to the Facility Agent (whether made pursuant to this Clause 28.21 (*Amounts paid in error*) or otherwise) which relate to an Erroneous Payment shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.
- (d) In this Agreement, "**Erroneous Payment**" means a payment of an amount by the Facility Agent to another Party which the Facility Agent determines (in its sole discretion) was made in error.

29 THE SECURITY AGENT

29.1 Trust

- (a) The Security Agent declares that it holds the Security Property on trust for the Secured Parties on the terms contained in this Agreement and shall deal with the Security Property in accordance with this Clause 29 (*The Security Agent*) and the other provisions of the Finance Documents.
- (b) Each other Finance Party authorises the Security Agent to perform the duties, obligations and responsibilities and to exercise the rights, powers, authorities and discretions specifically given to the Security Agent under, or in connection with, the Finance Documents together with any other incidental rights, powers, authorities and discretions.

29.2 Parallel Debt (Covenant to pay the Security Agent)

- (a) Each Borrower irrevocably and unconditionally undertakes to pay to the Security Agent its Parallel Debt which shall be amounts equal to, and in the currency or currencies of, its Corresponding Debt.
- (b) The Parallel Debt of the Borrower:
- (i) shall become due and payable at the same time as its Corresponding Debt;
 - (ii) is independent and separate from, and without prejudice to, its Corresponding Debt.
- (c) For the purposes of this Clause 29.2 (*Parallel Debt (Covenant to pay the Security Agent)*), the Security Agent:
- (i) is the independent and separate creditor of each Parallel Debt;
 - (ii) acts in its own name and not as agent, representative or trustee of the Finance Parties and its claims in respect of each Parallel Debt shall not be held on trust; and
 - (iii) shall have the independent and separate right to demand payment of each Parallel Debt in its own name (including, without limitation, through any suit, execution, enforcement of security, recovery of guarantees and applications for and voting in any kind of insolvency proceeding).

- (d) The Parallel Debt of the Borrower shall be:
- (i) decreased to the extent that its Corresponding Debt has been irrevocably and unconditionally paid or discharged;
and
 - (ii) increased to the extent that its Corresponding Debt has increased,
- and the Corresponding Debt of the Borrower shall be decreased to the extent that its Parallel Debt has been irrevocably and unconditionally paid or discharged,
- in each case provided that the Parallel Debt of the Borrower shall never exceed its Corresponding Debt.
- (e) All amounts received or recovered by the Security Agent in connection with this Clause 29.2 (*Parallel Debt (Covenant to pay the Security Agent)*) to the extent permitted by applicable law, shall be applied in accordance with Clause 32.5 (*Application of receipts; partial payments*).
- (f) This Clause 29.2 (*Parallel Debt (Covenant to pay the Security Agent)*) shall apply, with any necessary modifications, to each Finance Document.

29.3 Enforcement through Security Agent only

The Secured Parties shall not have any independent power to enforce, or have recourse to, any of the Transaction Security or to exercise any right, power, authority or discretion arising under the Security Documents except through the Security Agent.

29.4 Instructions

- (a) The Security Agent shall:
- (i) unless a contrary indication appears in a Finance Document, exercise or refrain from exercising any right, power, authority or discretion vested in it as Security Agent in accordance with any instructions given to it by:
 - (A) all Lenders (or the Facility Agent on their behalf) if the relevant Finance Document stipulates the matter is an all Lender decision; and
 - (B) in all other cases, the Majority Lenders (or the Facility Agent on their behalf); and
 - (ii) not be liable for any act (or omission) if it acts (or refrains from acting) in accordance with sub-paragraph (i) above (or if this Agreement stipulates the matter is a decision for any other Finance Party or group of Finance Parties, in accordance with instructions given to it by that Finance Party or group of Finance Parties).
- (b) The Security Agent shall be entitled to request instructions, or clarification of any instruction, from the Majority Lenders (or the Facility Agent on their behalf) (or, if the relevant Finance Document stipulates the matter is a decision for any other Finance Party or group of Finance Parties, from that Finance Party or group of Finance Parties) as to whether, and in what manner, it should exercise or refrain from exercising any right, power, authority or discretion and the Security Agent may refrain from acting unless and until it receives any such instructions or clarification that it has requested.

- (c) Save in the case of decisions stipulated to be a matter for any other Finance Party or group of Finance Parties under the relevant Finance Document and unless a contrary indication appears in a Finance Document, any instructions given to the Security Agent by the Majority Lenders shall override any conflicting instructions given by any other Parties and will be binding on all Finance Parties.
- (d) Paragraph (a) above shall not apply:
- (i) where a contrary indication appears in a Finance Document;
 - (ii) where a Finance Document requires the Security Agent to act in a specified manner or to take a specified action;
 - (iii) in respect of any provision which protects the Security Agent's own position in its personal capacity as opposed to its role of Security Agent for the relevant Secured Parties.
 - (iv) in respect of the exercise of the Security Agent's discretion to exercise a right, power or authority under any of:
 - (A) Clause 29.28 (*Application of receipts*);
 - (B) Clause 29.29 (*Permitted Deductions*); and
 - (C) Clause 29.30 (*Prospective liabilities*).
- (e) If giving effect to instructions given by the Majority Lenders would in the Security Agent's opinion have an effect equivalent to an amendment or waiver referred to in Clause 42 (*Amendments and Waivers*), the Security Agent shall not act in accordance with those instructions unless consent to it so acting is obtained from each Party (other than the Security Agent) whose consent would have been required in respect of that amendment or waiver.
- (f) In exercising any discretion to exercise a right, power or authority under the Finance Documents where either:
- (i) it has not received any instructions as to the exercise of that discretion; or
 - (ii) the exercise of that discretion is subject to sub-paragraph (iv) of paragraph (d) above,
- the Security Agent shall do so having regard to the interests of all the Secured Parties.
- (g) The Security Agent may refrain from acting in accordance with any instructions of any Finance Party or group of Finance Parties until it has received any indemnification and/or security that it may in its discretion require (which may be greater in extent than that contained in the Finance Documents and which may include payment in advance) for any cost, loss or liability (together with any applicable VAT) which it may incur in complying with those instructions.
- (h) Without prejudice to the remainder of this Clause 29.4 (*Instructions*), in the absence of instructions, the Security Agent may (but shall not be obliged to) take such action in the exercise of its powers and duties under the Finance Documents as it considers in its discretion to be appropriate.

- (i) The Security Agent is not authorised to act on behalf of a Finance Party (without first obtaining that Finance Party's consent) in any legal or arbitration proceedings relating to any Finance Document. This paragraph (i) shall not apply to any legal or arbitration proceeding relating to the perfection, preservation or protection of rights under the Security Documents or enforcement of the Transaction Security or Security Documents.

29.5 Duties of the Security Agent

- (a) The Security Agent's duties under the Finance Documents are solely mechanical and administrative in nature.
- (b) The Security Agent shall promptly forward to a Party the original or a copy of any document which is delivered to the Security Agent for that Party by any other Party.
- (c) Except where a Finance Document specifically provides otherwise, the Security Agent is not obliged to review or check the adequacy, accuracy or completeness of any document it forwards to another Party.
- (d) If the Security Agent receives notice from a Party referring to any Finance Document, describing a Default and stating that the circumstance described is a Default, it shall promptly notify the other Finance Parties.
- (e) The Security Agent shall have only those duties, obligations and responsibilities expressly specified in the Finance Documents to which it is expressed to be a party (and no others shall be implied).

29.6 No fiduciary duties

- (a) Nothing in any Finance Document constitutes the Security Agent as an agent, trustee or fiduciary of any Transaction Obligor.
- (b) The Security Agent shall not be bound to account to any other Secured Party for any sum or the profit element of any sum received by it for its own account.

29.7 Business with the Group

The Security Agent may accept deposits from, lend money to, and generally engage in any kind of banking or other business with, any member of the Group.

29.8 Rights and discretions

- (a) The Security Agent may:
 - (i) rely on any representation, communication, notice or document believed by it to be genuine, correct and appropriately authorised;

- (ii) assume that:
 - (A) any instructions received by it from the Majority Lenders, any Finance Parties or any group of Finance Parties are duly given in accordance with the terms of the Finance Documents;
 - (B) unless it has received notice of revocation, that those instructions have not been revoked;
 - (C) if it receives any instructions to act in relation to the Transaction Security, that all applicable conditions under the Finance Documents for so acting have been satisfied; and
- (iii) rely on a certificate from any person:
 - (A) as to any matter of fact or circumstance which might reasonably be expected to be within the knowledge of that person; or
 - (B) to the effect that such person approves of any particular dealing, transaction, step, action or thing, as sufficient evidence that that is the case and, in the case of paragraph (A) above, may assume the truth and accuracy of that certificate.
- (b) The Security Agent shall be entitled to carry out all dealings with the other Finance Parties through the Facility Agent and may give to the Facility Agent any notice or other communication required to be given by the Security Agent to any Finance Party.
- (c) The Security Agent may assume (unless it has received notice to the contrary in its capacity as security agent for the Secured Parties) that:
 - (i) no Default has occurred;
 - (ii) any right, power, authority or discretion vested in any Party or any group of Finance Parties has not been exercised; and
 - (iii) any notice or request made by the Borrower (other than the Utilisation Request) is made on behalf of and with the consent and knowledge of all the Transaction Obligors.
- (d) The Security Agent may engage and pay for the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts.
- (e) Without prejudice to the generality of paragraph (c) above or paragraph (f) below, the Security Agent may at any time engage and pay for the services of any lawyers to act as independent counsel to the Security Agent (and so separate from any lawyers instructed by the Facility Agent or the Lenders) if the Security Agent in its reasonable opinion deems this to be desirable.
- (f) The Security Agent may rely on the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts (whether obtained by the Security Agent or by any other Party) and shall not be liable for any damages, costs or losses to any person, any diminution in value or any liability whatsoever arising as a result of its so relying.

- (g) The Security Agent may act in relation to the Finance Documents and the Security Property through its officers, employees and agents and shall not:
- (i) be liable for any error of judgment made by any such person; or
 - (ii) be bound to supervise, or be in any way responsible for any loss incurred by reason of misconduct, omission or default on the part of any such person,
- unless such error or such loss was directly caused by the Security Agent's gross negligence or wilful misconduct.
- (h) Unless a Finance Document expressly provides otherwise the Security Agent may disclose to any other Party any information it reasonably believes it has received as security agent under the Finance Documents.
- (i) Notwithstanding any other provision of any Finance Document to the contrary, the Security Agent is not obliged to do or omit to do anything if it would or might, in its reasonable opinion, constitute a breach of any law or regulation or a breach of a fiduciary duty or duty of confidentiality.
- (j) Notwithstanding any provision of any Finance Document to the contrary, the Security Agent is not obliged to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties, obligations or responsibilities or the exercise of any right, power, authority or discretion if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it.

29.9 Responsibility for documentation

None of the Security Agent, any Receiver or Delegate is responsible or liable for:

- (a) the adequacy, accuracy or completeness of any information (whether oral or written) supplied by the Facility Agent, the Security Agent, the Mandated Lead Arranger, a Transaction Obligor or any other person in, or in connection with, any Transaction Document or the transactions contemplated in the Transaction Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Transaction Document;
- (b) the legality, validity, effectiveness, adequacy or enforceability of any Transaction Document or the Security Property or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with, any Transaction Document or the Security Property; or
- (c) any determination as to whether any information provided or to be provided to any Secured Party is non-public information the use of which may be regulated or prohibited by applicable law or regulation relating to insider dealing or otherwise.

29.10 No duty to monitor

The Security Agent shall not be bound to enquire:

- (a) whether or not any Default has occurred;

- (b) as to the performance, default or any breach by any Transaction Obligor of its obligations under any Transaction Document; or
- (c) whether any other event specified in any Transaction Document has occurred.

29.11 Exclusion of liability

- (a) Without limiting paragraph (b) below (and without prejudice to any other provision of any Finance Document excluding or limiting the liability of the Security Agent or any Receiver or Delegate), none of the Security Agent nor any Receiver or Delegate will be liable for:
 - (i) any damages, costs or losses to any person, any diminution in value, or any liability whatsoever arising as a result of taking or not taking any action under or in connection with any Transaction Document or the Security Property, unless directly caused by its gross negligence or wilful misconduct;
 - (ii) exercising, or not exercising, any right, power, authority or discretion given to it by, or in connection with, any Transaction Document, the Security Property or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with, any Transaction Document or the Security Property; or
 - (iii) any shortfall which arises on the enforcement or realisation of the Security Property; or
 - (iv) without prejudice to the generality of sub-paragraphs (i) to (iii) above, any damages, costs or losses to any person, any diminution in value or any liability whatsoever arising as a result of:
 - (A) any act, event or circumstance not reasonably within its control; or
 - (B) the general risks of investment in, or the holding of assets in, any jurisdiction,

including (in each case and without limitation) such damages, costs, losses, diminution in value or liability arising as a result of nationalisation, expropriation or other governmental actions; any regulation, currency restriction, devaluation or fluctuation; market conditions affecting the execution or settlement of transactions or the value of assets (including any Disruption Event); breakdown, failure or malfunction of any third party transport, telecommunications, computer services or systems; natural disasters or acts of God; war, terrorism, insurrection or revolution; or strikes or industrial action.
- (b) No Party other than the Security Agent, that Receiver or that Delegate (as applicable) may take any proceedings against any officer, employee or agent of the Security Agent, a Receiver or a Delegate in respect of any claim it might have against the Security Agent, a Receiver or a 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 and any officer, employee or agent of the Security Agent, a Receiver or a Delegate may rely on this Clause subject to Clause 1.5 (*Third party rights*) and the provisions of the Third Parties Act.
- (c) The Security Agent will not be liable for any delay (or any related consequences) in crediting an account with an amount required under the Finance Documents to be paid by the Security Agent if the Security Agent has taken all necessary steps as soon as reasonably practicable to

comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Security Agent for that purpose.

(d) Nothing in this Agreement shall oblige the Security Agent to carry out:

- (i) any "know your customer" or other checks in relation to any person; or
- (ii) any check on the extent to which any transaction contemplated by this Agreement might be unlawful for any Finance Party,

on behalf of any Finance Party and each Finance Party confirms to the Security Agent that it is solely responsible for any such checks it is required to carry out and that it may not rely on any statement in relation to such checks made by the Security Agent.

(e) Without prejudice to any provision of any Finance Document excluding or limiting the liability of the Security Agent or any Receiver or Delegate, any liability of the Security Agent or any Receiver or Delegate arising under or in connection with any Transaction Document or the Security Property shall be limited to the amount of actual loss which has been finally judicially determined to have been suffered (as determined by reference to the date of default of the Security Agent, Receiver or Delegate or, if later, the date on which the loss arises as a result of such default) but without reference to any special conditions or circumstances known to the Security Agent, any Receiver or Delegate at any time which increase the amount of that loss. In no event shall the Security Agent, any Receiver or Delegate be liable for any loss of profits, goodwill, reputation, business opportunity or anticipated saving, or for special, punitive, indirect or consequential damages, whether or not the Security Agent, the Receiver or Delegate has been advised of the possibility of such loss or damages.

29.12 Lenders' indemnity to the Security Agent

- (a) Each Lender shall (in proportion to its share of the Total Commitments or, if the Total Commitments are then zero, to its share of the Total Commitments immediately prior to their reduction to zero) indemnify the Security Agent and every Receiver and every Delegate, within three Business Days of demand, against any cost, loss or liability incurred by any of them (otherwise than by reason of the Security Agent's, Receiver's or Delegate's gross negligence or wilful misconduct) in acting as Security Agent, Receiver or Delegate under the Finance Documents (unless the Security Agent, Receiver or Delegate has been reimbursed by a Transaction Obligor pursuant to a Finance Document).
- (b) Subject to paragraph (c) below, the Borrower shall immediately on demand reimburse any Lender for any payment that Lender makes to the Security Agent pursuant to paragraph (a) above.
- (c) Paragraph (b) above shall not apply to the extent that the indemnity payment in respect of which the Lender claims reimbursement relates to a liability of the Security Agent to the Borrower.

29.13 Resignation of the Security Agent

- (a) The Security Agent may resign and appoint one of its Affiliates as successor by giving notice to the other Finance Parties and the Borrower.

- (b) Alternatively, the Security Agent may resign by giving 30 days' notice to the other Finance Parties and the Borrower, in which case the Majority Lenders may appoint a successor Security Agent.
- (c) If the Majority Lenders have not appointed a successor Security Agent in accordance with paragraph (b) above within 20 days after notice of resignation was given, the retiring Security Agent may appoint a successor Security Agent.
- (d) The retiring Security Agent shall make available to the successor Security Agent such documents and records and provide such assistance as the successor Security Agent may reasonably request for the purposes of performing its functions as Security Agent under the Finance Documents. The Borrower shall, within three Business Days of demand, reimburse the retiring Security Agent for the amount of all costs and expenses (including legal fees) properly incurred by it in making available such documents and records and providing such assistance.
- (e) The Security Agent's resignation notice shall only take effect upon:
 - (i) the appointment of a successor; and
 - (ii) the transfer, by way of a document expressed as a deed, of all the Security Property to that successor.
- (f) Upon the appointment of a successor, the retiring Security Agent shall be discharged, by way of a document executed as a deed, from any further obligation in respect of the Finance Documents (other than its obligations under paragraph (b) of Clause 29.25 (*Winding up of trust*) and paragraph (d) above) but shall remain entitled to the benefit of Clause 14.4 (*Indemnity to the Security Agent*) and this Clause 29 (*The Security Agent*) and any other provisions of a Finance Document which are expressed to limit or exclude its liability (or to indemnify it) in acting as Security Agent. Any fees for the account of the retiring Security Agent shall cease to accrue from (and shall be payable on) that date. Any successor and each of the other Parties shall have the same rights and obligations amongst themselves as they would have had if such successor had been an original Party.
- (g) The Majority Lenders may, by notice to the Security Agent, require it to resign in accordance with paragraph (b) above. In this event, the Security Agent shall resign in accordance with paragraph (b) above but the cost referred to in paragraph (d) above shall be for the account of the Borrower.
- (h) The consent of the Borrower (or any other Transaction Obligor) is not required for an assignment or transfer of rights and/or obligations by the Security Agent.

29.14 Confidentiality

- (a) In acting as Security Agent for the Finance Parties, the Security Agent shall be regarded as acting through its trustee division which shall be treated as a separate entity from any other of its divisions or departments.
- (b) If information is received by a division or department of the Security Agent other than the division or department responsible for complying with the obligations assumed by it under the Finance Documents, that information may be treated as confidential to that division or department, and the Security Agent shall not be deemed to have notice of it nor shall it be obliged to disclose such information to any Party.

- (c) Notwithstanding any other provision of any Finance Document to the contrary, the Security Agent is not obliged to disclose to any other person (i) any confidential information or (ii) any other information if the disclosure would, or might in its reasonable opinion, constitute a breach of any law or regulation or a breach of a fiduciary duty.

29.15 Credit appraisal by the Finance Parties

Without affecting the responsibility of any Transaction Obligor for information supplied by it or on its behalf in connection with any Transaction Document, each Finance Party confirms to the Security Agent that it has been, and will continue to be, solely responsible for making its own independent appraisal and investigation of all risks arising under, or in connection with, any Transaction Document including but not limited to:

- (a) the financial condition, status and nature of each member of the Group;
- (b) the legality, validity, effectiveness, adequacy or enforceability of any Transaction Document, the Security Property and any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Transaction Document or the Security Property;
- (c) whether that Finance Party has recourse, and the nature and extent of that recourse, against any Party or any of its respective assets under, or in connection with, any Transaction Document, the Security Property, the transactions contemplated by the Transaction Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Transaction Document or the Security Property;
- (d) the adequacy, accuracy or completeness of any information provided by the Security Agent, any Party or by any other person under, or in connection with, any Transaction Document, the transactions contemplated by any Transaction Document or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Transaction Document; and
- (e) the right or title of any person in or to or the value or sufficiency of any part of the Security Assets, the priority of any of the Transaction Security or the existence of any Security affecting the Security Assets.

29.16 Security Agent's management time

- (a) Any amount payable to the Security Agent under Clause 14.4 (*Indemnity to the Security Agent*), Clause 16 (*Costs and Expenses*) and Clause 29.12 (*Lenders' indemnity to the Security Agent*) shall include the cost of utilising the Security Agent's management time or other resources and will be calculated on the basis of such reasonable daily or hourly rates as the Security Agent may notify to the Borrower and the other Finance Parties, and is in addition to any fee paid or payable to the Security Agent under Clause 11 (*Fees*).
- (b) Without prejudice to paragraph (a) above, in the event of:
- (i) a Default;
- (ii) the Security Agent being requested by a Transaction Obligor or the Majority Lenders to undertake duties which the Security Agent and the Borrower agree to be of an

exceptional nature or outside the scope of the normal duties of the Security Agent under the Finance Documents; or

(iii) the Security Agent and the Borrower agreeing that it is otherwise appropriate in the circumstances,

the Borrower shall pay to the Security Agent any additional remuneration (together with any applicable VAT) that may be agreed between them or determined pursuant to paragraph (c) below.

- (c) If the Security Agent and the Borrower fail to agree upon the nature of the duties, or upon the additional remuneration referred to in paragraph (b) above or whether additional remuneration is appropriate in the circumstances, any dispute shall be determined by an investment bank (acting as an expert and not as an arbitrator) selected by the Security Agent and approved by the Borrower or, failing approval, nominated (on the application of the Security Agent) by the President for the time being of the Law Society of England and Wales (the costs of the nomination and of the investment bank being payable by the Borrower) and the determination of any investment bank shall be final and binding upon the Parties.

29.17 Reliance and engagement letters

Each Secured Party confirms that the Security Agent has authority to accept on its behalf (and ratifies the acceptance on its behalf of any letters or reports already accepted by the Security Agent) the terms of any reliance letter or engagement letters or any reports or letters provided by accountants, auditors or providers of due diligence reports in connection with the Finance Documents or the transactions contemplated in the Finance Documents and to bind it in respect of those, reports or letters and to sign such letters on its behalf and further confirms that it accepts the terms and qualifications set out in such letters.

29.18 No responsibility to perfect Transaction Security

The Security Agent shall not be liable for any failure to:

- (a) require the deposit with it of any deed or document certifying, representing or constituting the title of any Transaction Obligor to any of the Security Assets;
- (b) obtain any licence, consent or other authority for the execution, delivery, legality, validity, enforceability or admissibility in evidence of any Finance Document or the Transaction Security;
- (c) register, file or record or otherwise protect any of the Transaction Security (or the priority of any of the Transaction Security) under any law or regulation or to give notice to any person of the execution of any Finance Document or of the Transaction Security;
- (d) take, or to require any Transaction Obligor to take, any step to perfect its title to any of the Security Assets or to render the Transaction Security effective or to secure the creation of any ancillary Security under any law or regulation; or
- (e) require any further assurance in relation to any Finance Document.

29.19 Insurance by Security Agent

(a) The Security Agent shall not be obliged:

- (i) to insure any of the Security Assets;
- (ii) to require any other person to maintain any insurance; or
- (iii) to verify any obligation to arrange or maintain insurance contained in any Finance Document,

and the Security Agent shall not be liable for any damages, costs or losses to any person as a result of the lack of, or inadequacy of, any such insurance.

(b) Where the Security Agent is named on any insurance policy as an insured party, it shall not be liable for any damages, costs or losses to any person as a result of its failure to notify the insurers of any material fact relating to the risk assumed by such insurers or any other information of any kind, unless the Majority Lenders request it to do so in writing and the Security Agent fails to do so within 14 days after receipt of that request.

29.20 Custodians and nominees

The Security Agent may appoint and pay any person to act as a custodian or nominee on any terms in relation to any asset of the trust as the Security Agent may determine, including for the purpose of depositing with a custodian this Agreement or any document relating to the trust created under this Agreement and the Security Agent shall not be responsible for any loss, liability, expense, demand, cost, claim or proceedings incurred by reason of the misconduct, omission or default on the part of any person appointed by it under this Agreement or be bound to supervise the proceedings or acts of any person.

29.21 Delegation by the Security Agent

- (a) Each of the Security Agent, any Receiver and any Delegate may, at any time, delegate by power of attorney or otherwise to any person for any period, all or any right, power, authority or discretion vested in it in its capacity as such.
- (b) That delegation may be made upon any terms and conditions (including the power to sub delegate) and subject to any restrictions that the Security Agent, that Receiver or that Delegate (as the case may be) may, in its discretion, think fit in the interests of the Secured Parties.
- (c) No Security Agent, Receiver or Delegate shall be bound to supervise, or be in any way responsible for any damages, costs or losses incurred by reason of any misconduct, omission or default on the part of any such delegate or sub delegate.

29.22 Additional Security Agents

- (a) The Security Agent may at any time appoint (and subsequently remove) any person to act as a separate trustee or as a co-trustee jointly with it:
 - (i) if it considers that appointment to be in the interests of the Secured Parties; or
 - (ii) for the purposes of conforming to any legal requirement, restriction or condition which the Security Agent deems to be relevant; or

(iii) for obtaining or enforcing any judgment in any jurisdiction,

and the Security Agent shall give prior notice to the Borrower and the Finance Parties of that appointment.

- (b) Any person so appointed shall have the rights, powers, authorities and discretions (not exceeding those given to the Security Agent under or in connection with the Finance Documents) and the duties, obligations and responsibilities that are given or imposed by the instrument of appointment.
- (c) The remuneration that the Security Agent may pay to that person, and any costs and expenses (together with any applicable VAT) incurred by that person in performing its functions pursuant to that appointment shall, for the purposes of this Agreement, be treated as costs and expenses incurred by the Security Agent.

29.23 Acceptance of title

The Security Agent shall be entitled to accept without enquiry, and shall not be obliged to investigate, any right and title that any Transaction Obligor may have to any of the Security Assets and shall not be liable for or bound to require any Transaction Obligor to remedy any defect in its right or title.

29.24 Releases

Upon a disposal of any of the Security Assets pursuant to the enforcement of the Transaction Security by a Receiver, a Delegate or the Security Agent, the Security Agent is irrevocably authorised (at the cost of the Borrower and without any consent, sanction, authority or further confirmation from any other Secured Party) to release, without recourse or warranty, that property from the Transaction Security and to execute any release of the Transaction Security or other claim over that asset and to issue any certificates of non-crystallisation of floating charges that may be required or desirable.

29.25 Winding up of trust

If the Security Agent, with the approval of the Facility Agent determines that:

- (a) all of the Secured Liabilities and all other obligations secured by the Security Documents have been fully and finally discharged; and
- (b) no Secured Party is under any commitment, obligation or liability (actual or contingent) to make advances or provide other financial accommodation to any Transaction Obligor pursuant to the Finance Documents,

then

- (i) the trusts set out in this Agreement shall be wound up and the Security Agent shall release, without recourse or warranty, all of the Transaction Security and the rights of the Security Agent under each of the Security Documents; and
- (ii) any Security Agent which has resigned pursuant to Clause 29.13 (*Resignation of the Security Agent*) shall release, without recourse or warranty, all of its rights under each Security Document.

29.26 Powers supplemental to Trustee Acts

The rights, powers, authorities and discretions given to the Security Agent under or in connection with the Finance Documents shall be supplemental to the Trustee Act 1925 and the Trustee Act 2000 and in addition to any which may be vested in the Security Agent by law or regulation or otherwise.

29.27 Disapplication of Trustee Acts

Section 1 of the Trustee Act 2000 shall not apply to the duties of the Security Agent in relation to the trusts constituted by this Agreement and the other Finance Documents. Where there are any inconsistencies between (i) the Trustee Acts 1925 and 2000 and (ii) the provisions of this Agreement and any other Finance Document, the provisions of this Agreement and any other Finance Document shall, to the extent permitted by law and regulation, prevail and, in the case of any inconsistency with the Trustee Act 2000, the provisions of this Agreement and any other Finance Document shall constitute a restriction or exclusion for the purposes of the Trustee Act 2000.

29.28 Application of receipts

All amounts from time to time received or recovered by the Security Agent pursuant to the terms of any Finance Document, under Clause 29.2 (*Parallel Debt (Covenant to pay the Security Agent)*) or in connection with the realisation or enforcement of all or any part of the Security Property (for the purposes of this Clause 29 (*The Security Agent*), the "**Recoveries**") shall be held by the Security Agent on trust to apply them at any time as the Security Agent (in its discretion) sees fit, to the extent permitted by applicable law (and subject to the remaining provisions of this Clause 29 (*The Security Agent*)), in the following order of priority:

- (a) in discharging any sums owing to the Security Agent (in its capacity as such) other than pursuant to Clause 29.2 (*Parallel Debt (Covenant to pay the Security Agent)*) or any Receiver or Delegate;
- (b) in payment or distribution to the Facility Agent, on its behalf and on behalf of the other Secured Parties, for application towards the discharge of all sums due and payable by any Transaction Obligor under any of the Finance Documents in accordance with Clause 32.5 (*Application of receipts; partial payments*);
- (c) if none of the Transaction Obligors is under any further actual or contingent liability under any Finance Document, in payment or distribution to any person to whom the Security Agent is obliged to pay or distribute in priority to any Transaction Obligor; and
- (d) the balance, if any, in payment or distribution to the relevant Transaction Obligor.

29.29 Permitted Deductions

The Security Agent may, in its discretion:

- (a) set aside by way of reserve amounts required to meet, and to make and pay, any deductions and withholdings (on account of Taxes or otherwise) which it is or may be required by any applicable law to make from any distribution or payment made by it under this Agreement; and

- (b) pay all Taxes which may be assessed against it in respect of any of the Security Property, or as a consequence of performing its duties, or by virtue of its capacity as Security Agent under any of the Finance Documents or otherwise (other than in connection with its remuneration for performing its duties under this Agreement).

29.30 Prospective liabilities

Following enforcement of any of the Transaction Security, the Security Agent may, in its discretion, or at the request of the Facility Agent, hold any Recoveries in an interest bearing suspense or impersonal account(s) in the name of the Security Agent with such financial institution (including itself) and for so long as the Security Agent shall think fit (the interest being credited to the relevant account) for later payment to the Facility Agent for application in accordance with Clause 29.28 (*Application of receipts*) in respect of:

- (a) any sum to the Security Agent, any Receiver or any Delegate; and
- (b) any part of the Secured Liabilities,

that the Security Agent or, in the case of paragraph (b) only, the Facility Agent, reasonably considers, in each case, might become due or owing at any time in the future.

29.31 Investment of proceeds

Prior to the payment of the proceeds of the Recoveries to the Facility Agent for application in accordance with Clause 29.28 (*Application of receipts*) the Security Agent may, in its discretion, hold all or part of those proceeds in an interest bearing suspense or impersonal account(s) in the name of the Security Agent with such financial institution (including itself) and for so long as the Security Agent shall think fit (the interest being credited to the relevant account) pending the payment from time to time of those moneys in the Security Agent's discretion in accordance with the provisions of Clause 29.28 (*Application of receipts*).

29.32 Currency conversion

- (a) For the purpose of, or pending the discharge of, any of the Secured Liabilities the Security Agent may convert any moneys received or recovered by the Security Agent from one currency to another, at a market rate of exchange.
- (b) 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.

29.33 Good discharge

- (a) Any payment to be made in respect of the Secured Liabilities by the Security Agent may be made to the Facility Agent on behalf of the Secured Parties and any payment made in that way shall be a good discharge, to the extent of that payment, by the Security Agent.
- (b) The Security Agent is under no obligation to make the payments to the Facility Agent under paragraph (a) above in the same currency as that in which the obligations and liabilities owing to the relevant Finance Party are denominated.

29.34 Amounts received by the Borrower

If any of the Obligors receives or recovers any amount which, under the terms of any of the Finance Documents, should have been paid to the Security Agent, the Borrower will ensure that such amount received or recovered is held on trust for the Security Agent and promptly pay that amount to the Security Agent for application in accordance with the terms of this Agreement.

29.35 Application and consideration

In consideration for the covenants given to the Security Agent by each Borrower in relation to Clause 29.2 (*Parallel Debt (Covenant to pay the Security Agent)*), the Security Agent agrees with each Borrower to apply all moneys from time to time paid by such Borrower to the Security Agent in accordance with the foregoing provisions of this Clause 29 (*The Security Agent*).

29.36 Full freedom to enter into transactions

Without prejudice to Clause 29.7 (*Business with the Group*) or any other provision of a Finance Document and notwithstanding any rule of law or equity to the contrary, the Security Agent shall be absolutely entitled:

- (a) to enter into and arrange banking, derivative, investment and/or other transactions of every kind with or affecting any Transaction Obligor or any person who is party to, or referred to in, a Finance Document (including, but not limited to, any interest or currency swap or other transaction, whether related to this Agreement or not, and acting as syndicate agent and/or security agent for, and/or participating in, other facilities to such Transaction Obligor or any person who is party to, or referred to in, a Finance Document);
- (b) to deal in and enter into and arrange transactions relating to:
 - (i) any securities issued or to be issued by any Transaction Obligor or any other person; or
 - (ii) any options or other derivatives in connection with such securities; and
- (c) to provide advice or other services to the Borrower or any person who is a party to, or referred to in, a Finance Document, and, in particular, the Security Agent shall be absolutely entitled, in proposing, evaluating, negotiating, entering into and arranging all such transactions and in connection with all other matters covered by paragraphs (a), (b) and (c) above, to use (subject only to insider dealing legislation) any information or opportunity, howsoever acquired by it, to pursue its own interests exclusively, to refrain from disclosing such dealings, transactions or other matters or any information acquired in connection with them and to retain for its sole benefit all profits and benefits derived from the dealings transactions or other matters.

30 CONDUCT OF BUSINESS BY THE FINANCE PARTIES

No provision of this Agreement will:

- (a) interfere with the right of any Finance Party to arrange its affairs (tax or otherwise) in whatever manner it thinks fit;

- (b) oblige any Finance Party 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 any Finance Party to disclose any information relating to its affairs (tax or otherwise) or any computations in respect of Tax.

31 SHARING AMONG THE FINANCE PARTIES

31.1 Payments to Finance Parties

If a Finance Party (a "**Recovering Finance Party**") receives or recovers any amount from a Transaction Obligor other than in accordance with Clause 32 (*Payment Mechanics*) (a "**Recovered Amount**") and applies that amount to a payment due to it under the Finance Documents then:

- (a) the Recovering Finance Party shall, within three Business Days, notify details of the receipt or recovery, to the Facility Agent;
- (b) the Facility Agent shall determine whether the receipt or recovery is in excess of the amount the Recovering Finance Party would have been paid had the receipt or recovery been received or made by the Facility Agent and distributed in accordance with Clause 32 (*Payment Mechanics*), without taking account of any Tax which would be imposed on the Facility Agent in relation to the receipt, recovery or distribution; and
- (c) the Recovering Finance Party shall, within three Business Days of demand by the Facility Agent, pay to the Facility Agent an amount (the "**Sharing Payment**") equal to such receipt or recovery less any amount which the Facility Agent determines may be retained by the Recovering Finance Party as its share of any payment to be made, in accordance with Clause 32.5 (*Application of receipts; partial payments*).

31.2 Redistribution of payments

The Facility Agent shall treat the Sharing Payment as if it had been paid by the relevant Transaction Obligor and distribute it among the Finance Parties (other than the Recovering Finance Party) (the "**Sharing Finance Parties**") in accordance with Clause 32.5 (*Application of receipts; partial payments*) towards the obligations of that Transaction Obligor to the Sharing Finance Parties.

31.3 Recovering Finance Party's rights

On a distribution by the Facility Agent under Clause 31.2 (*Redistribution of payments*) of a payment received by a Recovering Finance Party from a Transaction Obligor, as between the relevant Transaction Obligor and the Recovering Finance Party, an amount of the Recovered Amount equal to the Sharing Payment will be treated as not having been paid by that Transaction Obligor.

31.4 Reversal of redistribution

If any part of the Sharing Payment received or recovered by a Recovering Finance Party becomes repayable and is repaid by that Recovering Finance Party, then:

- (a) each Sharing Finance Party shall, upon request of the Facility Agent, pay to the Facility Agent for the account of that Recovering Finance Party an amount equal to the appropriate part of

its share of the Sharing Payment (together with an amount as is necessary to reimburse that Recovering Finance Party for its proportion of any interest on the Sharing Payment which that Recovering Finance Party is required to pay) (the "**Redistributed Amount**"); and

- (b) as between the relevant Transaction Obligor and each relevant Sharing Finance Party, an amount equal to the relevant Redistributed Amount will be treated as not having been paid by that Transaction Obligor.

31.5 Exceptions

- (a) This Clause 31 (*Sharing among the Finance Parties*) shall not apply to the extent that the Recovering Finance Party would not, after making any payment pursuant to this Clause, have a valid and enforceable claim against the relevant Transaction Obligor.
- (b) A Recovering Finance Party is not obliged to share with any other Finance Party any amount which the Recovering Finance Party has received or recovered as a result of taking legal or arbitration proceedings, if:
 - (i) it notified that other Finance Party of the legal or arbitration proceedings; and
 - (ii) that other Finance Party had an opportunity to participate in those legal or arbitration proceedings but did not do so as soon as reasonably practicable having received notice and did not take separate legal or arbitration proceedings.

SECTION 10
ADMINISTRATION

32 PAYMENT MECHANICS

32.1 Payments to the Facility Agent

- (a) On each date on which a Transaction Obligor or a Lender is required to make a payment under a Finance Document, that Transaction Obligor or Lender shall make an amount equal to such payment available to the Facility Agent (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 Facility Agent 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 Stockholm, as specified by the Facility Agent) and with such bank as the Facility Agent, in each case, specifies.

32.2 Distributions by the Facility Agent

Each payment received by the Facility Agent under the Finance Documents for another Party shall, subject to Clause 32.3 (*Distributions to a Transaction Obligor*) and Clause 32.4 (*Clawback and pre-funding*) be made available by the Facility Agent as soon as practicable after receipt to the Party entitled to receive payment in accordance with this Agreement (in the case of a Lender, for the account of its Facility Office), to such account as that Party may notify to the Facility Agent by not less than five Business Days' notice with a bank specified by that Party in the principal financial centre of the country of that currency (or, in relation to euro, in the principal financial centre of a Participating Member State or Stockholm), as specified by that Party or, in the case of an Advance, to such account of such person as may be specified by the Borrower in the Utilisation Request.

32.3 Distributions to a Transaction Obligor

The Facility Agent may (with the consent of the Transaction Obligor or in accordance with Clause 33 (*Set-Off*)) apply any amount received by it for that Transaction Obligor in or towards payment (on the date and in the currency and funds of receipt) of any amount due from that Transaction Obligor under the Finance Documents or in or towards purchase of any amount of any currency to be so applied.

32.4 Clawback and pre-funding

- (a) Where a sum is to be paid to the Facility Agent under the Finance Documents for another Party, the Facility Agent is not obliged to pay that sum to that other Party (or to enter into or perform any related exchange contract) until it has been able to establish to its satisfaction that it has actually received that sum.
- (b) Unless paragraph (c) below applies, if the Facility Agent pays an amount to another Party and it proves to be the case that the Facility Agent had not actually received that amount, then the Party to whom that amount (or the proceeds of any related exchange contract) was paid by the Facility Agent shall on demand refund the same to the Facility Agent together with interest

on that amount from the date of payment to the date of receipt by the Facility Agent, calculated by the Facility Agent to reflect its cost of funds.

- (c) If the Facility Agent is willing to make available amounts for the account of the Borrower before receiving funds from the Lenders then if and to the extent that the Facility Agent does so but it proves to be the case that it does not then receive funds from a Lender in respect of a sum which it paid to the Borrower:
- (i) the Borrower shall on demand refund it to the Facility Agent; and
 - (ii) the Lender by whom those funds should have been made available or, if the Lender fails to do so, the Borrower, shall on demand pay to the Facility Agent the amount (as certified by the Facility Agent) which will indemnify the Facility Agent against any funding cost incurred by it as a result of paying out that sum before receiving those funds from that Lender.

32.5 Application of receipts; partial payments

- (a) If the Facility Agent receives a payment that is insufficient to discharge all the amounts then due and payable by a Transaction Obligor under the Finance Documents, the Facility Agent shall apply that payment towards the obligations of that Transaction Obligor under the Finance Documents in the following order:
- (i) **first**, in or towards payment pro rata of any unpaid fees, costs and expenses of, and any other amounts owing to, the Facility Agent, the Security Agent, any Receiver or any Delegate under the Finance Documents;
 - (ii) **secondly**, in or towards payment pro rata of:
 - (A) any accrued interest and fees due but unpaid to the Lenders under this Agreement; and
 - (B) any periodical payments (not being payments as a result of termination or closing out) due but unpaid to the Hedge Counterparties under the Hedging Agreements;
 - (iii) **thirdly**, in or towards payment pro rata of:
 - (A) any principal due but unpaid to the Lenders under this Agreement; and
 - (B) any payments as a result of termination or closing out due but unpaid to the Hedge Counterparties under the Hedging Agreements;
 - (iv) **fourthly**, in or towards payment pro rata of any other sum due but unpaid under the Finance Documents.
- (b) The Facility Agent shall, if so directed by the Majority Lenders and the Hedge Counterparties, vary, or instruct the Security Agent to vary (as applicable) the order set out in sub-paragraphs (ii) to (iv) of paragraph (a) above.
- (c) Paragraphs (a) and (b) above will override any appropriation made by a Transaction Obligor.

32.6 No set-off by Transaction Obligors

- (a) 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.
- (b) Paragraph (a) above shall not affect the operation of any payment or close-out netting in respect of any amounts owing under any Hedging Agreement.

32.7 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.

32.8 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.

32.9 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 Facility Agent (after consultation with the Borrower); 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 Facility Agent (acting reasonably).
- (b) If a change in any currency of a country occurs, this Agreement will, to the extent the Facility Agent (acting reasonably and after consultation with the Borrower) 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.

32.10 Currency Conversion

- (a) For the purpose of, or pending any payment to be made by any Servicing Party under any Finance Document, such Servicing Party may convert any moneys received or recovered by it from one currency to another, at a market rate of exchange.
- (b) 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.

32.11 Disruption to Payment Systems etc.

If either the Facility Agent determines (in its discretion) that a Disruption Event has occurred or the Facility Agent is notified by the Borrower that a Disruption Event has occurred:

- (a) the Facility Agent may, and shall if requested to do so by the Borrower, consult with the Borrower with a view to agreeing with the Borrower such changes to the operation or administration of the Facility as the Facility Agent may deem necessary in the circumstances;
- (b) the Facility Agent shall not be obliged to consult with the Borrower 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) the Facility Agent may consult with the Finance Parties in relation to any changes mentioned in paragraph (a) above but shall not be obliged to do so if, in its opinion, it is not practicable to do so in the circumstances;
- (d) any such changes agreed upon by the Facility Agent and the Borrower 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 notwithstanding the provisions of Clause 42 (*Amendments and Waivers*);
- (e) the Facility Agent 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 Facility Agent) arising as a result of its taking, or failing to take, any actions pursuant to or in connection with this Clause 32.11 (*Disruption to Payment Systems etc.*); and
- (f) the Facility Agent shall notify the Finance Parties of all changes agreed pursuant to paragraph (d) above.

33 SET-OFF

A Finance Party may set off any matured obligation due from a Transaction Obligor under the Finance Documents (to the extent beneficially owned by that Finance Party) against any matured obligation owed by that Finance Party 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 Finance Party may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

34 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.

35 NOTICES

35.1 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.

35.2 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 Borrower, that specified in Schedule 1 (*The Parties*);
- (b) in the case of each Lender or each Hedge Counterparty, 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 Facility Agent on or before the date on which it becomes a Party;
- (c) in the case of the Facility Agent, that specified in Schedule 1 Part C of Schedule 1 (*The Parties*);
- (d) in the case of the Security Agent, that specified in Schedule 1 Part C of Schedule 1 (*The Parties*);
- (e) in the case of the Mandated Lead Arranger, that specified in Part D of Schedule 1 (*The Parties*);
- (f) in the case of the Account Bank, that specified in Part E of Schedule 1 (*The Parties*),

or any substitute address, fax number or department or officer as the Party may notify to the Facility Agent (or the Facility Agent may notify to the other Parties, if a change is made by the Facility Agent) by not less than five Business Days' notice.

35.3 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 35.2 (*Addresses*), if addressed to that department or officer.
- (b) Any communication or document to be made or delivered to a Servicing Party will be effective only when actually received by that Servicing Party and then only if it is expressly marked for the attention of the department or officer of that Servicing Party specified in Schedule 1 (*The Parties*) (or any substitute department or officer as that Servicing Party shall specify for this purpose).
- (c) All notices from or to a Transaction Obligor shall be sent through the Facility Agent unless otherwise specified in any Finance Document.
- (d) Any communication or document made or delivered to the Borrower in accordance with this Clause will be deemed to have been made or delivered to each of the Transaction Obligors.
- (e) Any communication or document which becomes effective, in accordance with paragraphs (a) to (d) above, after 5.00 p.m. in the place of receipt shall be deemed only to become effective on the following day.

35.4 Notification of address and fax number

Promptly upon receipt of notification of an address and fax number or change of address or fax number pursuant to Clause 35.2 (*Addresses*) or changing its own address or fax number, the Facility Agent shall notify the other Parties.

35.5 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 the Borrower and a Finance Party 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 by a Party to the Facility Agent or the Security Agent only if it is addressed in such a manner as the Facility Agent or the Security Agent 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 35.5 (*Electronic communication*).

35.6 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 Facility Agent, accompanied by a certified English translation prepared by a translator approved by the Facility Agent and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

35.7 Hedging Agreement

Notwithstanding anything in Clause 1.1 (*Definitions*), references to the Finance Documents or a Finance Document in this Clause do not include any Hedging Agreement entered into by the Borrower with a Hedge Counterparty in connection with the Facility.

36 CALCULATIONS AND CERTIFICATES

36.1 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 a Finance Party are *prima facie* evidence of the matters to which they relate.

36.2 Certificates and determinations

Any certification or determination by a Finance Party 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.

36.3 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 the Borrower under a Finance Document shall be rounded to 2 decimal places.

37 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.

38 REMEDIES AND WAIVERS

- (a) No failure to exercise, nor any delay in exercising, on the part of any Secured Party, 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 a Secured Party 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 or on behalf of all the relevant Finance Parties in accordance with the provisions of Clause 42 (*Amendments and Waivers*).

39 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) The 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.

40 SETTLEMENT OR DISCHARGE CONDITIONAL

Any settlement or discharge under any Finance Document between any Finance Party and any Transaction Obligor shall be conditional upon no security or payment to any Finance Party by any Transaction Obligor or any other person being set aside, adjusted or ordered to be repaid, whether under any insolvency law or otherwise.

41 IRREVOCABLE PAYMENT

If the Facility Agent 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 a Secured Party 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.

42 AMENDMENTS AND WAIVERS

42.1 Required consents

- (a) Subject to Clause 42.2 (*All Lender matters*) and Clause 42.3 (*Other exceptions*) any term of the Finance Documents may be amended or waived only with the consent of the Majority Lenders and, in the case of an amendment, the Borrower and any such amendment or waiver will be binding on all Parties.
- (b) The Facility Agent may effect, on behalf of any Finance Party, any amendment or waiver permitted by this Clause 42 (*Amendments and Waivers*).
- (c) Without prejudice to the generality of Clause 28.8 (*Rights and discretions*), the Facility Agent may engage, pay for and rely on the services of lawyers in determining the consent level required for and effecting any amendment, waiver or consent under this Agreement.
- (d) Paragraph (c) of Clause 26.14 (*Pro rata interest settlement*) shall apply to this Clause 42 (*Amendments and Waivers*).

42.2 All Lender matters

- (a) Subject to Clause 42.4 (*Changes to reference rates*), an amendment of or waiver or consent in relation to any term of any Finance Document that has the effect of changing or which relates to:
- (b) the definitions of "Majority Lenders", "Sanctions", "Sanctions Authority", "Sanctions Laws", "Sanctions List" and "Restricted Party" in Clause 1.1 (*Definitions*);
- (c) a postponement to or extension of the date of payment of any amount under the Finance Documents;
- (d) a reduction in the Margin or the amount of any payment of principal, interest, fees or commission payable;
- (e) a change in currency of payment of any amount under the Finance Documents;
- (f) an increase in any Commitment or the Total Commitments, an extension of any Availability Period or any requirement that a cancellation of Commitments reduces the Commitments rateably under the Facility;
- (g) a change to any Transaction Obligor other than in accordance with Clause 27 (*Changes to the Transaction Obligors*);
- (h) any provision which expressly requires the consent of all the Lenders;

- (i) this Clause 42 (*Amendments and Waivers*);
- (j) any change to the preamble (*Background*), Clause 2 (*The Facility*), Clause 3 (*Purpose*), Clause 5 (*Utilisation*), Clause 6.2 (*Effect of cancellation and prepayment on scheduled repayments*), Clause 7.6 (*Mandatory prepayment on sale or Total Loss*), Clause 8 (*Interest*), Clause 24 (*Accounts and Application of Earnings and Hedge Receipts*), Clause 26 (*Changes to the Lenders and the Hedge Counterparties*), Clause 31 (*Sharing among the Finance Parties*), Clause 46 (*Governing Law*) or Clause 47 (*Enforcement*);
- (k) any release of, or material variation to, any Transaction Security, guarantee, indemnity or subordination arrangement set out in a Finance Document (except in the case of a release of Transaction Security as it relates to the disposal of an asset which is the subject of the Transaction Security and where such disposal is expressly permitted by the Majority Lenders or otherwise under a Finance Document);
- (l) any release of, or material variation to, any Transaction Security, guarantee, indemnity or subordination arrangement set out in a Finance Document (except in the case of a release of Transaction Security as it relates to the disposal of an asset which is the subject of the Transaction Security and where such disposal is expressly permitted by the Majority Lenders or otherwise under a Finance Document);
- (m) (other than as expressly permitted by the provisions of any Finance Document) the nature or scope of:
 - (i) the Security Assets; or
 - (ii) the manner in which the proceeds of enforcement of the Transaction Security are distributed,(except in the case of sub-paragraphs (i) and (ii) above, insofar as it relates to a sale or disposal of an asset which is the subject of the Transaction Security where such sale or disposal is expressly permitted under this Agreement or any other Finance Document);
- (n) the release of any Transaction Security unless permitted under this Agreement or any other Finance Document or relating to a sale or disposal of an asset which is the subject of the Transaction Security where such sale or disposal is expressly permitted under this Agreement or any other Finance Document,

shall not be made, or given, without the prior consent of all the Lenders.

42.3 Other exceptions

- (a) An amendment or waiver which relates to the rights or obligations of a Servicing Party or the Mandated Lead Arranger (each in their capacity as such) may not be effected without the consent of that Servicing Party or the Mandated Lead Arranger, as the case may be.
- (b) An amendment or waiver which relates to and would adversely affect the rights or obligations of a Hedge Counterparty (in its capacity as such) may not be effected without the consent of that Hedge Counterparty.
- (c) The Borrower and the Facility Agent, the Mandated Lead Arranger or the Security Agent, as applicable, may amend or waive a term of a Fee Letter to which they are party.

- (d) The relevant Hedge Counterparty and the Borrower may amend, supplement or waive the terms of any Hedging Agreement if permitted by paragraph (h) of Clause 8.5 (*Hedging*).

42.4 Changes to reference rates

- (a) Subject to Clause 42.3 (*Other exceptions*), if an RFR Replacement Event has occurred any amendment or waiver which relates to:

- (i) providing for the use of a Replacement Reference Rate in place of the RFR; 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 Facility Agent (acting on the instructions of the Majority Lenders) and the Borrower.

- (b) An amendment or waiver that relates to, or has the effect of, aligning the means of calculation of interest on the Loan or any part of the 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 Facility Agent (acting on the instructions of the Majority Lenders) and the Borrower.

- (c) If any Lender fails to respond to a request for an amendment or waiver described in paragraph (a) or (b) above within 5 Business Days (or such longer time period in relation to any request which the Borrower and the Facility 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.

(d) In this Clause 42.4 (*Changes to reference rates*):

"RFR Replacement Event" means:

- (a) the methodology, formula or other means of determining the RFR has, in the opinion of the Majority Lenders and the Borrower, materially changed;
- (b)
 - (i)
 - (A) the administrator of the RFR 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 the RFR is insolvent,
provided that, in each case, at that time, there is no successor administrator to continue to provide the RFR;
 - (ii) the administrator of the RFR publicly announces that it has ceased or will cease, to provide the RFR permanently or indefinitely and, at that time, there is no successor administrator to continue to provide the RFR;
 - (iii) the supervisor of the administrator of the RFR publicly announces that the RFR has been or will be permanently or indefinitely discontinued; or
 - (iv) the administrator of the RFR or its supervisor announces that the RFR may no longer be used; or
- (c) the administrator of the RFR determines that the RFR 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 Majority Lenders and the Borrower) temporary; or
 - (ii) the RFR is calculated in accordance with any such policy or arrangement for a period no less than the period specified as the "RFR Contingency Period" in the Reference Rate Terms; or

(d) in the opinion of the Majority Lenders and the Borrower, the RFR 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 the RFR by:

(i) the administrator of the RFR (provided that the market or economic reality that such reference rate measures is the same as that measured by the RFR); 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 sub-paragraph (ii) above;

(b) in the opinion of the Majority Lenders and the Borrower, generally accepted in the international or any relevant domestic syndicated loan markets as the appropriate successor or alternative to the RFR; or

(e) in the opinion of the Majority Lenders and the Borrower, an appropriate successor or alternative to the RFR.

42.5 Borrower's Intent

Without prejudice to the generality of Clause 1.2 (*Construction*), the Borrower expressly confirms that it intends that any guarantee contained in this Agreement or any other 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.

43 CONFIDENTIAL INFORMATION

43.1 Confidentiality

Each Finance Party agrees to keep all Confidential Information confidential and not to disclose it to anyone, save to the extent permitted by Clause 43.2 (*Disclosure of Confidential Information*) and Clause 43.4 (*Disclosure to numbering service providers*) 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.

43.2 Disclosure of Confidential Information

Any Finance Party may disclose:

- (a) to any of its Affiliates and Related Funds and any of its or their officers, directors, employees, professional advisers, auditors, partners, credit insurers and insurers, reinsurers, insurance brokers and Representatives such Confidential Information as that Finance Party 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 and in relation to any Confidential Information relating to the Guarantor, if 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) 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 transfers (or may potentially assign or transfer) all or any of its rights and/or obligations under one or more Finance Documents or which succeeds (or which may potentially succeed) it as Facility Agent or Security Agent 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 any Finance Party 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 (including, without limitation, any person appointed under paragraph (c) of Clause 28.15 (*Relationship with the other Finance Parties*));
 - (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 that Finance Party charges, assigns or otherwise creates Security (or may do so) pursuant to Clause 26.13 (*Security over Lenders' rights*);

- (viii) which is a classification society or other entity which a Lender has engaged to make the calculations necessary to enable that Lender to comply with its reporting obligations under the Poseidon Principles;
- (ix) who is a Party, a member of the Group or any related entity of a Transaction Obligor;
- (x) 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
- (xi) with the consent of the Guarantor;

in each case, such Confidential Information as that Finance Party 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 that Finance Party, it is not practicable so to do in the circumstances;
- (c) to any person appointed by that Finance Party 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 in to 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 Borrower and the relevant Finance Party;
 - (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.

43.3 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.

43.4 Disclosure to numbering service providers

(a) Any Finance Party may disclose to any national or international numbering service provider appointed by that Finance Party to provide identification numbering services in respect of this Agreement, the Facility and/or one or more Transaction Obligors the following information:

- (i) names of Transaction Obligors;
- (ii) country of domicile of Transaction Obligors;
- (iii) place of incorporation of Transaction Obligors;
- (iv) date of this Agreement;
- (v) Clause 46 (*Governing Law*);
- (vi) the names of the Facility Agent and the Mandated Lead Arranger;
- (vii) date of each amendment and restatement of this Agreement;
- (viii) amount of Total Commitments;
- (ix) currency of the Facility;
- (x) type of Facility;
- (xi) ranking of Facility;
- (xii) Termination Date;
- (xiii) changes to any of the information previously supplied pursuant to sub-paragraphs (i) to (xii) above; and
- (xiv) such other information agreed between such Finance Party and the Borrower,

to enable such numbering service provider to provide its usual syndicated loan numbering identification services.

(b) The Parties acknowledge and agree that each identification number assigned to this Agreement, the Facility and/or one or more Transaction Obligors by a numbering service provider and the information associated with each such number may be disclosed to users of its services in accordance with the standard terms and conditions of that numbering service provider.

- (c) Each Obligor represents, on behalf of itself and the other Transaction Obligors, that none of the information set out in sub-paragraphs (i) to (xiv) of paragraph (a) above is, nor will at any time be, unpublished price-sensitive information.
- (d) The Facility Agent shall notify the Guarantor and the other Finance Parties of:
 - (i) the name of any numbering service provider appointed by the Facility Agent in respect of this Agreement, the Facility and/or one or more Transaction Obligors; and
 - (ii) the number or, as the case may be, numbers assigned to this Agreement, the Facility and/or one or more Transaction Obligors by such numbering service provider.

43.5 Entire agreement

This Clause 43 (*Confidential Information*) constitutes the entire agreement between the Parties in relation to the obligations of the Finance Parties under the Finance Documents regarding Confidential Information and supersedes any previous agreement, whether express or implied, regarding Confidential Information.

43.6 Inside information

Each of the Finance Parties 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 each of the Finance Parties undertakes not to use any Confidential Information for any unlawful purpose.

43.7 Notification of disclosure

Each of the Finance Parties agrees (to the extent permitted by law and regulation) to inform the Borrower:

- (a) of the circumstances of any disclosure of Confidential Information made pursuant to sub-paragraph (v) of paragraph (b) of Clause 43.2 (*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 43 (*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 Facility Agent unless otherwise required in connection with the Guarantor's reporting obligations under or in connection with the rules and regulations of the SEC and any US Stock Exchange applicable to the Guarantor.

43.8 Use of logo and/or trademark

Subject to the Borrower's prior written consent (such consent not to be unreasonably withheld), each of the Facility Agent and/or the Mandated Lead Arranger has the right, at its expense, to publish information regarding its participation in, and the agency and arrangement of this Agreement and have the right to use the Borrower's and/or the Guarantor's logo and trademark in connection with such publication.

43.9 Continuing obligations

The obligations in this Clause 43 (*Confidential Information*) are continuing and, in particular, shall survive and remain binding on each Finance Party for a period of 12 months from the earlier of:

- (a) the date on which all amounts payable by the Borrower under or in connection with this Agreement have been paid in full and all Commitments have been cancelled or otherwise cease to be available; and
- (b) the date on which such Finance Party otherwise ceases to be a Finance Party.

44 CONFIDENTIALITY OF FUNDING RATES

44.1 Confidentiality and disclosure

- (a) The Facility Agent and the Borrower agree to keep each Funding Rate confidential and not to disclose it to anyone, save to the extent permitted by paragraphs (b) and (c) below.
- (b) The Facility Agent may disclose:
 - (i) any Funding Rate to the Borrower pursuant to Clause 8.4 (*Notification of rates of interest*); and
 - (ii) any Funding Rate to any person appointed by it to provide administration services in respect of one or more of the Finance Documents to the extent necessary to enable such service provider to provide those services if the service provider to whom that 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 Facility Agent and the relevant Lender.
- (c) The Facility Agent and the 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 sub-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 Facility Agent or the 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 Facility Agent or the 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 relevant Lender.

44.2 Related obligations

- (a) The Facility Agent and the Borrower acknowledge 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 the Facility Agent and the Borrower undertake not to use any Funding Rate for any unlawful purpose.
- (b) The Facility Agent and the Borrower agree (to the extent permitted by law and regulation) to inform the relevant Lender:
- (i) of the circumstances of any disclosure made pursuant to sub-paragraph (ii) of paragraph (c) of Clause 44.1 (*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 44 (*Confidentiality of Funding Rates*).

44.3 No Event of Default

No Event of Default will occur under Clause 25.4 (*Other obligations*) by reason only of the Borrower's failure to comply with this Clause 44 (*Confidentiality of Funding Rates*).

45 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

46 GOVERNING LAW

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

47 ENFORCEMENT

47.1 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 Borrower accepts that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly the Borrower will not argue to the contrary.
- (c) This Clause 47.1 (*Jurisdiction*) is for the benefit of the Secured Parties only. As a result, no Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Secured Parties may take concurrent proceedings in any number of jurisdictions.

47.2 Service of process

- (a) Without prejudice to any other mode of service allowed under any relevant law, the Borrower:
 - (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 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 Borrower must immediately (and in any event within 5 days of such event taking place) appoint another agent on terms acceptable to the Facility Agent. Failing this, the Facility Agent may appoint another agent for this purpose.

This Agreement has been entered into on the date stated at the beginning of this Agreement.

EXECUTION PAGE

BORROWER

SIGNED by) /s/ Panagiotis Boumpouras
as attorney-in-fact)
for and on behalf of)
MESTA SHIPPING CORPORATION)
in the presence of:)

Witness' signature:) /s/ Charalampos Kazantzis
Witness' name:)
Witness' address:)

ORIGINAL LENDERS

SIGNED by)
duly authorised)
for and on behalf of)
SKANDINAVISKA ENSKILDA) /s/ Ioli Petroula Vasalaki
BANKEN AB (PUBL))
in the presence of:)

Witness' signature:) /s/ Charalampos Kazantzis
Witness' name:)
Witness' address:)

MANDATED LEAD ARRANGER

SIGNED by)
duly authorised) /s/ Ioli Petroula Vasalaki
for and on behalf of)
SKANDINAVISKA ENSKILDA)
BANKEN AB (PUBL))
in the presence of:)

Witness' signature:) /s/ Charalampos Kazantzis
Witness' name:)
Witness' address:)

FACILITY AGENT

SIGNED by)
duly authorised)
for and on behalf of) /s/ Ioli Petroula Vasalaki
SKANDINAVISKA ENSKILDA)
BANKEN AB (PUBL))
in the presence of:)

Witness' signature:) /s/ Charalampos Kazantzis
Witness' name:)
Witness' address:)

SECURITY AGENT

SIGNED by)
duly authorised)
for and on behalf of) /s/ Ioli Petroula Vasalaki
SKANDINAVISKA ENSKILDA)
BANKEN AB (PUBL))
in the presence of:)

Witness' signature:) /s/ Charalampos Kazantzis
Witness' name:)
Witness' address:)

ORIGINAL HEDGE COUNTERPARTIES

SIGNED by)
duly authorised)
for and on behalf of) /s/ Ioli Petroula Vasalaki
SKANDINAVISKA ENSKILDA)
BANKEN AB (PUBL))
in the presence of:)

Witness' signature:)
Witness' name:) /s/ Charalampos Kazantzis
Witness' address:)

ACCOUNT BANK

SIGNED by)
duly authorised)
for and on behalf of) /s/ Ioli Petroula Vasalaki
SKANDINAVISKA ENSKILDA)
BANKEN AB (PUBL) OSLO BRANCH)
in the presence of:)

Witness' signature:)
Witness' name:) /s/ Charalampos Kazantzis
Witness' address:)

Dated 24 September 2025

**ASTROVALOS SHIPPING CORPORATION
GAVDOS SHIPPING CORPORATION**

as joint and several Borrowers
and Hedge Guarantors

and

THE BANKS AND FINANCIAL INSTITUTIONS

listed in Schedule 1
as Lenders

and

THE BANKS AND FINANCIAL INSTITUTIONS

listed in Schedule 1
as Original Hedging Banks

and

CRÉDIT AGRICOLE CORPORATE AND INVESTMENT BANK

as Mandated Lead Arranger

and

CRÉDIT AGRICOLE CORPORATE AND INVESTMENT BANK

as Agent and Security Trustee

LOAN AGREEMENT

relating to
a term loan facility of up to \$82,905,000 secured on two product tankers

WATSON FARLEY
&
WILLIAMS

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EUROPE/79618310v6

THIS AGREEMENT is made on 24 September 2025

PARTIES

- (1) **ASTROVALOS SHIPPING CORPORATION** and **GAVDOS SHIPPING CORPORATION**, each a corporation incorporated and existing under the laws of the Marshall Islands whose registered address is at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960 as joint and several **Borrowers** and **Hedge Guarantors**;
- (2) **THE BANKS AND FINANCIAL INSTITUTIONS** listed in Schedule 1 as **Lenders**;
- (3) **THE BANKS AND FINANCIAL INSTITUTIONS** listed in Schedule 1 as **Original Hedging Banks**;
- (4) **CRÉDIT AGRICOLE CORPORATE AND INVESTMENT BANK** a *société anonyme* incorporated under the laws of France acting through its office at 12 place des Etats-Unis, CS 70052, 92547 Montrouge Cedex, France, registered under the SIREN No. 304 187 701 of the *Registre du Commerce et des Sociétés* of Nanterre as **Mandated Lead Arranger**; and
- (5) **CRÉDIT AGRICOLE CORPORATE AND INVESTMENT BANK** a *société anonyme* incorporated under the laws of France acting through its office at 12 place des Etats-Unis, CS 70052, 92547 Montrouge Cedex, France, registered under the SIREN No. 304 187 701 of the *Registre du Commerce et des Sociétés* of Nanterre as **Agent** and **Security Trustee**.

BACKGROUND

- (A) The Lenders have agreed to make available to the Borrowers a secured term loan facility of up to \$82,905,000 in aggregate in the following two Advances, for the purpose of refinancing the relevant Existing Indebtedness, secured on the Ships:
 - (i) Advance A in a principal amount not exceeding the lesser of (i) \$40,790,000 and (ii) 65 per cent. of the Initial Market Value of Ship A; and
 - (ii) Advance B in a principal amount not exceeding the lesser of (i) \$42,115,000 and (ii) 65 per cent. of the Initial Market Value of Ship B.
- (B) The Lenders agree that the Hedging Banks may enter into interest rate swap transactions with each Borrower from time to time to hedge that Borrower's exposure under this Agreement to interest rate fluctuations.
- (C) The Lenders and the Hedging Banks have agreed that the Hedging Banks will share in the security to be granted to the Security Trustee pursuant to this Agreement on a *pari passu* basis.

OPERATIVE PROVISIONS

1 INTERPRETATION

1.1 Definitions

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

"Account" means each of the Earnings Accounts and the Retention Accounts and, in the plural, means all of them;

"Account Bank" means Crédit Agricole Corporate and Investment Bank, a *société anonyme* incorporated under the laws of France acting through its office at 12 place des Etats-Unis, CS 70052, 92547 Montrouge Cedex, France, registered under the SIREN No. 304 187 701 of the *Registre du Commerce et des Sociétés* of Nanterre or any other bank or other financial institution acceptable to the Agent and the Borrowers;

"Account Pledge" means, in relation to each Account, a deed of pledge of that Account in such form as the Lenders may approve or require, and in the plural means all of them;

"Additional Hedging Bank" means a bank or financial institution which becomes a Hedging Bank in accordance with Clause 26.17 (*Additional Hedging Banks*);

"Advance" means Advance A or Advance B, and in the plural, means both of them;

"Advance A" means that part of the Loan made or to be made available to the Borrowers to refinance the relevant Existing Indebtedness in a principal amount not exceeding the lesser of (i) \$40,790,000 and (ii) 65 per cent. of the Initial Market Value of Ship A;

"Advance B" means that part of the Loan made or to be made available to the Borrowers to refinance the relevant Existing Indebtedness in a principal amount not exceeding the lesser of (i) \$42,115,000 and (ii) 65 per cent. of the Initial Market Value of Ship B;

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

"Agent" means Crédit Agricole Corporate and Investment Bank, a *société anonyme* incorporated under the laws of France acting through its office at 12 place des Etats-Unis, CS 70052, 92547 Montrouge Cedex, France, registered under the SIREN No. 304 187 701 of the *Registre du Commerce et des Sociétés* of Nanterre or any successor of it appointed under clause 5 (*appointment of new servicing bank*) of the Agency and Trust Deed;

"Annex VI" means Annex VI of the Protocol of 1997 to amend the International Convention for the Prevention of Pollution from Ships 1973 (Marpol), as modified by the Protocol of 1978 relating thereto;

"Applicable Person" has the meaning given in Clause 29.4 (*Waiver of Banking Secrecy*);

"Approved Broker" means any of Arrow Sale & Purchase (UK) Limited, Barry Rogliano Salles, Braemar ACM Valuations Limited, Clarkson Valuations Limited, E.A. Gibson Shipbrokers Ltd., Fearnleys AS, Simpson Spence & Young Ltd., Howe Robinson Partners, MB Shipbrokers and Affinity (Shipping) LLP (to include, in each case, their successors or assigns and such subsidiary or other company in the same corporate group through which valuations are commonly issued by each of these brokers), or such other first-class independent broker as the Borrowers and

the Agent (acting on the instructions of the Majority Lenders) may agree in writing from time to time;

"Approved Flag" means, in relation to a Ship, the flag of the Marshall Islands, the flag of Liberia, the flag of Panama, the flag of Malta, the flag of Cyprus or such other flag as the Agent (acting on the instructions of the Majority Lenders) may approve as the flag on which that Ship is or, as the case may be, shall be registered;

"Approved Flag State" means, in relation to a Ship, the Republic of the Marshall Islands, the Republic of Liberia, the Republic of Panama, the Republic of Malta, the Republic of Cyprus or any other country in which the Agent (acting on the instructions of the Majority Lenders) may approve that that Ship is or, as the case may be, shall be registered;

"Approved Manager" means:

- (a) in respect of the management of each Ship, Navios Shipmanagement Inc., a corporation domesticated in the Republic of the Marshall Islands whose registered address is at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960 or any other company or sub-manager which the Agent may approve from time to time as the manager of any Ship (such approval shall be considered granted in respect of an affiliate or subsidiary of Navios Shipmanagement Holdings); and
- (b) in respect of the technical management of each Ship, Navios Tankers Management Inc., 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;

"Approved Manager's Undertaking" means, in relation to a Ship, a letter of undertaking including, without limitation, an assignment of an Approved Manager's rights, title and interest in the Insurances of the relevant Ship executed or to be executed by an Approved Manager in favour of the Agent and the Security Trustee agreeing certain matters in relation to an Approved Manager serving as the manager of that Ship and subordinating the rights of an Approved Manager against that Ship and that Borrower to the rights of the Creditor Parties under the Finance Documents, in such form as the Agent and the Security Trustee, with the authorisation of the Lenders, may approve or require and, in the plural, means all of them;

"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;

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

- (a) 30 November 2025 (or such later date as the Agent may, acting on the instructions of the 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;

"Bill of Sale" means, in relation to a Ship, the bill of sale executed or, as the case may be, to be executed by the relevant Existing Owner as seller transferring title of ownership in that Ship to the relevant Borrower;

"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 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
- (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;

"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";

"Borrower" means each of Borrower A and Borrower B, and, in the plural, means both of them;

"Borrower A" means Astrovalos Shipping Corporation, a corporation incorporated and existing under the laws of the Marshall Islands having its registered address at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960;

"Borrower B" means Gavdos Shipping Corporation, a corporation incorporated and existing under the laws of the Marshall Islands having its registered address at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960;

"Business Day" means a day (other than a Saturday or Sunday) on which banks are open for general business in Paris, Athens and New York and (in relation to the fixing of an interest rate) a day which is a US Government Securities Business Day;

"Change of Control" means if:

- (a) the Designated Unitholder ceases to be the ultimate beneficial owner(s) of, or to have ultimate control of, the voting rights attaching to more than 5 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) the Designated Unitholder ceases to be the owner of, or to have 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 ceases to act as chairwoman or chief executive officer of the Corporate Guarantor and/or Olympos Maritime Ltd ceases to be the general partner of the Corporate Guarantor; or
- (d) any person or group of persons (other than the Designated Unitholder) acting in concert, becomes the holder, directly or indirectly, of 50% or more of the beneficially issued units of the Corporate Guarantor entitled to vote for members of the board of directors or equivalent governing body of the Corporate Guarantor on a fully-diluted basis (and taking into account all such securities that such person or group has the right to acquire pursuant to any option right),

and for the purpose of paragraph (d) above "acting in concert" means a group of persons who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition, directly or indirectly, of units in the Corporate Guarantor by any of them, either directly or indirectly, to obtain or consolidate the holding of beneficially owned units of the Corporate Guarantor;

"Charterparty" means, in relation to a Ship, any charterparty in respect of that Ship (including, without limitation, an Existing Charter) of a duration exceeding or capable of exceeding 12 months, made on terms and with a charterer acceptable in all respects to the Lenders;

"Charterparty Assignment" means, in relation to a Ship, the deed of assignment of any Charterparty relating to that Ship in favour of the Security Trustee, in such form as the Lenders may approve or require;

"Classification Society" means a member of the IACS or any other classification society approved in writing by the Agent acting with the authorisation of the Majority Lenders (such approval not to be unreasonably withheld);

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

"Commitment" means, in relation to a Lender, the amount set opposite its name in Schedule 1 (*Lenders, Commitments and Hedging Banks*) 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);

"**Confidential Information**" means all information relating to the Borrowers, any Security Party, the Group, the Finance Documents or the Loan of which a Creditor Party becomes aware in its capacity as, or for the purpose of becoming, a Creditor Party or which is received by a Creditor Party in relation to, or for the purpose of becoming a Creditor Party under, the Finance Documents or the Loan from either:

- (a) any member of the Group or any of its advisers; or
- (b) another Creditor Party, if the information was obtained by that Creditor Party directly or indirectly 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:

- (i) information that:
 - (A) is or becomes public information other than as a direct or indirect result of any breach by that Creditor Party of Clause 30 (*Confidentiality*); or
 - (B) is identified in writing at the time of delivery as non-confidential by any member of the Group or any of its advisers; or
 - (C) is known by that Creditor Party before the date the information is disclosed to it in accordance with paragraphs (a) or (b) above or is lawfully obtained by that Creditor Party after that date, from a source which is, as far as that Creditor Party is aware, unconnected with the Group and which, in either case, as far as that Creditor Party is aware, has not been obtained in breach of, and is not otherwise subject to, any obligation of confidentiality; and
- (ii) any Funding Rate;

"**Confidentiality Undertaking**" means a confidentiality undertaking substantially in a recommended form of the LMA or in any other form agreed between the Borrowers and the Agent;

"**Confirmation**" has the meaning given to it in the relevant Master Agreement;

"**Contractual Currency**" has the meaning given 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 the guarantee given or to be given by the Corporate Guarantor in favour of the Security Trustee, guaranteeing the obligations of the Borrowers under this Agreement and the other Finance Documents, in such form as the Lenders may approve or require;

"Corporate Guarantor" means Navios Maritime Partners L.P., a limited partnership formed and existing under the laws of the Marshall Islands whose registered address is at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960, listed on the New York Stock Exchange;

"CRD IV" means Directive 2013/36/EU of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2003/87/EC and repealing Directive 2006/48/EC and 2006/29/EC;

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

"CRR" means Regulation (EU) No. 575/2013 of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending regulation (EU) No. 648/2012;

"Deed of Release" means, in relation to each Ship, a deed releasing, amongst others, the relevant Borrower as borrower from its obligations under the relevant Existing Facility Agreement and the relevant Existing Security;

"Designated Unitholder" means Mrs. Angeliki Frangou, her direct descendants and their lineal descendants, either directly or indirectly, (through entities owned and controlled by her or any of their affiliates or trusts or foundations established or that may be established of which she is a beneficiary or her direct descendants or their lineal descendants are a beneficiary) being the ultimate beneficial owner(s) of, or having ultimate control of, the voting rights attaching to more than 5 per cent. of all the units (including for the avoidance of doubt both general partner units and common units) in the Corporate Guarantor, and in the plural means all of them;

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

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

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

"Early Termination Date" has the meaning given to it in a Master Agreement;

"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 the use or operation of that Ship including (but not limited to):

- (a) all freight, hire and passage moneys, compensation payable to that Borrower or the Security Trustee in the event of requisition of the Ship owned by that Borrower for hire, remuneration for salvage and towage services, demurrage and detention moneys and damages for breach (or payments for variation or termination) of any charterparty or other contract for the employment of that Ship;
- (b) all moneys which are at any time payable under any Insurances in respect of loss of earnings; and
- (c) if and whenever that Ship is employed on terms whereby any moneys falling within paragraphs (a) or (b) 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 Ship, an account in the name of the Borrower owning that Ship with the Account Bank as per Schedule 7 (*Account Details*), or any other account (with that or another office of the Account Bank) which replaces that Earnings Account and is designated by the Agent in writing as the Earnings Account in respect of that Ship for the purposes of this Agreement, and, in the plural, means both of them;

"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 that 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 and/or injuncted and/or that Ship and/or the Borrower which is the owner thereof 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 that Ship and in connection with which that Ship is actually or potentially liable to be arrested and/or where the Borrower which is the owner thereof 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 law relating to pollution or protection of the environment, to the carriage 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 LMA from time to time;

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

"Existing Bareboat Charter" means Existing Bareboat Charter A or Existing Bareboat Charter B;

"Existing Bareboat Charter A" has the meaning given to that term in Schedule 6 (*Vessel Details*);

"Existing Bareboat Charter B" has the meaning given to that term in Schedule 6 (*Vessel Details*);

"Existing Charter" has the meaning given to that term in Schedule 6 (*Vessel Details*);

"Existing Charterer" has the meaning given to that term in Schedule 6 (*Vessel Details*);

"Existing Indebtedness" means:

- (a) in relation to Existing Bareboat Charter A, at any date, the outstanding Financial Indebtedness of Borrower A, on that date under Existing Bareboat Charter A; and
- (b) in relation to Existing Bareboat Charter B, at any date, the outstanding Financial Indebtedness of Borrower B, on that date under Existing Bareboat Charter B;

"Existing Owner" means Existing Owner A or Existing Owner B and, in the plural, means both of them;

"Existing Owner A" has the meaning given to that term in Schedule 6 (*Vessel Details*);

"Existing Owner B" has the meaning given to that term in Schedule 6 (*Vessel Details*);

"Existing Security Interest" means, any Security Interest created to secure any Existing Indebtedness;

"Facility" means the term loan facility made available under this Agreement as described in Clause 2 (*Loan Facility*);

"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 or under FATCA;

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

"FATCA FFI" means a foreign financial institution as defined in section 1471 (d)(4) of the Code which, if any Creditor Party is not a FATCA Exempt Party, could be required to make a FATCA Deduction;

"Fee Letter" means any letter or letters dated on or about the date of this Agreement setting out any of the fees payable by the Borrowers pursuant to this Agreement;

"Final Maturity Date" means, in respect of each Advance, the earlier of (i) the date falling 84 months from the Drawdown Date and (ii) 30 November 2032;

"Finance Documents" means:

- (a) this Agreement;
- (b) the Master Agreements;
- (c) the Agency and Trust Deed;
- (d) any Fee Letter;
- (e) the Master Agreement Security Deeds;
- (f) the Corporate Guarantee;
- (g) the General Assignments;
- (h) the Mortgages;
- (i) the Account Pledges;
- (j) the Charterparty Assignments;
- (k) the Approved Manager's Undertakings;
- (l) the Shares Security Deeds; and
- (m) any other document (whether creating a Security Interest or not) which is executed at any time by a Borrower, the Corporate Guarantor, a Shareholder, an Approved Manager 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 and/or a Hedging Bank 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;

"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*);

"General Assignment" means, in relation to a Ship, a general assignment of the Earnings, the Insurances and any Requisition Compensation, in such form as the Lenders may approve or require and, in the plural, means both of them;

"Group" means together, the Corporate Guarantor and its wholly-owned subsidiaries (direct or indirect) including, but not limited to, the Borrowers and the Shareholders from time to time during the Security Period and **"member of the Group"** shall be construed accordingly;

"Hedge Exposure" means, as at any relevant date, the amount certified by a Hedging Bank to the Agent to be the aggregate net amount in dollars which would be payable by the relevant Borrower to any Hedging Bank under (and calculated in accordance with Section 6(e)(ii)(1) (*Payments on Early Termination*) the relevant Master Agreement if an Early Termination Date had occurred on the relevant date in relation to all continuing Transactions;

"Hedge Guarantor" means each Borrower in its capacity as a hedge guarantor and, in the plural, means all of them;

"Hedging Bank" means:

- (a) any Original Hedging Bank;
- (b) any Additional Hedging Bank; or
- (c) any New Hedging Bank,

which in each case has not ceased to be a Party in accordance with the terms of this Agreement;

"Hedging Bank Accession Letter" means a document substantially in the form set out in Schedule 9 (*Form of Hedging Bank Accession Letter*);

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

"IACS" means the International Association of Classification Societies;

"Initial Market Value" means, in relation to a Ship, the Market Value thereof determined by taking the valuation of that Ship referred to in paragraph 8 of Schedule 3 (*Condition Precedent Documents*), Part B;

"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, which are effected in respect of that Ship, the 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 Payment Date" has the meaning given to it in paragraph (a) of Clause 5.2 (*Payment of interest*);

"Interest Period" means, in relation to the Loan or any part of the Loan, each period determined in accordance with Clause 6 (*Interest Periods*) and, in relation to an Unpaid Sum, each period determined in accordance with Clause 5.3 (*Default interest*);

"Interpolated Historic Term SOFR" means, in relation to the Loan or any part of the 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 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 the Loan or that part of the Loan; or
 - (ii) if no such Term SOFR is available for a period which is less than the Interest Period of the Loan or that part of the Loan, the most recent SOFR for a day which is no more than five US Government Securities Business Days (and no less than two 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 the Loan or that part of the Loan;

"Interpolated Term SOFR" means, in relation to the Loan or any part of the 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 the Loan or that part of the Loan; or
 - (ii) if no such Term SOFR is available for a period which is less than the Interest Period of the Loan or that part of the Loan, SOFR for the day which is two 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 the Loan or that part of the Loan;

"ISM Code" means, in relation to its application to the Borrowers, the Ships and their operation:

- (a) 'The International Management Code for the Safe Operation of Ships and for Pollution Prevention', currently known or referred to as the 'ISM Code', adopted by the Assembly of the International Maritime Organisation by Resolution A.741(18) on 4 November 1993 and incorporated on 19 May 1994 into chapter IX of the International Convention for the Safety of Life at Sea 1974 (SOLAS 1974); and
- (b) all further resolutions, circulars, codes, guidelines, regulations and recommendations which are now or in the future issued by or on behalf of the International Maritime Organisation or any other entity with responsibility for implementing the ISM Code, including without limitation, the 'Guidelines on implementation or administering of the International Safety Management (ISM) Code by Administrations' produced by the International Maritime Organisation pursuant to Resolution A.788(19) adopted on 25 November 1995,

as the same may be amended, supplemented or replaced from time to time;

"ISM Code Documentation" includes, in relation to a Ship:

- (a) the document of compliance (DOC) and safety management certificate (SMC) issued pursuant to the ISM Code within the periods specified by the ISM Code; and
- (b) all other documents and data which are relevant to the ISM SMS and its implementation and verification which the Agent may require; and
- (c) any other documents which are prepared or which are otherwise relevant to establish and maintain that Ship's or that Borrower's compliance with the ISM Code which the Agent may require;

"ISM SMS" means the safety management system which is required to be developed, implemented and maintained under the ISM Code;

"ISPS Code" means the International Ship and Port Facility Security Code constituted pursuant to resolution A.924 (22) of the International Maritime Organisation ("**IMO**") adopted by a Diplomatic conference of the IMO on Maritime Security on 13 December 2002 and now set out in Chapter XI-2 of the Safety of Life at Sea Convention (SOLAS) 1974 (as amended) to take effect on 1 July 2004;

"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) a bank or financial institution listed in Schedule 1 (*Lenders, Commitments and Hedging Banks*) and acting through its branch or office indicated in Schedule 1 (*Lenders, Commitments and Hedging Banks*) (or through another branch notified to the Borrowers under Clause 26.14 (*Change of lending office*)) unless it has delivered a Transfer Certificate or Certificates covering the entire amounts of its Commitment and its Contribution; and
- (b) the holder for the time being of a Transfer Certificate;

"LMA" means the Loan Market Association or any successor organisation;

"Loan" means the loan made or, as the case may be, 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 part of an Advance or any part of the Loan as the context may require;

"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 \$500,000 or the equivalent in any other currency;

"Majority Lenders" means:

- (a) before the Loan has been made, Lenders whose Commitments total 66.67 per cent. of the Total Commitments; and
- (b) after the Loan has been made, Lenders whose Contributions total 66.67 per cent. of the Loan;

"Mandated Lead Arranger" means Crédit Agricole Corporate and Investment Bank, a *société anonyme* incorporated under the laws of France acting through its office at 12 place des Etats-Unis, CS 70052, 92547 Montrouge Cedex, France, registered under the SIREN No. 304 187 701 of the *Registre du Commerce et des Sociétés* of Nanterre;

"Margin" means 1.50 per cent. per annum;

"Market Value" means the market value of the Ship determined from time to time in accordance with Clause 15.4 (*Valuation of Ship*);

"Master Agreement" means a master agreement (on the 2002 ISDA (Multicurrency - Crossborder) form) made between a Hedging Bank and a Borrower and includes all Transactions from time to time entered into and Confirmations from time to time exchanged

under such master agreement, in such form as the Lenders may approve or require and, in the plural, means all of them;

"Master Agreement Security Deed" means, in relation to a Borrower, a master agreement security creating a Security Interest over that Borrower's rights and interests in any Master Agreement, in such form as the Lenders may approve or require and, in the plural, means all of them;

"Minimum Liquidity" has the meaning given in Clause 11.19 (*Minimum Liquidity*);

"Mortgage" means, in relation to a Ship, the first preferred or, as the case may be, priority ship mortgage and, if applicable, deed of covenant collateral thereto on that Ship, executed by the Borrower which is the owner thereof in favour of the Security Trustee or (as the case may be) the Lenders, in such form as the Lenders may approve or require and in the plural means both of them;

"Navios Shipmanagement Holdings" means Navios Shipmanagement Holdings Corporation, a corporation incorporated in the Marshall Islands having its registered address at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960;

"New Hedging Bank" means a bank or financial institution which becomes a Hedging Bank in accordance with Clause 26.18 (*Change of Hedging Bank*);

"Notifying Lender" has the meaning given in Clause 23.1 (*Illegality*) or Clause 24.2 (*Increased cost claims*) as the context requires;

"Original Hedging Bank" means a bank or financial institution listed in Schedule 1 (*Lenders, Commitments and Hedging Banks*) and acting through its branch indicated in Schedule 1 (*Lenders, Commitments and Hedging Banks*) (or through another branch notified to the Agent under Clause 26.14 (*Change of lending office*)) or its transferee, successor or assign from time to time;

"Party" means a party to this Agreement;

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

"Permitted Security Interests" means:

- (a) Security Interests created by the Finance Documents;
- (b) at any time prior to the Release Date, any Existing Security Interest;
- (c) liens for unpaid 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 45 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 action of the court or tribunal before whom such action is brought as security for costs and expenses where the relevant Borrower is prosecuting or defending such action in good faith by appropriate steps; and
- (h) Security Interests arising by operation of law in respect of taxes which are not overdue for payment other than taxes being contested in good faith by appropriate steps and in respect of which appropriate reserves have been made;

"Person" has the meaning given to it in Clause 10.18 (*Sanctions*);

"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'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 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 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;

"Purchase Price" means, in relation to a Ship, the total purchase price payable for that Ship under the relevant Bill of Sale;

"Poseidon Principles" means the financial industry framework for assessing and disclosing the climate alignment of ship finance portfolios published in June 2019 as the same may be amended or replaced to reflect changes in applicable law or regulation or the introduction of or changes to mandatory requirements of the International Maritime Organisation from time to time;

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

"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 the Loan or any part of the Loan:

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

"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;

"Release Date" means the date on which the relevant Advance is to be released in accordance with the instructions contained in the Drawdown Notice and/or release letter to be addressed to the bank of the Existing Owners pursuant to the terms of the conditional payment instruction (MT103/MT199);

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

"Relevant Market" means the market for overnight cash borrowing collateralised by US Government Securities;

"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 to it in Clause 8.1 (*Amount of repayment instalments*);

"Representative" means any delegate, agent, manager, administrator, nominee, attorney, trustee or custodian;

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

"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";

"Retention Account" means, in relation to a Borrower, an account in the name of that Borrower with the Account Bank as per Schedule 7 (*Account Details*), or any other account (with that or another office of the Account Bank) which replaces that Retention Account and is designated by the Agent as the Retention Account for the purposes of this Agreement, and, in the plural, means both of them;

"Russian Oil Products" has the meaning given to it in Clause 14.19 (*Russian Price Cap Framework Undertaking*);

"Russian Price Cap Framework" has the meaning given to it in Clause 14.19 (*Russian Price Cap Framework Undertaking*);

"Sanctioned Person" has the meaning given to it in Clause 10.18 (*Sanctions*);

"Sanctioned Country" has the meaning given to it in Clause 10.18 (*Sanctions*);

"Sanctions" means any economic or trade sanctions or restrictive measures enacted, administered, imposed or enforced by the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC), the U.S. Department of State, the United Nations Security Council and/or the European Union and/or, if applicable to any Borrower or Creditor Party, any of its member states and/or His Majesty's Treasury and/or the *Direction Générale du Trésor* of the French Republic or other relevant sanctions authority;

"Secured Liabilities" means all liabilities which the Borrowers, the Security Parties or any of them have, at the date of this Agreement or at any later time or times, under or by virtue of the Finance Documents or any judgment relating to the Finance Documents; 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 Cover Ratio" means, at any relevant time, the aggregate of:

- (a) the aggregate of the Market Value of the Ships; plus
- (b) the net realisable value of any additional security provided at that time under Clause 15 (*Security Cover*),

expressed as a percentage of the Loan;

"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; and
- (b) the rights of the plaintiff under an action *in rem* in which the vessel concerned has been arrested or a writ has been issued or similar step taken;

"Security Party" means the Corporate Guarantor, a Hedge Guarantor, an Approved Manager, a Shareholder and any other person (except a Creditor Party) 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 final paragraph of 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 a 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) no Borrower nor any Security Party has any future or contingent liability under Clause 20 (*Fees and Expenses*), 21 (*Indemnities*) or 22 (*No Set-off or Tax Deduction*) below or any other provision of this Agreement or another Finance Document; and
- (d) the Agent, the Security Trustee and the 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 Crédit Agricole Corporate and Investment Bank, a *société anonyme* incorporated under the laws of France acting through its office at 12 place des Etats-Unis, CS 70052, 92547 Montrouge Cedex, France or any successor of it appointed under clause 5 (*appointment of new servicing bank*) of the Agency and Trust Deed;

"Selection Notice" means a notice substantially in the form set out in Part B of Schedule 2 (*Requests*) given in accordance with Clause 6 (*Interest Periods*);

"Shareholder" means, in relation to each Borrower, Aegean Sea Maritime Holdings Inc., 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;

"Shares Security Deed" means, in respect of all the issued shares in each Borrower, a pledge of such shares executed or to be executed by the Shareholder in favour of the Security Trustee, in such form as the Lenders may approve or require;

"Ship" means each of Ship A and Ship B, and, in the plural, means both of them;

"Ship A" has the meaning given to that term in Schedule 6 (*Vessel Details*);

"Ship B" has the meaning given to that term in Schedule 6 (*Vessel Details*);

"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 5 (*Timetables*);

"Statement of Compliance" means a Statement of Compliance related to fuel oil consumption pursuant to regulations 6.6 and 6.7 of Annex VI;

"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 a Ship whether for full consideration, a consideration less than its 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 unless a Ship is within 30 days redelivered to the full control of the Borrower owning that Ship;
- (c) any condemnation of that Ship by any tribunal or by any person or person claiming to be a tribunal; and
- (d) any capture, seizure or confiscation of that Ship (including any hijacking or theft) unless it is within the Relevant Period redelivered to the full control of the Borrower owning that Ship.

In this definition "**Relevant Period**" means in the case of piracy or capture, seizure or confiscation of a Ship (including any hijacking or theft) 90 days **Provided that** if the relevant underwriters confirm to the Agent in writing prior to the end of the 90-day period referred to in (i) above that the relevant Ship is subject to an approved piracy insurance cover, the earlier of 12 months 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, 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 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 earlier of:
 - (i) the date at which a total loss is subsequently admitted by such insurers;
 - (ii) the date at which a total loss is subsequently adjudged by a competent court of law or arbitration tribunal to have occurred, if such insurers do not immediately admit such claim; or
 - (iii) the date (or the most likely date) on which it appears to the Agent that the event constituting the total loss occurred;

"**Transaction**" has the meaning given to it in the relevant Master Agreement;

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

"**Trust Property**" has the meaning given in clause 3.1 (*definition of "Trust Property"*) 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 a Borrower or any 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 purposes of trading in US Government securities;

"US GAAP" means generally accepted international accounting principles as from time to time in effect in the United States of America;

"US Tax Obligor" means:

- (a) a person which is resident for tax purposes in the United States of America; or
- (b) a person some or all of whose payments under the Finance Documents are from sources within the United States 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

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 any part of the Loan 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 that part of the Loan for a period equal in length to the Interest Period of the Loan or that part of the Loan;

"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 the Ship in consequence of its insured value being less than the value at which the 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 form of delegated legislation, any order or decree, 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 the 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 individual, any entity, 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, which is a member of the International Group of P&I Clubs, including pollution risks and the proportion (if any) of any sums payable to any other person or persons in case of collision which are not recoverable under the hull and machinery policies by reason of the incorporation in them of clause 6 of the International Hull Clauses (1/11/02) (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;

"regulation" includes any regulation, rule, official directive, request or guideline (either having the force of law or compliance with which is reasonable in the ordinary course of business of the party concerned) 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

"which is continuing" or **"is continuing"**, 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 Meaning of "month"

"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) (subject to paragraph (c) 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;
- (b) if there is no numerically corresponding day in the calendar month in which that period is to end, that period shall end on the last Business Day in that calendar month; and
- (c) 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.

The above rules will only apply to the last month of any period within which month an Interest Payment Date falls.

1.4 Meaning of "subsidiary"

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; or
- (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 **Provided** that there shall be excluded from this definition any subsidiaries which are listed on a public stock exchange.

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, 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; and
 - (iii) words denoting the singular number shall include the plural and vice versa.
- (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) References in Clause 1.1 (*Definitions*) to a document being in the form of a particular Appendix include references to that form with any modifications to that form which the Agent (with the authorisation of the Lenders in the case of substantial modifications) approves or requires.
- (d) The clause headings shall not affect the interpretation of this Agreement.

2 LOAN FACILITY

2.1 Amount of loan facility

Subject to the other provisions of this Agreement, the Lenders shall make a term loan facility in an aggregate amount not exceeding the Total Commitments.

2.2 Lenders' participations in Loan

- (a) Subject to the other provisions of this Agreement, each Lender shall participate in the Loan in the proportion which, as at the Drawdown Date, its Commitment bears to the Total Commitments.
- (b) The Agent shall notify each Lender of the amount of its Commitment and the amount of its participation in the Loan by the Specified Time.

2.3 Purpose of Loan

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

3 POSITION OF THE LENDERS

3.1 Interests of Lenders and Hedging Banks several

The rights of the Creditor Parties under this Agreement and any Master Agreement are several; accordingly:

- (a) 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 Security Trustee or any other Creditor Party as additional parties in the proceedings, save that the Security Interests created by any of the Finance Documents may only be enforced in accordance with Clause 19.2 (*Actions following an Event of Default*); and
- (b) each Hedging Bank shall be entitled to sue for any amount which has become due and payable by a Borrower to it under the Master Agreement to which it is a party, without joining the Agent, the Security Trustee and any other Lender as additional parties in the proceedings.

3.2 Proceedings by individual Creditor Party

However, without the prior consent of the Lenders, no Creditor Party may bring proceedings in respect of:

- (a) any other liability or obligation of any Borrower or a Security Party under or connected with a Finance Document; or
- (b) any misrepresentation or breach of warranty by any Borrower or a Security Party in or connected with a Finance Document.

3.3 Obligations of Creditor Parties several

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

- (a) the obligations of the other Lenders or (as the case may be) a Hedging Bank being increased; nor
- (b) a Borrower, any Security Party or any other Lender or a Hedging Bank being discharged (in whole or in part) from its obligations under any Finance Documents,

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

3.4 Parties bound by certain actions of Lenders

Every Lender, every Hedging Bank, each Borrower and each Security Party shall be bound by:

- (a) any determination made, or action taken, by the Lenders under any provision of a Finance Document;
- (b) any instruction or authorisation given by the Lenders to the Agent or the Security Trustee under or in connection with any Finance Document; and
- (c) any action taken (or in good faith purportedly taken) by the Agent or the Security Trustee in accordance with such an instruction or authorisation.

3.5 Reliance on action of Agent

However, each Borrower and each Security Party:

- (a) shall be entitled to assume that the Lenders have duly given any instruction or authorisation which, under any provision of a Finance Document, is required in relation to any action which the Agent has taken or is about to take; and
- (b) shall not be entitled to require any evidence that such an instruction or authorisation has been given.

3.6 Construction

In Clauses 3.4 (*Parties bound by certain actions of Lenders*) and 3.5 (*Reliance on action of Agent*) references to action taken include (without limitation) the granting of any waiver or consent, an approval of any document and an agreement to any matter.

4 DRAWDOWN

4.1 Request for advance of Loan

- (a) Subject to the following conditions, the Borrowers may request the Advances to be advanced by ensuring that the Agent receives a completed Drawdown Notice not later than the Specified Time (or such other shorter period as the Lenders may agree).
- (b) The Borrowers may not deliver more than one Drawdown Notice.

4.2 Availability

The conditions referred to in Clause 4.1 (*Request for advance of Loan*) are that:

- (a) the Drawdown Date has to be a Business Day during the Availability Period;

- (b) the amount of each Advance shall not exceed:
 - (i) in respect of Advance A, the lower of (i) \$40,790,000 and (ii) 65 per cent. of the Initial Market Value of Ship A; and
 - (ii) in respect of Advance B, the lower of (i) \$42,115,000 and (ii) 65 per cent. of the Initial Market Value of Ship B;
- (c) both Advances shall be drawn simultaneously; and
- (d) the amount of the Loan shall not exceed the Total Commitments.

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

4.4 Drawdown Notice irrevocable

A Drawdown Notice must be signed by an officer or other authorised person of each Borrower; and once served a Drawdown Notice cannot be revoked without the prior consent of the Agent, acting on the authority 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 the Drawdown Date, make available to the Agent for the account of the Borrowers the amount due from that Lender under Clause 2.2 (*Lenders' participations in Loan*).

4.6 Disbursement of Loan

Subject to the provisions of this Agreement, the Agent shall on the Drawdown Date pay to the Borrowers the amounts which the Agent receives from the Lenders under Clause 4.5 (*Lenders to make available Contributions*); and that 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 Loan to third party

The payment by the Agent under Clause 4.6 (*Disbursement of Loan*) to any third party specified by the Borrowers in the Drawdown Notice shall constitute the making of the Loan 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.

4.8 Prepositioning of funds

If, in respect of the Loan, the Lenders, at the request of the Borrowers and on terms acceptable to all the Lenders and in their absolute discretion, preposition funds with an escrow agent or any other bank, the Borrowers and the Corporate Guarantor:

- (a) agree to pay interest on the amount of the funds so prepositioned at the rate described in Clause 5.1 (*Calculation of interest*) 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 the Loan after its Drawdown Date in respect of it or, if the Release Date does not occur, within three Business Days of demand by the Agent; and
- (b) shall, without duplication, indemnify each Creditor Party against any costs, loss or liability it may incur in connection with such arrangement.

4.9 Release of prepositioned funds

On the Release Date, the Agent (acting on the instructions of the Majority Lenders) shall release the amount of the relevant Advance as specified in the Drawdown Notice, subject to the provisions of Clause 9.1 (*Documents, fees and no default*).

5 INTEREST

5.1 Calculation of interest

The rate of interest on the Loan or any part of the Loan for each Interest Period is the percentage rate per annum which is the aggregate of:

- (i) the Margin; and
- (ii) the Reference Rate.

5.2 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 is longer than three months, the Borrowers shall also pay interest then accrued on the Loan or the relevant part of the Loan on the dates falling at three monthly intervals after the first day of the Interest Period.

5.3 Default interest

- (a) If a Borrower or a Security Party fails to pay any amount payable by it under a Finance Document (other than a Master Agreement) 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 Agent. Any interest accruing under this Clause 5.3 (*Default interest*) shall be immediately payable by the Borrowers 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 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.

5.4 Notification of rates of interest

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

6 INTEREST PERIODS

6.1 Selection of Interest Periods

- (a) The Borrowers may select the Interest Period for the Loan in the Drawdown Notice. Subject to paragraph (f) below and Clause 6.2 (*Changes to Interest Periods*), the Borrowers may select each subsequent Interest Period in respect of the Loan in a Selection Notice.
- (b) Each Selection Notice is irrevocable and must be delivered to the Agent by the Borrowers not later than the Specified Time.
- (c) If the Borrowers fail to select an Interest Period in the Drawdown Notice or fail to deliver a Selection Notice to the Agent in accordance with paragraphs (a) and (b) above, the relevant Interest Period will, subject to paragraph (f) below and Clause 6.2 (*Changes to Interest Periods*), be three months.
- (d) Subject to this Clause 6 (*Interest Periods*), the Borrowers may select an Interest Period of three or six months or any other period agreed between the Borrowers, the Agent and the Lenders.
- (e) An Interest Period in respect of an Advance or any part of that Advance shall not extend beyond the Final Maturity 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 Loan 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 the Loan.
- (g) The first Interest Period for the Loan shall start on the Drawdown Date and each subsequent Interest Period shall start on the last day of the preceding Interest Period.
- (h) Except for the purposes of paragraph (f) above and Clause 6.2 (*Changes to Interest Periods*), the Loan shall have one Interest Period only at any time.

6.2 Changes to Interest Periods

- (a) In respect of a Repayment Instalment, prior to determining the interest rate for the Loan, the Agent may establish an Interest Period for a part of the Loan equal to such Repayment Instalment to end on the Repayment Date relating to it and the remaining part of the Loan shall have the Interest Period selected in the relevant Selection Notice, subject to paragraph (d) of Clause 6.1 (*Selection of Interest Periods*).
- (b) If the Agent makes any change to an Interest Period referred to in this Clause 6.2 (*Changes to Interest Periods*), it shall promptly notify the Borrowers and the Lenders.

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 THE CALCULATION OF INTEREST

7.1 Unavailability of Term SOFR

- (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 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 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 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) *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 that part of the Loan (as applicable) and Clause 7.3 (*Cost of funds*) shall apply to the Loan or that part of the Loan for that Interest Period.

7.2 Market disruption

If before close of business in Paris on the Quotation Day for the relevant Interest Period, the Agent receives notification from a Lender or Lenders that its cost of funds relating to its participation in the Loan or that part of the Loan would be in excess of the Reference Rate then Clause 7.3 (*Cost of funds*) shall apply to the Loan or that part of the Loan (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 the Loan or the relevant 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 Agent by that Lender as soon as practicable and in any event 2 Business Days 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 part of the Loan.
- (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 27.4 (*Changes to reference rates*), 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 a Lender's Funding Rate is less than the Reference Rate, that Lender's cost of funds relating to its participation in the Loan or the relevant part of the Loan for that Interest Period shall be deemed, for the purposes of paragraph (a) above, to be the Reference Rate.
 - (f) If this Clause 7.3 (*Cost of funds*) applies but any Lender does not notify a rate to the Agent by the time specified in sub-paragraph (ii) of paragraph (a) above the rate of interest shall be calculated on the basis of the rates notified by the remaining Lenders.

7.4 Break Costs

- (a) The Borrowers shall, within three 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.

7.5 Application to Master Agreement

For the avoidance of doubt, this Clause 7 does not apply to any amount payable under any Master Agreement in respect of any continuing Transaction as to which Section 9(h) (*Interest and Compensation*) of that Master Agreement shall apply.

8 REPAYMENT AND PREPAYMENT

8.1 Amount of repayment instalments

The Borrowers shall repay the Loan as follows:

- (a) Advance A, shall be repaid by 28 consecutive quarterly instalments, each of the first fifteen instalments in an amount of \$825,000 and the remaining thirteen instalments in an amount of

\$545,000 (each a "**Advance A Repayment Instalment**") and a balloon instalment in an amount of \$21,330,000 (the "**Advance A Balloon Instalment**") payable together with the last Advance A Repayment Instalment; and

- (b) Advance B, shall be repaid by 28 consecutive quarterly instalments, each of the first sixteen instalments in an amount of \$815,000 and the remaining twelve instalments in an amount of \$545,000 (each a "**Advance B Repayment Instalment**" and together with the Advance A Repayment Instalment, the "**Repayment Instalments**") and a balloon instalment in an amount of \$22,535,000 (the "**Advance B Balloon Instalment**" and together with the Advance A Balloon Instalment, the "**Balloon Instalments**") payable together with the last Advance B Repayment Instalment,

provided that if the amount of the Loan actually drawn down is less than \$82,905,000 each Repayment Instalment shall be reduced pro rata by an amount in aggregate equal to the undrawn amount.

8.2 Repayment Dates

The first Repayment Instalment in respect of each Advance shall be repaid on the date falling three months after the earlier of (i) the Drawdown Date and (ii) 19 December 2025 with the remaining Repayment Instalments of that Advance to be repaid at 3-monthly intervals thereafter with the last Repayment Instalment of that Advance to be repaid on the Final Maturity Date of that Advance together with the relevant Balloon Instalment.

8.3 Final Repayment Date

On the final Repayment Date in respect of each Advance, 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 an Advance on the last day of an Interest Period in respect that Advance.

8.5 Conditions for voluntary prepayment

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

- (a) a partial prepayment shall be \$500,000 or an integral multiple of \$500,000;
- (b) the Agent has received from the Borrowers at least five Business Days' prior written notice specifying the amount to be prepaid and the date on which the prepayment is to be made (such date shall be the last day of an Interest Period); 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 requirement relevant to this Agreement which affects the Borrowers 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 authority 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

(a) The Borrowers shall be obliged to prepay the Relevant Amount:

- (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 the date falling 180 days after the Total Loss Date and the date of receipt by the Security Trustee of the proceeds of insurance relating to such Total Loss; or
- (iii) in case of refinancing, on or before the date on which the Mortgage over the Ship relating to the Advance being refinanced is discharged.

(b) In this Clause 8.8 (*Mandatory prepayment*):

"Relevant Amount" means:

- (a) an amount equal to the higher of:
 - (i) the amount outstanding under the Advance to which the Ship being sold, refinanced or which has become a Total Loss relates; and
 - (ii) an amount which after the application of the prepayment to be made pursuant to paragraph (b) of Clause 8.10 (*Application of partial prepayment*) results in the Security Cover Ratio being at least equal to the greater of (A) the Security Cover Ratio required to be maintained under Clause 15.1 (*Minimum required security cover*) and (B) the percentage which applied immediately prior to the applicable event described in paragraph (i) or (ii) of this Clause 8.8 (*Mandatory prepayment*); or
- (b) if the relevant Ship is the last Ship subject to a Mortgage, the whole of the Loan.

8.9 Amounts payable on prepayment

A prepayment shall be made together with accrued interest (and any other amount payable under Clause 21 (*Indemnities*) below or otherwise) in respect of the amount prepaid and, if the prepayment is not made on the last day of an Interest Period together with any Break Costs, without premium or penalty.

8.10 Application of partial prepayment

Any partial prepayment shall be applied:

- (a) if made pursuant to Clause 8.4 (*Voluntary prepayment*) or Clause 23.3 (*Prepayment; termination of Commitment*), *pro rata* between the Advances against the then outstanding Repayment Instalments and the Balloon Instalments of each Advance in order of maturity or in such other manner as the Agent (acting on the instructions of the Lenders) may agree with the Borrowers; and
- (b) if made pursuant to Clause 8.8 (*Mandatory prepayment*), first against the Advance relating to the Ship being sold or being a Total Loss and thereafter (if applicable) *pro rata* against the Repayment Instalments and the Balloon Instalment of the other Advance together with payment of any overdue interest, any accrued interest relating to that Advance, any other costs, fees, expenses, commissions due under this Agreement, and thereafter any surplus shall be released to the Borrowers, **provided that** no Event of Default or Potential Event of Default has occurred or is continuing.

8.11 No reborrowing

No amount repaid or prepaid may be reborrowed.

8.12 Transactions under the Master Agreement

- (a) Each Borrower shall enter into a Master Agreement with a Hedging Bank on the date of this Agreement in accordance with this Clause. Each Borrower shall have the option to enter into Transactions on such terms as may be agreed with a Hedging Bank from time to time to hedge that Borrower's exposure under this Agreement to interest rate fluctuations.
- (b) Each Master Agreement shall:
 - (i) be with a Hedging Bank and each Hedging Bank shall also be a Lender;
 - (ii) be for a term not exceeding the Final Maturity Date;
 - (iii) be for an amount not exceeding the notional principal amount of the Loan;
 - (iv) have settlement dates coinciding with the Interest Payment Dates;
 - (v) be based on an ISDA Master Agreement and otherwise in form and substance satisfactory to the Agent; and
 - (vi) provide that the Termination Currency (as defined in the relevant Master Agreement) shall be dollars.
- (c) Neither a Hedging Bank nor a Borrower may terminate or close out any Transactions (in whole or in part) except:
 - (i) in accordance with Clause 8.13 (*Unwinding of Transactions*); and
 - (ii) if a Hedging Bank ceases to be a Lender pursuant to the terms of this Agreement, however, **provided that** no Event of Default is continuing, that Hedging Bank which ceases to be a Lender (other than under Clause 23 (*Illegality, etc*) and Clause 24

(*Increased Costs*) shall use reasonable endeavours to novate the relevant Master Agreement in accordance with Clause 26.18 (*Change of Hedging Bank*).

- (d) None of the Borrowers or Hedging Banks shall assign any of its rights or transfer any of its rights or obligations under a Master Agreement without the consent of the Security Trustee.

8.13 Unwinding of Transactions

On or prior to any repayment or prepayment of an Advance (or part thereof) under this Clause 8 (*Repayment and Prepayment*) or any other provision of this Agreement, each Borrower shall wholly or partially unwind or otherwise terminate one or more of the continuing Transactions so that the notional principal amount of the continuing Transactions thereafter remaining does not and will not in the future (taking into account the scheduled amortisation) exceed the amount of the relevant Advance as reducing from time to time thereafter pursuant to Clause 8.1 (*Amount of repayment instalments*). In circumstances where any Transactions are unwound under this Clause 8.13 (*Unwinding of Transactions*), any positive or negative mark to market value shall be credited or debited (as the case may be) to the relevant Earnings Account of that Borrower.

9 CONDITIONS PRECEDENT

9.1 Documents, fees and no default

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

- (a) that on or before the date of this Agreement, the Agent receives:
- (i) the documents described in Part A of Schedule 3 (*Condition Precedent Documents*) in a form and substance satisfactory to the Agent and its lawyers; and
 - (ii) the upfront fee referred to in Clause 20.1 (*Upfront fee*);
- (b) that, before or on the Drawdown Date, the Agent receives the documents described in Part B of Schedule 3 (*Condition Precedent Documents*) in form and substance satisfactory to the Agent and its lawyers;
- (c) that at the date of the Drawdown Notice, at the Release Date and at the Drawdown Date:
- (i) no Event of Default or Potential Event of Default has occurred or is continuing or would result from the borrowing of the Loan;
 - (ii) the representations and warranties in Clause 10 (*Representations and Warranties*) and those of the Borrowers 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 business, management, condition (financial or otherwise), results of operations, operation, performance, prospects or

properties of the Borrowers or any of them and/or the Corporate Guarantor applying as at 31 December 2024;

- (d) that, if the ratio set out in Clause 15.1 (*Minimum required security cover*) were applied immediately following the making of the Loan, the Borrowers would not be obliged to provide additional security or prepay part of the Loan under that Clause; 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 Drawdown Date.

9.2 Waiver of conditions precedent

If the Majority Lenders, at their discretion, permit the Loan 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 Drawdown Date (or such longer period as the Agent may, with the authority of the Majority Lenders, specify).

10 REPRESENTATIONS AND WARRANTIES

10.1 General

Each Borrower represents and warrants (which representations and warranties (other than the ones in Clauses 10.11 (*Information*) and 10.12 (*No litigation*)) shall survive the execution of this Agreement and shall be deemed to be repeated throughout the Security Period on the first day of each Interest Period with respect to the facts and circumstances then existing) to each Creditor Party as follows.

10.2 Status

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

10.3 Share capital and ownership

- (a) Each Borrower is authorised to issue 500 registered shares without par value, all of which shares have been issued in registered form, and the legal title and beneficial ownership of all those shares is held, free of any Security Interest (other than any Permitted Security) or other claim, by the Shareholder.
- (b) Each Borrower is 100 per cent. owned indirectly by 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 to:

- (a) continue to own the Ship owned by it under the relevant Approved Flag;
- (b) execute the Finance Documents to which that Borrower is a party; and

- (c) borrow under this Agreement, to enter into Transactions under any Master Agreement (if applicable) and to make all the payments contemplated by, and to comply with, those Finance Documents to which that Borrower 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; effective Security Interests

The Finance Documents to which that 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):

- (a) constitute that Borrower's legal, valid and binding obligations enforceable against that Borrower in accordance with their respective terms; and
- (b) 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; effective Security Interests*), at the time of the execution and delivery of each Finance Document to which a Borrower is a party:

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

10.8 No conflicts

The execution by a Borrower of each Finance Document to which it is a party, and the borrowing by that 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 or would result from the entry into, the performance of, or any transaction contemplated by, any Finance Document.

10.11 Information

All information which has been provided in writing by or on behalf of the Borrowers or any member of the Group 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 accounts 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, operation or performance of the Borrowers or any of them or any Security Party (excluding an Approved Manager) as at 31 December 2024 from that disclosed to the Agent.

10.12 No litigation

No material, legal or administrative action involving any Borrower or any Security Party (excluding any Approved Manager) has been commenced or taken or, to a Borrower's knowledge, is likely to be commenced or taken.

10.13 Compliance with certain undertakings

At the date of this Agreement, each Borrower is in compliance with Clauses 11.2 (*Title and negative pledge*), 11.4 (*No other liabilities or obligations to be incurred*), 11.9 (*Consents*) 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 owned by it.

10.15 No money laundering; anti-bribery

None of the Borrowers, the Security Parties and the Designated Unitholder nor any of their subsidiaries, directors or officers, or, to their best knowledge, any affiliate, agent or employee of them, have engaged in any activity or conduct which would violate any applicable anti-bribery, anti-corruption or anti-money laundering laws, regulations or rules in any applicable jurisdiction and each of the Borrowers, the Security Parties and the Designated Unitholder has instituted and maintains policies and procedures designed to prevent violation of such laws, regulations and rules.

10.16 ISM Code, ISPS Code Compliance and Environmental Laws

All requirements of the ISM Code, ISPS Code and Environmental Laws as they relate to the Borrowers, the Approved Managers and the Ships have been complied with.

10.17 No immunity

No Borrower, nor any of its assets is entitled to immunity on the grounds of sovereignty or otherwise from any legal action or proceeding (which shall include, without limitation, suit attachment prior to judgement, execution or other enforcement).

10.18 Sanctions

None of the Borrowers, the Security Parties, the Designated Unitholder or any charterer in respect of a Ship nor any of their subsidiaries, directors or officers, or, to their best knowledge, any affiliate, agent or employee of them, is an individual or entity (a "**Person**"), that is, or is directly or indirectly, owned or controlled by a Person that is: (i) the target of any Sanctions (a "**Sanctioned Person**"), (ii) located, organized or resident in a country or territory that is, or whose government is, the target of Sanctions (currently Cuba, Iran, North Korea, Syria and the Crimea, Donetsk People's Republic and Luhansk People's Republic regions of Ukraine) (a "**Sanctioned Country**") or (iii) in violation of any Sanctions, anti-bribery, anti-corruption or anti-money laundering laws, regulations or rules.

10.19 Validity and completeness of the Existing Charters

- (a) Each Existing Charter constitutes legal, valid, binding and enforceable obligations of each Borrower to which is a party thereto.
- (b) The copies of the Existing Charters delivered to the Agent before the date of this Agreement are true and complete copies.
- (c) No amendments or additions to any Existing Charter have been agreed nor has any Borrower waived any of its respective rights under the relevant Existing Charter.

10.20 Validity and completeness of the Deed of Release

With effect on and from the Release Date:

- (a) the Deed of Release constitutes legal, valid, binding and enforceable obligations of each Existing Owner; and
- (b) no amendments or additions to the Deed of Release have been agreed nor have any rights under the Deed of Release been waived.

10.21 Insolvency

In relation to each Borrower, no corporate action, legal proceeding or other procedure or step described in paragraph (f) of Clause 19.1 (*Events of Default*) or creditors' process described in that clause has been taken or, to its knowledge, threatened in relation to it, and none of the circumstances described in paragraph (f) of Clause 19.1 (*Events of Default*) applies to it.

10.22 Specific Price Cap Representation

The Borrowers confirm, and procure that the Corporate Guarantor and the Existing Charterer confirms, that the use of the Ships is in compliance with the Russian Price Cap Framework and any other restrictions on Russian Oil Products.

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 authority of the Majority Lenders, otherwise permit in writing.

11.2 Title and negative pledge

Each Borrower will:

- (a) hold the legal title to, and own the entire beneficial interest in the Ship owned by it, the Insurances and Earnings, 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;
- (b) not create or permit to arise any Security Interest (except for Permitted Security Interests) over any other asset, present or future (including, but not limited to, each Borrower's rights against a Hedging Bank under any Master Agreement or all or any part of that Borrower's interests in any amount payable to that Borrower by a Hedging Bank under any Master Agreement); and
- (c) procure that its liabilities under the Finance Documents to which it is party do and will rank at least *pari passu* with all 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 it is a party;
- (b) subject to other provisions of this Agreement and any Master Agreement, liabilities or obligations reasonably incurred in the ordinary course of trading, maintaining, repairing, operating and chartering the Ship owned by it;
- (c) at any time prior to the Release Date, the Existing Indebtedness; and
- (d) Financial Indebtedness to any other corporation which is a member of the Group or individual who is a shareholder or majority shareholder in a member of the Group **provided that** such Financial Indebtedness shall be fully subordinated to the Loan and the relevant Borrower shall,

promptly following the Agent's demand, execute or procure the execution of any documents which the Agent specifies to create or maintain the subordination of the rights of the relevant member of the Group against the relevant Borrower to those of the Creditor Parties under the Finance Documents.

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, correct, accurate and not misleading and will not omit any material fact or consideration.

11.6 Provision of financial statements

Each Borrower will send or procure that they are sent to the Agent:

- (a) as soon as they become publicly available, 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 2025), the audited annual consolidated accounts of the Corporate Guarantor; and
- (b) as soon as they become publicly available, but in no event later than 90 days after the end of the 6-month period ending on 30 June in each financial year of the Corporate Guarantor (commencing with the 6-month period ending on 30 June 2025), the unaudited semi-annual consolidated accounts of the Corporate Guarantor, duly certified as to their correctness by an officer of the Corporate Guarantor; and
- (c) promptly after each request by the Agent, such further financial information about that Borrower, the Ship owned by it and the Corporate Guarantor or any other member of the Group (including, but not limited to, information regarding the charter arrangements, Financial Indebtedness and operating expenses in relation to any member of the Group) as the Agent may reasonably require.

11.7 Form of financial statements

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

- (a) be prepared in accordance with all applicable laws and US GAAP;
- (b) give a true and fair view of the state of affairs of the relevant person 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 Group.

11.8 Shareholder notices

Each Borrower will send to the Agent following a request by the Agent, and at the same time as they are despatched, copies of all communications which are despatched to that Borrower's shareholders or any class of them.

11.9 Consents

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

and that Borrower will, and will procure that each Security Party 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) above, at its own cost, promptly register, file, record or enrol any Finance Document with any court or authority in all Pertinent Jurisdictions, 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 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, the Ship owned by it, the Earnings or the Insurances in respect of that Ship 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, at the address stated in paragraph (a) of Clause 28.2 (*Addresses for communications*); and no Borrower will establish, or do anything as a result of which it would be deemed to have, a place of business in the United States or the United Kingdom or any country other than Greece.

11.13 Confirmation of no default

Each Borrower will, within 2 Business Days after service by the Agent of a written request, serve on the Agent a notice which is signed by an officer of each Borrower and which:

- (a) states that no Event of Default or Potential Event of Default has occurred; or
- (b) states that no Event of Default or Potential Event of Default has occurred, except for a specified event or matter, of which all material details are given.

The Agent may serve requests under this Clause 11.13 (*Confirmation of no default*) from time to time; 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 the occurrence of an Event of Default or a Potential Event of Default and will thereafter keep the Agent fully up-to-date with all developments.

11.15 Provision of further information

Each Borrower will, as soon as practicable after receiving a request, provide the Agent with any additional financial or other information relating:

- (a) to that Borrower, the Ship owned by it, the Insurances, the Earnings or the Corporate Guarantor;
- (b) to any other matter relevant to, or to any provision of, a Finance Document; or
- (c) any information requested in respect of that Borrower, the Corporate Guarantor, the Shareholders and the Designated Unitholder in connection with the Creditor Parties' and/or the Account Bank's "Know your customer" regulations, including, but not limited to information required pursuant to all applicable laws and regulations, including, without limitation, the laws of the European Union, France and the United States of America in connection with that Borrower, the Corporate Guarantor and any other Security Party and their respective beneficial owners,

which may be requested by the Agent, the Security Trustee or any Lender at any time.

11.16 Provision of copies and translation of documents

Each Borrower will supply the Agent with a sufficient number of copies of the documents referred to above to provide 1 copy for each Creditor Party; if the Agent so requires in respect of any of those documents, that Borrower will provide a certified English translation prepared by a translator approved by the Agent.

11.17 "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;
- (c) a proposed sale of any Ship; or

- (d) 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 (d), 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, the Borrowers shall promptly upon the request of the Agent or any Lender supply, or procure the supply of, such documentation and other evidence (including for the purposes of paragraph (c) above such documentation and other evidence required in relation to any prospective buyer of a Ship provided that there will be a simultaneous closing for the release of such Ship) 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 (d), 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 (d), 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.

11.18 Sanctions

- (a) None of the Borrowers and the Security Parties will, directly or indirectly, use the proceeds of the Loan hereunder, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or any other Person: (i) to fund any activities or business of or with any Person, or in any country or territory, that, at the time of such funding, is, a Sanctioned Person or Sanctioned Country, or (ii) use in repayment of any moneys due to the Creditor Parties any Earnings of the Ships paid directly or indirectly from any activities or business of or with any Person, or in any country, territory or port, that, at the time of such payment, is, a Sanctioned Person or Sanctioned Country, or (iii) in any other manner that would result in a violation of Sanctions by any Person (including, any Creditor Party, whether acting as underwriter, advisor, investor, lender, hedge provider, facility or security agent or otherwise);
- (b) Without limiting paragraphs (a) and (b) of Clause 14.10 (*Compliance with laws etc.*), the Borrowers shall:
- (i) comply with, and shall use reasonable endeavours to ensure compliance with, all Sanctions (including, obtaining any applicable consents, authorisations or licenses) in respect to each Ship;
 - (ii) not cause or permit a Ship to be registered in a Sanctioned Country or used by or for the benefit of a Sanctioned Person;
 - (iii) not cause or permit a Ship to be used in or otherwise to go to, stop in or call at, a Sanctioned Country when such action is prohibited by Sanctions or would be in violation of Sanctions;
 - (iv) procure that the Ships shall not be used directly or indirectly in any transport of any goods prohibited by Sanctions;
 - (v) procure that the Ships shall not be used directly or indirectly in any manner which would expose the Ships, any Security Party, any Existing Charterer, crew or the insurers to enforcement proceedings or any other consequences whatsoever arising from Sanctions;

- (vi) procure that the Ships shall not be used or traded directly or indirectly in any manner which would trigger the operation of any sanctions limitation or exclusion clause (or similar) in the Insurances and/or re-insurance of the Ships;
- (vii) not cause or permit a Ship to be operated by a charterer or, to the best of their knowledge, sub-charterer whose state of incorporation and/or principal place of business is in a Sanctioned Country and/or is a Sanctioned Person;
- (viii) not cause or permit a Ship to be used in any manner or business which is prohibited by applicable anti-corruption, anti-money laundering, countering the financing of terrorism, and export and import laws and regulations; and
- (ix) ensure that each Charterparty in respect of a Ship shall contain, and shall cause any charterer of such Ship to include in any sub-charterparty of that Ship, for the benefit of the relevant Borrower, language which broadly gives effect to the provisions of paragraph (b) of Clause 14.10 (*Compliance with laws etc.*) as regards Sanctions and of this sub-paragraph (vii) of paragraph (b) of this Clause 11.18 (*Sanctions*) and which permits refusal of employment or voyage orders if compliance would result in a breach of Sanctions.

11.19 Minimum Liquidity

The Borrowers or any of them to maintain in their Earnings Accounts or in an Earnings Account or in cash deposits with the Account Bank in their name, free credit balances ("**Minimum Liquidity**") in an aggregate amount of not less than \$1,000,000 or such lesser amount which will be equal to \$500,000 per Borrower commencing from the Drawdown Date and at all times thereafter.

11.20 No amendment to the Existing Charters

No Borrower will agree to any material amendment (and for, the avoidance of doubt, "material" to mean any amendment which may detrimentally affect the interests of any Creditor Party) or supplement to, or waive or fail to enforce, any Existing Charter or any of its provisions.

11.21 Use of websites

- (a) Each Borrower acknowledges and agrees that any information under this Agreement may be delivered to a Lender (through the Agent) on to an electronic website (a "**Website Lender**") if:
 - (i) the Agent and the Lender agree;
 - (ii) the Agent appoints a website provider and designates an electronic website for this purpose (the "**Designated Website**");
 - (iii) the Designated Website is used for communication between the Agent and the Lenders;
 - (iv) the Agent notifies the Lenders of the address for the website;
 - (v) the information can only be posted on the website by the Agent; and
 - (vi) the information posted is in a format agreed between each Borrower and the Agent.

- (b) The cost of the website shall be borne by each Borrower, subject to such cost being agreed by each Borrower beforehand.
- (c) Any Website Lender may request from any Borrower, through the Agent, one paper copy of any information required to be provided under this Agreement which is posted onto the Designated Website and each Borrower shall at its own cost comply with any such request within ten Business Days.

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) carry on any business other than the ownership, chartering and operation of the Ship owned by it; or
- (b) pay any dividend or make any other form of distribution or effect any form of redemption, purchase or return of share capital if:
 - (i) an Event of Default has occurred at such time; or
 - (ii) an Event of Default would occur as a direct result of such distribution, redemption, purchase or return; or
- (c) provide any form of credit or financial assistance or issue guarantees in favour of any other corporation or individual other than in the normal course of its business **Provided that** that corporation or individual to whom any form of credit or financial assistance has been granted or in favour of whom the guarantee has been issued fully subordinates its rights to the rights of the Creditor Parties under the Finance Documents on terms acceptable to the Agent;
- (d) provide any form of credit or financial assistance to:
 - (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; or

- (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 and any accounts disclosed to the Agent on or prior to the date of this Agreement; or
- (f) issue, allot or grant any person a right to any shares in its capital or repurchase or reduce its issued share capital; or
- (g) 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 (other than a Transaction) save that if a Borrower enters into a derivative transaction with the Agent's permission under Clause 12.1 other than pursuant to any Master Agreement, it will not provide the swap provider or hedge counterparty with any security in respect of that derivative transaction; or
- (h) enter into any form of amalgamation, merger or de-merger or any form of reconstruction or reorganisation.

13 INSURANCE

13.1 General

Each Borrower undertakes with each Creditor Party to comply with the following provisions of this Clause 13 (*Insurance*), from the Release Date and throughout the term of the Security Period, except as the Agent may, with the authority of the Majority Lenders, otherwise permit in writing.

13.2 Maintenance of obligatory insurances

Each Borrower shall keep the Ship owned by it, at all times during the Security Period, insured at the expense of that Borrower against:

- (a) fire and usual marine risks (including hull and machinery and excess risks); and
- (b) war risks; and
- (c) protection and indemnity risks, meaning the usual risks including liability for oil pollution and excess war risk P&I cover; and
- (d) any other risks against which the Lenders consider, having regard to practices and other circumstances prevailing at the relevant time, it would in the opinion of the Lenders 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 such amounts as shall from time to time be approved by the Agent but in any event in an amount not less than 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 then subject to a Mortgage is insured, is equal to 120 per cent. of the Loan; and

- (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 (with the International Group of P&I Clubs) and the international marine insurance market (currently \$1,000,000,000);
- (d) in relation to protection and indemnity risks in respect of the relevant Ship's full value and tonnage;
- (e) on such terms as shall from time to time be approved in writing by the Agent (including, without limitation, a blocking and trapping clause); 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 which are members of the International Group of Protection and Indemnity 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 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) name (or be amended to name) the Security Trustee as mortgagee 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;
- (c) name the Security Trustee as sole loss payee with such directions for payment as the Security Trustee may specify;
- (d) 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;
- (e) provide that the insurers shall waive, to the fullest extent permitted by English law, their entitlement (if any) (whether by statute, common law, equity, or otherwise) to be subrogated

to the rights and remedies of the Security Trustee in respect of any rights or interests (secured or not) held by or available to the Security Trustee in respect of the Secured Liabilities, until the Secured Liabilities shall have been fully repaid and discharged, except that the insurers shall not be restricted by the terms of this paragraph (d) from making personal claims against persons (other than any Borrower or any Creditor Party) in circumstances where the insurers have fully discharged their liabilities and obligations under the relevant obligatory insurances;

- (f) provide that such obligatory insurances shall be primary without right of contribution from other insurances which may be carried by the Security Trustee;
- (g) provide that the Security Trustee may make proof of loss if that Borrower fails to do so; and
- (h) provide that if any obligatory insurance is cancelled, or if any substantial change is made in the coverage which adversely affects the interest of the Security Trustee, or if any obligatory insurance is allowed to lapse for non-payment of premium, such cancellation, charge or lapse shall not be effective with respect to the Security Trustee for 30 days (or 7 days in the case of war risks) after receipt by the Security Trustee of prior written notice from the insurers of such cancellation, change or lapse.

13.5 Renewal of obligatory insurances

Each Borrower shall:

- (a) at least 14 days before the expiry of any obligatory insurance:
 - (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 insurance and of the proposed terms of renewal; and
 - (ii) in case of any substantial change in insurance cover, obtain the Lenders' approval to the matters referred to in paragraph (i) above;
- (b) at least 7 days before the expiry of any obligatory insurance, renew the insurance; 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 copies of all policies relating to the obligatory insurances which they effect or renew and of a letter or letters or undertaking in a form required by the Lenders 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 immediately 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 it 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; and
- (b) a letter or letters of undertaking in such form as may be required by the Lenders; and
- (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 that Ship 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 original policies

Each Borrower shall ensure that all policies relating to obligatory insurances 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 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

No Borrower shall 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 either do or omit to do (or 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 thereunder 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*) above) 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 the Classification Society or manager or operator of the Ship owned by it approved by the underwriters of the obligatory insurances;
- (c) each Borrower shall make 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 (including but not limited to any applicable laws and Sanctions), 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 make or agree to any alteration to the terms of any obligatory insurance or waive any right relating to any obligatory insurance without the prior written consent of the Security Trustee.

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 provide the Security Trustee, at the time of each such communication, copies of all written communications in case of, but not limited to, an Event of Default, Total Loss or Major Casualty between that Borrower and:

- (a) the approved brokers; and

- (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.

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 appointed by the Agent 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 insurances*) below or dealing with or considering any matters relating to any such insurances,

and that Borrower 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 effect, maintain and renew all or any of the following insurances in such amounts, on such terms, through such insurers and generally in such manner as the Lenders may from time to time consider appropriate:

- (a) a mortgagee's interest marine insurance in relation to the Ships in an amount equal to:
 - (i) if the Borrowers have not entered into the Master Agreements, 110 per cent. of the Loan; or
 - (ii) if the Borrowers have entered into the Master Agreements, 120 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 that Ship or of the Borrower owning that Ship, 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:

- (A) any act or omission on the part of that Borrower, of any operator, charterer, manager or sub-manager of that Ship or of any officer, employee or agent of that Borrower or of any such person, including any breach of warranty or condition or any non-disclosure relating to such obligatory insurance;

- (B) any act or omission, whether deliberate, negligent or accidental, or any knowledge or privity of that Borrower, any other person referred to in sub-paragraph (A) above, or of any officer, employee or agent of that Borrower or of such a person, including the casting away or damaging of that Ship and/or that Ship being unseaworthy; and/or
- (C) 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 policy in relation to the Ships in an amount equal to:

- (i) if the Borrowers have not entered into the Master Agreements, 110 per cent. of the Loan; or
- (ii) if the Borrowers have entered into the Master Agreements, 120 per cent. of the Loan,

providing for the indemnification of the Security Trustee 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 a Ship, the imposition of any Security Interest over that 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 Lenders shall be entitled to review the requirements of this Clause 13 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 Lenders, significant and capable of affecting any Borrower or any Ship and its or their Insurances (including, without limitation, changes in the availability or the cost of Insurances or the risks to which the Borrower owning that Ship may be subject), and may appoint insurance consultants in relation to this review at the cost of the Borrowers, such review to be carried out at the Agent's request, at any time during the Security Period if the Agent (acting on the instructions of the Lenders) considers necessary (the reasonable fees of the insurance consultants to conduct such review shall be deducted from the Earnings Accounts (or any of them) and each Borrower hereby agrees to arrange the transfer of monies from its Earnings Account in order to pay such fees) **Provided that** the Borrowers shall not be required to pay the fees of the insurance consultants to conduct such review more often than once a year unless an Event of Default has occurred and is continuing, or unless a change in the material terms of the cover of any Ship has occurred.

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 (*Insurance*) which the Lenders consider 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 a 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 owning 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*), on and from the Release Date and at all times during the Security Period, except as the Agent may, with the authorisation of the Majority Lenders, otherwise permit in writing.

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 or allow to be done anything as a result of which such registration might be cancelled or imperilled; and shall not change the name or port of registry of that Ship without the prior written consent of the Agent, which shall not be unreasonably withheld, and shall remain acceptable to the Agent at all times.

14.3 Repair and classification

Each Borrower shall keep the Ship owned by it in a good, safe and seaworthy condition and state of repair:

- (a) consistent with first-class ship ownership and management practice;
- (b) so as to maintain the highest class with a Classification Society which is a member of IACS acceptable to the Agent (acting with the authorisation of the Lenders) free of overdue recommendations and conditions of such Classification Society;
- (c) so as to comply with all laws and regulations applicable to vessels registered at ports of the Approved Flag State or to vessels trading to any jurisdiction to which such Ship may trade from time to time, including but not limited to the ISM Code and the ISM Code Documentation and the ISPS Code; and
- (d) each Borrower shall use its commercially reasonable efforts to allow the Agent (or its agents), at any time, to inspect the original class and related records of that Borrower and the Ship owned by it electronically (through the Classification Society directly) and to take copies of such records.

14.4 Modification

No Borrower shall make any modification or repairs to, or replacement of, the Ship or equipment installed on the Ship owned by it which would or might materially alter the structure, type or performance characteristics of that Ship or materially reduce its value.

14.5 Removal of parts

No Borrower shall remove any material part of the Ship owned by it, or any item of equipment installed on, that 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 that Borrower and subject to the security constituted by the relevant Mortgage **Provided that** each Borrower may install equipment owned by a third party if the equipment can be removed without any risk of damage to its Ship.

14.6 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 Lenders provide the Security Trustee, with copies of all survey reports.

14.7 Technical Survey

Without prejudice to each Borrower's obligations pursuant to Clause 14.6 (*Surveys*), each Borrower promptly following the request of the Agent will, submit the Ship for a technical survey by an independent surveyor or surveyors appointed by the Agent (provided such technical survey does not interfere with the ordinary trading of the Ship owned by it). All fees and expenses incurred in relation to the appointment of the surveyor or surveyors and the preparation and issue of all technical reports pursuant to this Clause 14.7 (*Technical Survey*) shall be for the account of the Borrowers.

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 at all times (but in any event without interfering with the ordinary trading of the Ship owned by it) to inspect its condition or to satisfy themselves about proposed or executed repairs, shall afford all proper facilities for such inspections and pay to the Agent the amount of all fees, costs and expenses incurred in respect of such inspections **Provided that** so long as no Event of Default shall have occurred that Borrower shall not be obliged to pay any fees and expenses in respect of more than one inspection of its Ship in any calendar year.

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 that Ship, or of her detention in exercise or purported exercise of any lien or claim, that Borrower shall procure her release by providing bail or otherwise as the circumstances may require.

14.10 Compliance with laws etc.

Each Borrower shall:

- (a) comply, or procure compliance with all laws, rules 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, the ISM Code (including, for the avoidance of doubt, by an Approved Manager), the ISPS Code, all Environmental Laws, all Sanctions and the laws of the Approved Flag State;
- (b) obtain, comply with and do all that is necessary to maintain in full force and effect any environmental approvals;
- (c) without limiting paragraph (a) above, not employ any Ship nor allow its employment, operation or management in any manner contrary to any law, regulation or rule, including, but not limited to the ISM Code, the ISPS Code, all Environmental Laws and all Sanctions; and
- (d) in the event of hostilities in any part of the world (whether war is declared or not), not cause or permit 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 Lenders has been given and that Borrower has (at its expense) effected any special, additional or modified insurance cover which the Lenders may require.

14.11 Provision of information

Each Borrower shall promptly provide the Security Trustee with any information which the Lenders request regarding:

- (a) the Ship owned by it, its employment, position and engagements;
- (b) the Earnings and payments and amounts due to that Ship's master and crew of that Ship;
- (c) any expenses incurred, or likely to be incurred, in connection with the operation, maintenance or repair of that Ship and any payments made in respect of that Ship;
- (d) any towages and salvages;
- (e) any intended dry-docking of that Ship;
- (f) that Borrower's, an Approved Manager's compliance or the compliance of that Ship with the ISM Code and the ISPS Code; and
- (g) any other information which the Creditor Parties (or any of them) may reasonably request,

and, upon the Security Trustee's request, provide copies of any current charter relating to that Ship, and copies of that Borrower's or any Approved Manager's Document of Compliance or any other document issued under ISM Code Documentation.

14.12 Notification of certain events

Each Borrower shall immediately notify the Security Trustee 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 complied with in accordance with its terms;
- (d) any arrest or detention of the Ship owned by it, any exercise or purported exercise of any lien on the Ship or its Earnings or any requisition of such Ship for hire;
- (e) any 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, an Approved 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, any Approved 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 without the prior written consent of the Agent, acting with the authorisation of the Lenders;
- (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 except as the Agent may consent, such consent not to be unreasonably withheld;
- (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 agree to any material alteration to the terms of an Approved Manager's appointment which could lead to an Event of Default ("material alterations" to include, without limitation, alterations concerning fees, duration and parties);
- (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 her 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 Security Trustee and in terms satisfactory to it a written undertaking not to exercise any lien on that Ship or her Earnings for the cost of such work or otherwise.

14.14 Notice of Mortgage

Each Borrower shall keep the Mortgage relative to its Ship registered against its Ship as a valid first priority or as the case may be preferred mortgage, carry on board that Ship a certified copy of that 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:

- (a) enter into any agreement or arrangement for the sharing of any Earnings;
- (b) enter into any agreement or arrangement for the postponement of any date on which any Earnings are due; or for 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) enter into any agreement or arrangement for the release of, or adverse alteration to, any guarantee or Security Interest relating to any Earnings other than customary profit sharing arrangements in time charter contracts.

14.16 Time Charter Assignment

If a Borrower enters into any Charterparty, that Borrower shall, at the request of the Agent, execute in favour of the Security Trustee a Charterparty Assignment, and shall deliver to the Agent such other documents equivalent to those referred to at paragraphs 3, 4 and 5 of Part A and paragraph 1 of Part B of Schedule 3 (*Condition Precedent Documents*) hereof as the Agent may require.

14.17 ISM Code, ISPS Code compliance and Environmental Laws

All requirements of the ISM Code, ISPS Code and Environmental Laws as they relate to each Borrower, an Approved Manager, if and when applicable, the Ship owned by the relevant Borrower shall be complied with at all times.

14.18 Poseidon Principles

Each Borrower shall, upon the request of any Lender and at the cost of the Borrowers, on or before 31st July in each calendar year, supply or procure the supply by the relevant Classification Society (as specified by the relevant Lender) to the Agent of all information necessary in order for any Lender to comply with its obligations under the Poseidon Principles in respect of the preceding year, including, without limitation, all ship fuel oil consumption data required to be collected and reported in accordance with Regulation 22A of Annex VI and any Statement of Compliance, in each case relating to the Ship owned by it for the preceding calendar year provided always that, for the avoidance of doubt, such information shall be "Confidential Information" for the purposes of Clause 30.1 (*Confidential Information*) but the

Borrowers acknowledge that, in accordance with the Poseidon Principles, such information will form part of the information published regarding the relevant Lender's portfolio climate alignment.

14.19 Russian Price Cap Framework Undertaking

The Borrowers shall not, and shall procure that the Corporate Guarantor and the Existing Charterer shall not, use, cause or permit the Ships to be used in a way that would result in a violation of Sanctions (including, without limitation, the implementation and interpretation of the provisions of Article 3n of Council Regulation (E.U.) No 833/2014 and US Executive Order 14071 and Determinations thereunder (the "**Russian Price Cap Framework**"), in each case related to the maritime transportation of oil or petroleum products of Russian Federation origin or exported from Russia ("**Russian Oil Products**")) by them, any Existing Charterer, charterer, Creditor Party or, to the best of their knowledge, any sub-charterer or shipper.

14.20 Specific Price Cap Undertaking

- (a) The Borrowers shall, and shall procure that the Existing Charterer shall, provide to the Agent:
- (i) on 31 January and 31 July each year, with reference to the period of six months ending on the preceding 31 December or 30 June an attestation in the form set out in Schedule 8 (*Form of Attestation*) duly signed by an officer and/or, as applicable, director of each Borrower and the Existing Charterer; and
 - (ii) on completion of every voyage to a port located in Russia, an attestation from any charterer of a Ship in a form satisfactory to the Lenders that, *inter alia*, any Russian Oil Products loaded onto any of the Ships during the above-referenced voyage were purchased at or below any applicable cap pursuant to the Russian Price Cap Framework.
- (b) The Agent shall provide to the Lenders the attestation referred to in paragraph (a) above as soon as practicable after it receives it from the Borrowers and/or the Existing Charterer.
- (c) Notwithstanding sub-paragraph (i) of paragraph (a) above, no attestation will be required in the event that a Ship has made no voyages to a port located in Russia within the relevant six-month period described in sub-paragraph (i) of paragraph (a) above **provided that** the Borrowers shall provide to the Agent, a confirmation in writing that such Ship has made no voyages to a port located in Russia within the relevant six-month period.

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 the Security Cover Ratio is below:

- (a) 120 per cent. as long as the Ships remain subject to the Existing Charters; and
- (b) 125 per cent. at all other times.

15.2 Provision of additional security; prepayment

- (a) 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 1 month 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 it has provided, or ensured that a third party has provided, additional security which, in the sole discretion of the Majority Lenders, has a net realisable value at least equal to the shortfall.
- (b) In this Clause 15.2 (*Provision of additional security; prepayment*) "**security**" means a Security Interest over an asset or assets (whether securing a Borrower's liabilities under the Finance Documents or a guarantee in respect of those liabilities), or a guarantee, letter of credit or other security (including any cash pledged to the Security Trustee) in respect of that Borrower's liabilities under the Finance Documents.

15.3 Requirement for additional documents

The Borrowers shall not be deemed to have complied with Clause 15.2 (*Provision of additional security; prepayment*) above until the Agent has received in connection with the additional security certified copies of documents of the kinds referred to in paragraphs 3, 4 and 5 of Schedule 3 (*Condition Precedent Documents*) and such legal opinions in terms acceptable to the Majority Lenders from such lawyers as they may select.

15.4 Valuation of Ship

The market value of a Ship at any date is that shown in a valuation prepared:

- (a) as at a date not more than 30 days previously;
- (b) by an Approved Broker selected by the Borrowers and appointed by the Agent (unless the Borrowers have not nominated an Approved Broker within five Business Days of the Agent's request in which case the Agent will be entitled to select and appoint an Approved Broker);
- (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 (as the Agent may require).

15.5 Value of additional security

The net realisable value of any additional security which is provided under Clause 15.1 and which consists of a Security Interest over a vessel shall be that shown by a valuation complying with the requirements of Clause 15.4 (*Valuation of Ship*). In the event a Security Interest is granted in favour of the Security Trustee over a dollar cash deposit, such cash shall be valued at par.

15.6 Valuations binding

Any valuation under Clause 15.2 (*Provision of additional security; prepayment*), 15.4 (*Valuation of Ship*) or 15.5 (*Value of additional security*) shall be binding and conclusive as regards the

Borrowers, as shall be any valuation which the Majority Lenders make of a security which does not consist of or include a Security Interest.

15.7 Provision of information

The Borrowers shall promptly provide the Agent and any Approved Broker or expert acting under Clause 15.4 (*Valuation of Ship*) or 15.5 (*Value of additional security*) with any information which the Agent or the Approved Broker 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 Broker or the Majority Lenders (or the expert appointed by them) consider prudent.

15.8 Payment of valuation expenses

Without prejudice to the generality of the Borrowers' obligations under Clauses 20.5 (*Costs of negotiation, preparation etc.*) and 20.6 (*Costs of variations, amendments, enforcement etc.*), the Borrowers shall, on demand, pay the Agent the amount of the fees and expenses of any Approved Broker 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 **Provided that** so long as no Event of Default shall have occurred and is continuing and so long as all valuations of each Ship commissioned by the Agent for the purposes of this Clause 15 (*Security Cover*) confirm that the Borrowers have satisfied the test in Clause 15.1 (*Minimum required security cover*), no Borrower shall be obliged to pay the fees and expenses in respect of more than one valuation or (as applicable) one set of valuations of the Ship owned by it in any calendar year.

15.9 Frequency of valuations

The Borrowers acknowledge and agree that the Agent may commission valuation(s) of any Ship at such times as the Agent may reasonably request (including, without limitation, on the occurrence of any breach of obligation under this Agreement, any Finance Document or any other relevant documentation in connection therewith) and, in any event not less than once in any calendar year, on 31 December of the relevant year.

15.10 Release of additional security

If at any time the Security Trustee holds additional security provided under this Clause 15 (*Security Cover*), the Borrowers may request, at their own cost and expense, the release of such additional security **provided that**:

- (a) the Borrowers can demonstrate to the Agent's satisfaction that the minimum required security cover, disregarding the value of that additional security, is equal to or above the minimum percentage required pursuant to Clause 15.1 (*Minimum required security cover*) for a consecutive period of no less than 90 days; and
- (b) no Event of Default has occurred and is continuing or would result from the release of such additional security.

16 PAYMENTS AND CALCULATIONS

16.1 Currency and method of payments

All payments to be made:

- (a) by the Lenders to the Agent; or
- (b) by any Borrower to the Mandated Lead Arranger, the Agent, the Security Trustee or any Lender,

under a Finance Document shall be made to the Agent or to the Security Trustee, in the case of an amount payable to it:

- (i) by not later than 11.00 a.m. (New York City time) on the due date;
- (ii) 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);
- (iii) to the account of the Agent, as the Agent may from time to time notify to the Borrowers and the other Creditor Parties; and
- (iv) 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

Any interest, commission or fee accruing under a Finance Document will accrue from day to day and is calculated on the basis of the actual number of days elapsed and a year of 360 days or, in any case where the practice in the Relevant Market differs, in accordance with that market practices.

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, a Hedging Bank or the Security Trustee shall be made available by the Agent to that Lender or that Hedging Bank, as the case may be, the Security Trustee by payment, with funds having the same value as the funds received, to such account as the Lender, that Hedging Bank 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 or a Hedging Bank, deduct and withhold from that amount any sum which is then due and payable to the Agent from that Lender or that Hedging Bank under any Finance Document or any sum which the Agent is then entitled under any Finance Document to require that Lender or that Hedging Bank to pay on demand.

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 the Borrowers or any Lender or any Hedging Bank any sum which the Agent is expecting to receive for remittance or distribution to the Borrowers or that Lender or that Hedging Bank 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 the Borrowers or a Lender or any Hedging Bank, without first having received that sum, the Borrowers or (as the case may be) the Lender or the Hedging Bank 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 EARNINGS

17.1 Payment of Earnings and Swap Payments

Each of the Borrowers undertakes with each Creditor Party that, throughout the Security Period (subject only to the provisions of the General Assignment to which it is party):

- (a) it shall maintain the Accounts opened in its name (whether individually or jointly) with the Account Bank;
- (b) it shall ensure that all Earnings of the Ship owned by it are paid to the Earnings Account for that Ship;
- (c) any payments by a Hedging Bank to a Borrower under any Transaction are paid to its Earnings Account attributable to the Advance to which the Transaction relates (as determined by each Hedging Bank and confirmed to the Agent); and
- (d) the Minimum Liquidity amounts required to be maintained pursuant to Clause 11.19 (*Minimum Liquidity*) shall be maintained in the Earnings Accounts.

17.2 Monthly retentions

Each of the Borrowers undertakes with each Creditor Party to ensure that, on and from the date falling one month after the Drawdown Date and at monthly intervals thereafter during the Security Period, there are transferred to its Retention Account out of the Earnings received in its Earnings Account (excluding the Minimum Liquidity Amount standing to the credit of the Earnings Accounts of the Borrowers) during the preceding calendar month:

- (a) one-third of the amount of the relevant Repayment Instalment of each Advance falling due under Clause 8.1 (*Amount of repayment instalments*) on the next Repayment Date of that Advance; and
- (b) the relevant fraction of the aggregate amount of interest on the relevant Advance which is payable on the next due date for payment of interest under this Agreement,

and the Borrowers irrevocably authorise the Agent to make those transfers if the Borrowers fail to do so.

The "**relevant fraction**", in relation to paragraph (b), 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 current Interest Period in respect of an Advance ends after the next due date for payment of interest under this Agreement, the number of months from the later of the commencement of the current Interest Period in respect of that Advance or the last due date for payment of interest to the next due date for payment of interest in respect of that Advance under this Agreement).

17.3 Shortfall in Earnings

If the aggregate Earnings received in an Earnings Account are insufficient at any time for the required amount to be transferred to the relevant Retention Account under Clause 17.2 (*Monthly retentions*), the relevant Borrower shall immediately pay the amount of the insufficiency into the relevant Retention Account.

17.4 Application of retentions

Until an Event of Default or a Potential Event of Default occurs, the Agent shall, to the extent there are sufficient funds standing to the credit of a Retention Account, on each Repayment Date in respect of each Advance and on each due date for the payment of interest under this Agreement distribute to the Lenders in accordance with Clause 16.4 (*Distribution of payments to Creditor Parties*) so much of the then balance on that Retention Account as equals:

- (a) the Repayment Instalment due on that Repayment Date relating to that Advance pursuant to Clause 8.1 (*Amount of repayment instalments*); or
- (b) the amount of interest in respect of that Advance payable on that Interest Payment Date,
in discharge of the Borrowers' liability for that Repayment Instalment or that interest in respect of that Advance.

17.5 Application of Earnings

Each Borrower undertakes with the Lenders that money from time to time credited to, or for the time being standing to the credit of, its Earnings Account shall (i) unless and until an Event of Default shall have occurred (whereupon the provisions of Clause 18.1 (*Normal order of application*) shall be and become applicable) or (ii) unless otherwise agreed in writing between the Borrowers and the Agent, be available for application in the following manner:

- (a) in or towards making payments of all amounts due and payable by the Borrowers under this Agreement or any Master Agreement (other than payments of principal and interest);
- (b) in or towards satisfaction of all amounts of interest or default interest payable to the Creditor Parties under the Finance Documents;
- (c) in or towards satisfaction *pro rata* of the Loan and any Hedge Exposure which is payable;
- (d) in or towards making payments of all fees due to an Approved Manager and thereafter meeting the costs and expenses from time to time incurred by or on behalf of a Borrower in connection with the operation of the Ship owned by it; and
- (e) as to any surplus from time to time arising on an Earnings Account following application as aforesaid, to be paid to the Borrower owning that Ship or to whomsoever it may direct.

17.6 Location of account

Each Borrower shall promptly:

- (a) comply with any requirement of the Agent as to the location or re-location of its Earnings Account or its Retention Account; 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 Accounts.

17.7 Debits for expenses etc.

The Agent shall be entitled (but not obliged) from time to time to debit the Earnings Accounts 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*).

17.8 Borrowers' obligations unaffected

The provisions of this Clause 17 (*Application of Earnings*) (as distinct from a distribution effected under Clause 17.4 (*Application of retentions*)) 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.

17.9 Restriction on withdrawal

During the Security Period no sum may be withdrawn by a Borrower from its Retention Account.

18 APPLICATION OF RECEIPTS

18.1 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 proportions:
 - (i) first, in or towards satisfaction *pro rata* of all amounts then due and payable to the Agent and the Security Trustee under the Finance Documents other than those amounts referred to at (ii) and (iii) below (including, but without limitation, all amounts payable by any Borrower under Clauses 20 (*Fees and Expenses*), 21 (*Indemnities*) and 22 (*No Set-off or Tax Deduction*) of this Agreement or by any Borrower 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 due and payable to the Creditor Parties under the Finance Documents (and, for this purpose, the expression "**interest**" shall include any net amount which any Borrower shall have become liable to pay or deliver under section(s) 9(h) (*Interest and Compensation*) of any Master Agreement but shall have failed to pay or deliver to the Hedging Banks at the time of application or distribution under this Clause 18); and
 - (iii) thirdly, in or towards satisfaction *pro rata* of the Loan and the Hedge Exposure (in the case of the latter, calculated as at the actual Early Termination Date applying to each particular Transaction, or if no such Early Termination Date shall have occurred,

calculated as if an Early Termination Date occurred on the date of application or distribution hereunder);

- (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 (or any of them), 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 foregoing provisions of this paragraph (a) of Clause 18.1 (*Normal order of application*);
- (c) THIRDLY: any expenses of the Borrowers or the Ships then due and payable;
- (d) FOURTHLY: in or towards satisfaction of any amounts representing management fees then due and payable by the Borrowers (or any of them) to an Approved Manager in connection with the Ships; and
- (e) FIFTHLY: any surplus shall be paid to the Borrowers (or any of them) or to any other person appearing to be entitled to it.

18.2 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 18.1 (*Normal order of application*) either as regards a specified sum or sums or as regards sums in a specified category or categories.

18.3 Notice of variation of order of application

The Agent may give notices under Clause 18.2 (*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.

18.4 Appropriation rights overridden

This Clause 18 (*Application of Receipts*) and any notice which the Agent gives under Clause 18.2 (*Variation of order of application*) shall override any right of appropriation possessed, and any appropriation made, by any Borrower or any Security Party.

19 EVENTS OF DEFAULT

19.1 Events of Default

An Event of Default occurs if:

- (a) the Borrowers or any of them or any Security Party 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; or
- (b) any breach occurs of Clause 9.2 (*Waiver of conditions precedent*), 10.15 (*No money laundering; anti-bribery*), 10.18 (*Sanctions*), 11.2 (*Title and negative pledge*), 11.3 (*No disposal of assets*), 11.18 (*Sanctions*), 11.19 (*Minimum Liquidity*), 12.2 (*Maintenance of status*), 12.3 (*Negative undertakings*), 13.2 (*Maintenance of obligatory insurances*), 13.3 (*Terms of obligatory*

insurances), 14.2 (*Ship's name and registration*), 14.3 (*Repair and Classification*), Clause 14.19 (*Russian Price Cap Framework Undertaking*), 14.20 (*Specific Price Cap Undertaking*), 15.2 (*Provision of additional security; prepayment*) or clause 12.3 (*negative undertakings*) of the Corporate Guarantee; or

- (c) any breach by the Borrowers or any of them or any Security Party occurs of any provision of a Finance Document (other than a breach covered by paragraphs (a) or (b) above) if, in the opinion of the Majority Lenders, such default is capable of remedy, and such default continues unremedied 14 days after the earlier of (i) written notice from the Agent requesting action to remedy the same and (ii) any Borrower becoming aware of such breach; or
- (d) (subject to any applicable grace period specified in the Finance Document) any breach by the Borrowers or any of them or any Security Party occurs of any provision of a Finance Document (other than a breach covered by paragraphs (a), (b) or (c) above); or
- (e) any representation, warranty or statement made or repeated by, or by an officer of, any Borrower or a Security Party 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 of a Relevant Person (for an amount exceeding, in the case of any Relevant Person other than a Borrower \$20,000,000 (or the equivalent in any other currency) in aggregate):
 - (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 unless the Relevant Person is contesting the declaration of an event of default or of the Financial Indebtedness becoming due and payable in good faith and on substantial grounds by appropriate proceedings and adequate reserves have been set aside for its payment if such proceedings fail; 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 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; or
- (h) any of the following occurs in relation to a Relevant Person:

- (i) a Relevant Person becomes, in the reasonable opinion of the 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 which in the case of any Relevant Person other than a Borrower, exceeds a sum of, or sums aggregating, \$20,000,000 or more or the equivalent in another currency and such execution, attachment, arrest, sequestration or distress is not withdrawn or discharged within thirty (30) days other than an arrest or detention of a Ship referred to in paragraph (g) of Clause 19.1 (*Events of Default*); or
- (iii) any administrative or other receiver is appointed over any asset of a Relevant Person; or
- (iv) an administrator is appointed (whether by the court or otherwise) in respect of a Relevant Person; or
- (v) any formal declaration of bankruptcy or any formal statement to the effect that a Relevant Person is insolvent or likely to become insolvent is made by a Relevant Person or by the directors or officers of a Relevant Person or, in any proceedings, by a lawyer acting for a Relevant Person; or
- (vi) a provisional liquidator is appointed in respect of a Relevant Person, a winding up order is made in relation to a Relevant Person or a winding up resolution is passed by a Relevant Person; or
- (vii) a resolution is passed, an administration notice is given or filed, an application or petition to a court is made or presented or any other step is taken by (aa) a Relevant Person, (bb) the members, partners, shareholders, officers or directors of a Relevant Person, (cc) a holder of Security Interests which together relate to all or substantially all of the assets of a Relevant Person, or (dd) a government minister or public or regulatory authority of a Pertinent Jurisdiction for or with a view to the winding up of that or another Relevant Person or the appointment of a provisional liquidator or administrator in respect of that or another Relevant Person, or that or another Relevant Person ceasing or suspending business operations or payments to creditors, save that this paragraph does not apply to a fully solvent winding up of a Relevant Person other than a Borrower or the Corporate Guarantor which is, or is to be, effected for the purposes of an amalgamation or reconstruction previously approved by the Majority Lenders and effected not later than 3 months after the commencement of the winding up; or
- (viii) an administration notice is given or filed, an application or petition to a court is made or presented or any other step is taken by a creditor of a Relevant Person (other than a holder of Security Interests which together relate to all or substantially all of the assets of a Relevant Person) for the winding up of a Relevant Person or the appointment of a provisional liquidator or administrator in respect of a Relevant Person in any Pertinent Jurisdiction, unless the proposed winding up, appointment of a provisional liquidator or administration is being contested in good faith, on substantial grounds and not with a view to some other insolvency law procedure being implemented instead and either (aa) the application or petition is dismissed or withdrawn within 60 days of being made or presented, or (bb) within 60 days of the administration notice being given or filed, or the other relevant steps being taken,

other action is taken which will ensure that there will be no administration and (in both cases (aa) or (bb)) the Relevant Person will continue to carry on business in the ordinary way and without being the subject of any actual, interim or pending insolvency law procedure; or

- (ix) a Relevant Person or its directors or officers take any steps (whether by making or presenting an application or petition to a court, or submitting or presenting a document setting out a proposal or proposed terms, or otherwise) with a view to obtaining, in relation to that or another Relevant Person, any form of moratorium, suspension or deferral of payments, reorganisation of debt (or certain debt) or arrangement with all or a substantial proportion (by number or value) of creditors or of any class of them or any such moratorium, suspension or deferral of payments, reorganisation or arrangement is effected by court order, by the filing of documents with a court, by means of a contract or in any other way at all; or
 - (x) any meeting of the members, partners, shareholders or directors, or of any committee of the board of directors or senior management, of a Relevant Person is held or summoned for the purpose of considering a resolution or proposal to authorise or take any action of a type described in paragraphs (iv) to (ix) or a step preparatory to such action, or (with or without such a meeting) the members, partners, shareholders, directors or such a committee resolve or agree that such an action or step should be taken or should be taken if certain conditions materialise or fail to materialise; or
 - (xi) in a country other than England, any event occurs, any proceedings are opened or commenced or any step is taken which, in the reasonable opinion of the Majority Lenders is similar to any of the foregoing; or
- (i) any Borrower or any Security Party ceases or suspends carrying on its business or a part of its business which, in the reasonable opinion of the Majority Lenders, is material in the context of this Agreement **Provided that** no Event of Default will occur under this paragraph (i) if the Security Party is an Approved Manager and the Borrowers replace such Approved Manager by another Approved Manager within 30 days from the date of such event; or
 - (j) it becomes unlawful in any Pertinent Jurisdiction or impossible:
 - (i) for any Borrower or any Security Party 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 the Agent, the Security Trustee or the Lenders to exercise or enforce any right under, or to enforce any Security Interest created by, a Finance Document; or
 - (k) any official consent necessary to enable any Borrower to own, operate or charter the Ship owned by it or to enable any Borrower or any Security Party to comply with any provision which the Majority Lenders reasonably 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, unless the relevant Borrower contests any denial, expiration or revocation (other than with respect to a Finance Documents) and on the condition that, in the reasonable opinion of the Majority Lenders (i) there are real prospects of such contest being successfully granted/upheld by the relevant Borrower (ii) such contest being made in good faith; or

- (l) it appears to the Majority Lenders that, without their prior written consent, after the date of this Agreement, there is a Change of Control; or
- (m) 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
- (n) the security constituted by a Finance Document is in any way imperilled or in jeopardy;
- (o) a Master Agreement is terminated, cancelled, suspended, rescinded or revoked or otherwise ceases to remain in full force and effect for any reason except with the consent of the Agent; or
- (p) any other event occurs or any other circumstances arise or develop including, without limitation:
 - (i) a material adverse change in the business, condition (financial or otherwise), operation, state of affairs or prospects of the Corporate Guarantor or the Group; or
 - (ii) any accident or other event involving any Ship or another vessel owned, chartered or operated by a Relevant Person,

in the light of which the Majority Lenders reasonably consider that there is a significant risk that any Security Party is, or will later become, unable to discharge its liabilities under the Finance Documents as they fall due or the enforceability of any Finance Document may be adversely affected.

19.2 Actions following an Event of Default

On, or at any time after, the occurrence of an Event of Default, which is continuing:

- (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 all other obligations of each Lender to the Borrowers under this Agreement are terminated; and/or
 - (ii) serve on the Borrowers a notice stating that all or part of the Loan, all 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 sub-paragraph (i) or (ii) above, 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 Lenders, the Security Trustee shall take any action which, as a result of the Event of Default or any notice served under sub-paragraph (i) or (ii) of paragraph (a) above, the Security Trustee, the Agent, the Hedging Banks and/or the Majority 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*), the Commitments and all other obligations of each Lender to the Borrowers under this Agreement shall terminate.

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*), the Loan, all 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 (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 that Clause 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, the Hedging Banks 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 the Borrowers or any Security Party with any form of claim or defence.

19.7 Creditor Party's rights unimpaired

Nothing in this Clause shall be taken to impair or restrict the exercise of any right given to individual Lenders or any Hedging Bank under a Finance Document or the general law; and, in particular, this Clause is without prejudice to Clause 3.1 (*Interests of Lenders several*).

19.8 Exclusion of Creditor Party Liability

No Creditor Party, and no receiver or manager appointed by the Security Trustee, shall have any liability to the Borrowers 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 by the gross negligence 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 18 (*Events of Default*), a "**Relevant Person**" means a Borrower, a Security Party (excluding an Approved Manager), and any company which is a subsidiary of a Security Party (excluding an Approved Manager) or of which any Borrower is a subsidiary.

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 Agency fee

The Borrowers shall pay to the Agent (for its own account) an agency fee in the amount and at the times agreed in a Fee Letter.

20.2 Upfront fee

The Borrowers shall pay to the Agent (for the account of each Lender) an upfront fee in the amount and at the times agreed in a Fee Letter.

20.3 Commitment fee

The Borrowers shall pay to the Arranger (for the account of each Lender) a commitment fee in the amount and at the times agreed in a Fee Letter.

20.4 Structuring fee

The Borrowers shall pay to the Arranger (for its own account) a structuring fee in the amount and at the times agreed in a Fee Letter.

20.5 Costs of negotiation, preparation etc.

The Borrowers shall pay to the Agent, within ten calendar days' from its demand, the amount of all documented expenses incurred by the Agent or the Security Trustee in connection with the negotiation, preparation, execution, printing or registration of any Finance Document or any related document or with any transaction contemplated by a Finance Document or a related document (including, without limitation, out of pocket expenses, legal fees and any related VAT), even if the transaction is not completed for any reason whatsoever.

20.6 Costs of variations, amendments, enforcement etc.

The Borrowers shall pay to the Agent, within ten calendar days' from its demand, the amount of all documented 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, any amendment or proposal for an amendment contemplated in Clause 27.4 (*Changes to reference rates*));

- (b) any consent or waiver by the Lenders, the Majority Lenders, the Hedging Banks 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;
- (d) where the Agent, in its absolute opinion, considers that there has been a material change to the insurances in respect of a Ship, the review of the insurances of a Ship pursuant to Clause 13.18 (*Review of insurance requirements*);
- (e) the opinions of the independent insurance consultant referred to in paragraph 9 of Part B, Schedule 3 (*Condition Precedent Documents*); and
- (f) any step taken by any Lender 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.

20.7 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 liabilities, claims losses and expenses resulting from any failure or delay by the Borrowers to pay such a tax.

20.8 Certification of amounts

A notice which is signed by two officers 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) the Loan 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) 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

- (c) the occurrence and/or continuance of an 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 Miscellaneous indemnities

The Borrowers shall fully indemnify each Creditor Party severally on their respective demands in respect of all claims, demands, proceedings, liabilities, taxes, losses and expenses of every kind ("**liability items**") which may be made or brought against, or incurred by, a Creditor Party, in any country, in relation to:

- (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; and
- (b) any other event, matter or question which occurs or arises at any time during the Security Period and which has any connection with, or any bearing on, any Finance Document, any payment or other transaction relating to a Finance Document or any asset covered (or previously covered) by a Security Interest created (or intended to be created) by a Finance Document,

other than claims, expenses, liabilities and losses which are shown to have been directly and mainly caused by the dishonesty or wilful misconduct of the officers or employees of the Creditor Party concerned.

21.3 Extension of indemnities; environmental indemnity

Without prejudice to its generality, Clause 21.2 (*Miscellaneous indemnities*) covers:

- (a) any matter which would be covered by Clause 21.2 (*Miscellaneous indemnities*) if any of the references in that Clause to a Lender were a reference to the Agent or (as the case may be) to the Security Trustee; and
- (b) any liability items which arise, or are asserted, under or in connection with any law relating to safety at sea, pollution or the protection of the environment, the ISM Code, the ISPS Code or any Environmental Law.

21.4 Currency indemnity

If any sum due from a 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:

- (a) making or lodging any claim or proof against a Borrower or any Security Party, whether in its liquidation, any arrangement involving it or otherwise; or
- (b) obtaining an order or judgment from any court or other tribunal; or
- (c) 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.

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.

This Clause 21.4 (*Currency indemnity*) creates a separate liability of each Borrower which is distinct from its other liabilities under the Finance Documents and which shall not be merged in any judgment or order relating to those other liabilities.

21.5 Application to Master Agreement

For the avoidance of doubt, Clause 21.4 does not apply in respect of sums due from the Borrower to a Hedging Bank under or in connection with any Master Agreement as to which sums the provisions of section 8 (Contractual Currency) of that Master Agreement shall apply.

21.6 Certification of amounts

A notice which is signed by 2 officers 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 of the amounts due) 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.

21.7 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.

21.8 Sanctions

- (a) The Borrowers shall, within three (3) Business Days of demand by a Creditor Party, indemnify each Creditor Party against any cost, loss or liability incurred by it as a result of any civil penalty or fine against, and all reasonable costs and expenses (including reasonable counsel fees and disbursements) incurred in connection with the defence thereof by, the Agent or any Lender as a result of conduct of the Borrowers or any Security Party or any of their partners, directors, officers, employees, agents or advisors, that violates any Sanctions.
- (b) The indemnity in paragraph (a) of Clause 21.8 (*Sanctions*) above shall cover any losses incurred by each Creditor Party in any jurisdiction arising or asserted under or in connection with any law relating to any Sanctions.

22 NO SET-OFF OR TAX DEDUCTION

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 Borrowers 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*) "**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 Application to Master Agreement

For the avoidance of doubt, Clause 22 does not apply in respect of sums due from the Borrowers to a Hedging Bank under or in connection with any Master Agreement as to which sums the provisions of section 2(d) (Deduction or Withholding for Tax) of that Master Agreement shall apply.

22.6 FATCA information

- (a) Subject to paragraph (c) below, each party to the Finance Documents shall, within 5 Business Days of a reasonable request by another party to the Finance Documents:
 - (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 to any Finance Document 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 any Creditor Party, and sub-paragraph (iii) of paragraph (a) above shall not oblige any other party to a Finance Document, 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 to any 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 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.
- (e) If a Borrower is or becomes a US Tax Obligor or a FATCA FFI, it shall as soon as reasonably practicable inform the Agent of the same;
- (f) Where the Agent reasonably believes that its obligations under FATCA require it, the relevant Borrower or the relevant Security Party shall provide the Agent, upon request, with a W-8 BEN-E form (or any successor form) or any other forms or documentation the Agent may reasonably require, as soon as reasonably practicable. The Agent shall not be liable for any action which it takes or refrains from taking under or in connection with this paragraph (f);
- (g) If a Borrower is or becomes a US Tax Obligor or a FATCA FFI, or where the Agent reasonably believes that its obligations under FATCA require it, each Creditor Party shall, within 10 Business Days of the date of a request from the Agent supply to the Agent:
- (i) a withholding certificate on Form W-8 or Form W-9 (or any successor form) (as applicable); and/or
 - (ii) any withholding statement and other documentation, authorisations and waivers as the Agent may require to certify or establish the status of such Creditor Party under FATCA,
- the Agent shall provide any withholding certificate, withholding statement, documentation, authorisations and waivers it receives from a Creditor Party pursuant to this paragraph (g) to that Borrower or the relevant Security Party and shall be entitled to rely on any such withholding certificate, withholding statement, documentation, authorisations and waivers provided without further verification. The Agent shall not be liable for any action which it takes or refrains from taking under or in connection with this paragraph (g); and
- (h) The Borrowers, each Security Party and each Creditor Party agrees that if any withholding certificate, withholding statement, documentation, authorisations and waivers provided to the Agent pursuant to paragraphs (f) to (g) above is or becomes materially inaccurate or incomplete, it shall promptly update such withholding certificate, withholding statement,

documentation, authorisations and waivers or promptly notify the Agent in writing of its legal inability to do so. The Agent shall, if applicable, provide any such updated withholding certificate, withholding statement, documentation, authorisations and waivers to the Borrowers or the relevant Security Party. The Agent shall not be liable for any action which it takes or refrains from taking under or in connection with this paragraph (h).

22.7 FATCA Deduction

- (a) Each party to a Finance Document may make any FATCA Deduction it is required to make by FATCA, and any payment required in connection with that FATCA Deduction, and shall not 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 to a Finance Document 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 a Finance Document to whom it is making the payment and, in addition, shall notify the Borrowers and the Agent and the Agent shall notify the other Creditor Parties.

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 for that Lender or any affiliate of that Lender:

- (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.

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 accordance with Clause 8 (*Repayment and Prepayment*).

24 INCREASED COSTS

24.1 Increased costs

(a) Each Borrower shall, within 3 Business Days of a demand by the Agent, pay for the account of a Creditor Party the amount of any Increased Costs incurred by that Creditor Party 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,

after the date of this Agreement.

(b) In this Agreement, "**Increased Costs**" means:

- (i) a reduction in the rate of return from the Loan or on a Creditor Party's (or its affiliate's) overall capital;
- (ii) an additional or increased cost; or
- (iii) a reduction of any amount due and payable under any Finance Document,

which is incurred or suffered by a Creditor Party or any of its affiliates to the extent that it is attributable to that Creditor Party having entered into its Commitment or funding or performing its obligations under any Finance Document and, for the avoidance of doubt, includes any Increased Costs incurred or suffered by a Creditor Party or any of its affiliates as a result of or with connection to Basel III, CRD IV or CRR,

but not an item attributable to a change in the rate of tax on the overall net income of the Notifying Lender (aa) (or a parent company of it) or (bb) 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*) or (cc) a FATCA Deduction.

24.2 Increased cost claims

(a) A Creditor Party (the "**Notifying Lender**") intending to make a claim pursuant to Clause 24.1 (*Increased costs*) shall notify the Agent of the event giving rise to the claim, following which the Agent shall promptly notify the Borrower.

(b) Each Creditor Party shall, as soon as practicable after a demand by the Agent, provide a certificate confirming the amount of its Increased Costs.

24.3 Notification to Borrowers of claim for increased costs

The Agent shall promptly notify the Borrowers and the Security Parties of the notice which the Agent received from the Notifying Lender under Clause 24.2 (*Increased cost claims*).

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 15 days' notice of their intention to prepay the Notifying Lender's Contribution at the end of an Interest Period and/or to cancel the Notifying Lender's Available Commitment.

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 Margin.

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:

- (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 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
 - (iii) enter into any other transaction or make any entry 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 TRANSFERS AND CHANGES IN LENDING OFFICES

26.1 Transfer by Borrowers

No Borrower may, without the consent of the Agent, given on the instructions of all the Lenders:

- (a) transfer any of its rights or obligations under any Finance Document; or
- (b) enter into any merger, de-merger or other reorganisation, or carry out any other act, as a result of which any of its rights or liabilities would vest in, or pass to, another person.

26.2 Transfer by a Lender

- (a) Subject to Clause 26.4 (*Effective Date of Transfer Certificate*), a Lender (the "**Transferor Lender**") may at any time, without the prior written consent of the Borrowers (but with a 15 days' prior notice), transfer and/or assign:
 - (i) its rights in respect of all or part of its Contribution; or
 - (ii) its obligations in respect of all or part of its Commitment; or
 - (iii) a combination of (i) and (ii),

to another Lender, another branch, subsidiary or affiliate of a Lender, another first class international bank or financial institution, any member of the European System of Central Banks, a trust/fund managed by a Lender or an affiliate of a Lender, or to any (re)insurers and insurance companies or other entity which is regularly engaged in or established for the purpose of making, purchasing or investing in shipping 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, each Borrower, the Security Parties, the Security Trustee and each of the other Lenders and the Hedging Banks;
- (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,

provided that the Agent is satisfied that the Transferee Lender has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations in relation to the transfer to such 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

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 the Borrowers 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 7.2 (*Market disruption*) 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

The Borrowers, the Security Trustee and each Lender and each Hedging Bank 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 (and all costs, fees and expenses incidental to the transfer (including, but not limited to legal fees and expenses)) from the Transferor Lender or (at the Agent's option) 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, the Borrowers, any Security Party, the Agent or the Security Trustee; and the Lenders may assign, in any manner and terms, all or any part of those rights to an insurer or surety who has become subrogated to them.

26.13 Disclosure of information

Subject to Clause 26.4 (*Effective Date of Transfer Certificate*), a Lender may, disclose to a potential Transferee Lender or, to any sub-participant any information which the Lender has received in relation to the Borrowers, any Security Party or their affairs under or in connection with any Finance Document, unless the information is clearly of a confidential nature only after a potential Transferee Lender or any sub-participant to whom disclosure is made agrees to be bound by the terms of the confidentiality undertaking in this Clause 26.13 (*Disclosure of information*) by way of a confidentiality agreement in a form recommended by the LMA from time to time or acceptable to the Borrowers.

The Borrowers agree that the terms and conditions of this Agreement shall remain confidential and shall not, or shall procure that the Corporate Guarantor shall not, disclose (whether, without limitation, in writing or orally) to third parties (other than any disclosure to the Corporate Guarantor's unitholders, officers, employees or professional advisers **provided that** the person to whom disclosure is made agrees to be bound by the terms of the confidentiality undertaking in this Clause 26.13 (*Disclosure of information*) any information required to be disclosed by law, regulation or any governmental or competent regulatory authority (including without limitation, any securities exchange), provided that, to the extent reasonably practicable, the Corporate Guarantor shall inform the Agent on the proposed form, timing, nature and purpose of the disclosure) the existence of this Agreement or the terms and conditions contained herein without the prior written consent of the Lenders.

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 Lenders under this Clause 26 (*Transfers 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 Lender as a party to any of the Finance Documents; or
- (ii) require any payments to be made by the Borrowers or any Security Party 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 relevant Lender under the Finance Documents.

26.17 Additional Hedging Banks

- (a) The Borrowers or a Lender may request that a Lender becomes an Additional Hedging Bank, with the prior approval of the Agent and (in the case of a request by a Lender) the Borrowers, by delivering to the Agent a duly executed Hedging Bank Accession Letter.
- (b) The relevant Lender will become an Additional Hedging Bank when (i) the Agent enters into the relevant Hedging Bank Accession Letter and (ii) each Borrower has entered into any supplemental documentation and/or addenda to each Mortgage as reasonably required by the Agent (which such Borrower shall do upon the Agent's request).

26.18 Change of Hedging Bank

A Hedging Bank (the "**Existing Hedging Bank**") may (in accordance with the terms of the relevant Master Agreement and subject to any consent required under that Master Agreement and paragraph (c) of Clause 8.12 (*Transactions under the Master Agreement*)), transfer by novation any of its rights and obligations in respect of any Master Agreement to which it is a party if any transferee (the "**New Hedging Bank**") has (if not already a Party as a Hedging Bank) acceded to this Agreement pursuant to Clause 26.17 (*Additional Hedging Banks*) as a Hedging Bank.

26.19 Conditions of transfer

Each New Hedging Bank, by executing the Hedging Bank Accession Letter, confirms, for the avoidance of doubt, that the Agent has authority to execute on its behalf any amendment or waiver that has been approved by or on behalf of the Existing Hedging Bank in accordance with this Agreement on or prior to the date on which the transfer becomes effective in accordance with this Agreement and that it is bound by that decision to the same extent as the Existing Hedging Bank would have been had it remained a Hedging Bank.

26.20 Limitation of responsibility of Hedging Bank

- (a) Unless expressly agreed to the contrary, an Existing Hedging Bank makes no representation or warranty and assumes no responsibility to a New Hedging Bank for:
- (i) the legality, validity, effectiveness, adequacy or enforceability of the Finance Documents, any other documents or any Security Interest created or evidenced or expressed to be created or evidenced under such Finance Documents;
 - (ii) the financial condition of any Borrower or Security Party;
 - (iii) the performance and observance by any Borrower or Security Party of its obligations under the Finance Documents or any other documents; or
 - (iv) the accuracy of any statements (whether written or oral) made in or in connection with any Finance Document or any other document,
- and any representations or warranties implied by law are excluded.
- (b) Each New Hedging Bank confirms to the Existing Hedging Bank and the other Creditor Parties that it:
- (i) has made (and shall continue to make) its own independent investigation and assessment of the financial condition and affairs of each of the Borrowers and the Security Parties and its related entities in connection with its participation in this Agreement and has not relied exclusively on any information provided to it by the Existing Hedging Bank or any other Creditor Party in connection with any Finance Document or any Security Interest created or evidenced or expressed to be created or evidenced under any Finance Document; and
 - (ii) will continue to make its own independent appraisal of the creditworthiness of each of the Borrowers and the Security Parties and each of their related entities throughout the Security Period.
- (c) Nothing in any Finance Document obliges an Existing Hedging Bank to:
- (i) accept a re-transfer from a New Hedging Bank of any of the rights and obligations transferred under this Clause 26 (*Transfers and Changes in Lending Offices*); or
 - (ii) support any losses directly or indirectly incurred by the New Hedging Bank by reason of the non-performance by any Borrower or Security Party of its obligations under the Finance Documents or otherwise.

27 VARIATIONS AND WAIVERS BY MAJORITY LENDERS

27.1 Variations, waivers etc. by 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

Subject to Clause 27.4 (*Changes to reference rates*), as regards the following, Clause 27.1 (*Variations, waivers etc. by 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 and every Hedging":

- (a) a reduction in the 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 (*Position of the Lenders*) or this Clause 27 (*Variations and Waivers by majority lenders*);
- (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 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) Any amendment or waiver which relates to:

- (i) providing for the use of a Replacement Reference Rate in place of (or in addition to) 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 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 paragraph (a) above within five 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:

"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; 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 shall be sent:

- (a) to a Borrower and a Hedge Guarantor: c/o Navios Shipmanagement Inc.
85 Akti Miaouli
Piraeus 185 38
Greece

Tel: +30 210 417 2050
Fax: +30 210 417 2070
E-mail:

legal_corp@Navios.com,

vpapaefthymiou@Navios.com;

for the attention of: Vassiliki Papaefthymiou

- (b) to a Lender: At the address below its name in Schedule 1 or (as the case

may require) in the relevant Transfer Certificate.

(c) to a Hedging Bank: At the address below its name in Schedule 1 or (as the case may require) in the relevant Transfer Certificate.

(d) to the Mandated Lead Arranger: Crédit Agricole Corporate and Investment Bank
12, place des Etats-Unis
CS 70052
92547 Montrouge Cedex
France

E-mail: clementine.costil@ca-cib.com;
romy.rousseau@ca-cib.com;
soumaya.anouar@ca-cib.com,

Copy: nicoletta.panayiotopoulos@ca-cib.com; george.gkanasoulis@ca-cib.com;
aristea.thanasoula@ca-cib.com,

(e) to the Agent and the Security Trustee: Crédit Agricole Corporate and Investment Bank
12, place des Etats-Unis
CS 70052
92547 Montrouge Cedex
France

E-mail: clementine.costil@ca-cib.com;
romy.rousseau@ca-cib.com;
soumaya.anouar@ca-cib.com,

Copy: nicoletta.panayiotopoulos@ca-cib.com; george.gkanasoulis@ca-cib.com;
aristea.thanasoula@ca-cib.com,

(f) to the Account Bank: Crédit Agricole Corporate and Investment Bank
12, place des Etats-Unis
CS 70052
92547 Montrouge Cedex
France

E-mail: clementine.costil@ca-cib.com;
romy.rousseau@ca-cib.com;
soumaya.anouar@ca-cib.com,

Copy: nicoletta.panayiotopoulos@ca-cib.com;
george.gkanasoulis@ca-cib.com;
aristea.thanasoula@ca-cib.com,

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 English language

Any notice under or in connection with a Finance Document shall be in English.

28.8 Meaning of "notice"

In this Clause "notice" includes any demand, consent, authorisation, approval, instruction, waiver or other communication.

29 SUPPLEMENTAL

29.1 Rights cumulative, non-exclusive

The rights and remedies which the Finance Documents give to each Creditor Party are:

- (a) 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.

29.2 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.

29.3 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.

29.4 Waiver of Banking Secrecy

The Borrowers hereby irrevocably authorise and give consent to the Agent and, each of its affiliates, and their respective subsidiaries, branches and representative offices and their respective directors, officers, employees and agents (the "**Authorised Persons**" and each an "**Authorised Person**"), to disclose and transmit to the Applicable Persons, whether orally, in writing or by any other means, information and documents which relates to, or are connected with, the Borrowers, their beneficial owner, any other member of the Group, their business, dealings or assets (the "**Information**"), from time to time and to the extent that the Authorised Person deems such disclosure or transmission to be necessary or desirable for or incidental to the carrying out of its duties, obligations, commitments and activities whether arising under contract or by operation of law and/or consolidated supervision and risk management policy, to the extent that the Information is covered by banking secrecy under any applicable law in general and French banking secrecy rules in particular and/or:

- (a) necessary or desirable for the purposes of its internal cross-selling enabling the Borrowers and/or any other member of the Group to benefit from the Agent's or any other Authorised Person's business activities; and/or
- (b) necessary or desirable to insure a risk related to the Borrowers and/or any other member of the Group; and/or
- (c) necessary or desirable to syndicate a risk related to the Borrowers and/or any other member of the Group; and/or
- (d) necessary or desirable to securitise a risk related to the Borrowers and/or any other member of the Group; and/or

- (e) necessary or desirable to open an account or to start a business relation with the Agent's or any other Authorised Person's parent company or any of its subsidiaries or branches.

In this Clause 29.4 (*Waiver of Banking Secrecy*), "**Applicable Person**" means any or all of the following persons:

- (i) any authority or person against which, pursuant to any applicable law, administrative order or court ruling, banking secrecy may not be validly asserted by an Authorised Person;
- (ii) the Agent's or any other Authorised Person's parent company, any of its subsidiaries, branches or representative offices;
- (iii) any rating agency, auditor, insurance and reinsurance company, broker or professional adviser, to the extent such entity or person is bound by a statutory or contractual duty of confidentiality;
- (iv) any financial institution and institutional or other investor who is or might be involved in securitisation schemes, hedging agreements, participations, credit derivatives or any other risk transfer or sharing arrangements, including, inter alia, a bank and/or other financial institution's participation in, or syndication in respect of, the Loan;
- (v) any potential assignee or transferee or person who has entered into or is proposing to enter into contractual arrangements with the Authorised Person in relation to a Borrower; and
- (vi) any external computer services provider, for the purpose of maintenance or repair of the Agent's or any other Authorised Person's computer systems and data provided that such external computer services provider is bound by the confidentiality policy of Crédit Agricole Corporate and Investment Bank.

29.5 Counterparts

A Finance Document may be executed in any number of counterparts.

30 CONFIDENTIALITY

30.1 Confidential Information

Each Creditor Party agrees to keep all Confidential Information confidential and not to disclose it to anyone, save to the extent permitted by Clauses 30.2 (*Disclosure of Confidential Information*) and 30.3 (*Disclosure to numbering service providers*) 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 taking also into account the public nature of the Corporate Guarantor.

30.2 Disclosure of Confidential Information

Any Creditor Party may disclose:

- (a) to any of its affiliates and Related Funds and any of its or their officers, directors, employees, professional advisers, auditors, insurers, reinsurers, brokers, insurance brokers, reinsurance brokers, partners and Representatives such Confidential Information as that Creditor Party

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 transfers (or may potentially assign or transfer) all or any of its rights and/or obligations under one or more Finance Documents or which succeeds (or which may potentially succeed) it as Agent 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 the Borrowers and/or any Security Party and to any of that person's affiliates, Related Funds, Representatives and professional advisers;
- (iii) appointed by any Creditor Party 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, arbitration, administrative or other investigations, proceedings or disputes;
- (vii) to whom or for whose benefit that Creditor Party charges, assigns or otherwise creates a Security Interest (or may do so) pursuant to Clause 26.16 (*Security over Lenders' rights*), including to a federal reserve or central bank (including, for the avoidance of doubt, the European Central Bank) to (or through) whom it creates Security Interest pursuant to Clause 26.16 (*Security over Lenders' rights*) and any federal reserve or central bank (including, for the avoidance of doubt, the European Central Bank) may disclose such Confidential Information to a third party to whom it transfers (or may potentially transfer) rights under the Finance Documents or the securities issued by the special purpose vehicle in connection with the enforcement of such Security Interest;
- (viii) who is a party to a Finance Document, a member of the Group or any related entity of the Borrowers or any Security Party; or
- (ix) with the consent of the Borrowers;

in each case, such Confidential Information as that Creditor Party 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 that Creditor Party, it is not practicable so to do in the circumstances;
- (c) to any person appointed by that Creditor Party 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 relevant Creditor Party; and
- (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 Borrowers and/or the Security Parties.

30.3 Disclosure to numbering service providers

- (a) Any Creditor Party may disclose to any national or international numbering service provider appointed by that Creditor Party to provide identification numbering services in respect of this Agreement, the Loan and/or the Borrowers and/or the Security Parties the following information:
- (i) names of the Borrowers and the Security Parties;
 - (ii) country of domicile of the Borrowers and the Security Parties;
 - (iii) place of incorporation of the Borrowers and the Security Parties;
 - (iv) date of this Agreement;
 - (v) governing law;

- (vi) the name of the Agent;
- (vii) date of each amendment and restatement of this Agreement;
- (viii) amount of the Loan;
- (ix) amount of Total Commitments;
- (x) currency of the Loan;
- (xi) type of facility;
- (xii) ranking of facility;
- (xiii) final Repayment Date;
- (xiv) changes to any of the information previously supplied pursuant to paragraphs (i) to (xiii) above; and
- (xv) such other information agreed between such Creditor Party and the Borrowers,

to enable such numbering service provider to provide its usual syndicated loan numbering identification services.

- (b) The parties to this Agreement acknowledge and agree that each identification number assigned to this Agreement, the Loan and/or the Borrowers and/or any Security Party by a numbering service provider and the information associated with each such number may be disclosed to users of its services in accordance with the standard terms and conditions of that numbering service provider.
- (c) The Borrowers represent that none of the information set out in sub-paragraphs (i) to (xv) of paragraph (a) above is, nor will at any time be, unpublished price-sensitive information.
- (d) The Agent shall notify the Borrowers and the other Creditor Parties of:
 - (i) the name of any numbering service provider appointed by the Agent in respect of this Agreement, the Loan and/or the Borrowers and/or the Security Parties; and
 - (ii) the number or, as the case may be, numbers assigned to this Agreement, the Loan and/or the Borrowers and/or the Security Parties by such numbering service provider.

30.4 Entire agreement

This Clause 30 (*Confidentiality*) constitutes the entire agreement between the parties to this Agreement in relation to the obligations of the Creditor Parties under the Finance Documents regarding Confidential Information and supersedes any previous agreement, whether express or implied, regarding Confidential Information.

30.5 Inside information

Each of the Creditor Parties 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 each of the Creditor Parties undertakes not to use any Confidential Information for any unlawful purpose.

30.6 Notification of disclosure

Each of the Creditor Parties 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 30.2 (*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; and
- (b) upon becoming aware that Confidential Information has been disclosed in breach of this Clause 30.

30.7 Continuing obligations

The obligations in this Clause 30 (*Confidentiality*) are continuing and, in particular, shall survive and remain binding on each Creditor Party for a period of 12 months from the earlier of:

- (a) the date on which all amounts payable by the Borrowers and the Security Parties under or in connection with this Agreement have been paid in full and all Commitments have been cancelled or otherwise cease to be available; and
- (b) the date on which such Creditor Party otherwise ceases to be a Creditor Party.

31 LAW AND JURISDICTION

31.1 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.

31.2 Exclusive English jurisdiction

Subject to Clause 31.3 (*Choice of forum for the exclusive benefit of the Creditor Parties*), the courts of England shall have exclusive jurisdiction to settle any Dispute.

31.3 Choice of forum for the exclusive benefit of the Creditor Parties

Clause 31.2 (*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.

31.4 Process agent

Each Borrower irrevocably appoints Hill Dickinson Services (London) Limited at its registered office from time to time, 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.

31.5 Creditor Party rights unaffected

Nothing in this Clause 31 (*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.

31.6 Meaning of "proceedings" and "Dispute"

In this Clause 31 (*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.

32 BAIL-IN

32.1 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 hereto 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 JOINT AND SEVERAL LIABILITY

33.1 General

All liabilities and obligations of the Borrowers under this Agreement shall, whether expressed to be so or not, be several and, if and to the extent consistent with Clause 33.2 (*No impairment of Borrowers' obligations*), joint.

33.2 No impairment of Borrowers' 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 Creditor Party entering into any rescheduling, refinancing or other arrangement of any kind with any other Borrower;
- (c) any Creditor Party releasing any other Borrower or any Security Interest created by a Finance Document; or
- (d) any combination of the foregoing.

33.3 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.

33.4 Subordination

Subject to Clause 33.5 (*Borrowers' 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.

33.5 Borrowers' 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 33.4 (*Subordination*), in relation to any other Borrower, that Borrower shall take that action as soon as practicable after receiving the Agent's notice.

34 GUARANTEE AND INDEMNITY – HEDGE GUARANTORS

34.1 Guarantee and indemnity

Each Hedge Guarantor irrevocably and unconditionally:

- (a) guarantees to the Hedging Bank punctual performance by each Borrower of all that Borrower's obligations under the Master Agreements;
- (b) undertakes with the Hedging Bank that whenever a Borrower does not pay any amount when due under or in connection with any Master Agreement, that Hedge Guarantor shall immediately on demand pay that amount as if it were the principal obligor; and
- (c) agrees with the Hedging Bank that if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal, it will, as an independent and primary obligation, indemnify the Hedging Bank immediately on demand against any cost, loss or liability it incurs as a result of a Borrower not paying any amount which would, but for such unenforceability, invalidity or illegality, have been payable by it under any Master Agreement on the date when it would have been due. The amount payable by a Hedge Guarantor under this indemnity will not exceed the amount it would have had to pay under this Clause 34 (*Guarantee and Indemnity – Hedge Guarantors*) if the amount claimed had been recoverable on the basis of a guarantee.

34.2 Continuing guarantee

This guarantee is a continuing guarantee and will extend to the ultimate balance of sums payable by any Borrower under the Master Agreements, regardless of any intermediate payment or discharge in whole or in part.

34.3 Reinstatement

If any discharge, release or arrangement (whether in respect of the obligations of any Borrower or any security for those obligations or otherwise) is made by the Hedging Bank in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of each Hedge Guarantor under this Clause 34 (*Guarantee and Indemnity – Hedge Guarantors*) will continue or be reinstated as if the discharge, release or arrangement had not occurred.

34.4 Waiver of defences

The obligations of each Hedge Guarantor under this Clause 34 (*Guarantee and Indemnity – Hedge Guarantors*) and in respect of any Finance Documents will not be affected or discharged by an act, omission, matter or thing which, but for this Clause 34.4 (*Waiver of defences*), would reduce, release or prejudice any of its obligations under this Clause 34 (*Guarantee and Indemnity – Hedge Guarantors*) or in respect of any Finance Document (without limitation and whether or not known to it or the Hedging Bank) including:

- (a) any time, waiver or consent granted to, or composition with, any Security Party or other person;
- (b) the release of any other Security Party or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;

- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect or delay in perfecting, or refusal or neglect to take up or enforce, or delay in taking or enforcing any rights against, or security over assets of, any Security Party 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;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of a Security Party or any other person;
- (e) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any 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;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security; or
- (g) any insolvency or similar proceedings.

34.5 Immediate recourse

Each Hedge Guarantor waives any right it may have of first requiring the Hedging Bank to proceed against or enforce any other rights or security or claim payment from any person (including without limitation to commence any proceedings under any Finance Document or to enforce any Finance Document) before claiming or commencing proceedings under this Clause 34 (*Guarantee and Indemnity – Hedge Guarantors*). This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

34.6 Appropriations

Until all amounts which may be or become payable by the Borrowers under or in connection with the Master Agreements have been irrevocably paid in full, the Hedging Bank may:

- (a) refrain from applying or enforcing any other moneys, security or rights held or received by the Hedging Bank in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and no Hedge Guarantor shall be entitled to the benefit of the same; and
- (b) hold in an interest-bearing suspense account any moneys received from any Hedge Guarantor or on account of any Hedge Guarantor's liability under this Clause 34 (*Guarantee and Indemnity – Hedge Guarantors*).

34.7 Deferral of Hedge Guarantors' rights

All rights which each Hedge Guarantor at any time has (whether in respect of this guarantee, a mortgage or any other transaction) against any Borrower, any other Security Party or their respective assets shall be fully subordinated to the rights of the Hedging Bank under the Finance Documents and until the end of the Security Period and unless the Agent otherwise directs, no Hedge Guarantor will exercise any rights which it may have (whether in respect of any Finance Document to which it is a party or any other transaction) by reason of performance

by it of its obligations under the Finance Documents or by reason of any amount being payable, or liability arising, under this Clause 34:

- (a) to be indemnified by a Security Party;
- (b) to claim any contribution from any third party providing security for, or any other guarantor of, any Security Party's obligations under the Finance Documents;
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Hedging Bank under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by the Hedging Bank;
- (d) to bring legal or other proceedings for an order requiring any Security Party to make any payment, or perform any obligation, in respect of which any Hedge Guarantor has given a guarantee, undertaking or indemnity under Clause 34 (*Guarantee and Indemnity – Hedge Guarantors*);
- (e) to exercise any right of set-off against any Security Party; and/or
- (f) to claim or prove as a creditor of any Security Party in competition with the Hedging Bank.

If a Hedge Guarantor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Hedging Bank by the Security Parties under or in connection with the Finance Documents to be repaid in full on trust for the Hedging Bank and shall promptly pay or transfer the same to the Agent or as the Agent may direct for application in accordance with Clause 16.

34.8 Additional security

This guarantee and any other Security Interest given by a Hedge Guarantor is in addition to and is not in any way prejudiced by, and shall not prejudice, any other guarantee or Security Interest or any other right of recourse now or subsequently held by the Hedging Bank or any right of set-off or netting or right to combine accounts in connection with the Finance Documents.

34.9 Applicability of provisions of Guarantee to other Security Interests

Clauses 34.2 (*Continuing guarantee*), 34.3 (*Reinstatement*), 34.4 (*Waiver of defences*), 34.5 (*Immediate recourse*), 34.6 (*Appropriations*), 34.7 (*Deferral of Hedge Guarantors' rights*) and 34.8 (*Additional security*) shall apply, with any necessary modifications, to any Security Interest which a Hedge Guarantor creates (whether at the time at which it signs this Agreement or at any later time) to secure the Secured Liabilities or any part of it.

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/ Panagiotis Boumpouras
for and on behalf of)
ASTROVALOS SHIPPING CORPORATION)
in the presence of:)

Witness' signature:) /s/ Aikaterina Dimitriou
Witness' name:) /
Witness' address:)

SIGNED by) /s/ Panagiotis Boumpouras
as attorney-in-fact)
for and on behalf of)
GAVDOS SHIPPING CORPORATION)
in the presence of:)

Witness' signature:) /s/ Aikaterina Dimitriou
Witness' name:)
Witness' address:)

HEDGE GUARANTORS

SIGNED by)
as attorney-in-fact) /s/ Panagiotis Boumpouras
for and on behalf of)
ASTROVALOS SHIPPING CORPORATION)
in the presence of:)

Witness' signature:) /s/ Aikaterina Dimitriou
Witness' name:)
Witness' address:)

SIGNED by)
as attorney-in-fact) /s/ Panagiotis Boumpouras
for and on behalf of)
GAVDOS SHIPPING CORPORATION)
in the presence of:)

Witness' signature:) /s/ Aikaterina Dimitriou
Witness' name:)
Witness' address:)

LENDERS

SIGNED by) /s/ Charalampos Kazantzis
duly authorised)
for and on behalf of)
CRÉDIT AGRICOLE CORPORATE)
AND INVESTMENT BANK)
in the presence of:)

Witness' signature:) /s/ Aikaterina Dimitriou
Witness' name:)
Witness' address:)

ORIGINAL HEDGING BANKS

SIGNED by) /s/ Charalampos Kazantzis
duly authorised)
for and on behalf of)
CRÉDIT AGRICOLE CORPORATE)
AND INVESTMENT BANK)
in the presence of:)

Witness' signature:) /s/ Aikaterina Dimitriou
Witness' name:)
Witness' address:)

MANDATED LEAD ARRANGER

SIGNED by)
duly authorised) /s/ Charalampos Kazantzis
for and on behalf of)
CRÉDIT AGRICOLE CORPORATE)
AND INVESTMENT BANK)
in the presence of:)

Witness' signature:) /s/ Aikaterina Dimitriou
Witness' name:)
Witness' address:)

AGENT

SIGNED by)
duly authorised) /s/ Charalampos Kazantzis
for and on behalf of)
CRÉDIT AGRICOLE CORPORATE)
AND INVESTMENT BANK)
in the presence of:)

Witness' signature:) /s/ Aikaterina Dimitriou
Witness' name:)
Witness' address:)

SECURITY TRUSTEE

SIGNED by)
duly authorised) /s/ Charalampos Kazantzis
for and on behalf of)
CRÉDIT AGRICOLE CORPORATE)
AND INVESTMENT BANK)
in the presence of:)

Witness' signature:) /s/ Aikaterina Dimitriou
Witness' name:)
Witness' address:)

Dated 6 October 2025

\$68,000,000

TERM LOAN FACILITY

**NEFELI NAVIGATION S.A.
VYTHOS MARINE CORP.
CLOUD ATLAS MARINE S.A. and
THALASSA MARINE S.A.**
as joint and several Borrowers

and

THE FINANCIAL INSTITUTIONS
listed in Part B of Schedule 1
as Lenders

and

NORDEA BANK ABP, FILIAL I NORGE
as Mandated Lead Arranger and Bookrunner

and

NORDEA BANK ABP, FILIAL I NORGE
as Facility Agent

and

NORDEA BANK ABP, FILIAL I NORGE
as Security Agent

FACILITY AGREEMENT

relating to
the refinancing of the Existing Indebtedness and
general corporate and working capital purposes

WATSON FARLEY
&
WILLIAMS

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THIS AGREEMENT is made on 6 October 2025

PARTIES

- (1) **NEFELI NAVIGATION S.A.**, 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 as a borrower ("**Borrower A**")
- (2) **VYTHOS MARINE CORP.**, 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 as a borrower ("**Borrower B**")
- (3) **CLOUD ATLAS MARINE S.A.**, 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 as a borrower ("**Borrower C**")
- (4) **THALASSA MARINE S.A.**, 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 as a borrower ("**Borrower D**")
- (5) **THE FINANCIAL INSTITUTIONS** listed in Part B of Schedule 1 (*The Parties*) as lenders (the "**Original Lenders**")
- (6) **NORDEA BANK ABP, FILIAL I NORGE** as agent of the other Finance Parties (the "**Facility Agent**")
- (7) **NORDEA BANK ABP, FILIAL I NORGE** as security agent for the Secured Parties (the "**Security Agent**")
- (8) **NORDEA BANK ABP, FILIAL I NORGE** as mandated lead arranger (the "**Mandated Lead Arranger**")
- (9) **NORDEA BANK ABP, FILIAL I NORGE** as bookrunner (the "**Bookrunner**")

BACKGROUND

The Lenders have agreed to make available to the Borrowers a senior secured term loan facility in a principal amount of up to the lower of (i) \$68,000,000 and the aggregate of (ii) 35 per cent. of the Initial Market Value of Ship A and Ship B and 55 per cent. of the Initial Market Value of Ship C and Ship D, for the purpose of refinancing the Existing Indebtedness and for general corporate and working capital purposes.

OPERATIVE PROVISIONS

EUROPE/79885433v3

SECTION 1
INTERPRETATION

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement:

"Account Bank" means NORDEA BANK ABP, FILIAL I NORGE, acting through its office at Essendrops Gate 7, Postboks, 1166, Sentrum, 0107, Oslo, 920058817 MVA (Norwegian Register of Business Enterprise), Norway or any replacement bank or other financial institution as may be approved by the Facility Agent acting with the authorisation of the Majority Lenders.

"Account Security" means a document creating Security over the Earnings Accounts in agreed form.

"Additional Business Day" means any day specified as such in the Reference Rate Terms.

"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.

"Annex VI" means Annex VI of the Protocol of 1997 to amend the International Convention for the Prevention of Pollution from Ships 1973 (Marpol), as modified by the Protocol of 1978 relating thereto.

"Approved Brokers" means any firm or firms of insurance brokers approved in writing by the Facility Agent, acting with the authorisation of the Majority Lenders.

"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 7 (*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 7 (*Details of the Ships and other definitions*) or any other classification society approved in writing by the Facility Agent acting with the authorisation of the Majority Lenders.

"Approved Flag" means, in relation to a Ship, the flag of Bahamas, Bermuda, Cayman Islands, Cyprus, Hong Kong, Liberia, Malta, Panama, the Marshall Islands, Singapore or the United Kingdom or such other flag approved in writing by the Facility Agent acting with the authorisation of the Lenders, such authorisation not to be unreasonably withheld and a reference to "the Approved Flag" shall be a reference to the flag and, if applicable port of registry, under which that Ship is then flagged.

"Approved Manager" means as at the date of this Agreement:

- (a) in relation to a Ship, Navios Shipmanagement Inc., a corporation domesticated in the Republic of the Marshall Islands whose registered address is at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960;
- (b) in relation to a Ship, Navios Containers Management Inc., a corporation incorporated under the laws of the Republic of the Marshall Islands having its registered address at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH 96960 as manager;
- (c) in relation to a Ship, Navios Corporation Management Inc., a corporation incorporated under the laws of the Republic of the Marshall Islands having its registered address at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH 96960 as manager;
- (d) in relation to Ship A and Ship B, G-Marine Service Co., Ltd. a company incorporated in Korea and having its registered address at 15th Floor, Meritz Tower 331, Jungang-daero, Dong-gu, Busan, 48792, Korea; and/or
- (e) in relation to a Ship, any Affiliate of Navios Shipmanagement Inc. or any other person approved in writing by the Facility Agent acting with the authorisation of the Majority Lenders, such authorisation not to be unreasonably withheld and which authorisation shall not be withheld in the case of an Affiliate or Subsidiary of Navios Shipmanagement Holdings Corporation, as the commercial and/or technical manager of any Ship.

"Approved Valuer" means Arrow Sale and Purchase (UK) Limited, Braemar Seascopes Shipping Limited, Simpson Spence Young Ltd, Fearnleys AS, Clarkson Securities AS, MB Shipbrokers, Howe Robinson, Barry Rogliano Salles and VesselsValue (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 Facility Agent, acting with the authorisation of the Majority Lenders.

"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 relevant time, the aggregate of (a) the aggregate Market Value of each Ship then subject to a Mortgage and (b) the net realisable value of any additional Security previously provided under Clause 23 (*Security Cover*) expressed as a percentage of the Loan.

"Assignable Charter" means any time charterparty, consecutive voyage charter or contract of affreightment in respect of a Ship of a duration (or capable of exceeding a duration) of 18 months or more or any bareboat charter entered into in accordance with Clauses 22.16 (*Restrictions on chartering, appointment of managers etc.*) and 22.19 (*Charterparty Assignment*) **provided that** in case such Charter provides for a quiet enjoyment letter, agreement or undertaking to be granted by the Security Agent the wording of such letter, agreement or undertaking to be acceptable to the Facility Agent.

"Assignment Agreement" means an agreement substantially in the form set out in Schedule 5 (*Form of Assignment Agreement*) or any other form agreed between the relevant assignor and assignee.

"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 30 June 2026, or such later date as may be agreed by the Facility Agent in writing.

"Available Commitment" means a Lender's Commitment minus:

- (a) the amount of its participation in the outstanding Loan; and
- (b) in relation to any proposed Utilisation, the amount of its participation in any Advance that is due to be made on or before the proposed Utilisation Date.

"Available Facility" means the aggregate for the time being of each Lender's Available Commitment.

"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 in Clause 6.1 (*Repayment of Loan*).

"Bill of Sale" means, in relation to each of Ship A and Ship B, a bill of sale executed or to be executed by the relevant Existing Owner as seller transferring title of ownership in that Ship to Borrower A and Borrower B, respectively.

"Borrower" means Borrower A, Borrower B, Borrower C or Borrower D.

"Business Day" means a day (other than a Saturday or Sunday) on which banks are open for general business in Athens, Oslo and New York and in relation to:

- (a) any date for payment or purchase of an amount relating to the Loan, any part of the Loan or Unpaid Sum; or
- (b) the determination of the first day or the last day of an Interest Period for the Loan, any part of the Loan or Unpaid Sum, or otherwise in relation to the determination of the length of such an Interest Period,

which is an Additional Business Day relating to the Loan, that part of the Loan or Unpaid Sum.

"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 7.2 (*Change of control*).

"Charter" means any charter relating to a Ship, or other contract for its employment, whether or not already in existence (including, without limitation, an Initial Charter and any Assignable Charter).

"Charter Guarantee" means any guarantee, bond, letter of credit or other instrument (whether or not already issued) supporting a Charter.

"Charterparty Assignment" means, in relation to an Assignable Charter, a first priority assignment of the rights of the relevant Borrower under that Assignable Charter and any related Charter Guarantee executed or to be executed by that Borrower in favour of the Security Agent in agreed form.

"Code" means the US Internal Revenue Code of 1986.

"Commitment" means:

- (a) in relation to an Original Lender, the amount set opposite its name under the heading "Commitment" in Part B of Schedule 1 (*The Parties*) and the amount of any other Commitment transferred to it under this Agreement; and
- (b) in relation to any other Lender, the amount of any Commitment transferred to it under this Agreement,

to the extent not cancelled, reduced or transferred by it under this Agreement.

"Compounded Reference Rate" means, in relation to any RFR Banking Day during the Interest Period of the Loan or any part of the Loan, the percentage rate per annum which is the Daily Non-Cumulative Compounded RFR Rate for that RFR Banking Day.

"Compounding Methodology Supplement" means, in relation to the Daily Non-Cumulative Compounded RFR Rate or the Cumulative Compounded RFR Rate, a document which:

- (a) is agreed in writing by the Borrowers, the Facility Agent (in its own capacity) and the Facility Agent (acting on the instructions of Majority Lenders);
- (b) specifies a calculation methodology for that rate; and
- (c) has been made available to the Borrowers and each Finance Party.

"Confidential Information" means all information relating to any Transaction Obligor, the Group, the Finance Documents or the Facility of which a Finance Party becomes aware in its capacity as, or for the purpose of becoming, a Finance Party or which is received by a Finance Party in relation to, or for the purpose of becoming a Finance Party under, the Finance Documents or the Facility from either:

- (a) any member of the Group or any of its advisers; or

- (b) another Finance Party, if the information was obtained by that Finance Party directly or indirectly 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:

(i) information that:

- (A) is or becomes public information other than as a direct or indirect result of any breach by that Finance Party of Clause 43 (*Confidential Information*); or
- (B) is identified in writing at the time of delivery as non-confidential by any member of the Group or any of its advisers; or
- (C) is known by that Finance Party before the date the information is disclosed to it in accordance with paragraphs (a) or (b) above or is lawfully obtained by that Finance Party after that date, from a source which is, as far as that Finance Party is aware, unconnected with the Group and which, in either case, as far as that Finance Party is aware, has not been obtained in breach of, and is not otherwise subject to, any obligation of confidentiality; or
- (D) in relation to the Guarantor such information as the Guarantor is entitled to disclose by rules and regulations of the SEC and any US Stock Exchange applicable to the Guarantor, and

(ii) 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 Facility Agent.

"Corresponding Debt" means any amount, other than any Parallel Debt, which a Borrower owes to a Secured Party under or in connection with the Finance Documents.

"Cumulative Compounded RFR Rate" means, in relation to an Interest Period for the Loan or any part of the Loan, the percentage rate per annum determined by the Facility Agent (or by any other Finance Party which agrees to determine that rate in place of the Facility Agent) in accordance with the methodology set out in Schedule 10 (*Cumulative Compounded RFR Rate*) or in any relevant Compounding Methodology Supplement.

"Daily Non-Cumulative Compounded RFR Rate" means, in relation to any RFR Banking Day during an Interest Period for the Loan or any part of the Loan, the percentage rate per annum determined by the Facility Agent (or by any other Finance Party which agrees to determine that rate in place of the Facility Agent) in accordance with the methodology set out in Schedule 9 (*Daily Non-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, a deed of covenant collateral to the Mortgage over that Ship in agreed form.

"Deed of Release" means any deed releasing Borrower A and Borrower B and the other relevant Transaction Obligors from their obligations under the Existing Bareboat Charters and any Existing Security in a form acceptable to the Facility Agent.

"Default" means an Event of Default or a Potential Event of Default.

"Delegate" means any delegate, agent, attorney or co-trustee appointed by the Security Agent.

"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 Security Agent 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 Facility Agent, 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 the Borrower which is the owner of that Ship or the Security Agent 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:

- (a) an account opened or to be opened in the name of each Borrower with the Account Bank;
- (b) any other account in the name of a Borrower with the Account Bank which may, with the prior written consent of the Facility Agent, 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 paragraphs (a) to (e) 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 injunctioned 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 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 25 (*Events of Default*).

"Existing Bareboat Charter" means Existing Bareboat Charter A or Existing Bareboat Charter B.

"Existing Bareboat Charter A" has the meaning given to that term in Schedule 7 (*Details of the Ships and other definitions*).

"Existing Bareboat Charter B" has the meaning given to that term in Schedule 7 (*Details of the Ships and other definitions*).

"Existing Indebtedness" means Existing Indebtedness A or Existing Indebtedness B.

"Existing Indebtedness A" means, at any date, the outstanding Financial Indebtedness of Borrower A on that date under Existing Bareboat Charter A.

"Existing Indebtedness B" means, at any date, the outstanding Financial Indebtedness of Borrower B on that date under Existing Bareboat Charter B.

"Existing Owner" means Existing Owner A or Existing Owner B.

"Existing Owner A" has the meaning given to that term in Schedule 7 (*Details of the Ships and other definitions*).

"Existing Owner B" has the meaning given to that term in Schedule 7 (*Details of the Ships and other definitions*).

"Existing Security" means any Security created to secure any 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 notified by a Lender to the Facility Agent in writing on or before the date it becomes a Lender (or, following that date, by not less than 5 Business Days' written notice) as the office or offices through which it 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 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 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 Facility Agent, the Security Agent, the Mandated Lead Arranger and any Obligor setting out any of the fees referred to in Clause 11 (*Fees*).

"Finance Document" means:

- (a) this Agreement;
- (b) any Fee Letter;
- (c) the Guarantee;
- (d) each Utilisation Request;
- (e) any Reference Rate Supplement;
- (f) any Compounding Methodology Supplement;

- (g) any Security Document;
- (h) any Manager's Undertaking;
- (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 Facility Agent and the Borrowers.

"Finance Party" means the Facility Agent, the Security Agent, the Mandated Lead Arranger, a Lender or the Bookrunner.

"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 individual rate notified by a Lender to the Facility Agent pursuant to sub-paragraph (ii) of paragraph (a) of Clause 10.3 (*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; and
- (b) any Charter and any Charter Guarantee in relation to that Ship,

in agreed form.

"Group" means the Guarantor and its Subsidiaries for the time being (excluding any Subsidiaries whose shares are listed on any public stock exchange and whose financial statements are not consolidated into the financial statements of the Guarantor) and **"member of the Group"** shall be construed accordingly.

"Group Vessel" means any ship (including, but not limited to, the Ships) from time to time wholly owned by a member of the Group (directly or indirectly) including chartered-in vessels for which a member of the Group has a purchase obligation but excluding, for the avoidance of doubt, any newbuilding vessels not delivered to the relevant member of the Group at the relevant time.

"Guarantee" means a guarantee executed by the Guarantor in agreed form.

"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 MH 96960.

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

"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.

"Indemnified Person" has the meaning given to it in Clause 14.2 (*Other indemnities*).

"Initial Charter" has the meaning given to that term in Schedule 7 (*Details of the Ships and other definitions*).

"Initial Charterer" has the meaning given to that term in Schedule 7 (*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 valuations relative thereto referred to in paragraph 3.7 of Part B of Schedule 2 (*Conditions Precedent*) in relation to Ship A and Ship B and the valuations relative thereto referred to in paragraph 2.5 of Part C of Schedule 2 (*Conditions Precedent*) in relation to Ship C and Ship D.

"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, that Ship's

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" means the aggregate amount of interest that is, or is scheduled to become, payable under any Finance Document.

"Interest Payment Date" has the meaning given to it in Clause 8.2 (*Payment of interest*).

"Interest Period" means, in relation to the Loan or any part of the Loan, each period determined in accordance with Clause 9 (*Interest Periods*) and, in relation to an Unpaid Sum, each period determined in accordance with Clause 8.3 (*Default interest*).

"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) any Original Lender; and
- (b) any bank, financial institution, trust, fund or other entity which has become a Party as a Lender in accordance with Clause 26 (*Changes to the Lenders*),

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.

"Majority Lenders" means:

- (a) if no Advance has yet been made, a Lender or Lenders whose Commitments aggregate more than 66⅔ per cent. of the Total Commitments; or
- (b) at any other time, a Lender or Lenders whose participations in the Loan aggregate more than 66⅔ per cent. of the amount of the Loan then outstanding or, if the Loan has been repaid or prepaid in full, a Lender or Lenders whose participations in the Loan immediately before repayment or prepayment in full aggregate more than 66⅔ per cent. of the Loan immediately before such repayment.

"Management Agreement" means in relation to a Ship, any agreement entered into with an Approved Manager regarding the commercial and technical management of that Ship.

"Manager's Undertaking" means, in relation to a Ship, the letter of undertaking from the Approved Manager relating to that Ship subordinating the rights of the Approved Manager respectively against that Ship and the relevant Borrower owing that Ship to the rights of the Finance Parties in agreed form.

"Margin" means the percentage rate per annum specified as such in the Reference Rate Terms.

"Market Disruption Rate" means the rate (if any) specified as such in the Reference Rate Terms.

"Market Value" means, in relation to a Ship or any other vessel, at any date, the market value of that Ship or vessel determined in accordance with paragraph (a) of Clause 23.7 (*Provision of valuations*) and, prepared:

- (a) unless otherwise specified by the Facility Agent, as at a date not more than 30 days previously;
- (b) by an Approved Valuer or Approved Valuers;
- (c) with or without physical inspection of that Ship or vessel (as the Facility 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 Charter.

"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 the Borrowers, 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 any Finance Party under any of the Finance Documents.

"Money Laundering" has the meaning given in Article 1 of Directive 2015/849/EC of the Council of the European Communities.

"Month" means, in relation to any Interest Period (or any other period for the accrual of commission or fees), a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month, subject to adjustment in accordance with the rules specified as Business Day Conventions in the Reference Rate Terms.

"Mortgage" means, in relation to a Ship, a first priority, or, as the case may be, preferred ship mortgage on that Ship in agreed form or any replacement first preferred or first priority ship mortgage on that Ship under the law of an Approved flag in agreed form.

"Obligor" means a Borrower or the Guarantor.

"Original Financial Statements" means the annual audited consolidated financial statements of the Group for its financial year ended 31 December 2024.

"Original Jurisdiction" means, in relation to an Obligor, the jurisdiction under whose laws that Obligor is incorporated as at the date of this Agreement.

"Overseas Regulations" means the Overseas Companies Regulations 2009 (SI 2009/1801).

"Parallel Debt" means any amount which a Borrower owes to the Security Agent under Clause 29.2 (*Parallel Debt (Covenant to pay the Security Agent)*) or under that clause as incorporated by reference or in full in any other Finance Document.

"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) an 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, 18 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 Facility Agent acting with the authorisation of the Majority Lenders.

"Permitted Earnings Account" means, in relation to each of Borrower A and Borrower B, the relevant account in the name of that Borrower with Hamburg Commercial Bank AG acting through its office at Gerhart-Hauptmann-Platz 50, 20095 Hamburg, Germany designated "Earnings Account".

"Permitted Financial Indebtedness" means:

- (a) any Financial Indebtedness incurred under the Finance Documents;
- (b) until the Release Date, the Existing Indebtedness; and
- (c) any Financial Indebtedness (including without limitation, any shareholder or intra-Group loans made available to the Borrowers (or any of them) in the normal course of its business of trading and operating any of Ship) that is subordinated to all Financial Indebtedness incurred under the Finance Documents in writing in a manner acceptable to the Facility Agent in all respects.

"Permitted Security" means:

- (a) until the Release Date, the Existing Security;
- (b) Security created by the Finance Documents;
- (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 22.16 (*Restrictions on chartering, appointment of managers etc.*),

and provided such lien does not secure amounts more than 30 days overdue (unless the overdue amount is being contested in good faith by appropriate steps).

"Poseidon Principles" means the financial industry framework for assessing and disclosing the climate alignment of ship finance portfolios published in June 2019 as the same may be amended or replaced to reflect changes in applicable law or regulation or the introduction of or changes to mandatory requirements of the International Maritime Organisation from time to time.

"Potential Event of Default" means any event or circumstance specified in Clause 25 (*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.

"Protected Party" has the meaning given to it in Clause 12.1 (*Definitions*).

"Purchase Price" means, in relation to Ship A and Ship B, the total purchase price payable for that Ship under the relevant Bill of Sale.

"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 Facility Agent (in its own capacity) and the Facility Agent (acting on the instructions of the Majority Lenders);
- (b) specifies the relevant terms which are expressed in this Agreement to be determined by reference to Reference Rate Terms; and
- (c) has been made available to the Borrowers and each Finance Party.

"Reference Rate Terms" means the terms set out in Schedule 8 (*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.

"Release Date" means the date on which Tranche A and Tranche B is to be released in accordance with the instructions contained in the relevant Utilisation Request and/or release letter (as defined in paragraph (b) of Clause 5.6 (*Retentions and payment to third parties*)).

"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 Person" means:

- (a) the Obligors and each of their Subsidiaries; and
- (b) each of their directors, officers and employees.

"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:

- (a) any expropriation, confiscation, requisition (excluding a requisition for hire or use which does not involve a requisition for title) or acquisition of that Ship, whether for full consideration, a consideration less than its proper value, a nominal consideration or without any consideration, which is effected (whether de jure or de facto) by any government or official authority or by any person or persons claiming to be or to represent a government or official authority; and
- (b) any capture or seizure of that Ship (including any hijacking, piracy or theft) by any person whatsoever.

"Requisition Compensation" includes all compensation or other moneys payable to a Borrower by reason of any Requisition or any arrest or detention of that Ship in the exercise or purported exercise of any lien or claim.

"Restricted Party" means a person that is:

- (a) listed on any Sanctions List or targeted by Sanctions Laws (whether designated by name or by reason of being included in a class of person); or
- (b) located in or incorporated under the laws of any country or territory that is the target of comprehensive, country- or territory-wide Sanctions Laws; or
- (c) directly or indirectly owned or controlled by, or acting on behalf, at the direction or for the benefit of, a person referred to in (a) and/or (to the extent relevant under Sanctions Laws) (b) above.

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

"RFR" means the rate specified as such in the Reference Rate Terms.

"RFR Banking Day" means any day specified as such in the Reference Rate Terms.

"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.

"Sanctions Authority" means the Norwegian State, the Swedish State, the United Nations, the European Union, the United Kingdom, the United States of America, and any authority acting on behalf of any of them, or their respective legislative, executive, enforcement and/or regulatory authorities or bodies acting in connection with Sanctions Laws.

"Sanctions Laws" means the economic or financial sanctions laws and/or regulations, trade embargoes, prohibitions, restrictive measures, decisions, executive orders or notices from regulators implemented, adapted, imposed, administered, enacted and/or enforced by any Sanctions Authority.

"Sanctions List" means:

- (a) the lists of Sanctions Laws designations and/or targets maintained by any Sanctions Authority and/or
- (b) any other sanctions designation or target listed and/or adopted by a Sanctions Authority,

in all cases, as amended, supplemented or replaced from time to time.

"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 any Secured Party under or in connection with each Finance Document.

"Secured Party" means each Finance Party from time to time party to this Agreement, a Receiver or any Delegate.

"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 Shares Security;
- (b) any Mortgage;
- (c) any General Assignment;
- (d) any Charterparty Assignment;
- (e) any 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 Facility Agent and the Borrowers.

"Security Period" means the period starting on the date of this Agreement and ending on the date on which the Facility Agent 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 Security Agent as trustee for the Secured Parties 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 Security Agent as trustee for the Secured Parties 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 Security Agent as trustee for the Secured Parties;
- (c) the Security Agent's interest in any turnover trust created under the Finance Documents;
- (d) any other amounts or property, whether rights, entitlements, choses in action or otherwise, actual or contingent, which the Security Agent is required by the terms of the Finance Documents to hold as trustee on trust for the Secured Parties,

except:

- (i) rights intended for the sole benefit of the Security Agent; and
- (ii) any moneys or other assets which the Security Agent has transferred to the Facility Agent or (being entitled to do so) has retained in accordance with the provisions of this Agreement.

"Selection Notice" means a notice substantially in the form set out in Part B of Schedule 3 (*Requests*) given in accordance with Clause 9 (*Interest Periods*).

"Servicing Party" means the Facility Agent or the Security Agent.

"Shareholder" means Shareholder A and Shareholder B.

"Shareholder A" means Boheme Navigation Company, 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.

"Shareholder B" means Veja Navigation Company, 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.

"Shares Security" means, in relation to a Borrower, a document creating Security over the issued shares in that Borrower in agreed form.

"Ship" means Ship A, Ship B, Ship C or Ship D.

"Ship A" has the meaning given to that term in Schedule 7 (*Details of the Ships and other definitions*).

"**Ship B**" has the meaning given to that term in Schedule 7 (*Details of the Ships and other definitions*).

"**Ship C**" has the meaning given to that term in Schedule 7 (*Details of the Ships and other definitions*).

"**Ship D**" has the meaning given to that term in Schedule 7 (*Details of the Ships and other definitions*).

"**Specified Time**" means a day or time determined in accordance with Schedule 6 (*Timetables*).

"**Statement of Compliance**" means a Statement of Compliance related to fuel oil consumption pursuant to regulations 6.6 and 6.7 of Annex VI.

"**Subsidiary**" means that 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.

"**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 12.1 (*Definitions*).

"**Tax Deduction**" has the meaning given to it in Clause 12.1 (*Definitions*).

"**Tax Payment**" has the meaning given to it in Clause 12.1 (*Definitions*).

"**Termination Date**" means in relation to each Tranche, the date falling on the fifth anniversary of the Utilisation Date of such Tranche.

"**Third Parties Act**" has the meaning given to it in Clause 1.5 (*Third party rights*).

"**Total Commitments**" means the aggregate of the Commitments, being in an amount of up to \$68,000,000.

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

- (a) actual, constructive, compromised, agreed or arranged total loss of that Ship; or
- (b) in the case of any of the events described in paragraph (a) of the definition "Requisition", any such Requisition of a Ship unless that Ship is returned to the full control of the relevant Borrower within 60 days of such Requisition; and
- (c) in the case of any of the events described in paragraph (b) of the definition "Requisition", any such Requisition of a Ship unless that Ship is returned to the full control of the relevant Borrower within 90 days of such Requisition, provided that in the event of piracy if the relevant underwriters confirm to the Facility Agent in writing (in customary terms) prior to the end of the 90-day period that the relevant Ship is subject to an approved piracy insurance cover, the earlier of 12 Months 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 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; and
- (c) in the case of any other type of Total Loss, the date (or the most likely date) on which it appears to the Facility Agent that the event constituting the total loss occurred.

"Tranche" means Tranche A, Tranche B, Tranche C or Tranche D.

"Tranche A" means that part of the Loan to be made available to Borrower A to refinance the Existing Indebtedness A in a principal amount not exceeding the lesser of (i) \$20,000,000 and (ii) 35 per cent. of the Initial Market Value of Ship A.

"Tranche B" means that part of the Loan to be made available to Borrower B to refinance the Existing Indebtedness B in a principal amount not exceeding the lesser of (i) \$21,000,000 and (ii) 35 per cent. of the Initial Market Value of Ship B.

"Tranche C" means that part of the Loan to be made available to Borrower C for working capital purposes in a principal amount not exceeding the lesser of (i) \$13,250,000 and (ii) 55 per cent. of the Initial Market Value of Ship C.

"Tranche D" means that part of the Loan to be made available to Borrower D for working capital purposes in a principal amount not exceeding the lesser of (i) \$13,750,000 and (ii) 55 per cent. of the Initial Market Value of Ship D.

"Transaction Document" means:

- (a) a Finance Document;
- (b) any Assignable Charter;
- (c) any Charter Guarantee relating to an Assignable Charter; or
- (d) any other document designated as such by the Facility Agent and a Borrower.

"Transaction Obligor" means an Obligor, the Shareholder, any Approved Manager who is a member of the Group or any other member of the Group who executes a Transaction Document.

"Transaction Security" means the Security created or evidenced or expressed to be created or evidenced under the Security Documents.

"Transfer Certificate" means a certificate substantially in the form set out in Schedule 4 (*Form of Transfer Certificate*) or any other form agreed between the Facility Agent and the Borrowers.

"Transfer Date" means, in relation to an assignment or a transfer, the later of:

- (a) the proposed Transfer Date specified in the relevant Assignment Agreement or Transfer Certificate; and
- (b) the date on which the Facility Agent executes the relevant Assignment Agreement or Transfer Certificate.

"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 the 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 Schedule 3 (*Request*).

"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 in 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.

"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 "**Facility Agent**", any "**Finance Party**", the "**Mandated Lead Arranger**", the "**Bookrunner**", any "**Lender**", any "**Obligor**", any "**Party**", any "**Secured Party**", the "**Security Agent**", any "**Transaction Obligor**" or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees to, or of, its rights and/or obligations under the Finance Documents;
 - (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) "**document**" includes a deed and also a letter, fax, email or telex;
 - (v) "**expense**" means any kind of cost, charge or expense (including all legal costs, charges and expenses) and any applicable Tax including VAT;
 - (vi) a Lender's "**cost of funds**" in relation to its participation in 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 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 that part of the Loan for a period equal in length to the Interest Period of the Loan or that part of the Loan;

- (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) a "**group of Lenders**" includes all the Lenders;
 - (ix) "**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;
 - (x) "**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;
 - (xi) "**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;
 - (xii) 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);
 - (xiii) 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 and includes any regulation relating to Basel II or Basel III;
 - (xiv) 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;
 - (xv) a provision of law is a reference to that provision as amended or re-enacted from time to time;
 - (xvi) a time of day is a reference to Oslo time;
 - (xvii) 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;
 - (xviii) words denoting the singular number shall include the plural and vice versa; and
 - (xix) "**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) 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.
- (c) 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.

- (d) 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,
 - (iii) and, if such page or service ceases to be available, shall include any other page or service displaying that rate specified by the Facility Agent after consultation with the Borrowers.
- (e) A reference in this Agreement to a Central Bank Rate shall include any successor rate to, or replacement rate for, that rate.
- (f) Any Reference Rate Supplement overrides anything in:
- (i) Schedule 8 (*Reference Rate Terms*); or
 - (ii) any earlier Reference Rate Supplement.
- (g) A Compounding Methodology Supplement relating to the Daily Non-Cumulative Compounded RFR Rate or the Cumulative Compounded RFR Rate overrides anything relating to that rate in:
- (i) 0 (*Daily Non-Cumulative Compounded RFR Rate*) or Schedule 10 (*Cumulative Compounded RFR Rate*), as the case may be; or
 - (ii) any earlier Compounding Methodology Supplement.
- (h) 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 Facility Agent.

"**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 provisions.

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 Facility Agent); or
- (b) in any other form agreed in writing between each Borrower and the Facility Agent acting with the authorisation of the Majority Lenders or, where Clause 42.2 (*All Lender matters*) applies, all the Lenders.

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 Receiver, Delegate, Affiliate or any other person described in paragraph (d) of Clause 14.2 (*Other indemnities*), paragraph (b) of Clause 28.11 (*Exclusion of liability*), or paragraph (b) of Clause 29.11 (*Exclusion of liability*) 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 Lenders make available to the Borrowers a dollar term loan facility in four Tranches in an aggregate amount not exceeding the Total Commitments.

2.2 Finance Parties' rights and obligations

- (a) The obligations of each Finance Party under the Finance Documents are several. Failure by a Finance Party to perform its obligations under the Finance Documents does not affect the obligations of any other Party under the Finance Documents. No Finance Party is responsible for the obligations of any other Finance Party under the Finance Documents.
- (b) The rights of each Finance Party under or in connection with the Finance Documents are separate and independent rights and any debt arising under the Finance Documents to a Finance Party from a Transaction Obligor is a separate and independent debt in respect of which a Finance Party shall be entitled to enforce its rights in accordance with paragraph (c) below. The rights of each Finance Party include any debt owing to that Finance Party under the Finance Documents and, for the avoidance of doubt, any part of the Loan or any other amount owed by a Transaction Obligor which relates to a Finance Party's participation in the Facility or its role under a Finance Document (including any such amount payable to the Facility Agent on its behalf) is a debt owing to that Finance Party by that Transaction Obligor.
- (c) A Finance Party may, except as specifically provided in the Finance Documents, separately enforce its rights under or in connection with the Finance Documents.

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

No Finance Party is 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 Facility Agent 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 Facility Agent.

4.2 Further conditions precedent

The Lenders will only be obliged to comply with Clause 5.4 (*Lenders' participation*) 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 is continuing or would result from the proposed Advance;
 - (ii) the Repeating Representations to be made by each Transaction Obligor are true in all material respects;
 - (iii) no event described in paragraph (a) of Clause 7.2 (*Change of control*) has occurred; and
 - (iv) no Ship has been sold or become a Total Loss;
- (b) in the case of an Advance under Tranche A and Tranche B, the Facility Agent has received on or before the Release Date all of the documents and other evidence listed in Part B Schedule 2 (*Conditions Precedent*) in form and substance satisfactory to the Facility Agent; and
- (c) in the case of an Advance under Tranche C and Tranche D, the Facility Agent has received on or before the relevant Utilisation Date, or is satisfied it will receive when the Advance is made available, all of the documents and other evidence listed in Part C of Schedule 2 (*Conditions Precedent*) in form and substance satisfactory to the Facility Agent.

4.3 Notification of satisfaction of conditions precedent

- (a) The Facility Agent shall notify the Borrowers and the Lenders promptly upon being satisfied as to the satisfaction of the conditions precedent referred to in Clause 4.1 (*Initial conditions precedent*), Clause 4.2 (*Further conditions precedent*).
- (b) Other than to the extent that the Majority Lenders notify the Facility Agent in writing to the contrary before the Facility Agent gives the notification described in paragraph (a) above, the Lenders authorise (but do not require) the Facility Agent to give that notification. The Facility Agent shall not be liable for any damages, costs or losses whatsoever as a result of giving any such notification.

4.4 Waiver of conditions precedent

If the Majority Lenders, at their discretion, permit 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 Facility Agent, acting with the authorisation of the Majority Lenders, 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 Facility Agent 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 Tranche.

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 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 9 (*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:
 - (i) in respect of Tranche A, the lower of (i) \$20,000,000 and (ii) 35 per cent. of the Initial Market Value of Ship A;
 - (ii) in respect of Tranche B, the lower of (i) \$21,000,000 and (ii) 35 per cent. of the Initial Market Value of Ship B;
 - (iii) in respect of Tranche C, the lower of (i) \$13,250,000 and (ii) 55 per cent. of the Initial Market Value of Ship C;
 - (iv) in respect of Tranche D, the lower of (i) \$13,750,000 and (ii) 55 per cent. of the Initial Market Value of Ship D,

provided that the aggregate amount of all Advances shall not exceed \$68,000,000.
- (c) 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 Tranche if the ratio set out in Clause 23 (*Security Cover*) were applied and notice was given by the Facility Agent under Clause 23.1 (*Minimum required security cover*) immediately after that Tranche was utilised.

5.4 Lenders' participation

- (a) If the conditions set out in this Agreement have been met, each Lender shall make its participation in each Advance available by the relevant Utilisation Date through its Facility Office.
- (b) The amount of each Lender's participation in each Advance will be equal to the proportion borne by its Available Commitment to the Available Facility immediately before making that Advance.
- (c) The Facility Agent shall notify each Lender of the amount of each Advance and the amount of its participation in that Advance by the Specified Time.

5.5 Cancellation of Commitments

The Commitments in respect of any Tranche which are unutilised at the end of the Availability Period shall then be cancelled.

5.6 Retentions and payment to third parties

The Borrowers irrevocably authorise the Facility Agent:

- (a) to deduct from the proceeds of any Advance any fees then payable to the Finance Parties in accordance with Clause 11 (*Fees*) and any other items listed as deductible items in the relevant Utilisation Request and to apply them in payment of the items to which they relate;
- (b) on the relevant Utilisation Date, to pay to, or for the account of, the relevant Borrower which is to utilise the relevant Advance the balance (after any deduction made in accordance with paragraph (a) above) of the amounts which the Facility Agent receives from the Lenders in respect of the relevant Advance as follows:
 - (i) in the case of Tranche A, for satisfaction of the Existing Indebtedness A, to a suspense account specified by the Borrowers in that Utilisation Request, by way of an interbank conditional payment message in the MT199 form agreed between the Facility Agent and the Existing Owner A; and
 - (ii) in the case of Tranche B, for satisfaction of the Existing Indebtedness B, to a suspense account specified by the Borrowers in that Utilisation Request, by way of an interbank conditional payment message in the MT199 form agreed between the Facility Agent and the Existing Owner B;
- (c) following the deduction of fees in accordance with paragraph (a) above and payment of the balance of the relevant Tranche in accordance with paragraph (b) above, any excess amount to be thereafter released to an Earnings Account of a Borrower specified in the relevant Utilisation Request.

5.7 Disbursement of Advance to third party

Payment by the Lender under Clause 5.6 (*Retentions and payment to third parties*) to any third party specified by the Borrowers in the Utilisation Request, shall constitute the making of the relevant 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 participation in that Advance.

5.8 Prepositioning of funds

If, in respect of any proposed Advance, the Lenders, at the request of the Borrowers and on terms acceptable to all the Lenders and in their absolute discretion, preposition funds with an escrow agent or any other bank:

- (a) agree to pay interest on the amount of the funds so prepositioned at the rate described in Clause 8.1 (*Calculation of interest*) 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 the relevant Utilisation Date in respect of it or, if the Release Date does not occur, within three Business Days of demand by the Facility Agent; and
- (b) shall without duplication, indemnify each Finance Party 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 equal consecutive quarterly instalments, each in an amount of \$1,000,000 (each a "**Tranche A Repayment Instalment**");
- (b) Tranche B shall be repaid by:
 - (i) 20 equal consecutive quarterly instalments, each in an amount of \$1,000,000 (each a "**Tranche B Repayment Instalment**"); and
 - (ii) a balloon instalment in the amount of \$1,000,000 (the "**Tranche B Balloon Instalment**");
- (c) Tranche C shall be repaid by:
 - (i) 20 equal consecutive quarterly instalments, each in an amount of \$300,000 (each a "**Tranche C Repayment Instalment**"); and
 - (ii) a balloon instalment in the amount of \$7,250,000 (the "**Tranche C Balloon Instalment**"); and
- (d) Tranche D shall be repaid by:
 - (i) 20 equal consecutive quarterly instalments, each in an amount of \$285,000 (each a "**Tranche D Repayment Instalment**" and together with the Tranche A Repayment Instalments, the Tranche B Repayment Instalments and the Tranche C Repayment Instalments, the "**Repayment Instalments**"); and
 - (ii) a balloon instalment in the amount of \$8,050,000 (the "**Tranche D Balloon Instalment**" and together with the Tranche B Balloon Instalment and the Tranche C Balloon Instalment, the "**Balloon Instalments**").

6.2 Repayment Dates

The first Repayment Instalment in respect of each Tranche shall be repaid on the date falling three Months from the relevant Utilisation Date, each subsequent Repayment Instalment of that Tranche shall be repaid at quarterly intervals thereafter and the Balloon Instalment shall be repaid on the Termination Date in respect of such Tranche.

6.3 Effect of cancellation and prepayment on scheduled repayments

- (a) If the Borrowers cancel the whole or any part of any Available Commitment in accordance with Clause 7.6 (*Right of replacement or repayment and cancellation in relation to a single Lender*) or if the Available Commitment of any Lender is cancelled under Clause 7.1 (*Illegality and Sanctions Laws affecting a Lender*) then the Repayment Instalments (including, if applicable,

the relevant Balloon Instalments) falling after that cancellation will be reduced *pro rata* by the amount of the Available Commitments so cancelled.

- (b) If the Borrowers cancel the whole or any part of any Available Commitment in accordance with Clause 7.3 (*Voluntary and automatic cancellation*) or if the whole or part of any Commitment is cancelled pursuant to Clause 5.5 (*Cancellation of Commitments*), then the Repayment Instalments and the Balloon Instalment falling after that cancellation will be reduced *pro rata* by the amount of the Commitments so cancelled.
- (c) If any part of the Loan is repaid or prepaid in accordance with Clause 7.6 (*Right of replacement or repayment and cancellation in relation to a single Lender*) or Clause 7.1 (*Illegality and Sanctions Laws affecting a Lender*) then the Repayment Instalments for the relevant Tranche (including, if applicable, the relevant Balloon Instalments) falling after that repayment or prepayment (as applicable) will be reduced *pro rata* by the amount of the Loan repaid or prepaid.
- (d) If any part of the Loan is prepaid in accordance with Clause 7.4 (*Voluntary prepayment of Loan*), then the amount of the Repayment Instalments for the relevant Tranche (including, if applicable, the relevant Balloon Instalments) falling after that repayment or prepayment will be reduced *in order of maturity* by the amount of the Loan repaid or prepaid.
- (e) If any part of the Loan is prepaid in accordance with Clause 7.5 (*Mandatory prepayment on sale, seizure or Total Loss*), then the amount prepaid shall be applied, if applicable, against the Tranche which has been utilised in respect of the relevant Ship and, thereafter, any balance shall be applied *pro rata* against each other Tranche and shall reduce the then outstanding Repayment Instalments (including, if applicable, the Balloon Instalments) of the other Tranches in chronological order.

6.4 Termination Date

On the last Termination Date, the Borrowers shall additionally pay to the Facility Agent for the account of the Finance Parties all other sums then accrued and owing under the Finance Documents.

6.5 Reborrowing

No Borrower may reborrow any part of the Facility which is repaid.

7 PREPAYMENT AND CANCELLATION

7.1 Illegality and Sanctions Laws affecting a Lender

If it becomes unlawful or contrary to Sanctions Laws for a Lender to perform any of its obligations as contemplated by this Agreement or to fund or maintain its participation in an Advance or the Loan or it becomes unlawful for any Affiliate of a Lender for that Lender to do so:

- (a) that Lender shall promptly notify the Facility Agent upon becoming aware of that event;
- (b) upon the Facility Agent notifying the Borrowers, the Available Commitment of that Lender will be immediately cancelled;

- (c) the Borrowers shall prepay that Lender's participation in the Loan on the last day of the Interest Period for the Loan occurring after the Facility Agent has notified the Borrowers or, if earlier, the date specified by the Lender in the notice delivered to the Facility Agent (being no earlier than the last day of any applicable grace period permitted by law) and that Lender's corresponding Commitment shall be immediately cancelled in the amount of the participation prepaid; and
- (d) accrued interest and all other amounts accrued documented for that Lender under the Finance Documents shall be immediately due and payable.

7.2 Change of control

If there is a Change of Control:

- (a) the Borrowers and/or the Guarantor shall promptly notify the Facility Agent upon becoming aware of that event; and
- (b) if the Majority Lenders so require, the Facility Agent shall, by not less than 60 days' notice to the Borrowers, cancel the Facility and declare the Loan, together with accrued interest, and all other amounts accrued under the Finance Documents immediately due and payable, whereupon the Facility will be cancelled and the Loan and all such outstanding interest and other amounts will become immediately due and payable.

In this Clause 7.2 (*Change of control*):

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

- (i) the Guarantor ceases to own a minimum of 100 per cent. directly or indirectly of the issued membership interest in any of the Borrowers or (a) Mrs. Angeliki Frangou and her direct descendants (either directly or indirectly) (through entities owned and controlled by her or trusts or foundations that may be established of which she is a beneficiary or her direct descendants or their lineal descendants are a beneficiary, directly or indirectly) (the **"Current Holder Group"**) ceasing to be the owner of, or having ultimate control of the voting rights attaching to more than 5 per cent. of all the units (including for the avoidance of doubt both general partner units and common units) in the Guarantor; or
- (ii) the Current Holder Group 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
- (iii) 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
- (iv) any person or group of persons (other than the Current Holder Group) acting in concert, becoming the holder, directly or indirectly, of 50 per cent. or more of the beneficially issued units of the Guarantor entitled to vote for members of the board of directors or equivalent governing body of the Guarantor on a fully-diluted basis (and taking into account all such securities that such person or group has the right to acquire pursuant to any option right).

For the purpose of paragraph (iv) above "**acting in concert**" means a group of persons who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition, directly or indirectly, of shares in the Guarantor by any of them, either directly or indirectly, to obtain or consolidate the holding of beneficially owned units of the Guarantor.

7.3 Voluntary and automatic cancellation

- (a) The Borrowers may, if they give the Facility Agent not less than three Business Days (or such shorter period as the Majority Lenders may agree) prior notice, cancel the whole or any part (being a minimum amount of \$1,000,000) of the Available Facility. Any cancellation under this Clause 7.3 (*Voluntary and automatic cancellation*) shall reduce the Commitments of the Lenders rateably and the amount of the relevant Tranche(s)
- (b) The unutilised Commitment (if any) of each Lender shall be automatically cancelled at close of business on the date on which the Loan is made available.

7.4 Voluntary prepayment of Loan

- (a) The Borrowers may, if they give the Facility Agent no less than five RFR Banking Days (or such shorter period as the Majority Lenders 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 \$1,000,000 or an integral multiple of that amount or such lesser amount as may be acceptable to the Majority Lenders).
- (b) Subject to Clause 11.3 (*Prepayment Fee*) the Borrowers shall not be permitted to prepay any part of the Loan under paragraph (a) above, if such prepayment would result in more than 5 prepayments having been made within a period of 12 Months, unless such prepayment is made on the last day of the relevant Interest Period.

7.5 Mandatory prepayment on sale, seizure 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 the Relevant Amount.
- (b) In this Clause 7.5 (*Mandatory prepayment on sale, seizure or Total Loss*):

"**Relevant Amount**" means, in relation to a Ship which has been sold or become a Total Loss, an amount achieved by dividing the Market Value of that Ship by the aggregate of the Market Value of the Ships and multiplying it by the Loan on the Relevant Date.

"**Relevant Date**" means:

- (a) in the case of a sale of a Ship, on the date prior to or 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 120 days after the Total Loss Date; and
 - (ii) the date of receipt by the Security Agent of the proceeds of insurance relating to such Total Loss.

7.6 Right of replacement or repayment and cancellation in relation to a single Lender

- (a) If:
- (i) any sum payable to any Lender by a Borrower is required to be increased under paragraph (c) of Clause 12.2 (*Tax gross-up*) or under that clause as incorporated by reference or in full in any other Finance Document; or
 - (ii) any Lender claims indemnification from a Borrower under Clause 12.3 (*Tax indemnity*) or Clause 13 (*Increased costs*),
- the Borrowers may, whilst the circumstance giving rise to the requirement for that increase, indemnification or consent continues and provided that there is no Event of Default which is continuing, give the Facility Agent notice of cancellation of the Commitment of that Lender and its intention to procure the repayment of that Lender's participation in the Loan or give the Facility Agent notice of its intention to replace that Lender in accordance with paragraph (d) below.
- (b) On receipt of a notice of cancellation referred to in paragraph (a) above, the Commitment of that Lender shall immediately be reduced to zero.
- (c) On the last day of each Interest Period which ends after the Borrowers have given notice of cancellation under paragraph (a) above in relation to a Lender (or, if earlier, the date specified by the Borrowers in that notice), the Borrowers shall repay that Lender's participation in the Loan.
- (d) The Borrowers may, in the circumstances set out in paragraph (a) above, on 15 Business Days' prior notice to the Facility Agent and that Lender, replace that Lender by requiring that Lender to (and, to the extent permitted by law, that Lender shall) transfer pursuant to Clause 26 (*Changes to the Lenders*) all (and not part only) of its rights and obligations under this Agreement to a Lender or other bank, financial institution, trust, fund or other entity selected by the Borrowers which confirms its willingness to assume and does assume all the obligations of the transferring Lender in accordance with Clause 26 (*Changes to the Lenders*) for a purchase price in cash or other cash payment payable at the time of the transfer equal to the outstanding principal amount of such Lender's participation in the Loan and all accrued interest (to the extent that the Facility Agent has not given a notification under Clause 26.9 (*Pro rata interest settlement*)) and other amounts payable in relation thereto under the Finance Documents.
- (e) The replacement of a Lender pursuant to paragraph (d) above shall be subject to the following conditions:
- (i) the Borrowers shall have no right to replace a Lender acting in its capacity as a Servicing Party;
 - (ii) the replacement Lender shall be acceptable to the Facility Agent unless it is an existing Lender or an Affiliate of an existing Lender;
 - (iii) neither the Facility Agent nor any Lender shall have any obligation to find a replacement Lender;
 - (iv) in no event shall the Lender replaced under paragraph (d) above be required to pay or surrender any of the fees received by such Lender pursuant to the Finance Documents; and

- (v) the Lender shall only be obliged to transfer its rights and obligations pursuant to paragraph (d) above once it is satisfied that it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations in relation to that transfer.
- (f) A Lender shall perform the checks described in sub-paragraph (v) of paragraph (e) above as soon as reasonably practicable following delivery of a notice referred to in paragraph (d) above and shall notify the Facility Agent and the Borrowers when it is satisfied that it has complied with those checks.

7.7 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 and, if relevant, the part of the Loan to be prepaid or cancelled.
- (b) Any prepayment under this Agreement shall be made together with accrued interest on the amount prepaid and 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 Commitments except at the times and in the manner expressly provided for in this Agreement.
- (e) No amount of the Total Commitments cancelled under this Agreement may be subsequently reinstated.
- (f) If the Facility Agent receives a notice under this Clause 7 (*Prepayment and Cancellation*) it shall promptly forward a copy of that notice to either the Borrowers or the affected Lenders, as appropriate.
- (g) If all or part of any Lender's participation in the Loan is repaid or prepaid, an amount of that Lender's Commitment (equal to the amount of the participation which is repaid or prepaid) will be deemed to be cancelled on the date of repayment or prepayment.

7.8 Application of prepayments

Any prepayment of any part of the Loan (other than a prepayment pursuant to Clause 7.1 (*Illegality and Sanctions Laws affecting a Lender*)) or Clause 7.6 (*Right of replacement or repayment and cancellation in relation to a single Lender*) shall be applied pro rata to each Lender's participation in that part of the Loan.

SECTION 5
COSTS OF UTILISATION

8 INTEREST

8.1 Calculation of interest

- (a) The rate of interest on the Loan or any part of the Loan for any day during an Interest Period is the percentage rate per annum which is the aggregate of:
- (i) the Margin; and
 - (ii) the Compounded Reference Rate for that day.
- (b) If any day during an Interest Period for the Loan or any part of the Loan is not an RFR Banking Day, the rate of interest on the Loan or that part of the Loan for that day will be the rate applicable to the immediately preceding RFR Banking Day.

8.2 Payment of interest

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**").

8.3 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 is 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 Facility Agent. Any interest accruing under this Clause 8.3 (*Default interest*) shall be immediately payable by the Obligor on demand by the Facility Agent.
- (b) 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.

8.4 Notifications

- (a) The Facility Agent shall no later than 3 Business Days (if possible otherwise promptly upon an Interest Payment being determinable) prior to each Interest Payment Date, notify:
- (i) the Borrowers of that Interest Payment;
 - (ii) each Lender of the proportion of that Interest Payment which relates to that Lender's participation in the Loan or the relevant part of the Loan; and
 - (iii) the Lenders and the Borrowers of:
 - (A) each applicable rate of interest relating to the determination of that Interest Payment; and

(B) to the extent it is then determinable, the Market Disruption Rate (if any) relating to the Loan or the relevant part of the Loan.

This paragraph (a) shall not apply to any Interest Payment determined pursuant to Clause 10.3 (*Cost of funds*).

- (b) The Facility Agent shall promptly notify the Borrowers of each Funding Rate relating to the Loan or any part of the Loan.
- (c) The Facility Agent shall promptly notify the Lenders and the Borrowers of the determination of a rate of interest relating to the Loan or any part of the Loan to which Clause 10.3 (*Cost of funds*) applies.
- (d) This Clause 8.4 (*Notifications*) shall not require the Facility Agent to make any notification to any Party on a day which is not a Business Day.

9 INTEREST PERIODS

9.1 Selection of Interest Periods

- (a) The Borrowers may select the Interest Period for each Tranche in the Utilisation Request for the Advance in that Tranche. Subject to paragraphs (f) and (h) below and Clause 9.2 (*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 Facility Agent 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 Facility Agent in accordance with paragraphs (a) and (b) above, the relevant Interest Period will, subject to paragraphs (f) and (h) below and Clause 9.2 (*Changes to Interest Periods*), be the period specified in the Reference Rate Terms.
- (d) Subject to this Clause 9 (*Interest Periods*), the Borrowers may select an Interest Period of any period specified in the Reference Rate Terms or any other period agreed between the Borrowers, the Facility Agent and the Lenders.
- (e) An Interest Period in respect of a Tranche or any part of a Tranche shall not extend beyond the Termination Date in respect of such Tranche.
- (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 the preceding Interest Period.
- (h) Except for the purposes of paragraph (f) above and Clause 9.2 (*Changes to Interest Periods*), each Tranche shall have one Interest Period only at any time.
- (i) No Interest Period shall be longer than three Months.

9.2 Changes to Interest Periods

- (a) In respect of a Repayment Instalment, before the first day of an Interest Period for the relevant Tranche, the Facility Agent 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 9.1 (*Interest Periods*).
- (b) If the Facility Agent makes any change to an Interest Period referred to in this Clause 9.2(a) (*Changes to Interest Periods*), it shall promptly notify the Borrowers and the Lenders.

9.3 Non-Business Days

Any rules specified as "Business Day Conventions" in the Reference Rate Terms, shall apply to each Interest Period.

10 CHANGES TO THE CALCULATION OF INTEREST

10.1 Interest calculation if no RFR or Central Bank Rate

If:

- (a) there is no RFR or Central Bank Rate for the purposes of calculating the Daily Non-Cumulative Compounded RFR Rate for an RFR Banking Day during an Interest Period for the Loan or any part of the Loan; and
- (b) "Cost of funds will apply as a fallback" is specified in the Reference Rate Terms,

Clause 10.3 (*Cost of funds*) shall apply to the Loan or that part of the Loan (as applicable) for that Interest Period.

10.2 Market disruption

If:

- (a) a Market Disruption Rate is specified in the Reference Rate Terms; and
- (b) before the Reporting Time for the Loan or any part of the Loan, the Facility Agent receives notifications from a Lender or Lenders (whose participations in the Loan or the relevant part of the Loan exceed 66 2/3 per cent. of the Loan or the relevant part of the Loan as appropriate) that its cost of funds relating to its participation in the Loan or that part of the Loan would be in excess of that Market Disruption Rate,

then Clause 10.3 (*Cost of funds*) shall apply to the Loan or that part of the Loan (as applicable) for the relevant Interest Period.

10.3 Cost of funds

- (a) If this Clause 10.3 (*Cost of funds*) applies to the Loan or part of the Loan for an Interest Period, Clause 8.1 (*Calculation of interest*) shall not 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 that Interest Period shall be the percentage rate per annum which is the sum of:
 - (i) the Margin; and

- (ii) the weighted average of the rates notified to the Facility Agent by each Lender as soon as practicable and in any event by the Reporting Time for the Loan or that part of the Loan to be that which expresses as a percentage rate per annum its cost of funds relating to its participation in the Loan or that part of the Loan.
- (b) If this Clause 10.3 (*Cost of funds*) applies and the Facility Agent or the Borrowers so require, the Facility 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 42.4 (*Changes to reference rates*), 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 Facility 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 10.3 (*Cost of funds*) applies pursuant to Clause 10.2 (*Market disruption*) and a Lender's Funding Rate is less than the relevant Market Disruption Rate that Lender's cost of funds relating to its participation in the Loan or the relevant part of the Loan for that Interest Period shall be deemed, for the purposes of sub-paragraph (ii) of paragraph (a) above, to be the Market Disruption Rate for the Loan or that part of the Loan.
- (f) If this Clause 10.3 (*Cost of funds*) applies but any Lender does not supply a quotation by the time specified in sub-paragraph (ii) of paragraph (a) above, the rate of interest shall be calculated on the basis of the rates notified by the remaining Lenders.
- (g) If this Clause 10.3 (*Cost of funds*) applies, the Facility Agent shall, as soon as is practicable, notify the Borrowers.

11 FEES

11.1 Commitment fee

The Borrowers shall pay to the Facility Agent (for the account of each Lender) a commitment fee as set out in the relevant Fee Letter.

11.2 Arrangement fee

The Borrowers shall pay to the Facility Agent (for distribution to the Mandated Lead Arranger) on the first Utilisation Date a non-refundable arrangement fee as set out in the Fee Letter.

11.3 Prepayment Fee

If a prepayment of a Loan results in the limit specified in Clause 7.4 (*Voluntary prepayment of Loan*) being exceeded, the Borrower shall pay a prepayment fee to the Facility Agent (for its own account) in the amount of \$5,000 in respect of each such excess prepayment.

SECTION 6

ADDITIONAL PAYMENT OBLIGATIONS

12 TAX GROSS UP AND INDEMNITIES

12.1 Definitions

(a) In this Agreement:

"Protected Party" means a Finance Party which is or will be subject to any liability, or required to make any payment, for or on account of Tax in relation to a sum received or receivable (or any sum deemed for the purposes of Tax to be received or receivable) under a Finance Document.

"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 a Finance Party under Clause 12.2 (*Tax gross-up*) or a payment under Clause 12.3 (*Tax indemnity*).

(b) Unless a contrary indication appears, in this Clause 12 (*Tax Gross Up and Indemnities*) reference to **"determines"** or **"determined"** means a determination made in the absolute discretion of the person making the determination.

12.2 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 Facility Agent accordingly. Similarly, a Lender shall notify the Facility Agent on becoming so aware in respect of a payment payable to that Lender. If the Facility Agent receives such notification from a Lender it shall notify the Borrowers and that Borrower.
- (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 Facility Agent for the Finance Party entitled to the payment evidence reasonably satisfactory to that Finance Party that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant taxing authority.

12.3 Tax indemnity

- (a) The Borrowers shall (within three Business Days of demand by the Facility Agent) pay to a Protected Party an amount equal to the loss, liability or cost which that Protected Party determines will be or has been (directly or indirectly) suffered for or on account of Tax by that Protected Party in respect of a Finance Document.
- (b) Paragraph (a) above shall not apply:
- (i) with respect to any Tax assessed on a Finance Party:
 - (A) under the law of the jurisdiction in which that Finance Party is incorporated or, if different, the jurisdiction (or jurisdictions) in which that Finance Party is treated as resident for tax purposes; or
 - (B) under the law of the jurisdiction in which that Finance Party'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 that Finance Party; or
 - (ii) to the extent a loss, liability or cost:
 - (A) is compensated for by an increased payment under Clause 12.2 (*Tax gross-up*); or
 - (B) relates to a FATCA Deduction required to be made by a Party.
- (c) A Protected Party making, or intending to make, a claim under paragraph (a) above shall promptly notify the Facility Agent of the event which will give, or has given, rise to the claim, following which the Facility Agent shall notify the Borrowers.
- (d) A Protected Party shall, on receiving a payment from a Borrower under this Clause 12.3 (*Tax indemnity*), notify the Facility Agent.

12.4 Tax Credit

If a Borrower makes a Tax Payment and the relevant Finance Party 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) that Finance Party has obtained and utilised that Tax Credit,

the Finance Party shall pay an amount to the Borrower which that Finance Party 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.

12.5 Stamp taxes

The Borrowers shall pay and, within three Business Days of demand, indemnify each Secured Party against any cost, loss or liability which that Secured Party incurs in relation to all stamp duty, registration and other similar Taxes payable in respect of any Finance Document.

12.6 VAT

- (a) All amounts expressed to be payable under a Finance Document by any Party to a Finance Party 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, subject to paragraph (b) below, if VAT is or becomes chargeable on any supply made by any Finance Party to any Party under a Finance Document and such Finance Party is required to account to the relevant tax authority for the VAT, that Party must pay to such Finance Party (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 such Finance Party must promptly provide an appropriate VAT invoice to that Party).
- (b) If VAT is or becomes chargeable on any supply made by any Finance Party (the "**Supplier**") to any other Finance Party (the "**Recipient**") under a Finance Document, and any Party other than the Recipient (the "**Relevant Party**") is required by the terms of any Finance Document to pay an amount equal to the consideration for that supply to the Supplier (rather than being required to reimburse or indemnify the Recipient in respect of that consideration):
- (i) (where the Supplier is the person required to account to the relevant tax authority for the VAT) the Relevant Party must also pay to the Supplier (at the same time as paying that amount) an additional amount equal to the amount of the VAT. The Recipient must (where this sub-paragraph (i) applies) promptly pay to the Relevant Party an amount equal to any credit or repayment the Recipient receives from the relevant tax authority which the Recipient reasonably determines relates to the VAT chargeable on that supply; and
 - (ii) (where the Recipient is the person required to account to the relevant tax authority for the VAT) the Relevant Party must promptly, following demand from the Recipient, pay to the Recipient an amount equal to the VAT chargeable on that supply but only to the extent that the Recipient reasonably determines that it is not entitled to credit or repayment from the relevant tax authority in respect of that VAT.
- (c) Where a Finance Document requires any Party to reimburse or indemnify a Finance Party for any cost or expense, that Party shall reimburse or indemnify (as the case may be) such Finance Party for the full amount of such cost or expense, including such part of it as represents VAT, save to the extent that such Finance Party reasonably determines that it is entitled to credit or repayment in respect of such VAT from the relevant tax authority.
- (d) Any reference in this Clause 12.6 (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).

- (e) In relation to any supply made by a Finance Party to any Party under a Finance Document, if reasonably requested by such Finance Party, that Party must promptly provide such Finance Party with details of that Party's VAT registration and such other information as is reasonably requested in connection with such Finance Party's VAT reporting requirements in relation to such supply.

12.7 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 any Finance Party 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-paragraphs (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.

- (e) If a Borrower is a US Tax Obligor, or the Facility Agent reasonably believes that its obligations under FATCA or any other applicable law or regulation require it, each Lender shall, within ten Business Days of:
- (i) where a Borrower is a US Tax Obligor and the relevant Lender is an Original Lender, the date of this Agreement;
 - (ii) where a Borrower is a US Tax Obligor on a Transfer Date and the relevant Lender is a New Lender, the relevant Transfer Date; or
 - (iii) where a Borrower is not a US Tax Obligor, the date of a request from the Facility Agent,
- supply to the Facility Agent:
- (iv) a withholding certificate on Form W-8, Form W-9 or any other relevant form; or
 - (v) any withholding statement or other document, authorisation or waiver as the Facility Agent may require to certify or establish the status of such Lender under FATCA or that other law or regulation.
- (f) The Facility Agent shall provide any withholding certificate, withholding statement, document, authorisation or waiver it receives from a Lender pursuant to paragraph (e) above to the Borrowers.
- (g) If any withholding certificate, withholding statement, document, authorisation or waiver provided to the Facility Agent by a Lender pursuant to paragraph (e) above is or becomes materially inaccurate or incomplete, that Lender shall promptly update it and provide such updated withholding certificate, withholding statement, document, authorisation or waiver to the Facility Agent unless it is unlawful for the Lender to do so (in which case the Lender shall promptly notify the Facility Agent). The Facility Agent shall provide any such updated withholding certificate, withholding statement, document, authorisation or waiver to the Borrowers.
- (h) The Facility Agent may rely on any withholding certificate, withholding statement, document, authorisation or waiver it receives from a Lender pursuant to paragraph (e) or (g) above without further verification. The Facility Agent shall not be liable for any action taken by it under or in connection with paragraphs (e), (f) or (g) above.

12.8 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 and, in addition, shall notify each Borrower and the Facility Agent and the Facility Agent shall notify the other Finance Parties.

13 INCREASED COSTS

13.1 Increased costs

(a) Subject to Clause 13.3 (*Exceptions*), the Borrowers shall, within three Business Days of a demand by the Facility Agent, pay for the account of a Finance Party the amount of any Increased Costs incurred by that Finance Party 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 a Finance Party'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 a Finance Party or any of its Affiliates to the extent that it is attributable to that Finance Party having entered into its Commitment or funding or performing its obligations under any Finance Document.

13.2 Increased cost claims

- (a) A Finance Party intending to make a claim pursuant to Clause 13.1 (*Increased costs*) shall notify the Facility Agent of the event giving rise to the claim, following which the Facility Agent shall promptly notify the Borrowers.
- (b) Each Finance Party shall, as soon as practicable after a demand by the Facility Agent, provide a certificate confirming the amount of its Increased Costs.

13.3 Exceptions

Clause 13.1 (*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 12.3 (*Tax indemnity*) (or would have been compensated for under Clause 12.3 (*Tax indemnity*) but was not so compensated solely because any of the exclusions in paragraph (b) of Clause 12.3 (*Tax indemnity*) applied); or
- (d) attributable to the wilful breach by the relevant Finance Party or its Affiliates of any law or regulation.

14 OTHER INDEMNITIES

14.1 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 each Secured Party to which that Sum is due 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.

14.2 Other indemnities

- (a) Each Borrower shall, on demand, indemnify each Secured Party against any cost, loss or liability incurred by it as a result of:
- (i) the occurrence of any Event of Default;
 - (ii) a failure by a Borrower to pay any amount due under a Finance Document on its due date, including without limitation, any cost, loss or liability arising as a result of Clause 31 (*Sharing among the Finance Parties*);
 - (iii) funding, or making arrangements to fund, its participation in the Loan 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 that Secured Party alone); or
 - (iv) the Loan (or part of the Loan) not being prepaid in accordance with a notice of prepayment given by the Borrowers.
- (b) Each Borrower shall, on demand, indemnify each Finance Party, each Affiliate of a Finance Party and each officer or employee of a Finance Party or its Affiliate (each such person for the purposes of this Clause 14.2 (*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) 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 Laws; or
 - (ii) in connection with any Environmental Claim.
- (d) Any Affiliate or any officer or employee of a Finance Party or of any of its Affiliates may rely on this Clause 14.2 (*Other indemnities*) subject to Clause 1.5 (*Third party rights*) and the provisions of the Third Parties Act.

14.3 Indemnity to the Facility Agent

Each Borrower shall, on demand, indemnify the Facility Agent against:

- (a) any cost, loss or liability incurred by the Facility Agent (acting reasonably) as a result of:
 - (i) investigating any event which it reasonably believes is a Default; or
 - (ii) acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised; or
 - (iii) instructing lawyers, accountants, tax advisers, surveyors or other professional advisers or experts as permitted under the Finance Documents; and
- (b) any cost, loss or liability (other than by gross negligence or wilful misconduct) incurred by the Facility Agent (otherwise than by reason of the Facility Agent's gross negligence or wilful misconduct) or, in the case of any cost, loss or liability pursuant to Clause 32.11 (*Disruption to Payment Systems etc.*) notwithstanding the Facility Agent's negligence, gross negligence or any other category of liability whatsoever but not including any claim based on fraud of the Facility Agent in acting as Facility Agent under the Finance Documents.

14.4 Indemnity to the Security Agent

- (a) Each Borrower shall, on demand, indemnify the Security Agent 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 Security Agent 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) acting as Security Agent, Receiver or Delegate under the Finance Documents or 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 relevant Security Agent's, Receiver's or Delegate's gross negligence or wilful misconduct).

- (b) The Security Agent and every Receiver and Delegate may, in priority to any payment to the Secured Parties, indemnify itself out of the Security Assets in respect of, and pay and retain, all sums necessary to give effect to the indemnity in this Clause 14.4 (*Indemnity to the Security Agent*) and shall have a lien on the Transaction Security and the proceeds of the enforcement of the Transaction Security for all monies payable to it.

15 MITIGATION BY THE FINANCE PARTIES

15.1 Mitigation

- (a) Each Finance Party shall, in consultation with the Borrowers, take all reasonable steps to mitigate any circumstances which arise and which would result in any amount becoming payable under or pursuant to, or cancelled pursuant to, any of Clause 7.1 (*Illegality and Sanctions Laws affecting a Lender*), Clause 12 (*Tax Gross Up and Indemnities*) or Clause 13 (*Increased Costs*) including (but not limited to) transferring its rights and obligations under the Finance Documents to another Affiliate or Facility Office.
- (b) Paragraph (a) above does not in any way limit the obligations of any Transaction Obligor under the Finance Documents.

15.2 Limitation of liability

- (a) Each Borrower shall, on demand, indemnify each Finance Party for all costs and expenses reasonably incurred by that Finance Party as a result of steps taken by it under Clause 15.1 (*Mitigation*).
- (b) A Finance Party is not obliged to take any steps under Clause 15.1 (*Mitigation*) if either:
 - (i) a Default has occurred and is continuing; or
 - (ii) in the opinion of that Finance Party (acting reasonably), to do so might be prejudicial to it.

16 COSTS AND EXPENSES

16.1 Transaction expenses

The Borrowers shall, on demand, pay the Facility Agent, the Security Agent, the Mandated Lead Arranger and the Bookrunner the amount of all costs and expenses (including legal fees and VAT) reasonably incurred by any Secured Party in connection with the negotiation, preparation, printing, execution, syndication 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; or
- (b) an amendment is required pursuant to Clause 32.9 (*Change of currency*); or
- (c) a Transaction Obligor requests, and the Security Agent agrees to, the release of all or any part of the Security Assets from the Transaction Security,

the Borrowers shall, on demand, reimburse each of the Facility Agent and the Security Agent for the amount of all costs and expenses (including legal fees and VAT) reasonably incurred by each Secured Party 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 each Secured Party the amount of all costs and expenses (including legal fees and VAT) incurred by that Secured Party 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 that Secured Party 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 each of the Facility Agent and the Security Agent for the amount of all documented costs and expenses (including legal fees and VAT) reasonably incurred by each Secured Party 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 relating to:
 - (i) any Reference Rate Supplement or Compounding Methodology Supplement; or
 - (ii) any change arising as a result of an amendment required under Clause 42.4 (*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) any Lender or the Security Agent entering into any rescheduling, refinancing or other arrangement of any kind with any other Borrower;
- (c) any Lender or the Security Agent releasing any other Borrower or any Security created by a Finance Document; or
- (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; or
 - (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; or
 - (iii) set off such an amount against any sum due from it to any other Borrower; or
 - (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 Facility Agent, 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 Facility Agent'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 Facility Agent 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 each Finance Party on the date of this Agreement.

18.2 Status

- (a) It is a corporation, duly incorporated and validly existing in good standing under the law of its jurisdiction of incorporation.
- (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 Issued Shares and ownership

- (a) Each of Borrower A, Borrower B, Borrower C and Borrower D is authorised to issue 500 registered and/or bearer shares of no par value, all of which shares have been issued in registered form and are fully paid and non-assessable.
- (b) The legal title to and beneficial interest in the issued shares in each Borrower is held free of any Security (other than Permitted Security) or any other claim by the Shareholder and each Borrower is 100 per cent. owned indirectly by the Guarantor.
- (c) None of the issued shares in each 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 and, where applicable, registration as provided for in that Finance Document 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 Security Agent or any other Secured Party 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 Transaction Obligor or any member of the Group; or
- (c) any agreement or instrument binding upon it or any member of the Group or any of its assets 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 A and Borrower B, on and from the Release Date and in the case of Borrower C and Borrower D on and from the relevant Utilisation Date its registration of the relevant Ship under the relevant 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 25.8 (*Insolvency proceedings*); or
- (b) creditors' process described in Clause 25.9 (*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 25.7 (*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 any filing, recording or enrolling or any tax or fee payable in relation to any Transaction Obligor which is referred to in any legal opinion delivered pursuant to Clause 4 (*Conditions of Utilisation*) and which will be made or paid promptly after the date of the relevant Finance Document.

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 and on the Release 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 any of its Subsidiaries or to which its (or any of its Subsidiaries') 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 Group's financial condition as at the end of the relevant financial year and its and the Group's results of operations during the relevant financial year.
- (c) There has been no material adverse change in the assets, business or consolidated financial condition of the Group, since 30 June 2025 (other than as disclosed to the Facility Agent prior to the date of this Agreement).
- (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 financial condition as at the end of the relevant financial year and operations during the relevant financial year (consolidated in the case of the Guarantor).
- (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 business or consolidated financial condition of the Group.

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 or any member of the Group.
- (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 or any member of the Group.

18.18 Valuations

- (a) All information supplied by it or on its behalf to an Approved Valuer for the purposes of a valuation delivered to the Facility Agent 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.

18.19 No breach of laws

It has not (and 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.

18.20 No Charter

No Ship is subject to any Charter other than a Permitted Charter.

18.21 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.

18.22 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.

18.23 No Environmental Incident

No Environmental Incident has occurred and no person has claimed that an Environmental Incident has occurred.

18.24 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.

18.25 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.

18.26 Financial Indebtedness

No Borrower has any Financial Indebtedness outstanding other than Permitted Financial Indebtedness.

18.27 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 Facility Agent sufficient details to enable an accurate search against it to be undertaken by the Lenders at the Companies Registry.

18.28 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.

18.29 Ownership

- (a) On and from the Release Date in relation to Borrower A and Borrower B and an and from the relevant Utilisation Date in relation to Borrower C and Borrower D, each relevant Borrower will be the sole legal and beneficial owner of the Ship to be owned by it, its Earnings and its Insurances.
- (b) The Shareholder is the sole legal and beneficial owner of all the issued shares in each Borrower.
- (c) The Guarantor is the indirect beneficial owner of all the issued shares in the Shareholder.
- (d) 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.
- (e) The constitutional documents of each Borrower do not and could not restrict or inhibit any transfer of the shares of any Borrower on creation or enforcement of the security conferred by the Security Documents.

18.30 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 situated 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 such jurisdiction.

18.31 Place of business

No Transaction Obligor has a place of business in the US (save for the Guarantor) or the United Kingdom and its head office functions are carried out at the address stated in Part A of Schedule 1 (*The Parties*).

18.32 No employee or pension arrangements

No Borrower has any employees or any liabilities under any pension scheme.

18.33 Sanctions

No Relevant Person is:

- (a) a Restricted Party;
- (b) in breach of Sanctions Laws; or
- (c) to its knowledge subject to or involved in any complaint, claim, proceeding, formal notice, investigation or other action by any regulatory or enforcement authority concerning any Sanctions Laws.

18.34 US Tax Obligor

No Transaction Obligor is a US Tax Obligor.

18.35 No Money laundering

- (a) Each Borrower is acting for its own account in relation to the Loan and in relation to the performance and the discharge of its respective obligations and liabilities under the Finance Documents and the transactions and other arrangements effected or contemplated by the Finance Documents to which such Borrower is a party, and 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.
- (b) Without prejudice to any of the foregoing, none of the Transaction Obligors nor any other member of the Group and their respective members, directors, officers, Subsidiaries and, to the best of their knowledge, their Affiliates or employees has engaged in any activity or conduct which would violate any applicable anti-bribery, anti-corruption or anti-Money Laundering laws, regulations or rules in any applicable jurisdiction and each of the Transaction Obligors has instituted and maintains policies and procedures designed to prevent violation of such laws, regulations and rules.

18.36 Validity and completeness of the Deed of Release

With effect on and from the Release Date:

- (a) the relevant Deed of Release constitutes legal, valid, binding and enforceable obligations of the relevant Existing Owner; and
- (b) no amendments or additions to the relevant Deed of Release have been agreed nor have any rights under the relevant Deed of Release been waived.

18.37 No immunity

No Borrower, nor any of its assets is entitled to immunity on the grounds of sovereignty or otherwise from any legal action or proceeding (which shall include, without limitation, suit attachment prior to judgement, execution or other enforcement).

18.38 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.

19 INFORMATION UNDERTAKINGS

19.1 General

The undertakings in this Clause 19 (*Information Undertakings*) remain in force throughout the Security Period unless the Facility Agent, acting with the authorisation of the Majority Lenders (or, where specified, all the Lenders), may otherwise permit.

19.2 Financial statements

The Borrowers procure that the Guarantor shall supply to the Facility Agent in sufficient copies for all the Lenders:

- (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, commencing with the financial year ending on 31 December 2025, the annual audited consolidated financial statement 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 quarter of each of the Guarantor's financial years (ending 31 March, 30 June and 30 September commencing with the quarter ending on 31 December 2025), the unaudited consolidated quarterly financial statements of the Group for that financial quarter.

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 company 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 it has not been filed with the US Securities and Exchange Commission.
- (b) The Borrowers shall procure that each set of financial statements of the Guarantor 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 Facility Agent that there has been a change in GAAP, the accounting practices or reference periods, unless such change is described in the filings made with the US Securities and Exchange Commission, and the auditors of the Guarantor deliver to the Facility Agent:
 - (i) a description of any change necessary for those financial statements to reflect the GAAP, accounting practices and reference periods upon which the Original Financial Statements were prepared; and
 - (ii) sufficient information, in form and substance as may be reasonably required by the Facility Agent, to enable the Lenders 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 that Obligor'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.
- (b) The Borrowers shall supply to the Facility Agent (in sufficient copies for all the Lenders, if the Facility 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 Transaction Documents or any transaction carried out (or to be carried out) in connection with any transaction contemplated by the Transaction Documents 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).

19.5 Information: miscellaneous

Each Obligor shall and shall procure that each other Transaction Obligor shall supply to the Facility Agent (in sufficient copies for all the Lenders, if the Facility Agent so requests):

- (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 the contents of such communication 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 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 a liability, or a potential or alleged liability, exceeding \$1,000,000 in relation to any Borrower or \$20,000,000 in relation to any other member of the Group (or their equivalent in any other currency or currencies);
- (d) promptly, its constitutional documents where these have been amended or varied unless, in respect of the Guarantor, these changes have been disclosed in the filings with the US Securities and Exchange Commission;

- (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 any Finance Party (through the Facility Agent) may reasonably request; and
- (f) promptly, such further information and/or documents as any Finance Party (through the Facility Agent) may reasonably request so as to enable such Finance Party 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 Facility Agent of any Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence (unless that Obligor is aware that a notification has already been provided by another Obligor).
- (b) Promptly upon a request by the Facility Agent, each Borrower shall supply to the Facility Agent a certificate signed by an officer 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

- (a) If:
 - (i) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation made after the date of this Agreement;
 - (ii) any change in the status of a Transaction Obligor (including, without limitation, a change of ownership of a Transaction Obligor save for the Guarantor) after the date of this Agreement; or
 - (iii) 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 a Finance Party (or, in the case of sub-paragraph (iii) above, 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 any Finance Party supply, or procure the supply of, such documentation and other evidence as is reasonably requested by a Servicing Party (for itself or on behalf of any other Finance Party) or any Lender (for itself or, in the case of the event described in sub-paragraph (iii) above, on behalf of any prospective new Lender) in order for such Finance Party or, in the case of the event described in sub-paragraph (iii) above, 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.

- (b) Each Lender shall promptly upon the request of a Servicing Party supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Servicing Party (for itself) in order for that Servicing Party 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 Facility Agent, acting with the authorisation of the Majority Lenders (or, where specified, all the Lenders) 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; and
- (b) supply certified copies to the Facility Agent 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 and in the state of the Approved Flag at any time of each Ship of any Transaction Document to which it is a party; and
 - (iii) own and operate each Ship (in the case of the Borrowers);
- (c) without prejudice to the generality of the above, ensure that if, but for the obtaining of an Authorisation, an Obligor would be in breach of any of the provisions of this Agreement which relate to Sanctions Laws or, by reason of Sanctions Laws, would be prohibited from performing any provision of this Agreement, such 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:

- (a) all Sanctions Laws; and
- (b) all other 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 applicable to it;

- (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 applicable to it, 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, (through the Guarantor), promptly upon becoming aware of the same, inform the Facility Agent in writing of:

- (a) any Environmental Claim against any member of the Group or Ship 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 or Ship,

where the claim, if determined against that member of the Group or Ship, has or is reasonably likely to have a Material Adverse Effect.

20.6 Taxation

- (a) 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:

- (i) such payment is being contested in good faith;
- (ii) 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 Facility Agent under Clause 19.2 (*Financial statements*); and
- (iii) 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.

- (b) No Borrower shall change its residence for Tax purposes.

20.7 Overseas companies

Each Borrower shall, and shall procure that each other Transaction Obligor will, promptly inform the Facility Agent 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 Facility Agent 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 18.30 (*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 any jurisdiction.

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 a Finance Party against it under the Finance Documents rank at least *pari passu* with the claims of all its other present and future unsecured and unsubordinated creditors except those creditors whose claims are mandatorily preferred by laws of general application to companies.

20.10 Title

- (a) From the Release Date of the Advance under each of Tranche A and Tranche B and from the Utilisation Date of each of Tranche C and Tranche D, the relevant Borrower shall hold the legal title to, and own the entire beneficial interest, with effect from such Release Date or Utilisation Date, in:
- (i) the relevant Ship, its Earnings and its Insurances; and
 - (ii) with effect on and from its creation or intended creation, any other assets the subject of any Transaction Security created or intended to be created by such Borrower.
- (b) Each Borrower shall procure that the Guarantor shall hold the legal title to, and own the entire beneficial interest in with effect on and from its creation or intended creation, any assets the subject of any Transaction Security created or intended to be created by the Guarantor.

20.11 Negative pledge

- (a) No Borrower shall, and shall procure that no other Transaction Obligor will create, grant, assume or permit to subsist any Security over any of its assets which are, in the case of members of the Group other than the Borrowers, the subject of the Security created or intended to be created by the Finance Documents or to secure any Financial Indebtedness owed by any Guarantor to any member of the Group (save for any such Financial Indebtedness which is subordinated).
- (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, its Earnings or its Insurances).
- (b) Paragraph (a) above does not apply to any Charter as all Charters are subject to Clause 22.16 (*Restrictions on chartering, appointment of managers etc.*).

20.13 Merger

No Borrower shall, and shall procure that the Guarantor shall not enter into any amalgamation, demerger, merger, consolidation or corporate reconstruction except in circumstances where the Guarantor is the surviving entity of any such event and there is no Material Adverse Effect on the Guarantor.

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 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 Issued shares

No Borrower shall:

- (a) purchase, cancel, redeem or retire any of its issued shares;
- (b) increase or reduce 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;
- (c) issue any further shares except to the Shareholder and provided such new shares are made subject to the terms of the Shares Security applicable to that Borrower immediately upon the issue of such new shares in a manner satisfactory to the Security Agent and the terms of that Shares Security are complied with; or
- (d) appoint any further director, officer or secretary of that Borrower (unless the provisions of the Shares Security applicable to that Borrower are complied with).

20.18 Dividends

No Borrower shall, and shall procure that the Guarantor shall not following the occurrence of a 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 shares);
- (b) repay or distribute any dividend or share premium reserve; or
- (c) redeem, repurchase, defease, retire or repay any of its issued shares 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 Obligor and where such loan or form of credit is in the ordinary course of its business and in a manner acceptable to the Facility Agent;
- (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 Borrower 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 shall procure that no other Transaction Obligor will, do (or fail to do) or cause or permit another person to do (or omit to do) anything which is likely to:

- (a) make it unlawful or contrary to Sanctions Laws 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 if that cessation individually or together with any other cessations materially or adversely affects the interests of the Secured Parties under the Finance Documents;
- (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 Further assurance

- (a) Each Borrower shall, and shall procure that each other Transaction Obligor will, and in any event within the time period specified by the Security Agent 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 Security Agent may specify (and in such form as the Security Agent may require in favour of the Security Agent or its nominee(s)):
 - (i) to create, perfect, vest in favour of the Security Agent 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 any of the Secured Parties provided by or pursuant to the Finance Documents or by law;
 - (ii) to confer on the Security Agent or confer on the Secured Parties 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 Security Agent 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 Security Agent or the Secured Parties by or pursuant to the Finance Documents.
- (c) At the same time as a Borrower delivers to the Security Agent any document executed by itself or another Transaction Obligor pursuant to this Clause 20.21 (*Further assurance*), that Borrower shall deliver, or shall procure that such other Transaction Obligor will deliver, to the Security Agent a certificate signed by one of that Borrower's or Transaction Obligor's officers which shall:
 - (i) set out the text of a resolution of that Borrower's or Transaction Obligor's directors or member, as applicable, specifically authorising the execution of the document specified by the Security Agent; and

- (ii) state that either the resolution was duly passed at a meeting of the directors or member, as applicable, validly convened and held, throughout which a quorum of directors or members entitled to vote on the resolution was present, or that the resolution has been signed by all the directors, members or officers, as applicable, and is valid under that Borrower's or Transaction Obligor's articles of incorporation, limited liability company agreement or limited partnership agreement, as applicable.

20.22 Money Laundering

The Borrowers undertake throughout the Security Period to:

- (a) provide the Lenders with information, certificates and any documents required by the Lenders to ensure compliance with any law, official requirement or other regulatory measure or procedure implemented to combat Money Laundering; and
- (b) notify the Lenders as soon as it becomes aware of any matters evidencing that a breach of any law, official requirement or other regulatory measure or procedure implemented to combat Money Laundering may or is about to occur.

20.23 Sanctions

- (a) No Borrower shall (and the Borrowers shall ensure that no other Relevant Person will) take any action, make any omission or use (directly or indirectly) any proceeds of the Loan, in a manner that:
 - (i) is a breach of Sanctions Laws; and/or
 - (ii) causes (or will cause) a breach of Sanctions Laws by any Finance Party.
- (b) No Borrower shall (and the Borrowers shall ensure that no other Relevant Person will) take any action or make any omission that results, or is reasonably likely to result, in it or any Finance Party becoming a Restricted Party.

20.24 Use of proceeds

No proceeds of the Loan shall be lent, contributed or otherwise made available, directly or indirectly, to or for the benefit of a Restricted Party (including to fund any activities or business of a Restricted Party) nor shall they be lent, contributed or otherwise made available, directly or indirectly, to any person or otherwise be applied (i) to fund any activities or business in any country or territory, that, at the time of such funding, is a country or territory which is subject to Sanctions Laws or (ii) in any other manner that would result in a violation of Sanctions Laws by any person (including any person participating in the Loan, whether as a Finance Party or otherwise) or otherwise in a manner or for a purpose prohibited by Sanctions Laws including, but not limited to, in using any benefits of any money, proceeds or services provided by, or received from, the Lenders under this Agreement, in business activities (including, but not limited to, entering into any ship finance acquisition agreement, ship refinancing agreement or charter agreement relating to a vessel, project or asset) subject to Sanctions Laws or related to a country which is subject to Sanctions Laws and/or a Restricted Party.

20.25 Anti-corruption law

- (a) No Transaction Obligor shall directly or indirectly use the proceeds of the Facility for any purpose which would breach the Bribery Act 2010, the United States Foreign Corrupt Practices Act of 1977 or other similar legislation in other jurisdictions.
- (b) No Transaction Obligor shall directly or indirectly use the proceeds of the Facility for any purpose which would breach the money laundering (as defined in article I of the Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Regulation (EU) No 648/2012 of the European Parliament and of the Council, and repealing Directive 2005/60/EC of the European Parliament and of the Council and Commission Directive 2006/70/EC Directive 2005/60/EF (Directive 2005/60/EC of the European Parliament and of the Council of 26 October 2005 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing)).
- (c) Each Transaction Obligor shall:
 - (i) conduct its business in compliance with applicable anti-corruption laws; and
 - (ii) maintain policies and procedures designed to promote and achieve compliance with such laws.

20.26 Listing of Guarantor

The Borrowers shall procure that the Guarantor's shares are listed on the New York Stock Exchange or any other stock exchange acceptable to the Facility Agent.

20.27 No change in financial year

The Borrowers shall procure that the Guarantor shall not change the end of its financial year.

21 INSURANCE UNDERTAKINGS

21.1 General

The undertakings in this Clause 21 (*Insurance Undertakings*) remain in force from the Release Date for each of Ship A and Ship B and the Utilisation Date of Ship C and Ship D and throughout the rest of the Security Period except as the Facility Agent, acting with the authorisation of the Majority Lenders (or, where specified, all the Lenders) may otherwise permit.

21.2 Maintenance of obligatory insurances

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

- (a) hull and machinery plus freight interest and hull interest and any other usual marine risks (including excess risks);
- (b) war risks, including blocking and trapping and to cover piracy and terrorism if those risks are excluded from fire and usual marine risks cover;

- (c) protection and indemnity risks (including freight, demurrage and defence cover without exclusion of any Environmental Incident) with a protection and indemnity association being a member of the International Group of Protection and Indemnity Clubs; and
- (d) any other risks against which the Facility Agent acting on the instructions of the Majority Lenders 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 Facility Agent 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 (the "**Agreed Insured Value**"), in an amount on an agreed value basis at least the greater of:
 - (i) the Market Value of that Ship and;
 - (ii) 120 per cent. of the Tranche relating to the Ship owned by it;
- (c) in the case of hull and machinery insurance, in an amount on an agreed value basis of at least 70 per cent. of the Agreed Insured Value of that Ship with the remainder of that Agreed Insured Value being covered by hull interest and freight interest covers;
- (d) 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;
- (e) in the case of protection and indemnity risks, in respect of the full tonnage of its Ship;
- (f) on approved terms; and
- (g) 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 Finance Parties

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 assured or co-assureds 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;

and every other named insured has undertaken in writing to the Security Agent (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 Security Agent to collect or recover any moneys which at any time become payable in respect of the obligatory insurances;

- (b) whenever the Facility Agent requires, name (or be amended to name) the Security Agent as additional named insured for its rights and interests, warranted no operational interest and with full waiver of rights of subrogation against the Security Agent, but without the Security Agent being liable to pay (but having the right to pay) premiums, calls or other assessments in respect of such insurance;
- (c) name the Security Agent as loss payee with such directions for payment as the Facility Agent may specify;
- (d) provide that all payments by or on behalf of the insurers under the obligatory insurances to the Security Agent 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 Security Agent or any other Finance Party; and
- (f) provide that the Security Agent may make proof of loss if that Borrower fails to do so.

21.5 Renewal of obligatory insurances

Each Borrower shall:

- (a) at least 14 days before the expiry of any obligatory insurance effected by it:
 - (i) notify the Facility Agent 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 Facility Agents' 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 Facility Agent'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 Facility Agent 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 Security Agent 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 Facility Agent 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 Finance Parties*);
 - (ii) they will hold such policies, and the benefit of such insurances, to the order of the Security Agent in accordance with such loss payable clause;
 - (iii) they will advise the Security Agent 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 Security Agent 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 Facility Agent 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; and
 - (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 Facility Agent.

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 Security Agent 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 Facility Agent acting on the instructions of Majority Lenders; 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 Facility Agent or the Security Agent.

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 22 (*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 Facility Agent 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, upon request, supply copies to the Facility 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
 - (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 Security Agent 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 Security Agent, 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 Facility Agent (or any persons which it may designate) with any information which the Facility Agent (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 Security Agent in respect of all fees and other expenses incurred by or for the account of the Security Agent 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 Security Agent 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 such amounts, on such terms, through such insurers and generally in such manner as the Security Agent acting on the instructions of the Majority Lenders may reasonably from time to time consider appropriate.
- (b) Each of the insurances referred to in paragraph (a) above shall be in an amount of not less than 110 per cent. of the aggregate of (i) the Loan and (ii) any Available Facility.

- (c) The Borrowers shall upon demand fully indemnify the Security Agent 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 SHIP UNDERTAKINGS

22.1 General

The undertakings in this Clause 22 (*Ship Undertakings*) remain in force on and from the Release Date for each of Ship A and Ship B and the Utilisation Date of Ship C and Ship D and throughout the rest of the Security Period except as the Facility Agent, acting with the authorisation of the Majority Lenders (or, where specified, all the Lenders) may otherwise permit.

22.2 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, related Deed of Covenant and on such other terms and in such other form as the Facility Agent, acting with the authorisation of the Majority Lenders, shall approve or require; and
- (ii) the execution of such other documentation amending and supplementing the Finance Documents as the Facility Agent, acting with the authorisation of the Majority Lenders, shall approve or require.

22.3 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.

22.4 Classification society undertaking

Each Borrower shall, in respect of the Ship owned by it, instruct the Approved Classification Society:

- (a) to send to the Security Agent, following receipt of a written request from the Security Agent, certified true copies of all original class records held by the Approved Classification Society in relation to that Ship;
- (b) to allow the Security Agent (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 Security Agent 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 Security Agent:
 - (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 Security Agent 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.

22.5 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 and adversely alter the structure, type or performance characteristics of that Ship or materially reduce its value.

22.6 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 Security Agent; 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.

22.7 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 Facility Agent acting on the instructions of the Majority Lenders, provide the Facility Agent, with copies of all survey reports.

22.8 Inspection

Each Borrower shall permit the Security Agent (acting through surveyors or other persons appointed by it for that purpose) to board the Ship owned by it at all reasonable times and provided there is no interference with that Ship's operation to inspect its condition or to satisfy themselves about proposed or executed repairs and shall afford all proper facilities for such inspections. The cost of the inspection 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.

22.9 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.

22.10 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 applicable to it;
 - (D) all Sanctions Laws; 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; and
- (c) without limiting paragraph (a) above, not employ the Ship owned by it nor allow its employment, operation or management in any manner contrary to any law or regulation including but not limited to the ISM Code, the ISPS Code, all applicable Environmental Laws and Sanctions Laws (or which would be contrary to Sanctions Laws if Sanctions Laws were binding on each Transaction Obligor).

22.11 ISPS Code

Without limiting paragraph (a) of Clause 22.10 (*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; and
- (b) maintain an ISSC for that Ship; and
- (c) notify the Facility Agent immediately in writing of any actual or threatened withdrawal, suspension, cancellation or modification of the ISSC.

22.12 Sanctions Laws and Ship trading

Without limiting Clause 22.10 (*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 Restricted Party;
- (b) that the Ship owned by it shall not be used in trading in any manner contrary to Sanctions Laws (or which could be contrary to Sanctions Laws if Sanctions Laws were binding on each Transaction Obligor);
- (c) 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
- (d) that each Charter 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 (c) of Clause 22.10 (*Compliance with laws etc.*) as regards Sanctions Laws and of this Clause 22.12 (*Sanctions Laws and Ship trading*) and which Charter permits refusal of employment or voyage orders if such employment or compliance with such orders results in non-compliance with such provisions or breaches Sanctions Laws (or which would result in a breach of Sanctions Laws if Sanctions Laws were binding on each Obligor).

22.13 Trading in war zones or excluded areas

In the event of hostilities in any part of the world (whether war is declared or not), 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 unless the 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).

22.14 Provision of information

Without prejudice to Clause 19.5 (*Information: miscellaneous*) each Borrower shall, in respect of the Ship owned by it, promptly provide the Facility Agent 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, each Approved Manager's compliance and the compliance of that Ship with the ISM Code and the ISPS Code,

and, upon the Facility Agent'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.

22.15 Notification of certain events

Each Borrower shall, in respect of the Ship owned by it, immediately notify the Facility Agent 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 made by any insurer or any requirement or recommendation made by any classification society or by any competent authority in relation to that Ship which is not complied with by its due date;
- (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 extraordinary or unscheduled 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; or
- (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 Laws; 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 Laws,

and each Borrower shall keep the Facility Agent advised in writing on a regular basis and in such detail as the Facility Agent 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.

22.16 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 the relevant Borrower ensures that that person has first given to the Security Agent 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.

22.17 Notice of Mortgage

Each Borrower shall keep the Mortgage registered against the Ship owned by it as a valid first preferred mortgage, carry on board that 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 Agent.

22.18 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.

22.19 Charterparty Assignment

If any Borrower enters into an Assignable Charter that Borrower shall promptly after the date of such Assignable Charter enter into a Charterparty Assignment and the assignment contemplated thereunder shall be notified to the relevant charterer and any charter guarantor in accordance with the terms of such Charterparty Assignment and that Borrower shall use its commercially reasonable endeavours to obtain an acknowledgment of that Charterparty Assignment from the relevant Charterer and/or charter guarantor, and shall additionally deliver to the Facility Agent such other documents relevant to that Borrower and that Ship equivalent to those referred to in paragraphs 1.2, 1.3, 1.5, 1.8, 5.1 and 5.5 of Part A of Schedule 2 (*Conditions Precedent*), paragraph 5.1 of Part B of Schedule 2 (*Conditions Precedent*) and paragraph 4.1 of Part C of Schedule 2 (*Conditions Precedent*) as the Facility Agent may require.

22.20 Inventory of Hazardous Material

Each Borrower shall maintain an Inventory of Hazardous Materials in respect of the Ship owned by it.

22.21 Dismantling of Ships

The Borrowers confirm that they will procure that each Ship and any other Group Vessel will be (or, if sold to an intermediary with the intention of being scrapped, will use their best endeavours to procure), that such Ship and any other Group Vessel will be recycled at a recycling yard which conducts its recycling business in a socially and environmentally responsible manner, in accordance with the provisions of The Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships, 2009 or, with regards to any EU flagged vessels, the EU Ship Recycling Regulation 2013.

22.22 Poseidon Principles

The Borrowers shall, upon the request of any Lender and at the cost of the Borrowers on or before 31st July in each calendar year, supply or procure the supply (as specified by the relevant Lender) to the Facility Agent (on behalf of that Lender) of all information necessary in order for that Lender to comply with its obligations under the Poseidon Principles in respect of the preceding year, including, without limitation, all ship fuel oil consumption data required to be collected and reported in accordance with Regulation 22A of Annex VI and any Statement of Compliance, in each case relating to the Ship owned by it for the preceding calendar year provided always that, for the avoidance of doubt, such information shall be "Confidential Information" for the purposes of Clause 43 (*Confidential Information*) but the Borrowers acknowledge that, in accordance with the Poseidon Principles, such information will form part of the information published regarding the relevant Lender's portfolio climate alignment.

22.23 Notification of compliance

Each Borrower shall promptly provide the Facility Agent from time to time with evidence (in such form as the Facility Agent requires) that it is complying with this Clause 22 (*Ship Undertakings*).

23 SECURITY COVER

23.1 Minimum required security cover

Clause 23.2 (*Provision of additional security; prepayment*) applies if the Facility Agent 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 23 (*Security Cover*),
is below 125 per cent. of the Loan.

23.2 Provision of additional security; prepayment

- (a) If the Facility Agent serves a notice on the Borrowers under Clause 23.1 (*Minimum required security cover*), the Borrowers shall, on or before the date falling 30 Business Days after the date on which the Facility Agent'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:
 - (i) in the case of cash collateral comprised of US dollars and in the case of a vessel of similar type or age to a Ship shall be deemed satisfactory; and
 - (ii) which, in the opinion of the Facility Agent acting on the instructions of the Majority Lenders:
 - (A) has a net realisable value at least equal to the shortfall; and
 - (B) is documented in such terms as the Facility Agent may reasonably approve or require,
before the Prepayment Date; and conditional upon such security being provided in such manner, it shall satisfy such prepayment obligation.

23.3 Value of additional vessel security

The net realisable value of any additional security which is provided under Clause 23.2 (*Provision of additional security; prepayment*) and which consists of Security over a vessel shall be the Market Value of the vessel concerned.

23.4 Valuations binding

Any valuation under this Clause 23 (*Security Cover*) shall be binding and conclusive as regards each Borrower.

23.5 Provision of information

- (a) Each Borrower shall promptly provide the Facility Agent and any shipbroker acting under this Clause 23 (*Security Cover*) with any information which the Facility Agent or the shipbroker may request for the purposes of the valuation.

- (b) If any 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 Facility Agent considers prudent.

23.6 Prepayment mechanism

Any prepayment pursuant to Clause 23.2 (*Provision of additional security; prepayment*) shall be made in accordance with the relevant provisions of Clause 7 (*Prepayment and Cancellation*), and each such prepayment shall reduce the Repayment Instalments and the Balloon Instalment falling after such prepayment on a *pro rata* basis by the amount prepaid.

23.7 Provision of valuations

- (a) For the purpose of the Utilisation and subject to paragraph (b) below, the Market Value of any Ship shall be determined by reference to the valuation of that Ship as given by an Approved Valuer selected and appointed by the Borrowers and addressed to the Facility Agent or in the event that the Borrowers fail to do so appointed by the Facility Agent. The Agent shall, in its full discretion be entitled to request a second valuation from an Approved Valuer selected and appointed by the Facility Agent, in which case, the Market Value shall be the arithmetic average of the two valuations.
- (b) If the two valuations in respect of a Ship obtained pursuant to paragraph (a) above differ by at least 10 per cent., then a third valuation for that Ship shall be obtained from a third Approved Valuer selected by the Facility Agent, appointed by the Facility Agent and such valuation shall be addressed to the Facility Agent and the Market Value of that Ship shall be the arithmetic average of all three such valuations.
- (c) The Facility Agent shall be entitled, after the relevant Utilisation Date, to test the security cover requirement under Clause 23.1 (*Minimum required security cover*) by reference to the Market Value of any Ship as determined in accordance with paragraphs (a) to (b) above, semi-annually during the Security Period.
- (d) The Facility Agent shall ascertain compliance with clause 10 (*financial covenants*) of the Guarantee by reference to the market value of the Fleet Vessels as provided in the Latest Accounts (as each such term is defined in the Guarantee).
- (e) Each of the valuations referred to at paragraphs (a) and (b) above shall be obtained not more than 45 days before the relevant Utilisation Date, while each of the valuations referred to in paragraph (d) above shall be obtained not more than 30 days before the Test Date (as such term is defined in the Guarantee) of the relevant quarter.
- (f) The Facility Agent 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 23.2 (*Provision of additional security; prepayment*) from Approved Valuers to enable the Facility Agent 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 23.1 (*Minimum required security cover*). The Facility Agent shall be entitled to determine the Market Value of any Ship at any other time.
- (g) The valuations referred to in paragraph (a) to (b) above shall be obtained at the cost and expense of the Borrowers and the Borrowers shall within three Business Days of demand by the Facility Agent pay to the Facility Agent all costs and expenses incurred by it in obtaining any such valuation. The cost of the valuations referred to in paragraph (d) for the Borrowers

shall be provided semi-annually, unless an Event of Default has occurred or the covenant contained in Clause 23.1 (*Minimum required security cover*) is not complied with, in which case the cost of all valuations shall be borne by the Borrowers.

23.8 Release of additional security

If at any time the Security Agent holds additional security provided under this Clause 23 (*Security cover*) and the Asset Cover Ratio, disregarding the value of any additional security provided (the "**Relevant Security**"), exceeds 125 per cent., the Borrowers may by notice to the Facility Agent (such notice to include evidence satisfactory to the Facility Agent that such compliance has been maintained) and at the Borrowers' expense request the release and discharge of the Relevant Security or, as the case may be, part of it and the Facility Agent shall direct the Security Agent to release and discharge the relevant part of the Relevant Security **Provided that** no Event of Default has occurred and is continuing or will result from such release and discharge and the Finance Parties are indemnified in full to their satisfaction of any documented costs and expenses in connection with such release and discharge.

24 ACCOUNTS AND APPLICATION OF EARNINGS

24.1 Accounts

No Borrower may, without the prior consent of the Facility Agent, maintain any bank account other than:

- (a) its Earnings Account; and
- (b) in relation to Borrower A and Borrower B, the Permitted Earnings Accounts which Borrower A and Borrower B shall procure will be closed within 60 days from the Release Date.

24.2 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.

24.3 Location of Accounts

Each Borrower shall promptly:

- (a) comply with any requirement of the Facility Agent as to the location or relocation of its Earnings Account; and
- (b) execute any documents which the Facility Agent specifies to create or maintain in favour of the Security Agent Security over (and/or rights of set-off, consolidation or other rights in relation to) its Earnings Account.

24.4 Restriction on withdrawal

During the Security Period a Borrower may withdraw any sum from its Earnings Account provided that (i) no Event of Default has occurred and is continuing or would occur from such withdrawal and (ii) no notice has been given to that Borrower by the Facility Agent or the Security Agent that such withdrawal is not permitted.

25 EVENTS OF DEFAULT

25.1 General

Each of the events or circumstances set out in this Clause 25 (*Events of Default*) is an Event of Default except for Clause 25.20 (*Acceleration*) and Clause 25.21 (*Enforcement of security*).

25.2 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.

25.3 Specific obligations

A breach occurs of Clause 4.4 (*Waiver of conditions precedent*), clause 10 (*financial covenants*) of the Guarantee, Clause 18.33 (*Sanctions*), Clause 20.10 (*Title*), Clause 20.11 (*Negative pledge*), Clause 20.20 (*Unlawfulness, invalidity and ranking; Security imperilled*), Clause 21.2 (*Maintenance of obligatory insurances*), Clause 21.3 (*Terms of obligatory insurances*), Clause 21.5 (*Renewal of obligatory insurances*), Clause 22.12 (*Sanctions Laws and Ship Trading*), Clause 22.13 (*Trading in war zones or excluded areas*), save to the extent a breach concerning the obligatory insurances is a technical default which does not affect the validity or coverage (which, for the avoidance of doubt, shall fall under Clause 25.4 (*Other obligations*)), or save to the extent such breach is a failure to pay and therefore subject to Clause 25.2 (*Non-payment*), Clause 23 (*Security Cover*).

25.4 Other obligations

- (a) A Transaction Obligor does not comply with any provision of the Finance Documents (other than those referred to in Clause 25.2 (*Non-payment*) and Clause 25.3 (*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 30 Business Days, or in relation to Clause 20.5 (*Environmental Claims*) 30 Business Days, of the Facility Agent giving notice to the Borrowers or (if earlier) any Transaction Obligor becoming aware of the failure to comply.

25.5 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.

25.6 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) unless the Transaction Obligor (other than an Approved Manager) is contesting the declaration of an event of default or of the Financial Indebtedness becoming due and payable in good faith and on substantial grounds by appropriate proceedings and adequate reserves (in the reasonable opinion of the Facility Agent) have been set aside for its payment if such proceedings fail.
- (c) Any commitment for any Financial Indebtedness of any Transaction Obligor (other than an Approved Manager) is cancelled or suspended by a creditor of that Transaction Obligor as a result of an event of default (however described).
- (d) Any creditor of any Transaction Obligor (other than an Approved Manager) becomes entitled to declare any Financial Indebtedness of that Transaction Obligor (other than an Approved Manager) due and payable prior to its specified maturity as a result of an event of default (however described).
- (e) No Event of Default will occur under this Clause 25.6 (*Cross default*) in respect of the Guarantor and the Shareholder if the aggregate amount of Financial Indebtedness or commitment for Financial Indebtedness falling within paragraphs (a) to (d) above is less than \$20,000,000 (or its equivalent in any other currency).

25.7 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; or
- (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.

25.8 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.

25.9 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 (or the equivalent in any other currency) (other than an arrest or detention of a Ship referred to in Clause 25.14 (*Arrest*)) and is not discharged within 30 days.

25.10 Ownership of the Obligors

There is in respect of any Borrower, a change in its ownership which results in the Guarantor owning directly or indirectly (but if indirectly only through companies with registered shares), less than 100 per cent. of the shares in that Borrower.

25.11 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 Secured Parties 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 a Finance Party) to be ineffective.
- (d) Any Transaction Security proves to have ranked after, or loses its priority to, any other Security.

25.12 Security imperilled

Any Security created or intended to be created by a Finance Document is in any way imperilled or in jeopardy.

25.13 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.

25.14 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.

25.15 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 25.14 (*Arrest*); or
- (b) any Requisition.

25.16 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 Transaction Document or any of the Transaction Security or evidences an intention to rescind or repudiate a Transaction Document or any Transaction Security.

25.17 Litigation

Any litigation, arbitration or administrative proceedings or investigations of, or before, any court, arbitral body or agency are started or threatened, or any judgment or order of a court, arbitral body or agency is made, in relation to any of the Transaction Documents or the transactions contemplated in any of the Transaction Documents or against any member of the Group or its assets which has or is reasonably likely to have a Material Adverse Effect.

25.18 Material adverse change

Any event or circumstance occurs which has or is reasonably likely to have a Material Adverse Effect.

25.19 Sanctions

- (a) Any of the Transaction Obligors becomes a Restricted Party or becomes owned or controlled by, or acts directly or indirectly on behalf of, a Restricted Party or any of such persons becomes the owner or controller of a Restricted Party.
- (b) Any proceeds of the Loan is made available, directly or indirectly, to or for the benefit of a Restricted Party or otherwise is, directly or indirectly, applied in a manner or for a purpose prohibited by Sanctions Laws.
- (c) Any Transaction Obligor is not in compliance with all Sanctions Laws.

25.20 Acceleration

On and at any time after the occurrence of an Event of Default which is continuing the Facility Agent may, and shall if so directed by the Majority Lenders:

- (a) by notice to the Borrowers:
- (i) cancel the Available Commitment of each Lender, whereupon they shall immediately be cancelled;
 - (ii) 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
 - (iii) declare that all or part of the Loan be payable on demand, whereupon it shall immediately become payable on demand by the Facility Agent acting on the instructions of the Majority Lenders; and/or

- (b) exercise or direct the Security Agent to exercise any or all of its rights, remedies, powers or discretions under the Finance Documents,

and the Facility Agent may serve notices under sub-paragraphs (i), (ii) or (iii) of paragraph (a) above simultaneously or on different dates and any Servicing Party may take any action referred to in paragraph (b) above or Clause 25.21 (*Enforcement of security*) if no such notice is served or simultaneously with or at any time after the service of any of such notice.

25.21 Enforcement of security

On and at any time after the occurrence of an Event of Default the Security Agent may, and shall if so directed by the Majority Lenders, take any action which, as a result of the Event of Default or any notice served under Clause 25.20 (*Acceleration*), the Security Agent is entitled to take under any Finance Document or any applicable law or regulation.

SECTION 9
CHANGES TO PARTIES

26 CHANGES TO THE LENDERS

26.1 Assignments and transfers by the Lenders

Subject to this Clause 26 (*Changes to the Lenders*), a Lender (the "**Existing Lender**") may:

- (a) assign any of its rights; or
- (b) transfer by novation any of its rights and obligations,

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**"),

provided that, unless the Parties agree otherwise, a Lender may only, pursuant to this Clause 26 (*Changes to the Lenders*), assign any of its rights or, as the case may be, transfer by novation any of its rights and obligations in relation to a minimum amount of \$10,000,000 of that Lender's Commitment or, if less, that Lender shall assign or, as the case may be, transfer its rights and, as the case may be, its obligations under the Finance Documents in relation to that Lender's entire Commitment.

26.2 Conditions of assignment or transfer

- (a) The consent of the Borrowers is required for an assignment or transfer by an Existing Lender pursuant to Clause 26.1 (*Assignments and transfers by the Lenders*), unless the assignment or transfer is:
 - (i) to another Lender or an Affiliate of a Lender;
 - (ii) to a fund which is a Related Fund of that Lender or an Affiliate of that Lender; or
 - (iii) made at a time when an Event of Default is continuing.
- (b) The consent of the Borrowers to an assignment or transfer must not be unreasonably withheld or delayed. Each Borrower will be deemed to have given its consent five Business Days after the Existing Lender has requested it unless consent is expressly refused by that Borrower within that time.
- (c) An assignment will only be effective on:
 - (i) receipt by the Facility Agent (whether in the Assignment Agreement or otherwise) of written confirmation from the New Lender (in form and substance satisfactory to the Facility Agent) that the New Lender will assume the same obligations to the other Secured Parties as it would have been under if it had been an Original Lender; and
 - (ii) performance by the Facility Agent of all necessary "know your customer" or other similar checks under all applicable laws and regulations in relation to such assignment to a New Lender, the completion of which the Facility Agent shall promptly notify to the Existing Lender and the New Lender.

- (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 a Borrower or any other Transaction Obligor had against the Existing Lender.
- (e) A transfer will only be effective if the procedure set out in Clause 26.5 (*Procedure for transfer*) is complied with.
- (f) If:
 - (i) a Lender assigns or transfers 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, transfer or change occurs, a Transaction Obligor would be obliged to make a payment to the New Lender or Lender acting through its new Facility Office under Clause 12 (*Tax Gross Up and Indemnities*) or under that clause as incorporated by reference or in full in any other Finance Document or Clause 13 (*Increased Costs*),

then the New Lender or Lender acting through its new Facility Office is only entitled to receive payment under those Clauses to the same extent as the Existing Lender or Lender acting through its previous Facility Office would have been if the assignment, transfer or change had not occurred. This paragraph (f) shall not apply in respect of an assignment or transfer made in the ordinary course of the primary syndication of the Facility.

- (g) Each New Lender, by executing the relevant Transfer Certificate or Assignment Agreement, confirms, for the avoidance of doubt, that the Facility Agent has authority to execute on its behalf any amendment or waiver that has been approved by or on behalf of the requisite Lender or Lenders in accordance with this Agreement on or prior to the date on which the transfer or assignment becomes effective in accordance with this Agreement and that it is bound by that decision to the same extent as the Existing Lender would have been had it remained a Lender.

26.3 Assignment or transfer fee

The New Lender (other than a New Lender which is an affiliate of the Lender) shall, on the date upon which an assignment or transfer takes effect, pay to the Facility Agent (for its own account) a fee of \$15,000.

26.4 Limitation of responsibility of Existing Lenders

- (a) Unless expressly agreed to the contrary, an Existing Lender makes no representation or warranty and assumes no responsibility to a New Lender for:
 - (i) the legality, validity, effectiveness, adequacy or enforceability of the Transaction Documents, the Transaction Security or any other documents;
 - (ii) the financial condition of any Transaction Obligor;
 - (iii) the performance and observance by any Transaction Obligor of its obligations under the Transaction Documents or any other documents; or

(iv) the accuracy of any statements (whether written or oral) made in or in connection with any Transaction Document or any other document,

and any representations or warranties implied by law are excluded.

(b) Each New Lender confirms to the Existing Lender and the other Finance Parties and the Secured Parties that it:

(i) has made (and shall continue to make) its own independent investigation and assessment of the financial condition and affairs of each Transaction Obligor and its related entities in connection with its participation in this Agreement and has not relied exclusively on any information provided to it by the Existing Lender or any other Finance Party in connection with any Transaction Document or the Transaction Security; and

(ii) will continue to make its own independent appraisal of the creditworthiness of each Transaction Obligor and its related entities throughout the Security Period.

(c) Nothing in any Finance Document obliges an Existing Lender to:

(i) accept a re-transfer or re-assignment from a New Lender of any of the rights and obligations assigned or transferred under this Clause 26 (*Changes to the Lenders*); or

(ii) support any losses directly or indirectly incurred by the New Lender by reason of the non-performance by any Transaction Obligor of its obligations under the Transaction Documents or otherwise.

26.5 Procedure for transfer

(a) Subject to the conditions set out in Clause 26.2 (*Conditions of assignment or transfer*), a transfer is effected in accordance with paragraph (c) below when the Facility Agent executes an otherwise duly completed Transfer Certificate delivered to it by the Existing Lender and the New Lender. The Facility Agent shall, subject to paragraph (b) below as soon as reasonably practicable after receipt by it of a duly completed Transfer Certificate appearing on its face to comply with this Agreement and delivered in accordance with this Agreement, execute that Transfer Certificate.

(b) The Facility Agent shall only be obliged to execute a Transfer Certificate delivered to it by the Existing Lender and the New 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 such New Lender.

(c) Subject to Clause 26.9 (*Pro rata interest settlement*), on the Transfer Date:

(i) to the extent that in the Transfer Certificate the Existing Lender seeks to transfer by novation its rights and obligations under the Finance Documents and in respect of the Transaction Security, each of the Transaction Obligors and the Existing Lender shall be released from further obligations towards one another under the Finance Documents and in respect of the Transaction Security and their respective rights against one another under the Finance Documents and in respect of the Transaction Security shall be cancelled (being the "**Discharged Rights and Obligations**");

- (ii) each of the Transaction Obligors and the New Lender shall assume obligations towards one another and/or acquire rights against one another which differ from the Discharged Rights and Obligations only insofar as that Transaction Obligor and the New Lender have assumed and/or acquired the same in place of that Transaction Obligor and the Existing Lender;
- (iii) the Facility Agent, the Security Agent, the Mandated Lead Arranger, the Bookrunner the New Lender and other Lenders shall acquire the same rights and assume the same obligations between themselves and in respect of the Transaction Security as they would have acquired and assumed had the New Lender been an Original Lender with the rights and/or obligations acquired or assumed by it as a result of the transfer and to that extent the Facility Agent, the Security Agent, the Mandated Lead Arranger, the Bookrunner and the Existing Lenders shall each be released from further obligations to each other under the Finance Documents; and
- (iv) the New Lender shall become a Party as a "**Lender**".

26.6 Procedure for assignment

- (a) Subject to the conditions set out in Clause 26.2 (*Conditions of assignment or transfer*) an assignment may be effected in accordance with paragraph (c) below when the Facility Agent executes an otherwise duly completed Assignment Agreement delivered to it by the Existing Lender and the New Lender. The Facility Agent shall, subject to paragraph (b) below, as soon as reasonably practicable after receipt by it of a duly completed Assignment Agreement appearing on its face to comply with the terms of this Agreement and delivered in accordance with the terms of this Agreement, execute that Assignment Agreement.
- (b) The Facility Agent shall only be obliged to execute an Assignment Agreement delivered to it by the Existing Lender and the New 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 assignment to such New Lender.
- (c) Subject to Clause 26.9 (*Pro rata interest settlement*), on the Transfer Date:
 - (i) the Existing Lender will assign absolutely to the New Lender its rights under the Finance Documents and in respect of the Transaction Security expressed to be the subject of the assignment in the Assignment Agreement;
 - (ii) the Existing Lender will be released from the obligations (the "**Relevant Obligations**") expressed to be the subject of the release in the Assignment Agreement (and any corresponding obligations by which it is bound in respect of the Transaction Security); and
 - (iii) the New Lender shall become a Party as a "Lender" and will be bound by obligations equivalent to the Relevant Obligations.
- (d) Lenders may utilise procedures other than those set out in this Clause 26.6 (*Procedure for assignment*) to assign their rights under the Finance Documents (but not, without the consent of the relevant Transaction Obligor or unless in accordance with Clause 26.5 (*Procedure for transfer*), to obtain a release by that Transaction Obligor from the obligations owed to that Transaction Obligor by the Lenders nor the assumption of equivalent obligations by a New Lender) **provided that** they comply with the conditions set out in Clause 26.2 (*Conditions of assignment or transfer*).

26.7 Copy of Transfer Certificate or Assignment Agreement to Borrowers

The Facility Agent shall, as soon as reasonably practicable after it has executed a Transfer Certificate or an Assignment Agreement, send to the Borrowers a copy of that Transfer Certificate or Assignment Agreement.

26.8 Security over Lenders' rights

In addition to the other rights provided to Lenders under this Clause 26 (*Changes to the Lenders*), each 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 that Lender including, without limitation:

- (a) any charge, assignment or other Security to secure obligations to a federal reserve or central bank; and
- (b) any charge, assignment or other Security 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 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 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 relevant Lender under the Finance Documents.

26.9 Pro rata interest settlement

- (a) If the Facility Agent has notified the Lenders that it is able to distribute interest payments on a "*pro rata* basis" to Existing Lenders and New Lenders then (in respect of any transfer pursuant to Clause 26.5 (*Procedure for transfer*) or any assignment pursuant to Clause 26.6 (*Procedure for assignment*) the Transfer Date of which, in each case, is after the date of such notification and is not on the last day of an Interest Period):

- (i) any interest or fees in respect of the relevant participation which are expressed to accrue by reference to the lapse of time shall continue to accrue in favour of the Existing Lender up to but excluding the Transfer Date ("**Accrued Amounts**") and shall become due and payable to the Existing Lender (without further interest accruing on them) on the last day of the current Interest Period (or, if the Interest Period is longer than six Months, on the next of the dates which falls at six Monthly intervals after the first day of that Interest Period); and

- (ii) The rights assigned or transferred by the Existing Lender will not include the right to the Accrued Amounts, so that, for the avoidance of doubt:

- (A) when the Accrued Amounts become payable, those Accrued Amounts will be payable to the Existing Lender; and

(B) the amount payable to the New Lender on that date will be the amount which would, but for the application of this Clause 26.9 (*Pro rata interest settlement*), have been payable to it on that date, but after deduction of the Accrued Amounts.

- (b) In this Clause 26.9 (*Pro rata interest settlement*) references to "Interest Period" shall be construed to include a reference to any other period for accrual of fees.
- (c) An Existing Lender which retains the right to the Accrued Amounts pursuant to this Clause 26.9 (*Pro rata interest settlement*) but which does not have a Commitment shall be deemed not to be a Lender for the purposes of ascertaining whether the agreement of any specified group of Lenders has been obtained to approve any request for a consent, waiver, amendment or other vote of Lenders under the Finance Documents.

27 CHANGES TO THE TRANSACTION OBLIGORS

27.1 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 without the prior written consent of the Lenders.

27.2 Release of security

- (a) If a disposal of any asset subject to security created by a Security Document is made in the following circumstances:
- (i) the disposal is permitted by the terms of any Finance Document;
 - (ii) all the Lenders agree to the disposal;
 - (iii) the disposal is being made at the request of the Security Agent in circumstances where any security created by the Security Documents has become enforceable; or
 - (iv) the disposal is being effected by enforcement of a Security Document,
- the Security Agent may release the asset(s) being disposed of from any security over those assets created by a Security Document. However, the proceeds of any disposal (or an amount corresponding to them) must be applied in accordance with the requirements of the Finance Documents (if any).
- (b) If the Security Agent is satisfied that a release is allowed under this Clause 27.2 (*Release of security*) (at the request and expense of the Borrowers) each Finance Party must enter into any document and do all such other things which are reasonably required to achieve that release. Each other Finance Party irrevocably authorises the Security Agent to enter into any such document. Any release will not affect the obligations of any other Transaction Obligor under the Finance Documents.

SECTION 10

THE FINANCE PARTIES

28 THE FACILITY AGENT, THE MANDATED LEAD ARRANGER AND THE BOOKRUNNER

28.1 Appointment of the Facility Agent

- (a) Each of the Mandated Lead Arranger, the Bookrunner and the Lenders appoints the Facility Agent to act as its agent under and in connection with the Finance Documents.
- (b) Each of the Mandated Lead Arranger, the Bookrunner and the Lenders authorises the Facility Agent to perform the duties, obligations and responsibilities and to exercise the rights, powers, authorities and discretions specifically given to the Facility Agent under, or in connection with, the Finance Documents together with any other incidental rights, powers, authorities and discretions.

28.2 Instructions

- (a) The Facility Agent shall:
 - (i) unless a contrary indication appears in a Finance Document, exercise or refrain from exercising any right, power, authority or discretion vested in it as Facility Agent in accordance with any instructions given to it by:
 - (A) all Lenders if the relevant Finance Document stipulates the matter is an all Lender decision; and
 - (B) in all other cases, the Majority Lenders; and
 - (ii) not be liable for any act (or omission) if it acts (or refrains from acting) in accordance with sub-paragraph (i) above (or, if this Agreement stipulates the matter is a decision for any other Finance Party or group of Finance Parties, in accordance with instructions given to it by that Finance Party or group of Finance Parties).
- (b) The Facility Agent shall be entitled to request instructions, or clarification of any instruction, from the Majority Lenders (or, if the relevant Finance Document stipulates the matter is a decision for any other Finance Party or group of Finance Parties, from that Finance Party or group of Finance Parties) as to whether, and in what manner, it should exercise or refrain from exercising any right, power, authority or discretion and the Facility Agent may refrain from acting unless and until it receives any such instructions or clarification that it has requested.
- (c) Save in the case of decisions stipulated to be a matter for any other Finance Party or group of Finance Parties under the relevant Finance Document and unless a contrary indication appears in a Finance Document, any instructions given to the Facility Agent by the Majority Lenders shall override any conflicting instructions given by any other Parties and will be binding on all Finance Parties.
- (d) Paragraph (a) above shall not apply:
 - (i) where a contrary indication appears in a Finance Document;

- (ii) where a Finance Document requires the Facility Agent to act in a specified manner or to take a specified action;
 - (iii) in respect of any provision which protects the Facility Agent's own position in its personal capacity as opposed to its role of Facility Agent for the relevant Finance Parties.
- (e) If giving effect to instructions given by the Majority Lenders would in the Facility Agent's opinion have an effect equivalent to an amendment or waiver referred to in Clause 42 (*Amendments and Waivers*), the Facility Agent shall not act in accordance with those instructions unless consent to it so acting is obtained from each Party (other than the Facility Agent) whose consent would have been required in respect of that amendment or waiver.
 - (f) In exercising any discretion to exercise a right, power or authority under the Finance Documents where it has not received any instructions as to the exercise of that discretion the Facility Agent shall do so having regard to the interests of all the Finance Parties.
 - (g) The Facility Agent may refrain from acting in accordance with any instructions of any Finance Party or group of Finance Parties until it has received any indemnification and/or security that it may in its discretion require (which may be greater in extent than that contained in the Finance Documents and which may include payment in advance) for any cost, loss or liability (together with any applicable VAT) which it may incur in complying with those instructions.
 - (h) Without prejudice to the remainder of this Clause 28.2 (*Instructions*), in the absence of instructions, the Facility Agent shall not be obliged to take any action (or refrain from taking action) even if it considers acting or not acting to be in the best interests of the Finance Parties. The Facility Agent may act (or refrain from acting) as it considers to be in the best interest of the Finance Parties.
 - (i) The Facility Agent is not authorised to act on behalf of a Finance Party (without first obtaining that Finance Party's consent) in any legal or arbitration proceedings relating to any Finance Document. This paragraph (i) shall not apply to any legal or arbitration proceeding relating to the perfection, preservation or protection of rights under the Security Documents or enforcement of the Transaction Security or Security Documents.

28.3 Duties of the Facility Agent

- (a) The Facility Agent's duties under the Finance Documents are solely mechanical and administrative in nature.
- (b) Subject to paragraph (c) below, the Facility Agent shall promptly forward to a Party the original or a copy of any document which is delivered to the Facility Agent for that Party by any other Party.
- (c) Without prejudice to Clause 26.7 (*Copy of Transfer Certificate or Assignment Agreement to Borrowers*), paragraph (b) above shall not apply to any Transfer Certificate or any Assignment Agreement.
- (d) Except where a Finance Document specifically provides otherwise, the Facility Agent is not obliged to review or check the adequacy, accuracy or completeness of any document it forwards to another Party.

- (e) If the Facility Agent receives notice from a Party referring to any Finance Document, describing a Default and stating that the circumstance described is a Default, it shall promptly notify the other Finance Parties.
- (f) If the Facility Agent is aware of the non-payment of any principal, interest, commitment fee or other fee payable to a Finance Party (other than the Facility Agent, the Mandated Lead Arranger, the Bookrunner, or the Security Agent) under this Agreement, it shall promptly notify the other Finance Parties.
- (g) The Facility Agent shall have only those duties, obligations and responsibilities expressly specified in the Finance Documents to which it is expressed to be a party (and no others shall be implied).

28.4 Role of the Mandated Lead Arranger and the Bookrunner

Except as specifically provided in the Finance Documents, each of the Mandated Lead Arranger and the Bookrunner has no obligations of any kind to any other Party under or in connection with any Finance Document.

28.5 No fiduciary duties

- (a) Nothing in any Finance Document constitutes the Facility Agent, the Mandated Lead Arranger or the Bookrunner as a trustee or fiduciary of any other person.
- (b) None of the Facility Agent, the Mandated Lead Arranger or the Bookrunner shall be bound to account to other Finance Party for any sum or the profit element of any sum received by it for its own account.

28.6 Application of receipts

Except as expressly stated to the contrary in any Finance Document, any moneys which the Facility Agent receives or recovers in its capacity as Facility Agent shall be applied by the Facility Agent in accordance with Clause 32.5 (*Application of receipts; partial payments*).

28.7 Business with the Group

The Facility Agent, the Mandated Lead Arranger and the Bookrunner may accept deposits from, lend money to, and generally engage in any kind of banking or other business with, any member of the Group.

28.8 Rights and discretions

- (a) The Facility Agent may:
 - (i) rely on any representation, communication, notice or document believed by it to be genuine, correct and appropriately authorised;
 - (ii) assume that:
 - (A) any instructions received by it from the Majority Lenders, any Finance Parties or any group of Finance Parties are duly given in accordance with the terms of the Finance Documents; and

- (B) unless it has received notice of revocation, that those instructions have not been revoked; and
- (iii) rely on a certificate from any person:
 - (A) as to any matter of fact or circumstance which might reasonably be expected to be within the knowledge of that person; or
 - (B) to the effect that such person approves of any particular dealing, transaction, step, action or thing, as sufficient evidence that that is the case and, in the case of sub-paragraph (A) above, may assume the truth and accuracy of that certificate.
- (b) The Facility Agent may assume (unless it has received notice to the contrary in its capacity as agent for the Finance Parties) that:
 - (i) no Default has occurred (unless it has actual knowledge of a Default arising under Clause 25.2 (*Non-payment*));
 - (ii) any right, power, authority or discretion vested in any Party or any group of Finance Parties has not been exercised; and
 - (iii) any notice or request made by any Borrower (other than a Utilisation Request or a Selection Notice) is made on behalf of and with the consent and knowledge of all the Transaction Obligors.
- (c) The Facility Agent may engage and pay for the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts.
- (d) Without prejudice to the generality of paragraph (c) above or paragraph (e) below, the Facility Agent may at any time engage and pay for the services of any lawyers to act as independent counsel to the Facility Agent (and so separate from any lawyers instructed by the Lenders) if the Facility Agent in its reasonable opinion deems this to be desirable.
- (e) The Facility Agent may rely on the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts (whether obtained by the Facility Agent or by any other Party) and shall not be liable for any damages, costs or losses to any person, any diminution in value or any liability whatsoever arising as a result of its so relying.
- (f) The Facility Agent may act in relation to the Finance Documents and the Security Property through its officers, employees and agents and shall not:
 - (i) be liable for any error of judgment made by any such person; or
 - (ii) be bound to supervise, or be in any way responsible for any loss incurred by reason of misconduct, omission or default on the part of any such person,unless such error or such loss was directly caused by the Facility Agent's gross negligence or wilful misconduct.

- (g) Unless a Finance Document expressly provides otherwise the Facility Agent may disclose to any other Party any information it reasonably believes it has received as agent under the Finance Documents.
- (h) Notwithstanding any other provision of any Finance Document to the contrary, none of the Facility Agent, the Mandated Lead Arranger or the Bookrunner is obliged to do or omit to do anything if it would or might, in its reasonable opinion, constitute a breach of any law or regulation or a breach of a fiduciary duty or duty of confidentiality.
- (i) Notwithstanding any provision of any Finance Document to the contrary, the Facility Agent is not obliged to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties, obligations or responsibilities or the exercise of any right, power, authority or discretion if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it.

28.9 Responsibility for documentation

None of the Facility Agent, the Mandated Lead Arranger or the Bookrunner is responsible or liable for:

- (a) the adequacy, accuracy or completeness of any information (whether oral or written) supplied by the Facility Agent, the Security Agent, the Mandated Lead Arranger, the Bookrunner a Transaction Obligor or any other person in, or in connection with, any Transaction Document or the transactions contemplated in the Transaction Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Transaction Document;
- (b) the legality, validity, effectiveness, adequacy or enforceability of any Transaction Document or the Security Property or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with, any Transaction Document or the Security Property; or
- (c) any determination as to whether any information provided or to be provided to any Finance Party or Secured Party is non-public information the use of which may be regulated or prohibited by applicable law or regulation relating to insider dealing or otherwise.

28.10 No duty to monitor

The Facility Agent shall not be bound to enquire:

- (a) whether or not any Default has occurred;
- (b) as to the performance, default or any breach by any Transaction Obligor of its obligations under any Transaction Document; or
- (c) whether any other event specified in any Transaction Document has occurred.

28.11 Exclusion of liability

- (a) Without limiting paragraph (b) below (and without prejudice to paragraph (e) of Clause 32.11 (*Disruption to Payment Systems etc.*) or any other provision of any Finance Document excluding or limiting the liability of the Facility Agent), the Facility Agent will not be liable (including, without limitation, for negligence or any other category of liability whatsoever) for:

- (i) any damages, costs or losses to any person, any diminution in value, or any liability whatsoever arising as a result of taking or not taking any action under or in connection with any Transaction Document or the Security Property, unless directly caused by its gross negligence or wilful misconduct;
 - (ii) exercising, or not exercising, any right, power, authority or discretion given to it by, or in connection with, any Transaction Document, the Security Property or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with, any Transaction Document or the Security Property; or
 - (iii) any shortfall which arises on the enforcement or realisation of the Security Property; or
 - (iv) without prejudice to the generality of sub-paragraphs (i) to (iii) above, any damages, costs or losses to any person, any diminution in value or any liability whatsoever arising as a result of:
 - (A) any act, event or circumstance not reasonably within its control; or
 - (B) the general risks of investment in, or the holding of assets in, any jurisdiction,

including (in each case and without limitation) such damages, costs, losses, diminution in value or liability arising as a result of nationalisation, expropriation or other governmental actions; any regulation, currency restriction, devaluation or fluctuation; market conditions affecting the execution or settlement of transactions or the value of assets (including any Disruption Event); breakdown, failure or malfunction of any third party transport, telecommunications, computer services or systems; natural disasters or acts of God; war, terrorism, insurrection or revolution; or strikes or industrial action.
- (b) No Party other than the Facility Agent may take any proceedings against any officer, employee or agent of the Facility Agent in respect of any claim it might have against the Facility Agent 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 and any officer, employee or agent of the Facility Agent may rely on this paragraph (b) subject to Clause 1.5 (*Third party rights*) and the provisions of the Third Parties Act.
- (c) The Facility Agent will not be liable for any delay (or any related consequences) in crediting an account with an amount required under the Finance Documents to be paid by the Facility Agent if the Facility Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Facility Agent for that purpose.
- (d) Nothing in this Agreement shall oblige the Facility Agent, the Mandated Lead Arranger or the Bookrunner carry out:
- (i) any "know your customer" or other checks in relation to any person; or
 - (ii) any check on the extent to which any transaction contemplated by this Agreement might be unlawful for any Finance Party,

on behalf of any Finance Party and each Finance Party confirms to the Facility Agent, the Mandated Lead Arranger and the Bookrunner that it is solely responsible for any such checks

it is required to carry out and that it may not rely on any statement in relation to such checks made by the Facility Agent, the Mandated Lead Arranger or the Bookrunner.

- (e) Without prejudice to any provision of any Finance Document excluding or limiting the Facility Agent's liability, any liability (including, without limitation, for negligence or any other category of liability whatsoever) of the Facility Agent arising under or in connection with any Transaction Document or the Security Property shall be limited to the amount of actual loss which has been finally judicially determined to have been suffered (as determined by reference to the date of default of the Facility Agent or, if later, the date on which the loss arises as a result of such default) but without reference to any special conditions or circumstances known to the Facility Agent at any time which increase the amount of that loss. In no event shall the Facility Agent be liable for any loss of profits, goodwill, reputation, business opportunity or anticipated saving, or for special, punitive, indirect or consequential damages, whether or not the Facility Agent has been advised of the possibility of such loss or damages.

28.12 Lenders' indemnity to the Facility Agent

- (a) Each Lender shall (in proportion to its share of the Total Commitments or, if the Total Commitments are then zero, to its share of the Total Commitments immediately prior to their reduction to zero) indemnify the Facility Agent, within three Business Days of demand, against any cost, loss or liability (including, without limitation, for negligence or any other category of liability whatsoever) incurred by the Facility Agent (otherwise than by reason of the Facility Agent's gross negligence or wilful misconduct) (or, in the case of any cost, loss or liability pursuant to Clause 32.11 (*Disruption to Payment Systems etc.*) notwithstanding the Facility Agent's negligence, gross negligence or any other category of liability whatsoever but not including any claim based on the fraud of the Facility Agent) in acting as Facility Agent under the Finance Documents (unless the Facility Agent has been reimbursed by a Transaction Obligor pursuant to a Finance Document).
- (b) Subject to paragraph (c) below, the Borrowers shall immediately on demand reimburse any Lender for any payment that Lender makes to the Facility Agent pursuant to paragraph (a) above.
- (c) Paragraph (b) above shall not apply to the extent that the indemnity payment in respect of which the Lender claims reimbursement relates to a liability of the Facility Agent to an Obligor.

28.13 Resignation of the Facility Agent

- (a) The Facility Agent may resign and appoint one of its Affiliates as successor by giving notice to the other Finance Parties and the Borrowers.
- (b) Alternatively, the Facility Agent may resign by giving 30 days' notice to the other Finance Parties and the Borrowers, in which case the Majority Lenders may appoint a successor Facility Agent.
- (c) If the Majority Lenders have not appointed a successor Facility Agent in accordance with paragraph (b) above within 20 days after notice of resignation was given, the retiring Facility Agent may appoint a successor Facility Agent.
- (d) If the Facility Agent wishes to resign because (acting reasonably) it has concluded that it is no longer appropriate for it to remain as agent and the Facility Agent is entitled to appoint a successor Facility Agent under paragraph (c) above, the Facility Agent may (if it concludes (acting reasonably) that it is necessary to do so in order to persuade the proposed successor

Facility Agent to become a party to this Agreement as Facility Agent) agree with the proposed successor Facility Agent amendments to this Clause 28 (*The Facility Agent, the Mandated Lead Arranger and the Bookrunner*) and any other term of this Agreement dealing with the rights or obligations of the Facility Agent consistent with then current market practice for the appointment and protection of corporate trustees.

- (e) The retiring Facility Agent shall make available to the successor Facility Agent such documents and records and provide such assistance as the successor Facility Agent may reasonably request for the purposes of performing its functions as Facility Agent under the Finance Documents. The Borrowers shall, within three Business Days of demand, reimburse the retiring Facility Agent for the amount of all costs and expenses (including legal fees) properly incurred by it in making available such documents and records and providing such assistance.
- (f) The Facility Agent's resignation notice shall only take effect upon the appointment of a successor.
- (g) Upon the appointment of a successor, the retiring Facility Agent shall be discharged from any further obligation in respect of the Finance Documents (other than its obligations under paragraph (e) above) but shall remain entitled to the benefit of Clause 14.3 (*Indemnity to the Facility Agent*) and this Clause 28 (*The Facility Agent, the Mandated Lead Arranger and the Bookrunner*) and any other provisions of a Finance Document which are expressed to limit or exclude its liability (or to indemnify it) in acting as Facility Agent. Any fees for the account of the retiring Facility Agent shall cease to accrue from (and shall be payable on) that date. Any successor and each of the other Parties shall have the same rights and obligations amongst themselves as they would have had if such successor had been an original Party.
- (h) The Majority Lenders may, by notice to the Facility Agent, require it to resign in accordance with paragraph (b) above. In this event, the Facility Agent shall resign in accordance with paragraph (b) above but the cost referred to in paragraph (e) above shall be for the account of the Borrowers.
- (i) The consent of any Borrower (or any other Transaction Obligor) is not required for an assignment or transfer of rights and/or obligations by the Facility Agent.

28.14 Confidentiality

- (a) In acting as Facility Agent for the Finance Parties, the Facility Agent shall be regarded as acting through its agency division which shall be treated as a separate entity from any other of its divisions or departments.
- (b) If information is received by a division or department of the Facility Agent other than the division or department responsible for complying with the obligations assumed by it under the Finance Documents, that information may be treated as confidential to that division or department, and the Facility Agent shall not be deemed to have notice of it nor shall it be obliged to disclose such information to any Party.
- (c) Notwithstanding any other provision of any Finance Document to the contrary, none of the Facility Agent, the Mandated Lead Arranger and the Bookrunner is obliged to disclose to any other person (i) any confidential information or (ii) any other information if the disclosure would, or might in its reasonable opinion, constitute a breach of any law or regulation or a breach of a fiduciary duty.

28.15 Relationship with the other Finance Parties

(a) Subject to Clause 26.9 (*Pro rata interest settlement*), the Facility Agent may treat the person shown in its records as Lender at the opening of business (in the place of the Facility Agent's principal office as notified to the Finance Parties from time to time) as the Lender acting through its Facility Office:

- (i) entitled to or liable for any payment due under any Finance Document on that day; and
- (ii) entitled to receive and act upon any notice, request, document or communication or make any decision or determination under any Finance Document made or delivered on that day,

unless it has received not less than five Business Days' prior notice from that Lender to the contrary in accordance with the terms of this Agreement.

(b) Each Finance Party shall supply the Facility Agent with any information that the Security Agent may reasonably specify (through the Facility Agent) as being necessary or desirable to enable the Security Agent to perform its functions as Security Agent. Each Finance Party shall deal with the Security Agent exclusively through the Facility Agent and shall not deal directly with the Security Agent and any reference to any instructions being given by or sought from any Finance Party or group of Finance Parties by or to the Security Agent in this Agreement must be given or sought through the Facility Agent.

(c) Any Lender may by notice to the Facility Agent appoint a person to receive on its behalf all notices, communications, information and documents to be made or despatched to that Lender under the Finance Documents. Such notice shall contain the address, fax number and (where communication by electronic mail or other electronic means is permitted under Clause 35.5 (*Electronic communication*)) electronic mail address and/or any other information required to enable the transmission of information by that means (and, in each case, the department or officer, if any, for whose attention communication is to be made) and be treated as a notification of a substitute address, fax number, electronic mail address (or such other information), department and officer by that Lender for the purposes of Clause 35.2 (*Addresses*) and sub-paragraph (ii) of paragraph (a) of Clause 35.5 (*Electronic communication*) and the Facility Agent shall be entitled to treat such person as the person entitled to receive all such notices, communications, information and documents as though that person were that Lender.

28.16 Credit appraisal by the Finance Parties

Without affecting the responsibility of any Transaction Obligor for information supplied by it or on its behalf in connection with any Transaction Document, each Finance Party confirms to the Facility Agent, the Mandated Lead Arranger and the Bookrunner that it has been, and will continue to be, solely responsible for making its own independent appraisal and investigation of all risks arising under, or in connection with, any Transaction Document including but not limited to:

- (a) the financial condition, status and nature of each member of the Group;
- (b) the legality, validity, effectiveness, adequacy or enforceability of any Transaction Document, the Security Property and any other agreement, arrangement or document entered into, made

or executed in anticipation of, under or in connection with any Transaction Document or the Security Property;

- (c) whether that Finance Party has recourse, and the nature and extent of that recourse, against any Party or any of its respective assets under, or in connection with, any Transaction Document, the Security Property, the transactions contemplated by the Transaction Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Transaction Document or the Security Property;
- (d) the adequacy, accuracy or completeness of any information provided by the Facility Agent, any Party or by any other person under, or in connection with, any Transaction Document, the transactions contemplated by any Transaction Document or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Transaction Document; and
- (e) the right or title of any person in or to or the value or sufficiency of any part of the Security Assets, the priority of any of the Transaction Security or the existence of any Security affecting the Security Assets.

28.17 Facility Agent's management time

Any amount payable to the Facility Agent under Clause 14.3 (*Indemnity to the Facility Agent*), Clause 16 (*Costs and Expenses*) and Clause 28.12 (*Lenders' indemnity to the Facility Agent*) shall include the cost of utilising the Facility Agent's management time or other resources and will be calculated on the basis of such reasonable daily or hourly rates as the Facility Agent may notify to the Borrowers and the other Finance Parties, and is in addition to any fee paid or payable to the Facility Agent under Clause 11 (*Fees*).

28.18 Deduction from amounts payable by the Facility Agent

If any Party owes an amount to the Facility Agent under the Finance Documents, the Facility Agent may, after giving notice to that Party, deduct an amount not exceeding that amount from any payment to that Party which the Facility Agent would otherwise be obliged to make under the Finance Documents and apply the amount deducted in or towards satisfaction of the amount owed. For the purposes of the Finance Documents that Party shall be regarded as having received any amount so deducted.

28.19 Reliance and engagement letters

Each Secured Party confirms that each of the Mandated Lead Arranger, the Bookrunner and the Facility Agent has authority to accept on its behalf (and ratifies the acceptance on its behalf of any letters or reports already accepted by the Mandated Lead Arranger, the Bookrunner or the Facility Agent) the terms of any reliance letter or engagement letters or any reports or letters provided by accountants, auditors or providers of due diligence reports in connection with the Finance Documents or the transactions contemplated in the Finance Documents and to bind it in respect of those, reports or letters and to sign such letters on its behalf and further confirms that it accepts the terms and qualifications set out in such letters.

28.20 Full freedom to enter into transactions

Without prejudice to Clause 28.7 (*Business with the Group*) or any other provision of a Finance Document and notwithstanding any rule of law or equity to the contrary, the Facility Agent shall be absolutely entitled:

- (a) to enter into and arrange banking, derivative, investment and/or other transactions of every kind with or affecting any Transaction Obligor or any person who is party to, or referred to in, a Finance Document (including, but not limited to, any interest or currency swap or other transaction, whether related to this Agreement or not, and acting as syndicate agent and/or security agent for, and/or participating in, other facilities to such Transaction Obligor or any person who is party to, or referred to in, a Finance Document);
- (b) to deal in and enter into and arrange transactions relating to:
 - (i) any securities issued or to be issued by any Transaction Obligor or any other person; or
 - (ii) any options or other derivatives in connection with such securities; and
- (c) to provide advice or other services to any Borrower or any person who is a party to, or referred to in, a Finance Document,

and, in particular, the Facility Agent shall be absolutely entitled, in proposing, evaluating, negotiating, entering into and arranging all such transactions and in connection with all other matters covered by paragraphs (a), (b) and (c) above, to use (subject only to insider dealing legislation) any information or opportunity, howsoever acquired by it, to pursue its own interests exclusively, to refrain from disclosing such dealings, transactions or other matters or any information acquired in connection with them and to retain for its sole benefit all profits and benefits derived from the dealings transactions or other matters.

28.21 Amounts paid in error

- (a) If the Facility Agent pays an amount to another Party and the Facility Agent notifies that Party that such payment was an Erroneous Payment then the Party to whom that amount was paid by the Facility Agent shall on demand refund the same to the Facility Agent together with interest on that amount from the date of payment to the date of receipt by the Facility Agent, calculated by the Facility Agent to reflect its cost of funds.
- (b) Neither:
 - (i) the obligations of any Party to the Facility Agent; nor
 - (ii) the remedies of the Facility Agent,

(whether arising under this Clause 28.21 (*Amounts paid in error*) or otherwise) which relate to an Erroneous Payment will be affected by any act, omission, matter or thing which, but for this paragraph (b), would reduce, release or prejudice any such obligation or remedy (whether or not known by the Facility Agent or any other Party).
- (c) All payments to be made by a Party to the Facility Agent (whether made pursuant to this Clause 28.21 (*Amounts paid in error*) or otherwise) which relate to an Erroneous Payment shall be

calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

- (d) In this Agreement, "**Erroneous Payment**" means a payment of an amount by the Facility Agent to another Party which the Facility Agent determines (in its sole discretion) was made in error.

29 THE SECURITY AGENT

29.1 Trust

- (a) The Security Agent declares that it holds the Security Property on trust for the Secured Parties on the terms contained in this Agreement and shall deal with the Security Property in accordance with this Clause 29 (*The Security Agent*) and the other provisions of the Finance Documents.
- (b) Each other Finance Party authorises the Security Agent to perform the duties, obligations and responsibilities and to exercise the rights, powers, authorities and discretions specifically given to the Security Agent under, or in connection with, the Finance Documents together with any other incidental rights, powers, authorities and discretions.

29.2 Parallel Debt (Covenant to pay the Security Agent)

- (a) Each Borrower irrevocably and unconditionally undertakes to pay to the Security Agent its Parallel Debt which shall be amounts equal to, and in the currency or currencies of, its Corresponding Debt.
- (b) The Parallel Debt of a Borrower:
- (i) shall become due and payable at the same time as its Corresponding Debt;
 - (ii) is independent and separate from, and without prejudice to, its Corresponding Debt.
- (c) For the purposes of this Clause 29.2 (*Parallel Debt (Covenant to pay the Security Agent)*), the Security Agent:
- (i) is the independent and separate creditor of each Parallel Debt;
 - (ii) acts in its own name and not as agent, representative or trustee of the Finance Parties and its claims in respect of each Parallel Debt shall not be held on trust; and
 - (iii) shall have the independent and separate right to demand payment of each Parallel Debt in its own name (including, without limitation, through any suit, execution, enforcement of security, recovery of guarantees and applications for and voting in any kind of insolvency proceeding).
- (d) The Parallel Debt of a Borrower shall be:
- (i) decreased to the extent that its Corresponding Debt has been irrevocably and unconditionally paid or discharged; and
 - (ii) increased to the extent that its Corresponding Debt has increased,
- and the Corresponding Debt of a Borrower shall be decreased to the extent that its Parallel Debt has been irrevocably and unconditionally paid or discharged,

in each case provided that the Parallel Debt of a Borrower shall never exceed its Corresponding Debt.

- (e) All amounts received or recovered by the Security Agent in connection with this Clause 29.2 (*Parallel Debt (Covenant to pay the Security Agent)*) to the extent permitted by applicable law, shall be applied in accordance with Clause 32.5 (*Application of receipts; partial payments*).
- (f) This Clause 29.2 (*Parallel Debt (Covenant to pay the Security Agent)*) shall apply, with any necessary modifications, to each Finance Document.

29.3 Enforcement through Security Agent only

The Secured Parties shall not have any independent power to enforce, or have recourse to, any of the Transaction Security or to exercise any right, power, authority or discretion arising under the Security Documents except through the Security Agent.

29.4 Instructions

- (a) The Security Agent shall:
 - (i) unless a contrary indication appears in a Finance Document, exercise or refrain from exercising any right, power, authority or discretion vested in it as Security Agent in accordance with any instructions given to it by:
 - (A) all Lenders (or the Facility Agent on their behalf) if the relevant Finance Document stipulates the matter is an all Lender decision; and
 - (B) in all other cases, the Majority Lenders (or the Facility Agent on their behalf); and
 - (ii) not be liable for any act (or omission) if it acts (or refrains from acting) in accordance with sub-paragraph (i) above (or if this Agreement stipulates the matter is a decision for any other Finance Party or group of Finance Parties, in accordance with instructions given to it by that Finance Party or group of Finance Parties).
- (b) The Security Agent shall be entitled to request instructions, or clarification of any instruction, from the Majority Lenders (or the Facility Agent on their behalf) (or, if the relevant Finance Document stipulates the matter is a decision for any other Finance Party or group of Finance Parties, from that Finance Party or group of Finance Parties) as to whether, and in what manner, it should exercise or refrain from exercising any right, power, authority or discretion and the Security Agent may refrain from acting unless and until it receives any such instructions or clarification that it has requested.
- (c) Save in the case of decisions stipulated to be a matter for any other Finance Party or group of Finance Parties under the relevant Finance Document and unless a contrary indication appears in a Finance Document, any instructions given to the Security Agent by the Majority Lenders shall override any conflicting instructions given by any other Parties and will be binding on all Finance Parties.
- (d) Paragraph (a) above shall not apply:
 - (i) where a contrary indication appears in a Finance Document;

- (ii) where a Finance Document requires the Security Agent to act in a specified manner or to take a specified action;
- (iii) in respect of any provision which protects the Security Agent's own position in its personal capacity as opposed to its role of Security Agent for the relevant Secured Parties.
- (iv) in respect of the exercise of the Security Agent's discretion to exercise a right, power or authority under any of:
 - (A) Clause 29.28 (*Application of receipts*);
 - (B) Clause 29.29 (*Permitted Deductions*); and
 - (C) Clause 29.30 (*Prospective liabilities*).
- (e) If giving effect to instructions given by the Majority Lenders would in the Security Agent's opinion have an effect equivalent to an amendment or waiver referred to in Clause 42 (*Amendments and Waivers*), the Security Agent shall not act in accordance with those instructions unless consent to it so acting is obtained from each Party (other than the Security Agent) whose consent would have been required in respect of that amendment or waiver.
- (f) In exercising any discretion to exercise a right, power or authority under the Finance Documents where either:
 - (i) it has not received any instructions as to the exercise of that discretion; or
 - (ii) the exercise of that discretion is subject to sub-paragraph (iv) of paragraph (d) above,the Security Agent shall do so having regard to the interests of all the Secured Parties.
- (g) The Security Agent may refrain from acting in accordance with any instructions of any Finance Party or group of Finance Parties until it has received any indemnification and/or security that it may in its discretion require (which may be greater in extent than that contained in the Finance Documents and which may include payment in advance) for any cost, loss or liability (together with any applicable VAT) which it may incur in complying with those instructions.
- (h) Without prejudice to the remainder of this Clause 29.4 (*Instructions*), in the absence of instructions, the Security Agent may (but shall not be obliged to) take such action in the exercise of its powers and duties under the Finance Documents as it considers in its discretion to be appropriate.
- (i) The Security Agent is not authorised to act on behalf of a Finance Party (without first obtaining that Finance Party's consent) in any legal or arbitration proceedings relating to any Finance Document. This paragraph (i) shall not apply to any legal or arbitration proceeding relating to the perfection, preservation or protection of rights under the Security Documents or enforcement of the Transaction Security or Security Documents.

29.5 Duties of the Security Agent

- (a) The Security Agent's duties under the Finance Documents are solely mechanical and administrative in nature.

- (b) The Security Agent shall promptly forward to a Party the original or a copy of any document which is delivered to the Security Agent for that Party by any other Party.
- (c) Except where a Finance Document specifically provides otherwise, the Security Agent is not obliged to review or check the adequacy, accuracy or completeness of any document it forwards to another Party.
- (d) If the Security Agent receives notice from a Party referring to any Finance Document, describing a Default and stating that the circumstance described is a Default, it shall promptly notify the other Finance Parties.
- (e) The Security Agent shall have only those duties, obligations and responsibilities expressly specified in the Finance Documents to which it is expressed to be a party (and no others shall be implied).

29.6 No fiduciary duties

- (a) Nothing in any Finance Document constitutes the Security Agent as an agent, trustee or fiduciary of any Transaction Obligor.
- (b) The Security Agent shall not be bound to account to any other Secured Party for any sum or the profit element of any sum received by it for its own account.

29.7 Business with the Group

The Security Agent may accept deposits from, lend money to, and generally engage in any kind of banking or other business with, any member of the Group.

29.8 Rights and discretions

- (a) The Security Agent may:
 - (i) rely on any representation, communication, notice or document believed by it to be genuine, correct and appropriately authorised;
 - (ii) assume that:
 - (A) any instructions received by it from the Majority Lenders, any Finance Parties or any group of Finance Parties are duly given in accordance with the terms of the Finance Documents;
 - (B) unless it has received notice of revocation, that those instructions have not been revoked;
 - (C) if it receives any instructions to act in relation to the Transaction Security, that all applicable conditions under the Finance Documents for so acting have been satisfied; and
 - (iii) rely on a certificate from any person:
 - (A) as to any matter of fact or circumstance which might reasonably be expected to be within the knowledge of that person; or

(B) to the effect that such person approves of any particular dealing, transaction, step, action or thing,

as sufficient evidence that that is the case and, in the case of paragraph (A) above, may assume the truth and accuracy of that certificate.

- (b) The Security Agent shall be entitled to carry out all dealings with the other Finance Parties through the Facility Agent and may give to the Facility Agent any notice or other communication required to be given by the Security Agent to any Finance Party.
- (c) The Security Agent may assume (unless it has received notice to the contrary in its capacity as security agent for the Secured Parties) that:
 - (i) no Default has occurred;
 - (ii) any right, power, authority or discretion vested in any Party or any group of Finance Parties has not been exercised; and
 - (iii) any notice or request made by any Borrower (other than a Utilisation Request or a Selection Notice) is made on behalf of and with the consent and knowledge of all the Transaction Obligors.
- (d) The Security Agent may engage and pay for the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts.
- (e) Without prejudice to the generality of paragraph (c) above or paragraph (f) below, the Security Agent may at any time engage and pay for the services of any lawyers to act as independent counsel to the Security Agent (and so separate from any lawyers instructed by the Facility Agent or the Lenders) if the Security Agent in its reasonable opinion deems this to be desirable.
- (f) The Security Agent may rely on the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts (whether obtained by the Security Agent or by any other Party) and shall not be liable for any damages, costs or losses to any person, any diminution in value or any liability whatsoever arising as a result of its so relying.
- (g) The Security Agent may act in relation to the Finance Documents and the Security Property through its officers, employees and agents and shall not:
 - (i) be liable for any error of judgment made by any such person; or
 - (ii) be bound to supervise, or be in any way responsible for any loss incurred by reason of misconduct, omission or default on the part of any such person,unless such error or such loss was directly caused by the Security Agent's gross negligence or wilful misconduct.
- (h) Unless a Finance Document expressly provides otherwise the Security Agent may disclose to any other Party any information it reasonably believes it has received as security agent under the Finance Documents.
- (i) Notwithstanding any other provision of any Finance Document to the contrary, the Security Agent is not obliged to do or omit to do anything if it would or might, in its reasonable opinion,

constitute a breach of any law or regulation or a breach of a fiduciary duty or duty of confidentiality.

- (j) Notwithstanding any provision of any Finance Document to the contrary, the Security Agent is not obliged to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties, obligations or responsibilities or the exercise of any right, power, authority or discretion if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it.

29.9 Responsibility for documentation

None of the Security Agent, any Receiver or Delegate is responsible or liable for:

- (a) the adequacy, accuracy or completeness of any information (whether oral or written) supplied by the Facility Agent, the Security Agent, the Mandated Lead Arranger, the Bookrunner, a Transaction Obligor or any other person in, or in connection with, any Transaction Document or the transactions contemplated in the Transaction Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Transaction Document;
- (b) the legality, validity, effectiveness, adequacy or enforceability of any Transaction Document or the Security Property or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with, any Transaction Document or the Security Property; or
- (c) any determination as to whether any information provided or to be provided to any Secured Party is non-public information the use of which may be regulated or prohibited by applicable law or regulation relating to insider dealing or otherwise.

29.10 No duty to monitor

The Security Agent shall not be bound to enquire:

- (a) whether or not any Default has occurred;
- (b) as to the performance, default or any breach by any Transaction Obligor of its obligations under any Transaction Document; or
- (c) whether any other event specified in any Transaction Document has occurred.

29.11 Exclusion of liability

- (a) Without limiting paragraph (b) below (and without prejudice to any other provision of any Finance Document excluding or limiting the liability of the Security Agent or any Receiver or Delegate), none of the Security Agent nor any Receiver or Delegate will be liable (including, without limitation, for negligence or any other category of liability whatsoever) for:
 - (i) any damages, costs or losses to any person, any diminution in value, or any liability whatsoever arising as a result of taking or not taking any action under or in connection with any Transaction Document or the Security Property, unless directly caused by its gross negligence or wilful misconduct;

- (ii) exercising, or not exercising, any right, power, authority or discretion given to it by, or in connection with, any Transaction Document, the Security Property or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with, any Transaction Document or the Security Property; or
 - (iii) any shortfall which arises on the enforcement or realisation of the Security Property; or
 - (iv) without prejudice to the generality of sub-paragraphs (i) to (iii) above, any damages, costs or losses to any person, any diminution in value or any liability whatsoever arising as a result of:
 - (A) any act, event or circumstance not reasonably within its control; or
 - (B) the general risks of investment in, or the holding of assets in, any jurisdiction,

including (in each case and without limitation) such damages, costs, losses, diminution in value or liability arising as a result of nationalisation, expropriation or other governmental actions; any regulation, currency restriction, devaluation or fluctuation; market conditions affecting the execution or settlement of transactions or the value of assets (including any Disruption Event); breakdown, failure or malfunction of any third party transport, telecommunications, computer services or systems; natural disasters or acts of God; war, terrorism, insurrection or revolution; or strikes or industrial action.
- (b) No Party other than the Security Agent, that Receiver or that Delegate (as applicable) may take any proceedings against any officer, employee or agent of the Security Agent, a Receiver or a Delegate in respect of any claim it might have against the Security Agent, a Receiver or a 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 and any officer, employee or agent of the Security Agent, a Receiver or a Delegate may rely on this paragraph (b) subject to Clause 1.5 (*Third party rights*) and the provisions of the Third Parties Act.
- (c) The Security Agent will not be liable for any delay (or any related consequences) in crediting an account with an amount required under the Finance Documents to be paid by the Security Agent if the Security Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Security Agent for that purpose.
- (d) Nothing in this Agreement shall oblige the Security Agent to carry out:
- (i) any "know your customer" or other checks in relation to any person; or
 - (ii) any check on the extent to which any transaction contemplated by this Agreement might be unlawful for any Finance Party,
- on behalf of any Finance Party and each Finance Party confirms to the Security Agent that it is solely responsible for any such checks it is required to carry out and that it may not rely on any statement in relation to such checks made by the Security Agent.
- (e) Without prejudice to any provision of any Finance Document excluding or limiting the liability of the Security Agent or any Receiver or Delegate, any liability (including, without limitation, for negligence or any other category of liability whatsoever) of the Security Agent or any

Receiver or Delegate arising under or in connection with any Transaction Document or the Security Property shall be limited to the amount of actual loss which has been finally judicially determined to have been suffered (as determined by reference to the date of default of the Security Agent. Receiver or Delegate or, if later, the date on which the loss arises as a result of such default) but without reference to any special conditions or circumstances known to the Security Agent, any Receiver or Delegate at any time which increase the amount of that loss. In no event shall the Security Agent, any Receiver or Delegate be liable for any loss of profits, goodwill, reputation, business opportunity or anticipated saving, or for special, punitive, indirect or consequential damages, whether or not the Security Agent, the Receiver or Delegate has been advised of the possibility of such loss or damages.

29.12 Lenders' indemnity to the Security Agent

- (a) Each Lender shall (in proportion to its share of the Total Commitments or, if the Total Commitments are then zero, to its share of the Total Commitments immediately prior to their reduction to zero) indemnify the Security Agent and every Receiver and every Delegate, within three Business Days of demand, against any cost, loss or liability (including, without limitation, for negligence or any other category of liability whatsoever) incurred by any of them (otherwise than by reason of the Security Agent's, Receiver's or Delegate's gross negligence or wilful misconduct) in acting as Security Agent, Receiver or Delegate under the Finance Documents (unless the Security Agent, Receiver or Delegate has been reimbursed by a Transaction Obligor pursuant to a Finance Document).
- (b) Subject to paragraph (c) below, the Borrowers shall immediately on demand reimburse any Lender for any payment that Lender makes to the Security Agent pursuant to paragraph (a) above.
- (c) Paragraph (b) above shall not apply to the extent that the indemnity payment in respect of which the Lender claims reimbursement relates to a liability of the Security Agent to a Borrower.

29.13 Resignation of the Security Agent

- (a) The Security Agent may resign and appoint one of its Affiliates as successor by giving notice to the other Finance Parties and the Borrowers.
- (b) Alternatively, the Security Agent may resign by giving 30 days' notice to the other Finance Parties and the Borrowers, in which case the Majority Lenders may appoint a successor Security Agent.
- (c) If the Majority Lenders have not appointed a successor Security Agent in accordance with paragraph (b) above within 20 days after notice of resignation was given, the retiring Security Agent may appoint a successor Security Agent.
- (d) The retiring Security Agent shall make available to the successor Security Agent such documents and records and provide such assistance as the successor Security Agent may reasonably request for the purposes of performing its functions as Security Agent under the Finance Documents. The Borrowers shall, within three Business Days of demand, reimburse the retiring Security Agent for the amount of all costs and expenses (including legal fees) properly incurred by it in making available such documents and records and providing such assistance.
- (e) The Security Agent's resignation notice shall only take effect upon:

- (i) the appointment of a successor; and
 - (ii) the transfer, by way of a document expressed as a deed, of all the Security Property to that successor.
- (f) Upon the appointment of a successor, the retiring Security Agent shall be discharged, by way of a document executed as a deed, from any further obligation in respect of the Finance Documents (other than its obligations under paragraph (b) of Clause 29.25 (*Winding up of trust*) and paragraph (d) above) but shall remain entitled to the benefit of Clause 14.4 (*Indemnity to the Security Agent*) and this Clause 29 (*The Security Agent*) and any other provisions of a Finance Document which are expressed to limit or exclude its liability (or to indemnify it) in acting as Security Agent. Any fees for the account of the retiring Security Agent shall cease to accrue from (and shall be payable on) that date. Any successor and each of the other Parties shall have the same rights and obligations amongst themselves as they would have had if such successor had been an original Party.
- (g) The Majority Lenders may, by notice to the Security Agent, require it to resign in accordance with paragraph (b) above. In this event, the Security Agent shall resign in accordance with paragraph (b) above but the cost referred to in paragraph (d) above shall be for the account of the Borrowers.
- (h) The consent of any Borrower (or any other Transaction Obligor) is not required for an assignment or transfer of rights and/or obligations by the Security Agent.

29.14 Confidentiality

- (a) In acting as Security Agent for the Finance Parties, the Security Agent shall be regarded as acting through its trustee division which shall be treated as a separate entity from any other of its divisions or departments.
- (b) If information is received by a division or department of the Security Agent other than the division or department responsible for complying with the obligations assumed by it under the Finance Documents, that information may be treated as confidential to that division or department, and the Security Agent shall not be deemed to have notice of it nor shall it be obliged to disclose such information to any Party.
- (c) Notwithstanding any other provision of any Finance Document to the contrary, the Security Agent is not obliged to disclose to any other person (i) any confidential information or (ii) any other information if the disclosure would, or might in its reasonable opinion, constitute a breach of any law or regulation or a breach of a fiduciary duty.

29.15 Credit appraisal by the Finance Parties

Without affecting the responsibility of any Transaction Obligor for information supplied by it or on its behalf in connection with any Transaction Document, each Finance Party confirms to the Security Agent that it has been, and will continue to be, solely responsible for making its own independent appraisal and investigation of all risks arising under, or in connection with, any Transaction Document including but not limited to:

- (a) the financial condition, status and nature of each member of the Group;
- (b) the legality, validity, effectiveness, adequacy or enforceability of any Transaction Document, the Security Property and any other agreement, arrangement or document entered into, made

or executed in anticipation of, under or in connection with any Transaction Document or the Security Property;

- (c) whether that Finance Party has recourse, and the nature and extent of that recourse, against any Party or any of its respective assets under, or in connection with, any Transaction Document, the Security Property, the transactions contemplated by the Transaction Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Transaction Document or the Security Property;
- (d) the adequacy, accuracy or completeness of any information provided by the Security Agent, any Party or by any other person under, or in connection with, any Transaction Document, the transactions contemplated by any Transaction Document or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Transaction Document; and
- (e) the right or title of any person in or to or the value or sufficiency of any part of the Security Assets, the priority of any of the Transaction Security or the existence of any Security affecting the Security Assets.

29.16 Security Agent's management time

- (a) Any amount payable to the Security Agent under Clause 14.4 (*Indemnity to the Security Agent*), Clause 16 (*Costs and Expenses*) and Clause 29.12 (*Lenders' indemnity to the Security Agent*) shall include the cost of utilising the Security Agent's management time or other resources and will be calculated on the basis of such reasonable daily or hourly rates as the Security Agent may notify to the Borrowers and the other Finance Parties, and is in addition to any fee paid or payable to the Security Agent under Clause 11 (*Fees*).
- (b) Without prejudice to paragraph (a) above, in the event of:
 - (i) a Default;
 - (ii) the Security Agent being requested by a Transaction Obligor or the Majority Lenders to undertake duties which the Security Agent and the Borrowers agree to be of an exceptional nature or outside the scope of the normal duties of the Security Agent under the Finance Documents; or
 - (iii) the Security Agent and the Borrowers agreeing that it is otherwise appropriate in the circumstances,the Borrowers shall pay to the Security Agent any additional remuneration (together with any applicable VAT) that may be agreed between them or determined pursuant to paragraph (c) below.
- (c) If the Security Agent and the Borrowers fail to agree upon the nature of the duties, or upon the additional remuneration referred to in paragraph (b) above or whether additional remuneration is appropriate in the circumstances, any dispute shall be determined by an investment bank (acting as an expert and not as an arbitrator) selected by the Security Agent and approved by the Borrowers or, failing approval, nominated (on the application of the Security Agent) by the President for the time being of the Law Society of England and Wales (the costs of the nomination and of the investment bank being payable by the Borrowers) and the determination of any investment bank shall be final and binding upon the Parties.

29.17 Reliance and engagement letters

Each Secured Party confirms that the Security Agent has authority to accept on its behalf (and ratifies the acceptance on its behalf of any letters or reports already accepted by the Security Agent) the terms of any reliance letter or engagement letters or any reports or letters provided by accountants, auditors or providers of due diligence reports in connection with the Finance Documents or the transactions contemplated in the Finance Documents and to bind it in respect of those, reports or letters and to sign such letters on its behalf and further confirms that it accepts the terms and qualifications set out in such letters.

29.18 No responsibility to perfect Transaction Security

The Security Agent shall not be liable for any failure to:

- (a) require the deposit with it of any deed or document certifying, representing or constituting the title of any Transaction Obligor to any of the Security Assets;
- (b) obtain any licence, consent or other authority for the execution, delivery, legality, validity, enforceability or admissibility in evidence of any Finance Document or the Transaction Security;
- (c) register, file or record or otherwise protect any of the Transaction Security (or the priority of any of the Transaction Security) under any law or regulation or to give notice to any person of the execution of any Finance Document or of the Transaction Security;
- (d) take, or to require any Transaction Obligor to take, any step to perfect its title to any of the Security Assets or to render the Transaction Security effective or to secure the creation of any ancillary Security under any law or regulation; or
- (e) require any further assurance in relation to any Finance Document.

29.19 Insurance by Security Agent

- (a) The Security Agent shall not be obliged:
 - (i) to insure any of the Security Assets;
 - (ii) to require any other person to maintain any insurance; or
 - (iii) to verify any obligation to arrange or maintain insurance contained in any Finance Document,and the Security Agent shall not be liable for any damages, costs or losses to any person as a result of the lack of, or inadequacy of, any such insurance.
- (b) Where the Security Agent is named on any insurance policy as an insured party, it shall not be liable for any damages, costs or losses to any person as a result of its failure to notify the insurers of any material fact relating to the risk assumed by such insurers or any other information of any kind, unless the Majority Lenders request it to do so in writing and the Security Agent fails to do so within 14 days after receipt of that request.

29.20 Custodians and nominees

The Security Agent may appoint and pay any person to act as a custodian or nominee on any terms in relation to any asset of the trust as the Security Agent may determine, including for the purpose of depositing with a custodian this Agreement or any document relating to the trust created under this Agreement and the Security Agent shall not be responsible for any loss, liability, expense, demand, cost, claim or proceedings incurred by reason of the misconduct, omission or default on the part of any person appointed by it under this Agreement or be bound to supervise the proceedings or acts of any person.

29.21 Delegation by the Security Agent

- (a) Each of the Security Agent, any Receiver and any Delegate may, at any time, delegate by power of attorney or otherwise to any person for any period, all or any right, power, authority or discretion vested in it in its capacity as such.
- (b) That delegation may be made upon any terms and conditions (including the power to sub delegate) and subject to any restrictions that the Security Agent, that Receiver or that Delegate (as the case may be) may, in its discretion, think fit in the interests of the Secured Parties.
- (c) No Security Agent, Receiver or Delegate shall be bound to supervise, or be in any way responsible for any damages, costs or losses incurred by reason of any misconduct, omission or default on the part of any such delegate or sub delegate.

29.22 Additional Security Agents

- (a) The Security Agent may at any time appoint (and subsequently remove) any person to act as a separate trustee or as a co-trustee jointly with it:
 - (i) if it considers that appointment to be in the interests of the Secured Parties; or
 - (ii) for the purposes of conforming to any legal requirement, restriction or condition which the Security Agent deems to be relevant; or
 - (iii) for obtaining or enforcing any judgment in any jurisdiction,and the Security Agent shall give prior notice to the Borrowers and the Finance Parties of that appointment.
- (b) Any person so appointed shall have the rights, powers, authorities and discretions (not exceeding those given to the Security Agent under or in connection with the Finance Documents) and the duties, obligations and responsibilities that are given or imposed by the instrument of appointment.
- (c) The remuneration that the Security Agent may pay to that person, and any costs and expenses (together with any applicable VAT) incurred by that person in performing its functions pursuant to that appointment shall, for the purposes of this Agreement, be treated as costs and expenses incurred by the Security Agent.

29.23 Acceptance of title

The Security Agent shall be entitled to accept without enquiry, and shall not be obliged to investigate, any right and title that any Transaction Obligor may have to any of the Security

Assets and shall not be liable for or bound to require any Transaction Obligor to remedy any defect in its right or title.

29.24 Releases

Upon a disposal of any of the Security Assets pursuant to the enforcement of the Transaction Security by a Receiver, a Delegate or the Security Agent, the Security Agent is irrevocably authorised (at the cost of the Borrowers and without any consent, sanction, authority or further confirmation from any other Secured Party) to release, without recourse or warranty, that property from the Transaction Security and to execute any release of the Transaction Security or other claim over that asset and to issue any certificates of non-crystallisation of floating charges that may be required or desirable.

29.25 Winding up of trust

If the Security Agent, with the approval of the Facility Agent determines that:

- (a) all of the Secured Liabilities and all other obligations secured by the Security Documents have been fully and finally discharged; and
- (b) no Secured Party is under any commitment, obligation or liability (actual or contingent) to make advances or provide other financial accommodation to any Transaction Obligor pursuant to the Finance Documents,

then

- (i) the trusts set out in this Agreement shall be wound up and the Security Agent shall release, without recourse or warranty, all of the Transaction Security and the rights of the Security Agent under each of the Security Documents; and
- (ii) any Security Agent which has resigned pursuant to Clause 29.13 (*Resignation of the Security Agent*) shall release, without recourse or warranty, all of its rights under each Security Document.

29.26 Powers supplemental to Trustee Acts

The rights, powers, authorities and discretions given to the Security Agent under or in connection with the Finance Documents shall be supplemental to the Trustee Act 1925 and the Trustee Act 2000 and in addition to any which may be vested in the Security Agent by law or regulation or otherwise.

29.27 Disapplication of Trustee Acts

Section 1 of the Trustee Act 2000 shall not apply to the duties of the Security Agent in relation to the trusts constituted by this Agreement and the other Finance Documents. Where there are any inconsistencies between (i) the Trustee Acts 1925 and 2000 and (ii) the provisions of this Agreement and any other Finance Document, the provisions of this Agreement and any other Finance Document shall, to the extent permitted by law and regulation, prevail and, in the case of any inconsistency with the Trustee Act 2000, the provisions of this Agreement and any other Finance Document shall constitute a restriction or exclusion for the purposes of the Trustee Act 2000.

29.28 Application of receipts

All amounts from time to time received or recovered by the Security Agent pursuant to the terms of any Finance Document, under Clause 29.2 (*Parallel Debt (Covenant to pay the Security Agent)*) or in connection with the realisation or enforcement of all or any part of the Security Property (for the purposes of this Clause 29 (*The Security Agent*), the "**Recoveries**") shall be held by the Security Agent on trust to apply them at any time as the Security Agent (in its discretion) sees fit, to the extent permitted by applicable law (and subject to the remaining provisions of this Clause 29 (*The Security Agent*)), in the following order of priority:

- (a) in discharging any sums owing to the Security Agent (in its capacity as such) other than pursuant to Clause 29.2 (*Parallel Debt (Covenant to pay the Security Agent)*) or any Receiver or Delegate;
- (b) in payment or distribution to the Facility Agent, on its behalf and on behalf of the other Secured Parties, for application towards the discharge of all sums due and payable by any Transaction Obligor under any of the Finance Documents in accordance with Clause 32.5 (*Application of receipts; partial payments*);
- (c) if none of the Transaction Obligors is under any further actual or contingent liability under any Finance Document, in payment or distribution to any person to whom the Security Agent is obliged to pay or distribute in priority to any Transaction Obligor; and
- (d) the balance, if any, in payment or distribution to the relevant Transaction Obligor.

29.29 Permitted Deductions

The Security Agent may, in its discretion:

- (a) set aside by way of reserve amounts required to meet, and to make and pay, any deductions and withholdings (on account of Taxes or otherwise) which it is or may be required by any applicable law to make from any distribution or payment made by it under this Agreement; and
- (b) pay all Taxes which may be assessed against it in respect of any of the Security Property, or as a consequence of performing its duties, or by virtue of its capacity as Security Agent under any of the Finance Documents or otherwise (other than in connection with its remuneration for performing its duties under this Agreement).

29.30 Prospective liabilities

Following enforcement of any of the Transaction Security, the Security Agent may, in its discretion, or at the request of the Facility Agent, hold any Recoveries in an interest bearing suspense or impersonal account(s) in the name of the Security Agent with such financial institution (including itself) and for so long as the Security Agent shall think fit (the interest being credited to the relevant account) for later payment to the Facility Agent for application in accordance with Clause 29.28 (*Application of receipts*) in respect of:

- (a) any sum to the Security Agent, any Receiver or any Delegate; and
- (b) any part of the Secured Liabilities,

that the Security Agent or, in the case of paragraph (b) only, the Facility Agent, reasonably considers, in each case, might become due or owing at any time in the future.

29.31 Investment of proceeds

Prior to the payment of the proceeds of the Recoveries to the Facility Agent for application in accordance with Clause 29.28 (*Application of receipts*) the Security Agent may, in its discretion, hold all or part of those proceeds in an interest bearing suspense or impersonal account(s) in the name of the Security Agent with such financial institution (including itself) and for so long as the Security Agent shall think fit (the interest being credited to the relevant account) pending the payment from time to time of those moneys in the Security Agent's discretion in accordance with the provisions of Clause 29.28 (*Application of receipts*).

29.32 Currency conversion

- (a) For the purpose of, or pending the discharge of, any of the Secured Liabilities the Security Agent may convert any moneys received or recovered by the Security Agent from one currency to another, at a market rate of exchange.
- (b) 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.

29.33 Good discharge

- (a) Any payment to be made in respect of the Secured Liabilities by the Security Agent may be made to the Facility Agent on behalf of the Secured Parties and any payment made in that way shall be a good discharge, to the extent of that payment, by the Security Agent.
- (b) The Security Agent is under no obligation to make the payments to the Facility Agent under paragraph (a) above in the same currency as that in which the obligations and liabilities owing to the relevant Finance Party are denominated.

29.34 Amounts received by Obligors

If any of the Obligors receives or recovers any amount which, under the terms of any of the Finance Documents, should have been paid to the Security Agent, the Borrowers will ensure that such amount received or recovered is held on trust for the Security Agent and promptly pay that amount to the Security Agent for application in accordance with the terms of this Agreement.

29.35 Application and consideration

In consideration for the covenants given to the Security Agent by each Borrower in relation to Clause 29.2 (*Parallel Debt (Covenant to pay the Security Agent)*), the Security Agent agrees with each Borrower to apply all moneys from time to time paid by such Borrower to the Security Agent in accordance with the foregoing provisions of this Clause 29 (*The Security Agent*).

29.36 Full freedom to enter into transactions

Without prejudice to Clause 29.7 (*Business with the Group*) or any other provision of a Finance Document and notwithstanding any rule of law or equity to the contrary, the Security Agent shall be absolutely entitled:

- (a) to enter into and arrange banking, derivative, investment and/or other transactions of every kind with or affecting any Transaction Obligor or any person who is party to, or referred to in, a Finance Document (including, but not limited to, any interest or currency swap or other transaction, whether related to this Agreement or not, and acting as syndicate agent and/or security agent for, and/or participating in, other facilities to such Transaction Obligor or any person who is party to, or referred to in, a Finance Document);
- (b) to deal in and enter into and arrange transactions relating to:
 - (i) any securities issued or to be issued by any Transaction Obligor or any other person; or
 - (ii) any options or other derivatives in connection with such securities; and
- (c) to provide advice or other services to the Borrowers or any person who is a party to, or referred to in, a Finance Document, and, in particular, the Security Agent shall be absolutely entitled, in proposing, evaluating, negotiating, entering into and arranging all such transactions and in connection with all other matters covered by paragraphs (a), (b) and (c) above, to use (subject only to insider dealing legislation) any information or opportunity, howsoever acquired by it, to pursue its own interests exclusively, to refrain from disclosing such dealings, transactions or other matters or any information acquired in connection with them and to retain for its sole benefit all profits and benefits derived from the dealings transactions or other matters.

30 CONDUCT OF BUSINESS BY THE FINANCE PARTIES

No provision of this Agreement will:

- (a) interfere with the right of any Finance Party to arrange its affairs (tax or otherwise) in whatever manner it thinks fit;
- (b) oblige any Finance Party 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 any Finance Party to disclose any information relating to its affairs (tax or otherwise) or any computations in respect of Tax.

31 SHARING AMONG THE FINANCE PARTIES

31.1 Payments to Finance Parties

If a Finance Party (a "**Recovering Finance Party**") receives or recovers any amount from a Transaction Obligor other than in accordance with Clause 32 (*Payment Mechanics*) (a "**Recovered Amount**") and applies that amount to a payment due to it under the Finance Documents then:

- (a) the Recovering Finance Party shall, within three Business Days, notify details of the receipt or recovery, to the Facility Agent;
- (b) the Facility Agent shall determine whether the receipt or recovery is in excess of the amount the Recovering Finance Party would have been paid had the receipt or recovery been received or made by the Facility Agent and distributed in accordance with Clause 32 (*Payment*

Mechanics), without taking account of any Tax which would be imposed on the Facility Agent in relation to the receipt, recovery or distribution; and

- (c) the Recovering Finance Party shall, within three Business Days of demand by the Facility Agent, pay to the Facility Agent an amount (the "**Sharing Payment**") equal to such receipt or recovery less any amount which the Facility Agent determines may be retained by the Recovering Finance Party as its share of any payment to be made, in accordance with Clause 32.5 (*Application of receipts; partial payments*).

31.2 Redistribution of payments

The Facility Agent shall treat the Sharing Payment as if it had been paid by the relevant Transaction Obligor and distribute it among the Finance Parties (other than the Recovering Finance Party) (the "**Sharing Finance Parties**") in accordance with Clause 32.5 (*Application of receipts; partial payments*) towards the obligations of that Transaction Obligor to the Sharing Finance Parties.

31.3 Recovering Finance Party's rights

On a distribution by the Facility Agent under Clause 31.2 (*Redistribution of payments*) of a payment received by a Recovering Finance Party from a Transaction Obligor, as between the relevant Transaction Obligor and the Recovering Finance Party, an amount of the Recovered Amount equal to the Sharing Payment will be treated as not having been paid by that Transaction Obligor.

31.4 Reversal of redistribution

If any part of the Sharing Payment received or recovered by a Recovering Finance Party becomes repayable and is repaid by that Recovering Finance Party, then:

- (a) each Sharing Finance Party shall, upon request of the Facility Agent, pay to the Facility Agent for the account of that Recovering Finance Party an amount equal to the appropriate part of its share of the Sharing Payment (together with an amount as is necessary to reimburse that Recovering Finance Party for its proportion of any interest on the Sharing Payment which that Recovering Finance Party is required to pay) (the "**Redistributed Amount**"); and
- (b) as between the relevant Transaction Obligor and each relevant Sharing Finance Party, an amount equal to the relevant Redistributed Amount will be treated as not having been paid by that Transaction Obligor.

31.5 Exceptions

- (a) This Clause 31 (*Sharing among the Finance Parties*) shall not apply to the extent that the Recovering Finance Party would not, after making any payment pursuant to this Clause, have a valid and enforceable claim against the relevant Transaction Obligor.
- (b) A Recovering Finance Party is not obliged to share with any other Finance Party any amount which the Recovering Finance Party has received or recovered as a result of taking legal or arbitration proceedings, if:
 - (i) it notified that other Finance Party of the legal or arbitration proceedings; and

- (ii) that other Finance Party had an opportunity to participate in those legal or arbitration proceedings but did not do so as soon as reasonably practicable having received notice and did not take separate legal or arbitration proceedings.

SECTION 11
ADMINISTRATION

32 PAYMENT MECHANICS

32.1 Payments to the Facility Agent

- (a) On each date on which a Transaction Obligor or a Lender is required to make a payment under a Finance Document, that Transaction Obligor or Lender shall make an amount equal to such payment available to the Facility Agent (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 Facility Agent 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 Oslo, as specified by the Facility Agent) and with such bank as the Facility Agent, in each case, specifies.

32.2 Distributions by the Facility Agent

Each payment received by the Facility Agent under the Finance Documents for another Party shall, subject to Clause 32.3 (*Distributions to a Transaction Obligor*) and Clause 32.4 (*Clawback and pre-funding*) be made available by the Facility Agent as soon as practicable after receipt to the Party entitled to receive payment in accordance with this Agreement (in the case of a Lender, for the account of its Facility Office), to such account as that Party may notify to the Facility Agent by not less than five Business Days' notice with a bank specified by that Party in the principal financial centre of the country of that currency (or, in relation to euro, in the principal financial centre of a Participating Member State or London), as specified by that Party or, in the case of an Advance, to such account of such person as may be specified by the Borrowers in a Utilisation Request.

32.3 Distributions to a Transaction Obligor

The Facility Agent may (with the consent of the Transaction Obligor or in accordance with Clause 33 (*Set-Off*)) apply any amount received by it for that Transaction Obligor in or towards payment (on the date and in the currency and funds of receipt) of any amount due from that Transaction Obligor under the Finance Documents or in or towards purchase of any amount of any currency to be so applied.

32.4 Clawback and pre-funding

- (a) Where a sum is to be paid to the Facility Agent under the Finance Documents for another Party, the Facility Agent is not obliged to pay that sum to that other Party (or to enter into or perform any related exchange contract) until it has been able to establish to its satisfaction that it has actually received that sum.
- (b) Unless paragraph (c) below applies, if the Facility Agent pays an amount to another Party and it proves to be the case that the Facility Agent had not actually received that amount, then the Party to whom that amount (or the proceeds of any related exchange contract) was paid by the Facility Agent shall on demand refund the same to the Facility Agent together with interest

on that amount from the date of payment to the date of receipt by the Facility Agent, calculated by the Facility Agent to reflect its cost of funds.

- (c) If the Facility Agent has notified the Lenders that it is willing to make available amounts for the account of the Borrowers before receiving funds from the Lenders then if and to the extent that the Facility Agent does so but it proves to be the case that it does not then receive funds from a Lender in respect of a sum which it paid to the Borrowers:
- (i) the Facility Agent shall notify the Borrowers of that Lender's identity and the Borrowers shall on demand refund it to the Facility Agent; and
 - (ii) the Lender by whom those funds should have been made available or, if the Lender fails to do so, the Borrowers, shall on demand pay to the Facility Agent the amount (as certified by the Facility Agent) which will indemnify the Facility Agent against any funding cost incurred by it as a result of paying out that sum before receiving those funds from that Lender.

32.5 Application of receipts; partial payments

- (a) If the Facility Agent receives a payment that is insufficient to discharge all the amounts then due and payable by a Transaction Obligor under the Finance Documents, the Facility Agent shall apply that payment towards the obligations of that Transaction Obligor under the Finance Documents in the following order:
- (i) **first**, in or towards payment *pro rata* of any unpaid fees, costs and expenses of, and any other amounts owing to, the Facility Agent, the Security Agent, any Receiver or any Delegate under the Finance Documents;
 - (ii) **secondly**, in or towards payment *pro rata* of any accrued interest and fees due but unpaid to the Lenders under this Agreement;
 - (iii) **thirdly**, in or towards payment *pro rata* of any principal due but unpaid to the Lenders under this Agreement;
 - (iv) **fourthly**, in or towards payment *pro rata* of any other sum due but unpaid under the Finance Documents; and
 - (v) **fifthly**, any surplus shall be paid to the Borrower or to any other person appearing to be entitled to it.
- (b) The Facility Agent shall, if so directed by the Majority Lenders, vary, or instruct the Security Agent to vary (as applicable) the order set out in sub-paragraphs (ii) to (iv) of paragraph (a) above.
- (c) Paragraphs (a) and (b) above will override any appropriation made by a Transaction Obligor.

32.6 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.

32.7 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.

32.8 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.

32.9 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 Facility Agent (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 Facility Agent (acting reasonably).
- (b) If a change in any currency of a country occurs, this Agreement will, to the extent the Facility Agent (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.

32.10 Currency Conversion

- (a) For the purpose of, or pending any payment to be made by any Servicing Party under any Finance Document, such Servicing Party may convert any moneys received or recovered by it from one currency to another, at a market rate of exchange.
- (b) 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.

32.11 Disruption to Payment Systems etc.

If either the Facility Agent determines (in its discretion) that a Disruption Event has occurred or the Facility Agent is notified by a Borrower that a Disruption Event has occurred:

- (a) the Facility Agent 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 Facility Agent may deem necessary in the circumstances;
- (b) the Facility Agent 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) the Facility Agent may consult with the Finance Parties in relation to any changes mentioned in paragraph (a) above but shall not be obliged to do so if, in its opinion, it is not practicable to do so in the circumstances;
- (d) any such changes agreed upon by the Facility Agent 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 notwithstanding the provisions of Clause 42 (*Amendments and Waivers*);
- (e) the Facility Agent 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 Facility Agent) arising as a result of its taking, or failing to take, any actions pursuant to or in connection with this Clause 32.11 (*Disruption to Payment Systems etc.*); and
- (f) the Facility Agent shall notify the Finance Parties of all changes agreed pursuant to paragraph (d) above.

33 SET-OFF

A Finance Party may set off any matured obligation due from a Transaction Obligor under the Finance Documents (to the extent beneficially owned by that Finance Party) against any matured obligation owed by that Finance Party 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 Finance Party may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

34 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.

35 NOTICES

35.1 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.

35.2 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*);
- (b) in the case of each 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 Facility Agent on or before the date on which it becomes a Party;
- (c) in the case of the Facility Agent, that specified in Part C of Schedule 1 (*The Parties*);
- (d) in the case of the Security Agent, that specified in Part C of Schedule 1 (*The Parties*);
- (e) in the case of the Mandated Lead Arranger, that specified in Part D of Schedule 1 (*The Parties*);

or any substitute address, fax number or department or officer as the Party may notify to the Facility Agent (or the Facility Agent may notify to the other Parties, if a change is made by the Facility Agent) by not less than five Business Days' notice.

35.3 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 35.2 (*Addresses*), if addressed to that department or officer.
- (b) Any communication or document to be made or delivered to a Servicing Party will be effective only when actually received by that Servicing Party and then only if it is expressly marked for the attention of the department or officer of that Servicing Party specified in Schedule 1 (*The*

Parties) (or any substitute department or officer as that Servicing Party shall specify for this purpose).

- (c) All notices from or to a Transaction Obligor shall be sent through the Facility Agent unless otherwise specified in any Finance Document.
- (d) 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.
- (e) Any communication or document which becomes effective, in accordance with paragraphs (a) to (d) above, after 5.00 p.m. in the place of receipt shall be deemed only to become effective on the following day.

35.4 Notification of address and fax number

Promptly upon receipt of notification of an address and fax number or change of address or fax number pursuant to Clause 35.2 (*Addresses*) or changing its own address or fax number, the Facility Agent shall notify the other Parties.

35.5 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 a Finance Party 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 Facility Agent or the Security Agent only if it is addressed in such a manner as the Facility Agent or the Security Agent 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 35.5 (*Electronic communication*).

35.6 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 Facility Agent, accompanied by a certified English translation prepared by a translator approved by the Facility Agent and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

36 CALCULATIONS AND CERTIFICATES

36.1 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 a Finance Party are *prima facie* evidence of the matters to which they relate.

36.2 Certificates and determinations

Any certification or determination by a Finance Party 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.

36.3 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 an Obligor under a Finance Document shall be rounded to 2 decimal places.

37 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.

38 REMEDIES AND WAIVERS

- (a) No failure to exercise, nor any delay in exercising, on the part of any Secured Party, 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 a Secured Party 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 or on behalf of all the relevant Finance Parties in accordance with the provisions of Clause 42 (*Amendments and Waivers*).

39 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.

40 SETTLEMENT OR DISCHARGE CONDITIONAL

Any settlement or discharge under any Finance Document between any Finance Party and any Transaction Obligor shall be conditional upon no security or payment to any Finance Party by any Transaction Obligor or any other person being set aside, adjusted or ordered to be repaid, whether under any insolvency law or otherwise.

41 IRREVOCABLE PAYMENT

If the Facility Agent 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 a Secured Party 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.

42 AMENDMENTS AND WAIVERS

42.1 Required consents

- (a) Subject to Clause 42.2 (*All Lender matters*) and Clause 42.3 (*Other exceptions*) any term of the Finance Documents may be amended or waived only with the consent of the Majority Lenders and, in the case of an amendment, the Borrowers and any such amendment or waiver will be binding on all Parties.
- (b) The Facility Agent may effect, on behalf of any Finance Party, any amendment or waiver permitted by this Clause 42 (*Amendments and Waivers*).
- (c) Without prejudice to the generality of Clause 28.8 (*Rights and discretions*), the Facility Agent may engage, pay for and rely on the services of lawyers in determining the consent level required for and effecting any amendment, waiver or consent under this Agreement.
- (d) Paragraph (c) of Clause 26.9 (*Pro rata interest settlement*) shall apply to this Clause 42 (*Amendments and Waivers*).

42.2 All Lender matters

Subject to Clause 42.4 (*Changes to reference rates*), an amendment of or waiver or consent in relation to any term of any Finance Document that has the effect of changing or which relates to:

- (a) the definitions of "Majority Lenders", "Sanctions Authority", "Sanctions Laws", "Sanctions List" and "Restricted Party" in Clause 1.1 (*Definitions*);
- (b) a postponement to or extension of the date of payment of any amount under the Finance Documents;
- (c) a reduction in the Margin or the amount of any payment of principal, interest, fees or commission payable;
- (d) a change in currency of payment of any amount under the Finance Documents;
- (e) an increase in any Commitment or the Total Commitments, an extension of any Availability Period or any requirement that a cancellation of Commitments reduces the Commitments rateably under the Facility;
- (f) a change to any Transaction Obligor other than in accordance with Clause 27 (*Changes to the Transaction Obligors*);
- (g) any provision which expressly requires the consent of all the Lenders;
- (h) this Clause 42 (*Amendments and Waivers*);
- (i) any change to the preamble (*Background*), Clause 2 (*The Facility*), Clause 3 (*Purpose*), Clause 5 (*Utilisation*), Clause 6.3 (*Effect of cancellation and prepayment on scheduled repayments*), Clause 7.5 (*Mandatory prepayment on sale, seizure or Total Loss*), Clause 8 (*Interest*), Clause 22.10 (*Compliance with laws etc.*), Clause 24 (*Accounts and Application of Earnings*), Clause 26 (*Changes to the Lenders*), Clause 31 (*Sharing among the Finance Parties*), Clause 46 (*Governing Law*) or Clause 47 (*Enforcement*);
- (j) (other than as expressly permitted by the provisions of any Finance Document) the nature or scope of:
 - (i) the guarantees and indemnities granted under any of clause 2 (*guarantee*) of the Guarantee or any other guarantee and indemnity forming part of the Finance Documents;
 - (ii) the joint and several liability of the Borrowers under Clause 17 (*Joint and Several Liability of the Borrowers*);
 - (iii) the Security Assets; or
 - (iv) the manner in which the proceeds of enforcement of the Transaction Security are distributed,(except in the case of sub-paragraphs (iii) and (iv) above, insofar as it relates to a sale or disposal of an asset which is the subject of the Transaction Security where such sale or disposal is expressly permitted under this Agreement or any other Finance Document);

- (k) the release or any material variation of the guarantees and indemnities granted under clause 2.1 (*guarantee and indemnity*) of the Guarantee, the joint and several liability of the Borrowers under Clause 17 (*Joint and Several Liability of the Borrowers*) or of any Transaction Security or any guarantee, indemnity or subordination arrangement set out in a Finance Document unless permitted under this Agreement or any other Finance Document or relating to a sale or disposal of an asset which is the subject of the Transaction Security where such sale or disposal is expressly permitted under this Agreement or any other Finance Document,

shall not be made, or given, without the prior consent of all the Lenders.

42.3 Other exceptions

- (a) An amendment or waiver which relates to the rights or obligations of a Servicing Party, the Mandated Lead Arranger or the Bookrunner (each in their capacity as such) may not be effected without the consent of that Servicing Party, the Mandated Lead Arranger or the Bookrunner, as the case may be.
- (b) The Borrowers and the Facility Agent, the Mandated Lead Arranger, the Bookrunner or the Security Agent, as applicable, may amend or waive a term of a Fee Letter to which they are party.

42.4 Changes to reference rates

- (a) Subject to Clause 42.3 (*Other exceptions*), if an RFR Replacement Event has occurred any amendment or waiver which relates to:
- (i) providing for the use of a Replacement Reference Rate in place of the RFR; 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 Facility Agent (acting on the instructions of the Majority Lenders) and the Borrowers.

(b) An amendment or waiver that relates to, or has the effect of, aligning the means of calculation of interest on the Loan or any part of the 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 Facility Agent (acting on the instructions of the Majority Lenders) and the Borrowers.

(c) If any Lender fails to respond to a request for an amendment or waiver described in paragraph (a) or (b) above within 5 Business Days (or such longer time period in relation to any request which the Borrowers and the Facility 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.

(d) In this Clause 42.4 (*Changes to reference rates*):

"RFR Replacement Event" means:

- (a) the methodology, formula or other means of determining the RFR has, in the opinion of the Majority Lenders and the Borrowers, materially changed;
- (b)
 - (i)
 - (A) the administrator of the RFR 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 the RFR is insolvent,

provided that, in each case, at that time, there is no successor administrator to continue to provide the RFR;

- (ii) the administrator of the RFR publicly announces that it has ceased or will cease, to provide the RFR permanently or indefinitely and, at that time, there is no successor administrator to continue to provide the RFR;
 - (iii) the supervisor of the administrator of the RFR publicly announces that the RFR has been or will be permanently or indefinitely discontinued; or
 - (iv) the administrator of the RFR or its supervisor announces that the RFR may no longer be used; or
- (c) the administrator of the RFR determines that the RFR 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 Majority Lenders and the Borrowers) temporary; or
 - (ii) the RFR is calculated in accordance with any such policy or arrangement for a period no less than the period specified as the "RFR Contingency Period" in the Reference Rate Terms; or
- (d) in the opinion of the Majority Lenders and the Borrowers, the RFR 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 the RFR by:
- (i) the administrator of the RFR (provided that the market or economic reality that such reference rate measures is the same as that measured by the RFR); 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 sub-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 the RFR; or
- (c) in the opinion of the Majority Lenders and the Borrowers, an appropriate successor or alternative to the RFR.

42.5 Borrowers' Intent

Without prejudice to the generality of Clauses 1.2 (*Construction*) and 17.2 (*Waiver of defences*) and each Borrower expressly confirms that it intends that any guarantee contained in this

Agreement or any other 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.

43 CONFIDENTIAL INFORMATION

43.1 Confidentiality

Each Finance Party agrees to keep all Confidential Information confidential and not to disclose it to anyone, save to the extent permitted by Clause 43.2 (*Disclosure of Confidential Information*) and Clause 43.4 (*Disclosure to numbering service providers*) 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.

43.2 Disclosure of Confidential Information

Any Finance Party may disclose:

- (a) to any of its Affiliates and Related Funds and any of its or their officers, directors, employees, professional advisers, auditors, partners, credit insurers and insurers, reinsurers, insurance brokers and Representatives such Confidential Information as that Finance Party 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 (and in relation to any Confidential Information relating to the Guarantor, if 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) 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 transfers (or may potentially assign or transfer) all or any of its rights and/or obligations under one or more Finance Documents or which succeeds (or which may potentially succeed) it as Facility Agent or Security Agent 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 any Finance Party 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 (including, without limitation, any person appointed under paragraph (c) of Clause 28.15 (*Relationship with the other Finance Parties*));
- (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 that Finance Party charges, assigns or otherwise creates Security (or may do so) pursuant to Clause 26.8 (*Security over Lenders' rights*);
- (viii) which is a classification society or other entity which a Lender has engaged to make the calculations necessary to enable that Lender to comply with its reporting obligations under the Poseidon Principles;
- (ix) who is a Party, a member of the Group or any related entity of a Transaction Obligor;
- (x) 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
- (xi) with the consent of the Guarantor;

in each case, such Confidential Information as that Finance Party 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 that Finance Party, it is not practicable so to do in the circumstances;

- (c) to any person appointed by that Finance Party 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 in to 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 relevant Finance Party;
- (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 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.

43.3 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.

43.4 Disclosure to numbering service providers

- (a) Any Finance Party may disclose to any national or international numbering service provider appointed by that Finance Party to provide identification numbering services in respect of this Agreement, the Facility and/or one or more Transaction Obligors the following information:
 - (i) names of Transaction Obligors;
 - (ii) country of domicile of Transaction Obligors;
 - (iii) place of incorporation of Transaction Obligors;
 - (iv) date of this Agreement;
 - (v) Clause 46 (*Governing Law*);
 - (vi) the names of the Facility Agent, the Mandated Lead Arranger and the Bookrunner;
 - (vii) date of each amendment and restatement of this Agreement;
 - (viii) amount of Total Commitments;
 - (ix) currency of the Facility;
 - (x) type of Facility;

- (xi) ranking of Facility;
- (xii) any Termination Date;
- (xiii) changes to any of the information previously supplied pursuant to sub-paragraphs (i) to (xii) above; and
- (xiv) such other information agreed between such Finance Party and the Borrowers,

to enable such numbering service provider to provide its usual syndicated loan numbering identification services.

- (b) The Parties acknowledge and agree that each identification number assigned to this Agreement, the Facility and/or one or more Transaction Obligors by a numbering service provider and the information associated with each such number may be disclosed to users of its services in accordance with the standard terms and conditions of that numbering service provider.
- (c) Each Obligor represents, on behalf of itself and the other Transaction Obligors, that none of the information set out in sub-paragraphs (i) to (xiv) of paragraph (a) above is, nor will at any time be, unpublished price-sensitive information.
- (d) The Facility Agent shall notify the Guarantor and the other Finance Parties of:
 - (i) the name of any numbering service provider appointed by the Facility Agent in respect of this Agreement, the Facility and/or one or more Transaction Obligors; and
 - (ii) the number or, as the case may be, numbers assigned to this Agreement, the Facility and/or one or more Transaction Obligors by such numbering service provider.

43.5 Entire agreement

This Clause 43 (*Confidential Information*) constitutes the entire agreement between the Parties in relation to the obligations of the Finance Parties under the Finance Documents regarding Confidential Information and supersedes any previous agreement, whether express or implied, regarding Confidential Information.

43.6 Inside information

Each of the Finance Parties 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 each of the Finance Parties undertakes not to use any Confidential Information for any unlawful purpose.

43.7 Notification of disclosure

Each of the Finance Parties 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 43.2 (*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 43 (*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 Facility Agent unless otherwise required in connection with the Guarantor's reporting obligations under or in connection with the rules and regulations of the SEC and any US Stock Exchange applicable to the Guarantor.

43.8 Continuing obligations

The obligations in this Clause 43 (*Confidential Information*) are continuing and, in particular, shall survive and remain binding on each Finance Party 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 all Commitments have been cancelled or otherwise cease to be available; and
- (b) the date on which such Finance Party otherwise ceases to be a Finance Party.

44 CONFIDENTIALITY OF FUNDING RATES

44.1 Confidentiality and disclosure

- (a) The Facility Agent and each Borrower agree to keep each Funding Rate confidential and not to disclose it to anyone, save to the extent permitted by paragraphs (b) and (c) below.
- (b) The Facility Agent may disclose:
 - (i) any Funding Rate to the Borrowers pursuant to Clause 8.4 (*Notifications*); and
 - (ii) any Funding Rate to any person appointed by it to provide administration services in respect of one or more of the Finance Documents to the extent necessary to enable such service provider to provide those services if the service provider to whom that 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 Facility Agent and the relevant Lender.
- (c) The Facility Agent and 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 sub-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 Facility Agent 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 Facility Agent 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 relevant Lender.

44.2 Related obligations

- (a) The Facility Agent and each Borrower acknowledge 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 the Facility Agent and each Borrower undertake not to use any Funding Rate for any unlawful purpose.
- (b) The Facility Agent and each Borrower agree (to the extent permitted by law and regulation) to inform the relevant Lender:
 - (i) of the circumstances of any disclosure made pursuant to sub-paragraph (ii) of paragraph (c) of Clause 44.1 (*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 44 (*Confidentiality of Funding Rates*).

44.3 No Event of Default

No Event of Default will occur under Clause 25.4 (*Other obligations*) by reason only of a Borrower's failure to comply with this Clause 44 (*Confidentiality of Funding Rates*).

45 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 12

GOVERNING LAW AND ENFORCEMENT

46 GOVERNING LAW

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

47 ENFORCEMENT

47.1 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 47.1 (*Jurisdiction*) is for the benefit of the Secured Parties only. As a result, no Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Secured Parties may take concurrent proceedings in any number of jurisdictions.

47.2 Service of process

- (a) Without prejudice to any other mode of service allowed under any relevant law, each Borrower (other than an Borrower incorporated in England and Wales):
 - (i) irrevocably appoints Hill Dickinson Services (London) Limited at its registered office from time to time, presently 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 the Obligors) must immediately (and in any event within 5 days of such event taking place) appoint another agent on terms acceptable to the Facility Agent. Failing this, the Facility Agent may appoint another agent for this purpose.

This Agreement has been entered into on the date stated at the beginning of this Agreement.

**SCHEDULE 1
EXECUTION PAGES**

BORROWERS

SIGNED by) /s/ Panagiotis Boumpouras
)
as attorney-in-fact)
for and on behalf of)
NEFELI NAVIGATION S.A.)
in the presence of:)

Witness' signature:) /s/ Nikoletta Triantafyllou
Witness' name:)
Witness' address:)

SIGNED by)
) /s/ Panagiotis Boumpouras
as attorney-in-fact)
for and on behalf of)
VYTHOS MARINE CORP.)
in the presence of:)

Witness' signature:)
Witness' name:) /s/ Nikoletta Triantafyllou
Witness' address:)

SIGNED by)
)
as attorney-in-fact)
for and on behalf of) /s/ Panagiotis Boumpouras
CLOUD ATLAS MARINE S.A.)
in the presence of:)

Witness' signature:) /s/ Nikoletta Triantafyllou
Witness' name:)
Witness' address:)

SIGNED by)
) /s/ Panagiotis Boumpouras
as attorney-in-fact)
for and on behalf of)
THALASSA MARINE S.A.)
in the presence of:)

Witness' signature:) /s/ Nikoletta Triantafyllou
Witness' name:)
Witness' address:)

ORIGINAL LENDERS

SIGNED by)
) /s/ Aikaterina Dimitriou
duly authorised)
for and on behalf of)
NORDEA BANK ABP, FILIAL I NORGE)
in the presence of:)

Witness' signature:) /s/ Nikoletta Triantafyllou
Witness' name:)
Witness' address:)

MANDATED LEAD ARRANGER

SIGNED by)
) /s/ Aikaterina Dimitriou
duly authorised)
for and on behalf of)
NORDEA BANK ABP, FILIAL I NORGE)
in the presence of:)

Witness' signature:) /s/ Nikoletta Triantafyllou
Witness' name:)
Witness' address:)

FACILITY AGENT

SIGNED by)
) /s/ Aikaterina Dimitriou
duly authorised)
for and on behalf of)
NORDEA BANK ABP, FILIAL I NORGE)
in the presence of:)

Witness' signature:) /s/ Nikoletta Triantafyllou
Witness' name:)
Witness' address:)

SECURITY AGENT

SIGNED by) /s/ Aikaterina Dimitriou
duly authorised)
for and on behalf of)
NORDEA BANK ABP, FILIAL I NORGE)
in the presence of:)

Witness' signature:) /s/ Nikoletta Triantafyllou
Witness' name:)
Witness' address:)

BOOKRUNNER

SIGNED by) /s/ Aikaterina Dimitriou
as an attorney-in-fact)
for and on behalf of)
NORDEA BANK ABP, FILIAL I NORGE)
in the presence of:)

Witness' signature:) /s/ Nikoletta Triantafyllou
Witness' name:)
Witness' address:)

BOND TERMS

FOR

Navios Maritime Partners L.P. 7.75% senior unsecured USD 500,000,000 bonds 2025/2030

ISIN NO0013685115

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ATTACHMENT 1 COMPLIANCE CERTIFICATE

BOND TERMS between	
ISSUER:	Navios Maritime Partners L.P., a limited partnership formed and existing under the laws of the Republic of the Marshall Islands with registration number 950018 and LEI-code 213800185NOIXCLYX335.
BOND TRUSTEE:	Nordic Trustee AS, a company existing under the laws of Norway with registration number 963 342 624 and LEI-code 549300XAKTM2BMKIPT85.
DATED:	5 November 2025
These Bond Terms shall remain in effect for so long as any Bonds remain outstanding.	

1. INTERPRETATION

1.1 Definitions

The following terms will have the following meanings:

“**Accounting Standard**” means GAAP.

“**Additional Bonds**” means the debt instruments issued under a Tap Issue, including any Temporary Bonds.

“**Affiliate**” means, in relation to any person:

- (a) any person which is a Subsidiary of that person;
- (b) any person with Decisive Influence over that person (directly or indirectly); and
- (c) any person which is a Subsidiary of an entity with Decisive Influence over that person (directly or indirectly).

“**Annual Financial Statements**” means the audited consolidated annual financial statements of the Issuer in the English language for any financial year, prepared in accordance with the Accounting Standard, such financial statements to include a profit and loss account, balance sheet, cash flow statement and management commentary or report of the board of directors.

“**Attachment**” means any schedule, appendix or other attachment to these Bond Terms.

“**Bond Currency**” means the currency in which the Bonds are denominated, as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Bond Terms**” means these terms and conditions, including all Attachments which form an integrated part of these Bond Terms, in each case as amended and/or supplemented from time to time.

“**Bond Trustee**” means the company designated as such in the preamble to these Bond Terms, or any successor, acting for and on behalf of the Bondholders in accordance with these Bond Terms.

“**Bond Trustee Fee Agreement**” means the agreement entered into between the Issuer and the Bond Trustee relating, among other things, to the fees to be paid by the Issuer to the Bond Trustee for the services provided by the Bond Trustee relating to the Bonds.

“**Bondholder**” means a person who is registered in the CSD as directly registered owner or nominee holder of a Bond, subject however to Clause 3.3 (*Bondholders’ rights*).

“**Bondholders’ Meeting**” means a meeting of Bondholders as set out in Clause 15 (*Bondholders’ Decisions*).

“**Bonds**” means:

- (a) the debt instruments issued by the Issuer pursuant to these Bond Terms, including any Additional Bonds; and
- (b) any overdue and unpaid principal which has been issued under a separate ISIN in accordance with the regulations of the CSD from time to time.

“**Business Day**” means a day on which both the relevant CSD settlement system is open, and the relevant settlement system for the Bond Currency is open.

“**Business Day Convention**” means that if the last day of any Interest Period originally falls on a day that is not a Business Day, no adjustment will be made to the Interest Period.

“**Call Notice**” has the meaning ascribed to such term in paragraph (c) of Clause 10.2 (*Voluntary early redemption – Call Option*).

“**Call Option**” has the meaning ascribed to such term in paragraph (a) of Clause 10.2 (*Voluntary early redemption – Call Option*).

“**Call Option Repayment Date**” means the settlement date for the Call Option determined by the Issuer pursuant to Clause 10.2 (*Voluntary early redemption – Call Option*), paragraph (d) of Clause 10.3 (*Mandatory repurchase due to a Put Option Event*) or a date agreed upon between the Bond Trustee and the Issuer in connection with such redemption of Bonds.

“**Cash and Cash Equivalents**” means at any date:

- (a) cash in hand or amounts standing to the credit of any current and/or on deposit accounts with a reputable bank; and

- (b) time deposits with reputable banks and certificates of deposit issued, and bills of exchange accepted, by a reputable bank including those for periods in excess of three months,

in each case to which a Group Company is beneficially entitled at the time and to which it has free and unrestricted access and if subject to security, no event of default (however so described) has occurred under the financing related thereto..

“**Change of Control Event**” means a change which results in:

- (a) that Mrs. Angeliki Frangou and her direct descendants (either directly or indirectly) (through entities owned and controlled by her or trusts or foundations that may be established of which she is a beneficiary or her direct descendants or their lineal descendants are a beneficiary, directly or indirectly) (the "Current Holder Group") ceasing to be the owner of, or having ultimate control of the voting rights attaching to more than 5 per cent. of all the units (including for the avoidance of doubt both general partner units and common units) in the Issuer; or
- (b) the Current Holder Group 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 Issuer, which is currently Olympos Maritime Ltd; or
- (c) Mrs. Angeliki Frangou ceasing to act as chairwoman or chief executive officer of the Issuer and Olympos Maritime Ltd ceasing to be the general partner of the Issuer; or
- (d) any person or group of persons (other than the Current Holder Group) acting in concert, becoming the holder, directly or indirectly, of 50 per cent. or more of the beneficially issued units of the Issuer entitled to vote for members of the board of director or equivalent governing body of the Issuer on a fully-diluted basis (and taking into account all such securities that such person or group has the right to acquire pursuant to any option right).
- (e) for the purpose of paragraph (d) above, "acting in concert" means a group of persons who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition, directly or indirectly, of shares in the Issuer by any of them, either directly or indirectly, to obtain or consolidate the holding of beneficially owned units of the Issuer).

“**Compliance Certificate**” means a statement substantially in the form as set out in Attachment 1 hereto.

“**CSD**” means the central securities depository in which the Bonds are registered, being Euronext Securities Oslo (Verdipapirsentralen ASA (VPS)).

“**Cure Amount**” means cash received by the Issuer:

- (a) in exchange for fully paid shares or common units in the Issuer; or
- (b) as Subordinated Loans.

“**Decisive Influence**” means a person having, as a result of an agreement or through the ownership of shares or interests in another person (directly or indirectly):

- (a) a majority of the voting rights in that other person; or
- (b) a right to elect or remove a majority of the members of the board of directors of that other person.

“**Default Notice**” has the meaning ascribed to such term in Clause 14.2 (*Acceleration of the Bonds*).

“**Default Repayment Date**” means the settlement date set out by the Bond Trustee in a Default Notice requesting early redemption of the Bonds.

“**Discount Rate**” means 3.75 % per annum.

“**Distribution**” means

- (a) declaring or making any dividend payment or distribution, including preferred dividend payments, whether in cash or in kind;
- (b) repurchasing any shares or undertaking other similar transactions, including but not limited to total return swaps related to shares in the Issuer;
- (c) repayment of any Subordinated Loan; or
- (d) making other distributions or transactions constituting a transfer of value to the Issuer's shareholders.

“**EBITDA**” means, in respect of any Relevant Period, the profit of the Group before taxation:

- (a) before deducting any interest, commission, fees, discounts, pre-payment fees, premiums or charges and other finance payments whether paid, payable or capitalised by any member of the Group (calculated on a consolidated basis) in respect of that Relevant Period;
- (b) not including any accrued interest owing to any member of the Group;
- (c) after adding back any amount attributable to the amortisation, depreciation or impairment of assets of members of the Group (and taking no account of the reversal of any previous impairment charge made in that Relevant Period);
- (d) before taking into account any Exceptional Items;
- (e) before taking into account the amount of any profit or loss of any member of the Group which is attributable to minority interests;
- (f) before taking into account the Group's share of the profits or losses of entities which are not part of the Group except to the extent of the amount of dividends or other distributions actually paid to the Group in cash during such period;

- (g) before taking into account any unrealised gains or losses on any derivative instrument (other than any derivative instrument which is accounted for on a hedge accounting basis);
- (h) before taking into account any gain or loss arising from a revaluation of any other asset;
- (i) before taking into account any Pension Items; and
- (j) excluding the charge to profit represented by the expensing and issuing of stock options,

in each case, to the extent added, deducted or taken into account, as the case may be, for the purposes of determining operating profits of the Group before taxation.

“**Event of Default**” means any of the events or circumstances specified in Clause 14.1 (*Events of Default*).

“**Exceptional Items**” means any exceptional, one-off, non-recurring or extraordinary items/any material items of an unusual or non-recurring nature which represent gains or losses including those arising on: (a) the restructuring of the activities of a person and reversals of any provisions for the cost of restructuring; (b) disposals, revaluations, write downs or impairment of non-current assets or any reversal of any write down or impairment; and (c) disposals of assets associated with discontinued operations.

“**Exchange**” means:

- (a) Euronext Oslo Børs (the Euronext Oslo Stock Exchange); or
- (b) any regulated market as such term is understood in accordance with the Markets in Financial Instruments Directive 2014/65/EU (MiFID II) and Regulation (EU) No. 600/2014 on markets in financial instruments (MiFIR).

“**Finance Documents**” means these Bond Terms, the Bond Trustee Fee Agreement, any Tap Issue Addendum and any other document designated by the Issuer and the Bond Trustee as a Finance Document.

“**Financial Covenant**” means each of the financial covenants set out in paragraph (a) of Clause 13.20 (*Financial covenants*).

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

- (a) moneys borrowed (and debit balances at banks or other financial institutions);
- (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, including the Bonds;

- (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the Accounting Standard, be capitalised as an asset and booked as a corresponding liability in the balance sheet;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis provided that the requirements for de-recognition under the Accounting Standard are met);
- (f) 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 mark 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);
- (g) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of an underlying liability of a person which is not a Group Company which liability would fall within one of the other paragraphs of this definition;
- (h) any amount raised by the issue of redeemable shares which are redeemable (other than at the option of the Issuer) before the Maturity Date or are otherwise classified as borrowings under the Accounting Standard;
- (i) any amount of any liability under an advance or deferred purchase agreement, if (a) the primary reason behind entering into the agreement is to raise finance or (b) the agreement is in respect of the supply of assets or services and payment is due more than 120 calendar days after the date of supply;
- (j) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing or otherwise being classified as a borrowing under the Accounting Standard; and
- (k) without double counting, the amount of any liability in respect of any guarantee for any of the items referred to in paragraphs (a) to (j) above.

“**Financial Reports**” means the Annual Financial Statements and the Interim Accounts.

“**First Call Date**” means the Interest Payment Date falling in May 2028 (30 months after the Issue Date).

“**First Call Price**” has the meaning ascribed to such term in paragraph (a) b) of Clause 10.2 (*Voluntary early redemption - Call Option*).

“**GAAP**” means generally accepted accounting practices and principles in the United States of America or the country in which the Issuer is incorporated including, if applicable, IFRS.

“**Group**” means the Issuer and its Subsidiaries from time to time.

“**Group Company**” means any person which is a member of the Group.

“**IFRS**” means the International Financial Reporting Standards and guidelines and interpretations issued by the International Accounting Standards Board (or any predecessor and successor thereof) in force from time to time and to the extent applicable to the relevant financial statement.

“**Initial Bond Issue**” means the amount to be issued on the Issue Date as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Initial Nominal Amount**” means the Nominal Amount of each Bond on the Issue Date as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Insolvent**” means that a person:

- (a) is unable or admits inability to pay its debts as they fall due;
- (b) suspends making payments on any of its debts generally; or
- (c) is otherwise considered insolvent or bankrupt within the meaning of the relevant bankruptcy legislation of the jurisdiction which can be regarded as its centre of main interest as such term is understood pursuant to Regulation (EU) 2015/848 on insolvency proceedings (as amended from time to time).

“**Interest Income**” means the aggregate amount of the Group’s interest income as presented in the Financial Reports in accordance with the Accounting Standard.

“**Interest Payment Date**” means the last day of each Interest Period, the first Interest Payment Date being 7 May 2026 and the last Interest Payment Date being the Maturity Date.

“**Interest Period**” means, subject to adjustment in accordance with the Business Day Convention, the periods between 7 May and 7 November each year, provided however that an Interest Period shall not extend beyond the Maturity Date.

“**Interest Rate**” means 7.75 percentage points per annum.

“**Interim Accounts**” means the unaudited consolidated quarterly financial statements of the Issuer for the quarterly period ending on 31 March, 30 June and 30 September in each year in the English language, prepared in accordance with the Accounting Standard, such financial statements to include a profit and loss account, balance sheet, cash flow statement and management commentary or report of the board of directors.

“**ISIN**” means International Securities Identification Number.

“**Issue Date**” means 7 November 2025.

“**Issuer**” means the company designated as such in the preamble to these Bond Terms.

“**Issuer’s Bonds**” means any Bonds which are owned by the Issuer or any Affiliate of the Issuer.

“**Listing Deadline**” means 7 November 2026, being 12 months after the Issue Date.

“**Listing Failure Event**” means:

- (a) that the Bonds (save for any Temporary Bonds) have not been admitted to listing on an Exchange within the Listing Deadline;
- (b) in the case of a successful admission to listing, that a period of 6 months has elapsed since the Bonds ceased to be admitted to listing on an Exchange; or
- (c) that the Temporary Bonds have not been admitted to listing on the Exchange where the other Bonds are listed within the later of (i) 6 months following the issue date for such Temporary Bonds (ii) and the Listing Deadline.

“**Make Whole Amount**” means an amount equal to the sum of the present value on the Call Option Repayment Date of:

- (a) the Nominal Amount of the redeemed Bonds at the First Call Price as if such payment originally had taken place on the First Call Date; and
- (b) the remaining interest payments of the redeemed Bonds (less any accrued and unpaid interest on the redeemed Bonds as at the Repayment Date) up to the First Call Date,

where the “present value” shall be calculated by using the Discount Rate.

“**Managers**” means Arctic Securities AS, Fearnley Securities AS, Skandinaviska Enskilda Banken AB (publ), Crédit Agricole Corporate and Investment Bank and S. Goldman Advisors LLC.

“**Material Adverse Effect**” means a material adverse effect on:

- (a) the ability of the Issuer to perform and comply with its obligations under any Finance Document; or
- (b) the validity or enforceability of any Finance Document.

“**Maturity Date**” means 7 November 2030, adjusted according to the Business Day Convention.

“**Maximum Issue Amount**” means the maximum amount that may be issued under these Bond Terms as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Net Interest Expense**” means the aggregate amount of the Group's interest expense and finance cost, net, less amortization and write-off of deferred finance costs and discount, less Interest Income as presented in the Financial Reports in accordance with the Accounting Standard.

“**Net Proceeds**” means the proceeds from the issuance of the Bonds (net of fees and legal cost of the Managers and, if required by the Bond Trustee, the Bond Trustee fee, and any other cost and expenses incurred in connection with the issuance of the Bonds).

“**Nominal Amount**” means the nominal value of each Bond at any time. The Nominal Amount may be amended pursuant to paragraph (k) of Clause 16.2 (*The duties and authority of the Bond Trustee*).

“**Outstanding Bonds**” means any Bonds not redeemed or otherwise discharged.

“**Overdue Amount**” means any amount required to be paid by the Issuer under the Finance Documents but not made available to the Bondholders on the relevant Payment Date or otherwise not paid on its applicable due date.

“**Partial Payment**” means a payment that is insufficient to discharge all amounts then due and payable under the Finance Documents.

“**Paying Agent**” means the legal entity appointed by the Issuer to act as its paying agent with respect to the Bonds in the CSD.

“**Payment Date**” means any Interest Payment Date or any Repayment Date.

“**Pension Items**” means any income or charge attributable to a post-employment benefit scheme other than the current service costs attributable to the scheme.

“**Permitted Financial Indebtedness**” means Financial Indebtedness:

- a) incurred under the Bonds or arising under any other Finance Documents;
- b) existing at the Issue Date;
- c) arising under any existing or future unsecured bonds, notes or similar instruments or loans issued by the Issuer with no amortization or maturity date before 3 months after the Maturity Date;
- d) arising under any Subordinated Loans, which are unsecured;
- e) of any person or entity acquired by a member of the Group after the Issue Date which is incurred under arrangements in existence at the date of acquisition, but not incurred or increased or having its maturity date extended in contemplation of, or since, that acquisition;
- f) any other existing and future secured Financial Indebtedness incurred by the Issuer or any Group Company in the ordinary course of business secured over shipping assets or other non-current assets of any Group Company;
- g) existing and future lease or hire purchase contract which would, in accordance with the Accounting Standard, be treated as a finance or capital lease, or operating lease;
- h) existing and future bid-, payment- and performance bonds, guarantees and letters of credit incurred by (including under any counter-indemnity obligations in respect thereof) any Group Company in the ordinary course of business;

- i) incurred by any Group Company under any interest rate and currency hedging agreements relating to any Permitted Financial Indebtedness or any other derivative transaction entered into (for non-speculative purposes) in connection with protection against or benefit from fluctuation in any rate or price;
- j) arising under any unsecured intra-group loans between any Group Companies, whether or not such intra-group loans are subordinated to the obligations of any other Permitted Financial Indebtedness;
- k) arising in the ordinary course of banking arrangements for the purposes of netting debt and credit balances (cash pool or otherwise) between Group Companies;
- l) arising under supplier or seller credits on normal commercial terms in the ordinary course of business;
- m) any refinancing, amendment or replacement of any of the above from time to time; and
- n) arising under any Financial Indebtedness not permitted by the preceding paragraphs and incurred by the Group in an aggregate outstanding principal amount which does not at any time exceed USD 30,000,000 (or its equivalent in other currencies).

“Permitted Guarantee” means:

- a) any guarantee made or granted under the Finance Documents;
- b) any guarantee in respect of a liability incurred by another Group Company in the ordinary course of business;
- c) any guarantee of, or constituted by, Permitted Financial Indebtedness;
- d) any guarantee made in substitution for an extension of credit which is a Permitted Loan to the extent that the issuer of the relevant guarantee would have been entitled to make a loan in an equivalent amount pursuant to the definition of Permitted Loan to the person whose obligations are being guaranteed;
- e) any guarantee given or arising under legislation relating to tax or corporate law under which any member of the Group assumes general liability for the obligations of another member of the Group incorporated or tax resident in the same country;
- f) guarantees granted by persons or undertakings acquired by a member of the Group and existing at the time of completion of such acquisition provided that (i) the guarantee was not created in contemplation of the acquisition of the relevant person or undertaking and (ii) the amount guaranteed under the relevant guarantee has not increased in contemplation of or since the completion of the acquisition of the relevant person or undertaking;
- g) any guarantee granted in respect of netting or set-off arrangements permitted pursuant to paragraph c) of the definition of Permitted Security;

- h) any customary representations and warranties granted in connection with a disposal not prohibited hereunder and any indemnity granted in the ordinary course of the documentation of an acquisition or disposal transaction not prohibited hereunder;
- i) any guarantee for unsecured Financial Indebtedness provided that similar guarantee is granted in favor of the Bond Trustee (in respect of the Bonds);
- j) any guarantee granted to or for the benefit of any customer or supplier of the Group; and
- k) any guarantee not falling within any of the preceding sub-paragraphs, if the aggregate outstanding principal amount of which across the Group does not at any time exceed USD 30,000,000 (or its equivalent in other currencies).

“Permitted Loans” means:

- a) any loan or credit granted by any Group Company under the Finance Documents;
- b) normal trade credits and prepayment of suppliers made or granted by any Group Company in the ordinary course of business;
- c) any loan in respect of deferred consideration for, or any vendor loan in connection with, any disposal not prohibited hereunder;
- d) any loan existing at the time of (but not incurred in contemplation of) the acquisition of any company acquired by a member of the Group after the Issue Date and made by that company or its Subsidiaries provided that the amount of that loan is not increased after completion of the acquisition;
- e) loans granted to another Group Company or granted to support a company in which a Group Company is a direct or indirect shareholder; and
- f) not falling within any of the preceding sub-paragraphs, the aggregate outstanding principal amount of which across the Group does not at any time exceed USD 30,000,000 (or its equivalent in other currencies).

“Permitted Security” means:

- a) Security granted in respect of Permitted Financial Indebtedness except in respect of paragraphs a), c), d), j) and m) of the definition thereof;
- b) any lien arising by operation of law or in the ordinary course of business;
- c) any netting or set-off arrangement entered into by any Group Company in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances of any Group Companies (if applicable);
- d) any Security over or affecting any asset acquired by a member of the Group after the Issue Date if the Security was not created in contemplation of the acquisition of that asset by a member of the Group and the principal amount secured has not been increased in contemplation of or since the acquisition of that asset by a member of the Group;

- e) any Security over rental deposits arising in the ordinary course of business in respect of any property leased or licensed by any member of the Group;
- f) any Security arising under any retention of title, hire purchase or conditional sale arrangement or arrangements having similar effect in respect of goods supplied to any Group Company in the ordinary course of trading and on the supplier's standard or usual terms and not arising as a result of any default or omission by any such Group Company; and
- g) any Security not falling within any of the preceding sub-paragraphs, if the Security is granted over assets having an aggregate value, or which secure Financial Indebtedness in an aggregate amount of, up to USD 30,000,000 (or its equivalent in other currencies).

“**Put Option**” has the meaning ascribed to such term in Clause 10.3 (*Mandatory repurchase due to a Put Option Event*).

“**Put Option Event**” means a Change of Control Event or a Share De-Listing Event.

“**Put Option Repayment Date**” means the settlement date for the Put Option pursuant to Clause 10.3 (*Mandatory repurchase due to a Put Option Event*).

“**Quarter Date**” means, in each financial year, 31 March, 30 June, 30 September and 31 December.

“**Relevant Jurisdiction**” means the country in which the Bonds are issued, being Norway.

“**Relevant Period**” means each period of 12 consecutive calendar months ending on a Quarter Date.

“**Relevant Record Date**” means the date on which a Bondholder’s ownership of Bonds shall be recorded in the CSD as follows:

- (a) in relation to payments pursuant to these Bond Terms, the date designated as the Relevant Record Date in accordance with the rules of the CSD from time to time; or
- (b) for the purpose of casting a vote with regard to Clause 15 (*Bondholders’ Decisions*), the date falling on the immediate preceding Business Day to the date of that Bondholders’ decision being made, or another date as accepted by the Bond Trustee.

“**Repayment Date**” means any date for payment of instalments in accordance with Clause 10.1 (Redemption of Bonds), any Call Option Repayment Date, the Default Repayment Date, any Put Option Repayment Date, the Tax Event Repayment Date or the Maturity Date.

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

“**Share De-Listing Event**” means an event where the common units in the Issuer are de-listed from the New York Stock Exchange and are not immediately thereafter listed on another Exchange.

“**Subordinated Loan**” means debt financing provided to the Issuer that is subordinated in right of payment to the Bonds with no interest payments, repayments or amortisations except for (i) interest payments that can be made as long as no Event of Default has occurred and is continuing and (ii) amortisations and other repayments provided that such payments would constitute a permitted Distribution under these Bond Terms.

“**Subsidiary**” means a person over which another person has Decisive Influence.

“**Summons**” means the call for a Bondholders’ Meeting or a Written Resolution as the case may be.

“**Tap Issue**” has the meaning ascribed to such term in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Tap Issue Addendum**” has the meaning ascribed to such term in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Tax Event Repayment Date**” means the date set out in a notice from the Issuer to the Bondholders pursuant to Clause 10.4 (*Early redemption option due to a tax event*).

“**Temporary Bonds**” has the meaning ascribed to such term in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Total Assets**” means the aggregate book value (on a consolidated basis) of the Group's total assets as presented in the Financial Reports in accordance with the Accounting Standard.

“**Total Liabilities**” means the aggregate amount (on a consolidated basis) of the Group's total liabilities as presented in the Financial Reports in accordance with the Accounting Standard.

“**Voting Bonds**” means the Outstanding Bonds less the Issuer’s Bonds.

“**Written Resolution**” means a written (or electronic) solution for a decision making among the Bondholders, as set out in Clause 15.5 (*Written Resolutions*).

1.2 Construction

In these Bond Terms, unless the context otherwise requires:

- (a) headings are for ease of reference only;
- (b) words denoting the singular number will include the plural and vice versa;
- (c) references to Clauses are references to the Clauses of these Bond Terms;
- (d) references to a time are references to Central European Time unless otherwise stated;
- (e) references to a provision of “**law**” are a reference to that provision as amended or re-enacted, and to any regulations made by the appropriate authority pursuant to such law;
- (f) references to a “**regulation**” includes any regulation, rule, official directive, request or guideline by any official body;

- (g) references to a “**person**” means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, unincorporated organisation, government, or any agency or political subdivision thereof or any other entity, whether or not having a separate legal personality;
- (h) references to Bonds being “**redeemed**” means that such Bonds are cancelled and discharged in the CSD in a corresponding amount, and that any amounts so redeemed may not be subsequently re-issued under these Bond Terms;
- (i) references to Bonds being “**purchased**” or “**repurchased**” by the Issuer means that such Bonds may be dealt with by the Issuer as set out in Clause 11.1 (*Issuer’s purchase of Bonds*);
- (j) references to an “**instruction**” from the Bondholders includes any instruction or demand in writing or a resolution in accordance with Clause 15 (*Bondholders’ decision*);
- (k) references to persons “**acting in concert**” shall be interpreted as set forth in Clause 1.1 paragraph (e) to the definition of “Change of Control Event”; and
- (l) an Event of Default is “**continuing**” if it has not been remedied or waived.

2. THE BONDS

2.1 Amount, denomination and ISIN of the Bonds

- (a) The Issuer has resolved to issue a series of Bonds up to USD 500,000,000 (the “**Maximum Issue Amount**”). The Bonds may be issued on different issue dates and the Initial Bond Issue will be in the amount of USD 300,000,000. The Issuer may, provided that the conditions set out in Clause 6.3 (*Tap Issues*) are met, at one or more occasions issue Additional Bonds (each a “**Tap Issue**”) until the Nominal Amount of all Additional Bonds equals in aggregate the Maximum Issue Amount less the Initial Bond Issue. Each Tap Issue will be subject to identical terms as the Bonds issued pursuant to the Initial Bond Issue in all respects as set out in these Bond Terms, except that Additional Bonds may be issued at a different price than for the Initial Bond Issue and which may be below or above the Nominal Amount. The Bond Trustee shall prepare an addendum to these Bond Terms evidencing the terms of each Tap Issue (a “**Tap Issue Addendum**”).
- (b) If the Bonds are, or are contemplated to be, listed on an Exchange and there is a requirement for a new prospectus in order for the Additional Bonds to be listed together with the Bonds, the Additional Bonds may be issued under a separate ISIN (such Bonds referred to as the “**Temporary Bonds**”). Upon the approval of the prospectus by the relevant Exchange, the Issuer shall (i) notify the Bond Trustee, the relevant Exchange and the Paying Agent and (ii) ensure that the Temporary Bonds are converted into the ISIN for the existing Bonds.
- (c) The Bonds are denominated in US Dollars (USD), being the legal currency of the United States of America.
- (d) The Initial Nominal Amount of each Bond is USD 200,000.

- (e) The ISIN of the Bonds is set out on the front page. These Bond Terms apply with identical terms and conditions to (i) all Bonds issued under this ISIN, (ii) any Temporary Bonds and (iii) any Overdue Amounts issued under one or more separate ISIN in accordance with the regulations of the CSD from time to time.
- (f) Holders of Overdue Amounts related to interest claims will not have any other rights under these Bond Terms than their claim for payment of such interest claim which claim shall be subject to paragraph (b) of Clause 15.1 (Authority of the Bondholders' Meeting).

2.2 Tenor of the Bonds

The tenor of the Bonds is from and including the Issue Date to but excluding the Maturity Date.

2.3 Use of proceeds

(a) The Issuer will use the Net Proceeds from the Initial Bond Issue:

- a)
- b)
- c)
- d)
- e)
- f)
- g)
- h)
- i) to refinance existing debt; and
- j)
- k)
- l)
- m)
- n)
- o)
- p)
- q)
- r)

s)

t)

u)

v)

w)

x)

y)

z)

aa)

bb)

cc)

dd)

ee)

ff)

gg)

hh)

ii) for general corporate purposes of the Group.

(b) If not otherwise stated, the Issuer will use the Net Proceeds from any Tap Issues for general corporate purposes of the Group.

2.4 Status of the Bonds

The Bonds shall constitute senior debt obligations of the Issuer. The Bonds will rank *pari passu* between themselves and *pari passu* with all other senior unsecured obligations of the Issuer (save for such claims which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application). The Bonds shall rank ahead of capital which pursuant to its terms are subordinated.

2.5 Transaction Security

The Bonds are unsecured.

3. THE BONDHOLDERS

3.1 Bond Terms binding on all Bondholders

- (a) By virtue of being registered as a Bondholder (directly or indirectly) with the CSD, the Bondholders are bound by these Bond Terms and any other Finance Document, without any further action required to be taken or formalities to be complied with by the Bond Trustee, the Bondholders, the Issuer or any other party.
- (b) The Bond Trustee is always acting with binding effect on behalf of all the Bondholders.

3.2 Limitation of rights of action

- (a) No Bondholder is entitled to take any enforcement action, instigate any insolvency procedures or take other legal action against the Issuer or any other party in relation to any of the liabilities of the Issuer or any other party under or in connection with the Finance Documents, other than through the Bond Trustee and in accordance with these Bond Terms, provided, however, that the Bondholders shall not be restricted from exercising any of their individual rights derived from these Bond Terms, including the right to exercise the Put Option.
- (b) Each Bondholder shall immediately upon request by the Bond Trustee provide the Bond Trustee with any such documents, including a written power of attorney (in form and substance satisfactory to the Bond Trustee), as the Bond Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Bond Trustee is under no obligation to represent a Bondholder which does not comply with such request.

3.3 Bondholders' rights

- (a) If a beneficial owner of a Bond not being registered as a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain proof of ownership of the Bonds, acceptable to the Bond Trustee.
- (b) A Bondholder (whether registered as such or proven to the Bond Trustee's satisfaction to be the beneficial owner of the Bond as set out in paragraph (a) above) may issue one or more powers of attorney to third parties to represent it in relation to some or all of the Bonds held or beneficially owned by such Bondholder. The Bond Trustee shall only have to examine the face of a power of attorney or similar evidence of authorisation that has been provided to it pursuant to this Clause 3.3 and may assume that it is in full force and effect, unless otherwise is apparent from its face or the Bond Trustee has actual knowledge to the contrary.

4. ADMISSION TO LISTING

- a) The Issuer shall use its reasonable endeavours to ensure that the Bonds are listed on the Euronext Oslo Stock Exchange (Euronext Oslo Børs) within the Listing Deadline and thereafter remain listed on an Exchange until the Bonds have been redeemed in full.
- b) The Issuer shall use its reasonable endeavours to ensure that any Temporary Bonds are listed on an Exchange where the other Bonds are listed within the later of 6 months of the issue date for such Temporary Bonds and the Listing Deadline.

5. REGISTRATION OF THE BONDS

5.1 Registration in the CSD

The Bonds shall be registered in dematerialised form in the CSD (as the primary recording of the Bonds) according to the relevant securities registration legislation and the requirements of the CSD.

5.2 Obligation to ensure correct registration

The Issuer will at all times ensure that the registration of the Bonds in the CSD is correct and shall immediately upon any amendment or variation of these Bond Terms give notice to the CSD of any such amendment or variation.

5.3 Country of issuance

The Bonds have not been issued under any other country's legislation than that of the Relevant Jurisdiction. Save for the registration of the Bonds in the CSD, the Issuer is under no obligation to register, or cause the registration of, the Bonds in any other registry or under any other legislation than that of the Relevant Jurisdiction.

6. CONDITIONS FOR DISBURSEMENT

6.1 Conditions precedent for disbursement to the Issuer

(a) Payment of the Net Proceeds to the Issuer shall be conditional on the Bond Trustee having received in due time (as determined by the Bond Trustee) prior to the Issue Date each of the following documents, in form and substance satisfactory to the Bond Trustee:

- a)
- b)
- c)
- d)
- e)
- f)
- g)
- h)
- i) these Bond Terms duly executed by all parties hereto;
- j)
- k)
- l)
- m)

- n)
- o)
- p)
- q)
- r)
- s)
- t)
- u)
- v)
- w)
- x)
- y)
- z)
- aa)
- bb)
- cc)
- dd)
- ee)
- ff)
- gg)
- hh)
- ii) copies of all necessary corporate resolutions of the Issuer to issue the Bonds and execute the Finance Documents to which it is a party;
- jj)
- kk)
- ll)

mm)

nn)

oo)

pp)

qq)

rr)

ss)

tt)

uu)

vv)

ww)

xx)

yy)

zz)

aaa)

bbb)

ccc)

ddd)

eee)

fff)

ggg)

hhh)

- iii) a copy of a power of attorney (unless included in the corporate resolutions) from the Issuer to relevant individuals for their execution of the Finance Documents to which it is a party;
- iv) copies of the Issuer's certificate of limited partnership, limited partnership agreement and of a full extract from the relevant company register in respect of the Issuer evidencing that the Issuer is validly existing;

- v) copies of the Issuer's latest Financial Reports (if any);
- vi) confirmation that the applicable prospectus requirements (cf. the EU prospectus regulation ((EU) 2017/1129)) concerning the issuance of the Bonds have been fulfilled;
- vii) copies of any necessary governmental approval, consent or waiver (as the case may be) required at such time to issue the Bonds;
- viii) confirmation that the Bonds are registered in the CSD (by obtaining an ISIN for the Bonds);
- ix) confirmation of acceptance from any process agent;
- x) copies of any written documentation used in marketing the Bonds or made public by the Issuer or any Manager in connection with the issuance of the Bonds;
- xi) the Bond Trustee Fee Agreement duly executed by all parties thereto; and
- xii) legal opinions or other statements as may be required by the Bond Trustee (including in respect of corporate matters relating to the Issuer and the legality, validity and enforceability of these Bond Terms and the Finance Documents).

6.2 Issuance of the Bonds and disbursement of the Net Proceeds

Issuance of the Bonds to the Bondholders and disbursement of the Net Proceeds are conditional on the Bond Trustee's confirmation to the Paying Agent and the Managers that the conditions in Clause 6.1 (*Conditions precedent for disbursement to the Issuer*) have been either satisfied in the Bond Trustee's discretion or waived by the Bond Trustee pursuant to paragraph (c) of Clause 6.1 (*Conditions precedent for disbursement to the Issuer*).

6.3 Tap Issues

- (a) Settlement of any Tap Issue and disbursement of the Net Proceeds from such Tap Issue to the Issuer, will be subject to the delivery of certain conditions precedent, to the satisfaction of the Bond Trustee, as customary for such Tap Issues, including:
 - a) a duly executed Tap Issue Addendum to the Bond Terms;
 - b) the representations and warranties contained in Clause 7 (*Representations and Warranties*) of these Bond Terms remain true and correct and are repeated by the Issuer;
 - c) copies of corporate resolutions required for the Tap Issue and any power of attorney or other authorisation required for execution of the Tap Issue Addendum and any other Finance Documents; and
 - d) legal opinions or other statements as may be required by the Bond Trustee (including in respect of corporate matters relating to the Issuer and the legality, validity and enforceability of the Tap Issue Addendum and any other Finance Documents (if applicable)).

(b) The Bond Trustee may (at its sole discretion and in each case) waive or postpone the delivery of certain conditions precedent.

7. REPRESENTATIONS AND WARRANTIES

The Issuer makes the representations and warranties set out in this Clause 7, in respect of itself to the Bond Trustee (on behalf of the Bondholders) at the following times and with reference to the facts and circumstances then existing:

- (a) on the date of these Bond Terms;
- (b) on the Issue Date; and
- (c) on the date of issuance of any Additional Bonds.

7.1 Status

It is a limited partnership, duly formed and validly existing and registered under the laws of its jurisdiction of formation, and has the power to own its assets and carry on its business as it is being conducted.

7.2 Power and authority

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, these Bond Terms and any other Finance Document to which it is a party and the transactions contemplated by those Finance Documents.

7.3 Valid, binding and enforceable obligations

These Bond Terms and each other Finance Document to which it is a party constitutes (or will constitute, when executed by the respective parties thereto) its legal, valid and binding obligations, enforceable in accordance with their respective terms, and (save as provided for therein) no further registration, filing, payment of tax or fees or other formalities are necessary or desirable to render the said documents enforceable against it.

7.4 Non-conflict with other obligations

The entry into and performance by it of these Bond Terms and any other Finance Document to which it is a party and the transactions contemplated thereby do not and will not conflict with:

- (i) any law or regulation or judicial or official order;
- (ii) its constitutional documents; or
- (iii) any agreement or instrument which is binding upon it or any of its assets.

7.5 No Event of Default

- (a) No Event of Default exists or is likely to result from the making of any disbursement of proceeds or the entry into, the performance of, or any transaction contemplated by, any Finance Document.
- (b) No other event or circumstance has occurred which constitutes (or with the expiry of any grace period, the giving of notice, the making of any determination or any combination

of any of the foregoing, would constitute) a default or termination event (howsoever described) under any other agreement or instrument which is binding on it or any of its Subsidiaries or to which its (or any of its Subsidiaries') assets are subject which has or is likely to have a Material Adverse Effect.

7.6 Authorisations and consents

All authorisations, consents, approvals, resolutions, licences, exemptions, filings, notarisations or registrations required:

- (a) to enable it to enter into, exercise its rights and comply with its obligations under these Bond Terms or any other Finance Document to which it is a party; and
- (b) to carry on its business as presently conducted and as contemplated by these Bond Terms,

have been obtained or effected and are in full force and effect.

7.7 Litigation

No litigation, arbitration or administrative proceedings or investigations of or before any court, arbitral body or agency which, if adversely determined, is likely to have a Material Adverse Effect and have (to the best of its knowledge and belief) been started or threatened against it or any of its Subsidiaries.

7.8 Financial Reports

Its most recent Financial Reports fairly and accurately represent the assets and liabilities and financial condition as at their respective dates, and have been prepared in accordance with the Accounting Standard, consistently applied.

7.9 No Material Adverse Effect

Since the date of the most recent Financial Reports, there has been no change in its business, assets or financial condition that is likely to have a Material Adverse Effect.

7.10 No misleading information

Any factual information provided by it to the Bondholders or the Bond Trustee for the purposes of the issuance of the Bonds 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.

7.11 No withholdings

The Issuer is not required to make any deduction or withholding from any payment which it may become obliged to make to the Bond Trustee or the Bondholders under the Finance Documents.

7.12 Pari passu ranking

Its payment obligations under these Bond Terms or any other Finance Document to which it is a party ranks as set out in Clause 2.4 (*Status of the Bonds*).

7.13 Security

No Security exists over any of the present assets of any Group Company in conflict with these Bond Terms.

8. PAYMENTS IN RESPECT OF THE BONDS

8.1 Covenant to pay

- (a) The Issuer will unconditionally make available to or to the order of the Bond Trustee and/or the Paying Agent all amounts due on each Payment Date pursuant to the terms of these Bond Terms at such times and to such accounts as specified by the Bond Trustee and/or the Paying Agent in advance of each Payment Date or when other payments are due and payable pursuant to these Bond Terms.
- (b) All payments to the Bondholders in relation to the Bonds shall be made to each Bondholder registered as such in the CSD on the Relevant Record Date, by, if no specific order is made by the Bond Trustee, crediting the relevant amount to the bank account nominated by such Bondholder in connection with its securities account in the CSD.
- (c) Payment constituting good discharge of the Issuer's payment obligations to the Bondholders under these Bond Terms will be deemed to have been made to each Bondholder once the amount has been credited to the bank holding the bank account nominated by the Bondholder in connection with its securities account in the CSD. If the paying bank and the receiving bank are the same, payment shall be deemed to have been made once the amount has been credited to the bank account nominated by the Bondholder in question.
- (d) If a Payment Date or a date for other payments to the Bondholders pursuant to the Finance Documents falls on a day on which either of the relevant CSD settlement system or the relevant currency settlement system for the Bonds are not open, the payment shall be made on the first following possible day on which both of the said systems are open, unless any provision to the contrary has been set out for such payment in the relevant Finance Document.

8.2 Default interest

- (a) Default interest will accrue on any Overdue Amount from and including the Payment Date on which it was first due to and excluding the date on which the payment is made at the Interest Rate plus 3 percentage points per annum.
- (b) Default interest accrued on any Overdue Amount pursuant to this Clause 8.2 will be added to the Overdue Amount on each Interest Payment Date until the Overdue Amount and default interest accrued thereon have been repaid in full.
- (c) Upon the occurrence of a Listing Failure Event and for as long as such Listing Failure Event is continuing, the interest on any principal amount outstanding under these Bond Terms will accrue at the Interest Rate plus 1 percentage point per annum. In the event the Listing Failure Event relates to Temporary Bonds, the Interest Rate will only be increased in respect of such Temporary Bonds.

8.3 Partial Payments

- (a) If the Paying Agent or the Bond Trustee receives a Partial Payment, such Partial Payment shall, in respect of the Issuer's debt under the Finance Documents be considered made for discharge of the debt of the Issuer in the following order of priority:

- a) firstly, towards any outstanding fees, liabilities and expenses of the Bond Trustee;
 - b) secondly, towards accrued interest due but unpaid; and
 - c) thirdly, towards any other outstanding amounts due but unpaid under the Finance Documents.
- (b) Notwithstanding paragraph (a) above, any Partial Payment which is distributed to the Bondholders, shall, after the above mentioned deduction of outstanding fees, liabilities and expenses, be applied (i) firstly towards any principal amount due but unpaid and (ii) secondly, towards accrued interest due but unpaid, in the following situations;
- a) if the Bond Trustee has served a Default Notice in accordance with Clause 14.2 (*Acceleration of the Bonds*); or
 - b) if a resolution according to Clause 15 (*Bondholders' Decisions*) has been made.

8.4 Taxation

- (a) The Issuer is responsible for withholding any withholding tax imposed by applicable law on any payments to be made by it in relation to the Finance Documents.
- (b) The Issuer shall, if any tax is withheld in respect of the Bonds under the Finance Documents:
 - a) gross up the amount of the payment due from it up to such amount which is necessary to ensure that the Bondholders or the Bond Trustee, as the case may be, receive a net amount which is (after making the required withholding) equal to the payment which would have been received if no withholding had been required; and
 - b) at the request of the Bond Trustee, deliver to the Bond Trustee evidence that the required tax deduction or withholding has been made.
- (c) Any public fees levied on the trade of Bonds in the secondary market shall be paid by the Bondholders, unless otherwise provided by law or regulation, and the Issuer shall not be responsible for reimbursing any such fees.
- (d) The Bond Trustee shall not have any responsibility to obtain information about the Bondholders relevant for the tax obligations pursuant to these Bond Terms.

8.5 Currency

- (a) All amounts payable under the Finance Documents shall be payable in the Bond Currency. If, however, the Bond Currency differs from the currency of the bank account connected to the Bondholder's account in the CSD, any cash settlement may be exchanged and credited to this bank account.
- (b) Any specific payment instructions, including foreign exchange bank account details, to be connected to the Bondholder's account in the CSD must be provided by the relevant Bondholder to the Paying Agent (either directly or through its account manager in the

CSD) within 5 Business Days prior to a Payment Date. Depending on any currency exchange settlement agreements between each Bondholder's bank and the Paying Agent, and opening hours of the receiving bank, cash settlement may be delayed, and payment shall be deemed to have been made once the cash settlement has taken place, provided, however, that no default interest or other penalty shall accrue for the account of the Issuer for such delay.

8.6 Set-off and counterclaims

The Issuer may not apply or perform any counterclaims or set-off against any payment obligations pursuant to these Bond Terms or any other Finance Document.

9. INTEREST

9.1 Calculation of interest

- (a) Each Outstanding Bond will accrue interest at the Interest Rate on the Nominal Amount for each Interest Period, commencing on and including the first date of the Interest Period, and ending on but excluding the last date of the Interest Period.
- (b) Any Additional Bond will accrue interest at the Interest Rate on the Nominal Amount commencing on the first date of the Interest Period in which the Additional Bonds are issued and thereafter in accordance with paragraph (a) above.
- (c) Interest shall be calculated on the basis of a 360-day year comprised of twelve months of 30 days each (30/360-days basis), unless:
 - a) the last day in the relevant Interest Period is the 31st calendar day but the first day of that Interest Period is a day other than the 30th or the 31st day of a month, in which case the month that includes that last day shall not be shortened to a 30-day month; or
 - b) the last day of the relevant Interest Period is the last calendar day in February, in which case February shall not be lengthened to a 30-day month.

9.2 Payment of interest

Interest shall fall due on each Interest Payment Date for the corresponding preceding Interest Period and, with respect to accrued interest on the principal amount then due and payable, on each Repayment Date.

10. REDEMPTION AND REPURCHASE OF BONDS

10.1 Redemption of Bonds

The Outstanding Bonds will mature in full on the Maturity Date and shall be redeemed by the Issuer on the Maturity Date at a price equal to 100 per cent. of the Nominal Amount.

10.2 Voluntary early redemption - Call Option

- (a) The Issuer may redeem the Outstanding Bonds (in whole or in part) (the "**Call Option**") on any Business Day from and including:

- a) the Issue Date to, but excluding, the First Call Date at a price equal to the Make Whole Amount;
- b) the First Call Date to, but excluding, the Interest Payment Date falling in November 2028 (36 months after the Issue Date) at a price equal to 103.875 per cent. of the Nominal Amount of each of the redeemed Bonds (the “**First Call Price**”);
- c) the Interest Payment Date falling in November 2028 (36 months after the Issue Date) to, but excluding, the Interest Payment Date falling in May 2029 (42 months after the Issue Date) at a price equal to 103.10 per cent. of the Nominal Amount of each of the redeemed Bonds; and
- d) the Interest Payment Date falling in May 2029 (42 months after the Issue Date) to, but excluding, the Interest Payment Date falling in November 2029 (48 months after the Issue Date) at a price equal to 102.325 per cent. of the Nominal Amount of each of the redeemed Bonds;
- e) the Interest Payment Date falling in November 2029 (48 months after the Issue Date) to, but excluding, the Interest Payment Date falling in May 2030 (54 months after the Issue Date) at a price equal to 101.1625 per cent. of the Nominal Amount of each of the redeemed Bonds; and
- f) the Interest Payment Date falling in May 2030 (54 months after the Issue Date) to, but excluding, the Maturity Date at a price equal to at a price equal to 100 per cent. of the Nominal Amount of the redeemed Bonds,

in each case, including any accrued but unpaid interest on the redeemed Bonds.

- (b) Any redemption of Bonds pursuant to paragraph (a) above shall be determined based upon the redemption prices applicable on the Call Option Repayment Date and not on the date the Call Option was exercised (issuance of the Call Notice, as defined below).
- (c) The Call Option may be exercised by the Issuer by written notice (the “**Call Notice**”) to the Bond Trustee at least 10 Business Days prior to the proposed Call Option Repayment Date. Such Call Notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date, but may, at the Issuer’s discretion, be subject to the satisfaction of one or more conditions precedent, to be satisfied or waived by the Issuer no later than 3 Business Days prior to the Call Option Repayment Date. If such conditions precedent have not been satisfied or waived by that date, the Call Notice shall be null and void.
- (d) The Call Option Repayment Date may, at the Issuer's discretion, be postponed maximum 3 times by written notice to the Bond Trustee at least 3 Business Days before the then applicable Call Option Repayment Date, provided that the Call Option Repayment Date will not be delayed with more than a total of 10 Business Days from the original Call Option Repayment Date.
- (e) Any Call Option exercised in part will be used for pro rata payment to the Bondholders in accordance with the applicable regulations of the CSD.

10.3 Mandatory repurchase due to a Put Option Event

- (a) Upon the occurrence of a Put Option Event, each Bondholder will have the right (the “**Put Option**”) to require that the Issuer purchases all or some of the Bonds held by that Bondholder at a price of 101.00 per cent. of the Nominal Amount of the repurchased Bonds (plus accrued and unpaid interest on the repurchased Bonds).
- (b) The Put Option must be exercised within 15 Business Days after the Issuer has given notice to the Bond Trustee and the Bondholders via the CSD that a Put Option Event has occurred pursuant to Clause 12.3 (*Put Option Event*). Once notified, the Bondholders’ right to exercise the Put Option is irrevocable.
- (c) Each Bondholder may exercise its Put Option by written notice to its account manager for the CSD, who will notify the Paying Agent of the exercise of the Put Option. The Put Option Repayment Date will be the 5th Business Day after the end of 15 Business Days exercise period referred to in paragraph (b) above. However, the settlement of the Put Option will be based on each Bondholders holding of Bonds at the Put Option Repayment Date.
- (d) If Bonds representing more than 90 per cent. of the Outstanding Bonds have been repurchased pursuant to this Clause 10.3, the Issuer is entitled to repurchase all the remaining Outstanding Bonds at the price stated in paragraph (a) above by notifying the remaining Bondholders of its intention to do so no later than 10 Business Days after the Put Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date.

10.4 Early redemption option due to a tax event

If the Issuer is or will be required to gross up any withheld tax imposed by law from any payment in respect of the Bonds under the Finance Documents pursuant to Clause 8.4 (*Taxation*) as a result of a change in applicable law implemented after the date of these Bond Terms, the Issuer will have the right to redeem all, but not only some, of the Outstanding Bonds at a price equal to 100 per cent. of the Nominal Amount. The Issuer shall give written notice of such redemption to the Bond Trustee and the Bondholders at least 20 Business Days prior to the Tax Event Repayment Date, provided that no such notice shall be given earlier than 40 Business Days prior to the earliest date on which the Issuer would be obliged to withhold such tax were a payment in respect of the Bonds then due.

11. PURCHASE AND TRANSFER OF BONDS

11.1 Issuer’s purchase of Bonds

The Issuer may purchase and hold Bonds and such Bonds may be retained or sold or cancelled, in the Issuer’s sole discretion, including with respect to Bonds purchased pursuant to Clause 10.3 (*Mandatory repurchase due to a Put Option Event*).

11.2 Restrictions

- (a) Certain purchase or selling restrictions may apply to Bondholders under applicable local laws and regulations from time to time. Neither the Issuer nor the Bond Trustee shall be responsible for ensuring compliance with such laws and regulations and each

Bondholder is responsible for ensuring compliance with the relevant laws and regulations at its own cost and expense.

- (b) A Bondholder who has purchased Bonds in breach of applicable restrictions may, notwithstanding such breach, benefit from the rights attached to the Bonds pursuant to these Bond Terms (including, but not limited to, voting rights), provided that the Issuer shall not incur any additional liability by complying with its obligations to such Bondholder.

12. INFORMATION UNDERTAKINGS

12.1 Financial Reports

- (a) The Issuer shall prepare Annual Financial Statements in the English language and make them available on its website (alternatively on another relevant information platform) as soon as they become available, and not later than four months after the end of the financial year.
- (b) The Issuer shall prepare Interim Accounts in the English language and make them available on its website (alternatively on another relevant information platform) as soon as they become available, and not later than two months after the end of the relevant interim period.
- (c) The Issuer shall procure that the Financial Reports are prepared using the Accounting Standard consistently applied.

12.2 Requirements for Compliance Certificates

The Issuer shall supply to the Bond Trustee, in connection with the publication of its Financial Reports pursuant to Clause 12.1 (*Financial Reports*) (but not including the periods ending prior to the Issue Date), a Compliance Certificate with a copy of the Financial Reports attached thereto. The Compliance Certificate shall be duly signed by an authorised signatory of the Issuer, certifying inter alia that the Financial Reports fairly represent its financial condition as at the date of the relevant Financial Report and setting out (in reasonable detail) computations evidencing compliance with Clause 13.20 (*Financial covenants*) as at such date.

12.3 Put Option Event

The Issuer shall promptly inform the Bond Trustee in writing after becoming aware that a Put Option Event has occurred.

12.4 Listing Failure Event

The Issuer shall promptly inform the Bond Trustee in writing if a Listing Failure Event has occurred. However, no Event of Default shall occur if the Issuer fails (i) to list the Bonds in accordance with Clause 4 (*Admission to Listing*) or (ii) to inform of such Listing Failure Event, and such failure shall result in the accrual of default interest in accordance with paragraph (c) of Clause 8.2 (*Default interest*) for as long as such Listing Failure Event is continuing.

12.5 Information: Miscellaneous

The Issuer shall:

- (a) promptly inform the Bond Trustee in writing of any Event of Default or any event or circumstance which the Issuer understands or could reasonably be expected to understand may lead to an Event of Default and the steps, if any, being taken to remedy it;
- (b) at the request of the Bond Trustee, report the balance of the Issuer's Bonds (to the best of its knowledge, having made due and appropriate enquiries);
- (c) send the Bond Trustee copies of any statutory notifications of the Issuer, including but not limited to in connection with mergers, de-mergers and reduction of the Issuer's share capital or equity;
- (d) if the Bonds are listed on an Exchange, send a copy to the Bond Trustee of its notices to the Exchange;
- (e) if the Issuer and/or the Bonds are rated, inform the Bond Trustee of its and/or the rating of the Bonds, and any changes to such rating;
- (f) inform the Bond Trustee of changes in the registration of the Bonds in the CSD; and
- (g) within a reasonable time, provide such information about the Issuer's and the Group's business, assets and financial condition as the Bond Trustee may reasonably request.

13. GENERAL AND FINANCIAL UNDERTAKINGS

The Issuer undertakes to (and shall, where applicable, procure that the other Group Companies will) comply with the undertakings set forth in this Clause 13.

13.1 Acquisitions

The Issuer shall not, and shall procure that no other Group Company will, acquire any company, shares, securities, business or undertaking (or any interest in any of them), unless the transaction is carried out on arm's length basis and provided that it does not have a Material Adverse Effect.

13.2 Arm's length transaction

Without limiting Clause 13.4 (*Compliance with laws*), the Issuer shall not, and the Issuer shall ensure that no other Group Company shall, enter into any transaction with any person except on arm's length terms.

13.3 Preservation of assets

The Issuer shall, and shall procure that each Group Company will, in all material respects maintain in good working order and condition (ordinary wear and tear excepted) all of its assets necessary in the conduct of its business.

13.4 Compliance with laws

The Issuer shall, and shall procure that each other Group Company will, comply in all material respects with all laws and regulations (including, without limitation, any applicable sanctions laws) to which it may be subject from time to time.

13.5 Continuation of business

The Issuer shall not cease to carry on its business. The Issuer shall procure that no material change is made to the general nature of the business from that carried on by the Group at the Issue Date.

13.6 Corporate status

The Issuer shall not change its type of organisation or jurisdiction of formation.

13.7 Mergers

The Issuer shall not, and shall ensure that no other Group Company shall, carry out any merger or other business combination or corporate reorganisation involving the consolidation of assets and obligations of the Issuer or any other Group Company with any other companies or entities, if such transaction would have a Material Adverse Effect.

13.8 De-mergers

The Issuer shall not, and shall ensure that no other Group Company shall, carry out any de-merger or other corporate reorganisation involving a split of any Group Company (other than the Issuer) into two or more separate companies or entities, if such transaction would have a Material Adverse Effect.

13.9 Financial Indebtedness

The Issuer shall not, and shall procure that no other Group Company will, incur any additional Financial Indebtedness or maintain or prolong any existing Financial Indebtedness, other than any Permitted Financial Indebtedness.

13.10 Negative pledge

The Issuer shall not, and shall procure that no other Group Company will, create or allow to subsist, retain, provide, prolong or renew any Security over any of its/their assets (whether present or future), other than any Permitted Security.

13.11 Loans or credit

The Issuer shall not, and shall procure that no other Group Company will, be a creditor in respect of any Financial Indebtedness, other than any Permitted Loan.

13.12 No guarantees or indemnities

The Issuer shall not, and shall procure that no other Group Company will, incur or allow to remain outstanding any guarantee in respect of any obligation of any person, other than any Permitted Guarantee.

13.13 Disposals

The Issuer shall not, and shall procure that no other Group Company shall, sell, transfer or otherwise dispose of all or substantially all of its assets (including shares or other securities in any person) or operations (other than to a Group Company), unless such sale, transfer or disposal:

- (a) is carried out on arm's length basis; and

(b) such transaction would not have a Material Adverse Effect.

13.14 Anti-corruption and sanctions

The Issuer shall, and shall procure that all other Group Companies will:

- (a) ensure that no proceeds from the issuance of the Bonds are used by any of them for any purpose which would breach any applicable acts, regulations or laws on bribery, corruption, money laundering or similar; and
- (b) conduct its business in all material respects in compliance with applicable anti-corruption and sanction laws.

13.15 Dividend restrictions

The Issuer shall be permitted to make Distributions, provided that the Cash and Cash Equivalents of the Group exceeds USD 1,000,000 per delivered vessel owned, bareboat chartered or chartered by the Group provided it would, in accordance with the Accounting Standard, be capitalised as an asset and booked as a corresponding liability in the balance sheet (calculated on a pro forma basis as if the relevant Distribution had been made at the time of calculation), provided that no Event of Default is continuing or would result from such Distributions.

13.16 Subsidiary distribution

Save for obligations under any Financial Indebtedness, the Issuer shall not permit any Subsidiary to create or permit to exist any contractual obligation (or encumbrance) restricting the right of any Subsidiary to:

- (i) pay dividends or make other distributions to its shareholders;
- (ii) service any Financial Indebtedness to the Issuer;
- (iii) make any loans to the Issuer; or
- (iv) transfer any of its assets and properties to the Issuer, if the creation of such contractual obligation is reasonably likely to prevent the Issuer from complying with its payment obligations under the Bond Terms.

13.17 Insurances

The Issuer shall, and the Issuer shall procure that each Group Company will, maintain with reputable insurance companies, funds or underwriters adequate insurance or captive arrangements with respect to its assets, equipment and business against such liabilities, casualties and contingencies and of such types and in such amounts as are consistent with prudent business practice.

13.18 Sustainable vessel dismantling

The Issuer shall ensure that any of the vessels controlled by the Group, that is sold by it to an intermediary with the intention of being retired from trading, is recycled at a recycling yard which conducts its recycling business in a socially and environmentally responsible manner in accordance with the Hong Kong International Convention for the Safe and Environmentally

Sound Recycling of Ships 2009 and/or, to the extent applicable, the EU Ship Recycling Regulations 2013.

13.19 Classification

The Issuer shall procure that the Group will maintain any vessel controlled by it with a classification issued by a classification society that is a member of International Association of Classification Societies.

13.20 Financial covenants

a) The Issuer shall comply with the following:

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i) *Liquidity*: that the Group maintains Cash and Cash Equivalents of minimum USD 500,000 per delivered vessel owned by it;

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- ii) *Net debt to asset ratio*: that the ratio of Total Liabilities less Cash and Cash Equivalents to Total Assets less Cash and Cash Equivalents of the Group does not exceed 75 % (the “**Net Debt to Asset Ratio**”); and
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- rr)

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iii) *Interest coverage ratio*: that the ratio of EBITDA to Net Interest Expense of the Group is greater than 2.00x on a trailing four quarter basis (the “**Interest Coverage Ratio**”).

(b) The Issuer shall comply with the Financial Covenants set out in paragraph (a) above at all times. Compliance with the Financial Covenants shall be measured on each Quarter Date and certified by the Issuer in each Compliance Certificate. The Financial Covenants shall be calculated on a consolidated basis for the Group during the lifetime of the Bonds.

13.21 Equity Cure

(a) If the Issuer fails to comply with any Financial Covenant as set forth in section 13.20 (*Financial covenants*) and the Issuer receives or has received any Cure Amount during the period from the last Quarter Date up to the date of delivery to the Bond Trustee of the Compliance Certificate in respect of such period, then:

(i) the Interest Coverage Ratio shall be recalculated on the basis that the Cure Amount so received shall be deemed to increase the EBITDA for the Relevant Period;

- (ii) Liquidity shall be recalculated on the basis that the Cure Amount so received shall be deemed to increase the Cash and Cash Equivalents on the relevant testing date; and
 - (iii) the Net Debt to Asset Ratio shall be recalculated on the basis that the Cure Amount so received shall be deemed to reduce the Total Liabilities.
- (b) If, after the Financial Covenants are recalculated as set out in paragraph (a) above, the breach has been remedied, the relevant Financial Covenants shall be deemed to have been satisfied on the relevant testing date.
- (c) The Issuer shall be limited to a maximum of two (2) non-consecutive cures of actual failures to satisfy the Financial Covenants during the term of the Bonds.

13.22 Calculations and Calculations Adjustments

EBITDA shall be calculated in accordance with the most recent Financial Report for which a Compliance Certificate has been delivered and for that Relevant Period adjusted by:

- (a) including the operating profit before interest, tax, depreciation and amortisation (calculated on the same basis as EBITDA) of a Group Company (or attributable to a business or assets) acquired during the Relevant Period or after the end of the Relevant Period but before the relevant testing date for that part of the Relevant Period prior to it becoming a Group Company or (as the case may be) prior to the acquisition of the business or assets; and
- (b) excluding the operating profit before interest, tax, depreciation and amortisation (calculated on the same basis as EBITDA) attributable to any Group Company (or to any business or assets) disposed of during the Relevant Period for that part of the Relevant Period.

14. EVENTS OF DEFAULT AND ACCELERATION OF THE BONDS

14.1 Events of Default

Each of the events or circumstances set out in this Clause 14.1 shall constitute an Event of Default:

(a) Non-payment

The Issuer fails to pay any amount payable by it under the Finance Documents when such amount is due for payment, unless:

- a)
- b)
- c)
- d)

- e)
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- h)
- i) its failure to pay is caused by administrative or technical error in payment systems or the CSD and payment is made within 5 Business Days following the original due date; or
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- ii) in the discretion of the Bond Trustee, the Issuer has substantiated that it is likely that such payment will be made in full within 5 Business Days following the original due date.

(b) Breach of other obligations

The Issuer does not comply with any provision of the Finance Documents other than set out under paragraph (a) (*Non-payment*) above, unless such failure is capable of being remedied and is remedied within 20 Business Days after the earlier of the Issuer's actual knowledge thereof, or notice thereof is given to the Issuer by the Bond Trustee.

(c) Misrepresentation

Any representation, warranty or statement (including statements in Compliance Certificates) made by the Issuer under or in connection with any Finance Documents is or proves to have been incorrect, inaccurate or misleading in any material respect when made, unless the circumstances giving rise to the misrepresentation are capable of remedy and are remedied within 20 Business Days of the earlier of the Bond Trustee giving notice to the Issuer or the Issuer becoming aware of such misrepresentation.

(d) Cross default

If for any Group Company:

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- i) any Financial Indebtedness is not paid when due nor within any applicable grace period; or
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ii) any Financial Indebtedness is declared to be due and payable prior to its specified maturity as a result of an event of default (however described); or

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- iii) any commitment for any Financial Indebtedness is cancelled or suspended by a creditor as a result of an event of default (however described); or
- iv) any creditor becomes entitled to declare any Financial Indebtedness due and payable prior to its specified maturity as a result of an event of default relating to non-payment of financial indebtedness, insolvency, insolvency proceedings, creditor's process and cessation of business (however described),

provided however that the aggregate amount of such Financial Indebtedness or commitment for Financial Indebtedness falling within paragraphs (i) to (iv) above exceeds a total of USD 30,000,000 (or the equivalent thereof in any other currency).

(e) Insolvency and insolvency proceedings

Any Group Company:

- a) is Insolvent; or
- b) is object of any corporate action or any legal proceedings is taken in relation to:
 - (A) 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) other than a solvent liquidation or reorganisation; or
 - (B) a composition, compromise, assignment or arrangement with any creditor which may materially impair its ability to perform its obligations under these Bond Terms; or
 - (C) the appointment of a liquidator (other than in respect of a solvent liquidation), receiver, administrative receiver, administrator, compulsory manager or other similar officer of any of its assets; or
 - (D) enforcement of any Security over any of its or their assets having an aggregate value exceeding the threshold amount set out in paragraph (d) (*Cross default*) above; or
 - (E) for paragraphs (A) to (D) above, any analogous procedure or step is taken in any jurisdiction in respect of any such company.

However, this shall not apply to any petition which is frivolous or vexatious and is discharged, stayed or dismissed within 20 Business Days of commencement.

(f) *Creditor's process*

Any expropriation, attachment, sequestration, distress or execution affects any asset or assets of any Group Company having an aggregate value exceeding the threshold amount set out in paragraph (d) (*Cross default*) above and is not discharged within 20 Business Days.

(g) *Unlawfulness*

It is or becomes unlawful for the Issuer to perform or comply with any of its obligations under the Finance Documents to the extent this may materially impair:

- a) the ability of the Issuer to perform its obligations under these Bond Terms; or
- b) the ability of the Bond Trustee to exercise any material right or power vested to it under the Finance Documents.

14.2 Acceleration of the Bonds

If an Event of Default has occurred and is continuing, the Bond Trustee may, in its discretion in order to protect the interests of the Bondholders, or upon instruction received from the Bondholders pursuant to Clause 14.3 (*Bondholders' instructions*) below, by serving a notice (a "**Default Notice**") to the Issuer:

- (a) declare that the Outstanding Bonds, together with accrued interest and all other amounts accrued or outstanding under the Finance Documents be immediately due and payable, at which time they shall become immediately due and payable; and/or
- (b) exercise any or all of its rights, remedies, powers or discretions under the Finance Documents or take such further measures as are necessary to recover the amounts outstanding under the Finance Documents.

14.3 Bondholders' instructions

The Bond Trustee shall serve a Default Notice if:

- (a) the Bond Trustee receives a demand in writing from Bondholders representing a simple majority of the Voting Bonds, that an Event of Default shall be declared, and a Bondholders' Meeting has not made a resolution to the contrary; or
- (b) the Bondholders' Meeting, by a simple majority decision, has approved the declaration of an Event of Default.

14.4 Calculation of claim

The claim derived from the Outstanding Bonds due for payment as a result of the serving of a Default Notice will be calculated at the call prices set out in Clause 10.2 (*Voluntary early redemption – Call Option*), as applicable at the following dates (and regardless of the Default Repayment Date):

- (a) for any Event of Default arising out of a breach of paragraph (a) (*Non-payment*) of Clause 14.1 (*Events of Default*), the claim will be calculated at the call price applicable at the date when such Event of Default occurred; and

- (b) for any other Event of Default, the claim will be calculated at the call price applicable at the date when the Default Notice was served by the Bond Trustee.

However, if the situations described in paragraph (a) or (b) above takes place prior to the First Call Date, the calculation shall be based on the First Call Price.

15. BONDHOLDERS' DECISIONS

15.1 Authority of the Bondholders' Meeting

- (a) Subject to Clause 17.1 (*Procedure for amendments and waivers*), a Bondholders' Meeting may, on behalf of the Bondholders, resolve to alter any of these Bond Terms, including, but not limited to, any reduction of principal or interest and any conversion of the Bonds into other capital classes.
- (b) The Bondholders' Meeting cannot resolve that any overdue payment of any instalment shall be reduced unless there is a pro rata reduction of the principal that has not fallen due, but may resolve that accrued interest (whether overdue or not) shall be reduced without a corresponding reduction of principal.
- (c) The Bondholders' Meeting may not adopt resolutions which will give certain Bondholders an unreasonable advantage at the expense of other Bondholders.
- (d) Subject to the power of the Bond Trustee to take certain action as set out in Clause 16.1 (*Power to represent the Bondholders*), if a resolution by, or an approval of, the Bondholders is required, such resolution may be passed at a Bondholders' Meeting.
- (e) Resolutions passed at any Bondholders' Meeting will be binding upon all Bondholders.
- (f) At least 50 per cent. of the Voting Bonds must be represented at a Bondholders' Meeting for a quorum to be present.
- (g) Resolutions will be passed by simple majority of the Voting Bonds represented at the Bondholders' Meeting, unless otherwise set out in paragraph (h) below.
- (h) Save for any amendments or waivers which can be made without resolution pursuant to paragraph (a)(i) and (ii) of Clause 17.1 (*Procedure for amendments and waivers*), a majority of at least 2/3 of the Voting Bonds represented at the Bondholders' Meeting is required for approval of any waiver or amendment of these Bond Terms.

15.2 Procedure for arranging a Bondholders' Meeting

- (a) A Bondholders' Meeting shall be convened by the Bond Trustee upon the request in writing of:
 - a) the Issuer;
 - b) Bondholders representing at least 1/10 of the Voting Bonds;
 - c) the Exchange, if the Bonds are listed and the Exchange is entitled to do so pursuant to the general rules and regulations of the Exchange; or

d) the Bond Trustee.

The request shall clearly state the matters to be discussed and resolved.

- (b) If the Bond Trustee has not convened a Bondholders' Meeting within 10 Business Days after having received a valid request for calling a Bondholders' Meeting pursuant to paragraph (a) above, then the requesting party may call the Bondholders' Meeting itself.
- (c) Summons to a Bondholders' Meeting must be sent no later than 10 Business Days prior to the proposed date of the Bondholders' Meeting. The Summons shall be sent to all Bondholders registered in the CSD at the time the Summons is sent from the CSD. If the Bonds are listed, the Issuer shall ensure that the Summons is published in accordance with the applicable regulations of the Exchange. The Summons shall also be published on www.stamdata.com (or other relevant information platform).
- (d) Any Summons for a Bondholders' Meeting must clearly state the agenda for the Bondholders' Meeting and the matters to be resolved. The Bond Trustee may include additional agenda items to those requested by the person calling for the Bondholders' Meeting in the Summons. If the Summons contains proposed amendments to these Bond Terms, a description of the proposed amendments must be set out in the Summons.
- (e) Items which have not been included in the Summons may not be put to a vote at the Bondholders' Meeting.
- (f) By written notice to the Issuer, the Bond Trustee may prohibit the Issuer from acquiring or dispose of Bonds during the period from the date of the Summons until the date of the Bondholders' Meeting, unless the acquisition of Bonds is made by the Issuer pursuant to Clause 10 (*Redemption and Repurchase of Bonds*).
- (g) A Bondholders' Meeting may be held on premises selected by the Bond Trustee, or if paragraph (b) above applies, by the person convening the Bondholders' Meeting (however to be held in the capital of the Relevant Jurisdiction). The Bondholders' Meeting will be opened and, unless otherwise decided by the Bondholders' Meeting, chaired by the Bond Trustee. If the Bond Trustee is not present, the Bondholders' Meeting will be opened by a Bondholder and be chaired by a representative elected by the Bondholders' Meeting (the Bond Trustee or such other representative, the "**Chairperson**").
- (h) Each Bondholder, the Bond Trustee and, if the Bonds are listed, representatives of the Exchange, or any person or persons acting under a power of attorney for a Bondholder, shall have the right to attend the Bondholders' Meeting (each a "**Representative**"). The Chairperson may grant access to the meeting to other persons not being Representatives, unless the Bondholders' Meeting decides otherwise. In addition, each Representative has the right to be accompanied by an advisor. In case of dispute or doubt regarding whether a person is a Representative or entitled to vote, the Chairperson will decide who may attend the Bondholders' Meeting and exercise voting rights.
- (i) Representatives of the Issuer have the right to attend the Bondholders' Meeting. The Bondholders Meeting may resolve to exclude the Issuer's representatives and/or any

person holding only Issuer's Bonds (or any representative of such person) from participating in the meeting at certain times, however, the Issuer's representative and any such other person shall have the right to be present during the voting.

- (j) Minutes of the Bondholders' Meeting must be recorded by, or by someone acting at the instruction of, the Chairperson. The minutes must state the number of Voting Bonds represented at the Bondholders' Meeting, the resolutions passed at the meeting, and the results of the vote on the matters to be decided at the Bondholders' Meeting. The minutes shall be signed by the Chairperson and at least one other person. The minutes will be deposited with the Bond Trustee who shall make available a copy to the Bondholders and the Issuer upon request.
- (k) The Bond Trustee will ensure that the Issuer, the Bondholders and the Exchange are notified of resolutions passed at the Bondholders' Meeting and that the resolutions are published on www.stamdata.com (or other relevant electronically platform or stock exchange announcement).
- (l) The Issuer shall bear the costs and expenses incurred in connection with convening a Bondholders' Meeting regardless of who has convened the Bondholders' Meeting, including any reasonable costs and fees incurred by the Bond Trustee.

15.3 Voting rules

- (a) Each Bondholder (or person acting for a Bondholder under a power of attorney) may cast one vote for each Voting Bond owned on the Relevant Record Date, ref. Clause 3.3 (*Bondholders' rights*). The Chairperson may, in its sole discretion, decide on accepted evidence of ownership of Voting Bonds.
- (b) Issuer's Bonds shall not carry any voting rights. The Chairperson shall determine any question concerning whether any Bonds will be considered Issuer's Bonds.
- (c) For the purposes of this Clause 15, a Bondholder that has a Bond registered in the name of a nominee will, in accordance with Clause 3.3 (*Bondholders' rights*), be deemed to be the owner of the Bond rather than the nominee. No vote may be cast by any nominee if the Bondholder has presented relevant evidence to the Bond Trustee pursuant to Clause 3.3 (*Bondholders' rights*) stating that it is the owner of the Bonds voted for. If the Bondholder has voted directly for any of its nominee registered Bonds, the Bondholder's votes shall take precedence over votes submitted by the nominee for the same Bonds.
- (d) Any of the Issuer, the Bond Trustee and any Bondholder has the right to demand a vote by ballot. In case of parity of votes, the Chairperson will have the deciding vote.

15.4 Repeated Bondholders' Meeting

- (a) Even if the necessary quorum set out in paragraph (e) of Clause 15.1 (*Authority of the Bondholders' Meeting*) is not achieved, the Bondholders' Meeting shall be held and voting completed for the purpose of recording the voting results in the minutes of the Bondholders' Meeting. The Bond Trustee or the person who convened the initial Bondholders' Meeting may, within 10 Business Days of that Bondholders' Meeting, convene a repeated meeting with the same agenda as the first meeting.

- (b) The provisions and procedures regarding Bondholders' Meetings as set out in Clause 15.1 (*Authority of the Bondholders' Meeting*), Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*) and Clause 15.3 (*Voting rules*) shall apply *mutatis mutandis* to a repeated Bondholders' Meeting, with the exception that the quorum requirements set out in paragraph (e) of Clause 15.1 (*Authority of the Bondholders' Meeting*) shall not apply to a repeated Bondholders' Meeting. A Summons for a repeated Bondholders' Meeting shall also contain the voting results obtained in the initial Bondholders' Meeting.
- (c) A repeated Bondholders' Meeting may only be convened once for each original Bondholders' Meeting. A repeated Bondholders' Meeting may be convened pursuant to the procedures of a Written Resolution in accordance with Clause 15.5 (*Written Resolutions*), even if the initial meeting was held pursuant to the procedures of a Bondholders' Meeting in accordance with Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*) and vice versa.

15.5 Written Resolutions

- (a) Subject to these Bond Terms, anything which may be resolved by the Bondholders in a Bondholders' Meeting pursuant to Clause 15.1 (*Authority of the Bondholders' Meeting*) may also be resolved by way of a Written Resolution. A Written Resolution passed with the relevant majority is as valid as if it had been passed by the Bondholders in a Bondholders' Meeting, and any reference in any Finance Document to a Bondholders' Meeting shall be construed accordingly.
- (b) The person requesting a Bondholders' Meeting may instead request that the relevant matters are to be resolved by Written Resolution only, unless the Bond Trustee decides otherwise.
- (c) The Summons for the Written Resolution shall be sent to the Bondholders registered in the CSD at the time the Summons is sent from the CSD and published at www.stamdata.com, or other relevant electronic platform or via stock exchange announcement.
- (d) The provisions set out in Clause 15.1 (*Authority of the Bondholders' Meeting*), 15.2 (*Procedure for arranging a Bondholders' Meeting*), Clause 15.3 (*Voting rules*) and Clause 15.4 (*Repeated Bondholders' Meeting*) shall apply *mutatis mutandis* to a Written Resolution, except that:
 - a) the provisions set out in paragraphs (g), (h) and (i) of Clause 15.2 (*Procedure for arranging Bondholders Meetings*);
or
 - b) provisions which are otherwise in conflict with the requirements of this Clause 15.5,shall not apply to a Written Resolution.
- (e) The Summons for a Written Resolution shall include:
 - a) instructions as to how to vote to each separate item in the Summons (including instructions as to how voting can be done electronically if relevant); and

- b) the time limit within which the Bond Trustee must have received all votes necessary in order for the Written Resolution to be passed with the requisite majority, which shall be at least 10 Business Days but not more than 15 Business Days from the date of the Summons (the “**Voting Period**”).
- (f) Only Bondholders of Voting Bonds registered with the CSD on the Relevant Record Date, or the beneficial owner thereof having presented relevant evidence to the Bond Trustee pursuant to Clause 3.3 (*Bondholders’ rights*), will be counted in the Written Resolution.
- (g) A Written Resolution is passed when the requisite majority set out in paragraph (f) or (g) of Clause 15.1 (*Authority of Bondholders’ Meeting*) has been obtained, based on a quorum of the total number of Voting Bonds, even if the Voting Period has not yet expired. A Written Resolution will also be resolved if the sufficient numbers of negative votes are received prior to the expiry of the Voting Period.
- (h) The effective date of a Written Resolution passed prior to the expiry of the Voting Period is the date when the resolution is approved by the last Bondholder that results in the necessary voting majority being obtained.
- (i) If no resolution is passed prior to the expiry of the Voting Period, the number of votes shall be calculated at the time specified in the summons on the last day of the Voting Period, and a decision will be made based on the quorum and majority requirements set out in paragraphs (e) to (g) of Clause 15.1 (*Authority of Bondholders’ Meeting*).

16. THE BOND TRUSTEE

16.1 Power to represent the Bondholders

- (a) The Bond Trustee has power and authority to act on behalf of, and/or represent, the Bondholders in all matters, including but not limited to taking any legal or other action, including enforcement of these Bond Terms, and the commencement of bankruptcy or other insolvency proceedings against the Issuer, or others.
- (b) The Issuer shall promptly upon request provide the Bond Trustee with any such documents, information and other assistance (in form and substance satisfactory to the Bond Trustee), that the Bond Trustee deems necessary for the purpose of exercising its and the Bondholders’ rights and/or carrying out its duties under the Finance Documents.

16.2 The duties and authority of the Bond Trustee

- (a) The Bond Trustee shall represent the Bondholders in accordance with the Finance Documents, including, *inter alia*, by following up on the delivery of any Compliance Certificates and such other documents which the Issuer is obliged to disclose or deliver to the Bond Trustee pursuant to the Finance Documents and, when relevant, in relation to accelerating and enforcing the Bonds on behalf of the Bondholders.
- (b) The Bond Trustee is not obligated to assess or monitor the financial condition of the Issuer unless to the extent expressly set out in these Bond Terms, or to take any steps to ascertain whether any Event of Default has occurred. Until it has actual knowledge to the contrary, the Bond Trustee is entitled to assume that no Event of Default has

occurred. The Bond Trustee is not responsible for the valid execution or enforceability of the Finance Documents, or for any discrepancy between the indicative terms and conditions described in any marketing material presented to the Bondholders prior to issuance of the Bonds and the provisions of these Bond Terms.

- (c) The Bond Trustee is entitled to take such steps that it, in its sole discretion, considers necessary or advisable to protect the rights of the Bondholders in all matters pursuant to the terms of the Finance Documents. The Bond Trustee may submit any instructions received by it from the Bondholders to a Bondholders' Meeting before the Bond Trustee takes any action pursuant to the instruction.
- (d) The Bond Trustee is entitled to engage external experts when carrying out its duties under the Finance Documents.
- (e) The Bond Trustee shall hold all amounts recovered on behalf of the Bondholders on separated accounts.
- (f) The Bond Trustee shall facilitate that resolutions passed at the Bondholders' Meeting are properly implemented, provided, however, that the Bond Trustee may refuse to implement resolutions that may be in conflict with these Bond Terms, any other Finance Document, or any applicable law. The Bond Trustee may, but is not obligated to, assess or monitor whether any instruction or resolution may be in conflict with these Bond Terms, any other Finance Document or any applicable law.
- (g) Notwithstanding any other provision of the Finance Documents to the contrary, the Bond Trustee is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- (h) If the cost, loss or liability which the Bond Trustee may incur (including reasonable fees payable to the Bond Trustee itself) in:
 - a) complying with instructions or resolutions of the Bondholders; or
 - b) taking any action at its own initiative,

will not, in the reasonable opinion of the Bond Trustee, be covered by the Issuer or the relevant Bondholders pursuant to paragraphs (e) and (g) of Clause 16.4 (*Expenses, liability and indemnity*), the Bond Trustee may refrain from acting in accordance with such instructions or resolutions, or refrain from taking such action, until it has received such funding or indemnities (or adequate security has been provided therefore) as it may reasonably require.

- (i) If the Bond Trustee, in its reasonable opinion, may incur any cost, loss or liability for not acting in accordance with any request or demand from any party to a Finance Document or any court or governmental authority, which will not, in the reasonable opinion of the Bond Trustee, be covered by the Issuer or Bondholders to its satisfaction, the Bond Trustee may act in accordance with any such request or demand, without any liability towards the Bondholders, the Issuer or others.

- (j) The Bond Trustee shall give a notice to the Bondholders before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Bond Trustee under the Finance Documents.
- (k) The Bond Trustee may instruct the CSD to split the Bonds to a lower nominal value in order to facilitate partial redemptions, write-downs or restructurings of the Bonds or in other situations where such split is deemed necessary.

16.3 Equality and conflicts of interest

- (a) The Bond Trustee shall not make decisions which will give certain Bondholders an unreasonable advantage at the expense of other Bondholders. The Bond Trustee shall, when acting pursuant to the Finance Documents, act only as representative for the Bondholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.
- (b) The Bond Trustee may act as agent, trustee, representative and/or security agent for several bond issues relating to the Issuer notwithstanding potential conflicts of interest. The Bond Trustee is entitled to delegate its duties to other professional parties.

16.4 Expenses, liability and indemnity

- (a) The Bond Trustee will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct. The Bond Trustee shall not be responsible for any indirect or consequential loss. Irrespective of the foregoing, the Bond Trustee shall have no liability to the Bondholders for damage caused by the Bond Trustee acting in accordance with instructions or resolutions given by the Bondholders in accordance with these Bond Terms.
- (b) The Bond Trustee will not be liable to the Issuer for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless caused by its gross negligence or wilful misconduct. The Bond Trustee shall not be responsible for any indirect or consequential loss.
- (c) Any liability for the Bond Trustee for damage or loss is limited to the amount of the Outstanding Bonds. The Bond Trustee is not liable for the content of information provided to the Bondholders by or on behalf of the Issuer or any other person.
- (d) The Bond Trustee shall not be considered to have acted negligently in:
 - a) acting in accordance with advice from or opinions of reputable external experts;
 - b) taking, delaying or omitting any action if acting with reasonable care and provided the Bond Trustee considers that such action is in the interests of the Bondholders; or
 - c) requesting funding, indemnities or security as conditions for taking any action.

- (e) The Issuer is liable for, and will indemnify the Bond Trustee fully in respect of, all losses, expenses and liabilities incurred by the Bond Trustee as a result of negligence by the Issuer (including its directors, management, officers, employees and agents) in connection with the performance of the Bond Trustee's obligations under the Finance Documents, including losses incurred by the Bond Trustee as a result of the Bond Trustee's actions based on misrepresentations made by the Issuer in connection with the issuance of the Bonds, the entering into or performance under the Finance Documents, and for as long as any amounts are outstanding under or pursuant to the Finance Documents.
- (f) The Issuer shall cover all costs and expenses incurred by the Bond Trustee in connection with it fulfilling its obligations under the Finance Documents. In this respect, if the Bond Trustee may borrow funds from Bondholders or others, the costs of such borrowings shall be considered as such costs and expenses incurred by the Bond Trustee. The Bond Trustee is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents. The Bond Trustee's obligations under the Finance Documents are conditioned upon the due payment of such fees and indemnifications. The fees of the Bond Trustee will be further set out in the Bond Trustee Fee Agreement.
- (g) The Issuer shall on demand by the Bond Trustee pay all costs incurred for external experts engaged in relation to events or circumstances which (i) constitute an Event of Default, (ii) which the Bond Trustee reasonably believes is or may lead to an Event of Default or (iii) which the Bond Trustee reasonably believes may constitute or lead to a breach of any Finance Document or otherwise be detrimental to the interests of the Bond Trustee or Bondholders under the Finance Documents.
- (h) Fees, costs and expenses payable to the Bond Trustee which are not reimbursed in any other way due to an Event of Default, the Issuer being Insolvent or similar circumstances pertaining to the Issuer, may be covered by making an equal reduction in the proceeds to the Bondholders hereunder of any costs and expenses incurred by the Bond Trustee in connection therewith. The Bond Trustee may withhold funds from any escrow account (or similar arrangement) or from other funds received from the Issuer or any other person and to set-off and cover any such costs and expenses from those funds. The Bond Trustee may also refrain from taking any further action until such fees, costs and expenses are paid to the Bond Trustee from others, hereunder the Bondholders and the Issuer, if the Bond Trustee such demands.
- (i) As a condition to effecting any instruction or resolution from the Bondholders (including, but not limited to, instructions set out in Clause 14.3 (*Bondholders' instructions*) or Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*) and including a resolution pursuant to Clause 16.5 (*Replacement of the Bond Trustee*)), the Bond Trustee may require satisfactory Security, guarantees and/or indemnities for any potential liability, loss, costs and expenses which may arise as a result of effecting such instruction or resolution (and, at its discretion, which may arise or have already arisen as a result of the Bond Trustee's engagement or previous actions in relation to the Bonds) from those Bondholders who have given that instruction or resolution and/or who voted in favour of the decision to instruct the Bond Trustee.

16.5 Replacement of the Bond Trustee

- (a) The Bond Trustee may be replaced by a majority of 2/3 of Voting Bonds in accordance with the procedures set out in Clause 15 (*Bondholders' Decisions*), and the Bondholders may resolve to replace the Bond Trustee without the Issuer's approval.
- (b) The Bond Trustee may resign by giving notice to the Issuer and the Bondholders, in which case a successor Bond Trustee shall be elected pursuant to this Clause 16.5, initiated by the retiring Bond Trustee.
- (c) If the Bond Trustee is Insolvent, or otherwise is permanently unable to fulfil its obligations under these Bond Terms, the Bond Trustee shall be deemed to have resigned and a successor Bond Trustee shall be appointed in accordance with this Clause 16.5. The Issuer may appoint a temporary Bond Trustee until a new Bond Trustee is elected in accordance with paragraph (a) above.
- (d) The Bond Trustee may in its discretion decide that the change of Bond Trustee shall only take effect upon execution of all necessary actions to effectively substitute the retiring Bond Trustee, hereunder covering of such fees, loss, costs and expenses referred to in Clause 16.4 (*Expenses, liability and indemnity*). The retiring Bond Trustee shall be discharged from any further obligation in respect of the Finance Documents from the change takes effect, but shall remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Bond Trustee. The retiring Bond Trustee remains entitled to any benefits and any unpaid fees or expenses under the Finance Documents before the change has taken place.
- (e) Upon change of Bond Trustee, the Issuer shall co-operate in all reasonable manners without delay to replace the retiring Bond Trustee with the successor Bond Trustee and release the retiring Bond Trustee from any future obligations under the Finance Documents and any other documents.

17. AMENDMENTS AND WAIVERS

17.1 Procedure for amendments and waivers

The Issuer and the Bond Trustee (acting on behalf of the Bondholders) may agree to amend the Finance Documents or waive a past default or anticipated failure to comply with any provision in a Finance Document, provided that:

- (a) such amendment or waiver is not detrimental to the rights and benefits of the Bondholders in any material respect, or is made solely for the purpose of rectifying obvious errors and mistakes;
- (b) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority; or
- (c) such amendment or waiver has been duly approved by the Bondholders in accordance with Clause 15 (*Bondholders' Decisions*).

17.2 Authority with respect to documentation

If the Bondholders have resolved the substance of an amendment to any Finance Document, without resolving on the specific or final form of such amendment, the Bond Trustee shall be considered authorised to draft, approve and/or finalise (as applicable) any required documentation or any outstanding matters in such documentation without any further approvals or involvement from the Bondholders being required.

17.3 Notification of amendments or waivers

- (a) The Bond Trustee shall as soon as possible notify the Bondholders of any amendments or waivers made in accordance with this Clause 17, setting out the date from which the amendment or waiver will be effective, unless such notice according to the Bond Trustee's sole discretion is unnecessary. The Issuer shall ensure that any amendment to these Bond Terms is duly registered with the CSD.
- (b) Prior to agreeing to an amendment or granting a waiver in accordance with paragraph (a)(i) of Clause 17.1 (*Procedure for amendments and waivers*), the Bond Trustee may inform the Bondholders of such waiver or amendment at a relevant information platform.

18. MISCELLANEOUS

18.1 Limitation of claims

All claims under the Finance Documents for payment, including interest and principal, will be subject to the legislation regarding time-bar provisions of the Relevant Jurisdiction.

18.2 Access to information

- (a) These Bond Terms will be made available to the public and copies may be obtained from the Bond Trustee or the Issuer. The Bond Trustee will not have any obligation to distribute any other information to the Bondholders or any other person, and the Bondholders have no right to obtain information from the Bond Trustee, other than as explicitly stated in these Bond Terms or pursuant to statutory provisions of law.
- (b) In order to carry out its functions and obligations under these Bond Terms, the Bond Trustee will have access to the relevant information regarding ownership of the Bonds, as recorded and regulated with the CSD.
- (c) The information referred to in paragraph (b) above may only be used for the purposes of carrying out their duties and exercising their rights in accordance with the Finance Documents and shall not disclose such information to any Bondholder or third party unless necessary for such purposes.

18.3 Notices, contact information

- (a) Unless otherwise specified, written notices to the Bondholders shall be provided as follows:
 - a) if made by the Bond Trustee, on www.stamdata.com or other relevant information platform;

- b) if made by the Issuer, by stock exchange announcement (if the Bonds are listed) or other relevant information platform.
- (b) Any notice sent to the Bondholders via the CSD will be deemed to be given or made when sent from the CSD, unless otherwise specifically provided.
- (c) Unless otherwise specified, all notices or other communications under or in connection with these Bond Terms between the Bond Trustee and the Issuer will be given or made in writing, by letter or e-mail. Any such notice or communication will be deemed to be given or made as follows:
 - a) if by letter, when delivered at the address of the relevant party;
 - b) if by e-mail, when received; and
 - c) if by publication on a relevant information platform, when published.
- (d) The Issuer and the Bond Trustee shall each ensure that the other party is kept informed of changes in postal address, e-mail address, telephone number and contact persons.
- (e) When determining deadlines set out in these Bond Terms, the following will apply (unless otherwise stated):
 - a) if the deadline is set out in days, the first day of the relevant period will not be included and the last day of the relevant period will be included;
 - b) if the deadline is set out in weeks, months or years, the deadline will end on the day in the last week or the last month which, according to its name or number, corresponds to the first day the deadline is in force. If such day is not a part of an actual month, the deadline will be the last day of such month; and
 - c) if a deadline ends on a day which is not a Business Day, the deadline is postponed to the next Business Day.

18.4 Defeasance

- (a) Subject to paragraph (b) below and provided that:
 - (i) an amount sufficient for the payment of principal and interest on the Outstanding Bonds to the relevant Repayment Date (including, to the extent applicable, any premium payable upon exercise of a Call Option), and always subject to paragraph (c) below (the “**Defeasance Amount**”) is credited by the Issuer to an account in a financial institution acceptable to the Bond Trustee (the “**Defeasance Account**”);
 - (ii) the Defeasance Account is irrevocably pledged and blocked in favour of the Bond Trustee on such terms as the Bond Trustee shall request (the “**Defeasance Pledge**”); and

(iii) the Bond Trustee has received such legal opinions and statements reasonably required by it, including (but not necessarily limited to) with respect to the validity and enforceability of the Defeasance Pledge,

then;

(A) the Issuer will be relieved from its obligations under paragraph (a) of Clause 12.2 (*Requirements for Compliance Certificates*), Clause 12.3 (*Put Option Event*), Clause 12.5 (*Information: miscellaneous*) and Clause 13 (*General and Financial Undertakings*); and

(B) the Issuer shall be released from any other obligation applicable to it under any Finance Document.

- (b) The Bond Trustee shall be authorised to apply any amount credited to the Defeasance Account towards any amount payable by the Issuer under any Finance Document on the due date for the relevant payment until all obligations of the Issuer and all amounts outstanding under the Finance Documents are repaid and discharged in full.
- (c) The Bond Trustee may, if the Defeasance Amount cannot be finally and conclusively determined, decide the amount to be deposited to the Defeasance Account in its discretion, applying such buffer amount as it deems necessary.

A defeasance established according to this Clause 18.4 may not be reversed.

19. GOVERNING LAW AND JURISDICTION

19.1 Governing law

These Bond Terms are governed by the laws of the Relevant Jurisdiction, without regard to its conflict of law provisions.

19.2 Main jurisdiction

The Bond Trustee and the Issuer agree for the benefit of the Bond Trustee and the Bondholders that the City Court of the capital of the Relevant Jurisdiction shall have jurisdiction with respect to any dispute arising out of or in connection with these Bond Terms. The Issuer agrees for the benefit of the Bond Trustee and the Bondholders that any legal action or proceedings arising out of or in connection with these Bond Terms against the Issuer or any of its assets may be brought in such court.

19.3 Alternative jurisdiction

Clause 19 (*Governing law and jurisdiction*) is for the exclusive benefit of the Bond Trustee and the Bondholders and the Bond Trustee have the right:

- (a) to commence proceedings against the Issuer or any of its assets for the applicable court in the jurisdiction of the Issuer or in any court in any other jurisdiction (to the extent possible under applicable law); and
- (b) to commence such proceedings, including enforcement proceedings, in any competent jurisdiction concurrently.

19.4 Service of process

- (a) Without prejudice to any other mode of service allowed under any relevant law, the Issuer:
 - a) irrevocably appoints Marinelaw AS as its agent for service of process in relation to any proceedings in connection with these Bond Terms; and
 - b) agrees that failure by an agent for service of process to notify the Issuer 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 Issuer must immediately (and in any event within 10 Business Days of such event taking place) appoint another agent on terms acceptable to the Bond Trustee. Failing this, the Bond Trustee may appoint another agent for this purpose.

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These Bond Terms have been executed in two originals, of which the Issuer and the Bond Trustee shall retain one each.

SIGNATURES:

<p>The Issuer:</p> <p>Navios Maritime Partners L.P.</p> <p>/s/ Georgios Panagakis</p> <p>By:</p> <p>Title:</p>	<p>As Bond Trustee:</p> <p>Nordic Trustee AS</p> <p>/s/ Olav Slagsvold</p> <p>By:</p> <p>Position:</p>
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