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# UNITED STATES
# SECURITIES AND EXCHANGE COMMISSION

**Washington, D.C. 20549**

# FORM 20-F

**(Mark One)**

☐ **REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934**

**OR**

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the fiscal year ended December 31, 2024**

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the transition period from _____ to _____**

☐ **SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**Date of event requiring this shell company report _____**

**Commission file number 001-33811**

# Navios Maritime Partners L.P.

**(Exact name of Registrant as specified in its charter)**

**Not Applicable**

**(Translation of Registrant's Name into English)**

**Republic of Marshall Islands**

**(Jurisdiction of incorporation or organization)**

**c/o Navios Shipmanagement Inc.**
**85 Akti Miaouli**
**Piraeus 18538, Greece**
**(Address of Principal Executive Offices)**
**Todd E. Mason**
**Thompson Hine LLP**
**300 Madison Ave.**
**New York, NY 10017**
**todd.mason@thompsonhine.com**
**(212) 908-3946**
**(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)**

**Securities registered or to be registered pursuant to Section 12(b) of the Act.**

**Securities registered or to be registered pursuant to Section 12(b) of the Act.**

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---|---|---|
| Common Units | NMM | New York Stock Exchange LLC |

**Securities registered or to be registered pursuant to Section 12(g) of the Act. None**

**Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act. None**

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report: 29,694,433 Common Units

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such reporting requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," and "emerging growth company" in Rule 12b-2 of the Exchange Act. :

Large Accelerated Filer ☒ Accelerated Filer ☐ Non-Accelerated Filer ☐ Emerging Growth Company ☐

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 13(a) of the Exchange Act. ☐

† The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15

U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP ☒ International Financial Reporting Standards as issued by the International Accounting Standards Board ☐ Other ☐

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow.

☐ Item 17 ☐ Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

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## FORWARD-LOOKING STATEMENTS

*This Annual Report should be read in conjunction with the consolidated financial statements and accompanying notes included in this report.*

Statements included in this annual report which are not historical facts (including our statements concerning plans and objectives of management for future operations or economic performance, or assumptions related thereto) are forward-looking statements. In addition, we and our representatives may from time to time make other oral or written statements which are also forward-looking statements. Such statements include, in particular, statements about our plans, strategies, business prospects, changes and trends in our business, and the markets in which we operate as described in this annual report. In some cases, you can identify the forward-looking statements by the use of words such as "may," "could," "should," "would," "expect," "plan," "anticipate," "intend," "forecast," "believe," "estimate," "predict," "propose," "potential," "continue" or the negative of these terms or other comparable terminology.

Forward-looking statements appear in a number of places and include statements with respect to, among other things:

•our ability to pay quarterly cash distributions on our common units;

•future levels of operating surplus and levels of distributions, as well as our future cash distribution policy;

•our current and future business and growth strategies and other plans and objectives for future operations;

•our ability to take delivery of, integrate into our fleet, and employ additional vessels, whether secondhand, or any newbuildings we may order in the future;

•future charter hire rates and vessel values;

•the repayment of debt;

•our ability to access debt and equity markets;

•planned capital expenditures and availability of capital resources to fund capital expenditures;

•future supply of, and demand for, liquid and dry cargo commodities;

•volatility in interest rates, including Secured Overnight Financing Rate ("SOFR");

•our ability to maintain long-term relationships with major commodity traders, oil majors, operators and liner companies;

•our ability to leverage the scale, experience, reputation and relationships of our manager, namely Navios Shipmanagement Inc. and its affiliates.(the "Manager"), which are entities affiliated with the Company's Chairwoman and Chief Executive Officer.

•our continued ability to enter into long-term, fixed-rate time charters;

•our ability to maximize the use of our vessels, including the re-deployment or disposition of vessels no longer under long-term time charters;

•timely purchases and deliveries of newbuilding vessels;

future purchase prices of newbuildings and secondhand vessels;

•our ability to compete successfully for future chartering and newbuilding opportunities;

•our future financial condition or results of operations and our future revenues and expenses and required levels of reserves;

•potential liability and costs due to environmental, safety and other incidents involving our vessels;

•our track record, and past and future performance, in safety, environmental and regulatory matters;

•our anticipated incremental general and administrative expenses as a publicly traded limited partnership and our expenses under the management agreement with the Manager and the administrative services agreement with the Manager both effective as of January 1, 2025 (the Master "Management Agreement" and the "Administrative Services Agreement", respectively) and for reimbursements for fees and costs of our general partner;

•estimated future maintenance and replacement capital expenditures;

•the impact on our stock price of our ongoing stock repurchase program;

•future sales of our common units in the public market;

•the cyclical nature of the international shipping industry;

•fluctuations in charter rates for tanker vessels, drybulk carriers and containerships ("Dry Cargo");

•the number of newbuildings currently under construction;

•changes in the market values of our vessels and the vessels for which we have purchase options;

•an inability to expand relationships with existing customers and obtain new customers;

•the loss of any customer or charter or vessel;

•the aging of our fleet and resultant increases in operations costs;

•damage to our vessels;

•global economic outlook and growth and changes in general economic and business conditions;

•domestic and international political conditions, including wars, pandemics, terrorism and piracy;

•public health threats;

increases in costs and expenses, including but not limited to: crew wages, insurance, provisions, port expenses, lube oil, bunkers, repairs, maintenance and general and administrative expenses;

•the adequacy of our insurance arrangements and our ability to obtain insurance and required certifications;

•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;

•the changes to the regulatory requirements applicable to the shipping industry, including, without limitation, stricter requirements adopted by international organizations, such as the International Maritime Organization (the "IMO") and the European Union (sometimes referred to as "EU"), or by individual countries or charterers and actions taken by regulatory authorities and governing such areas as safety and environmental compliance;

•the anticipated taxation of our partnership and our unitholders;

•expected demand in the shipping sectors in which we operate in general and the demand for our Drybulk, Container and Tanker vessels in particular;

•our ability to retain key executive officers;

•customers' increasing emphasis on environmental and safety concerns;

•changes in the availability and costs of funding due to conditions in the bank market, capital markets and other factors;

•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 detailed from time to time in our periodic reports filed with the U.S. Securities and Exchange Commission (the "SEC").

These and other forward-looking statements are made based upon management's current plans, expectations, estimates, assumptions and beliefs concerning future events impacting us and therefore involve a number of risks and uncertainties, including those set forth below, as well as those risks discussed in "Item 3. Key Information".

The risks and assumptions are inherently subject to significant uncertainties and contingencies, many of which are beyond our control and many of which have been and many further be, exacerbated by the continuing Ukrainian and Russian war and Israel and Hamas conflicts, the attacks in the Red Sea and in the Gulf of Aden and the impact they have had on the global economy. We caution that forward-looking statements are not guarantees and that actual results could differ materially from those expressed or implied in the forward-looking statements.

We undertake no obligation to update any forward-looking statement or statements to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for us to predict all of these factors. Further, we cannot assess the impact of each such factor on our business or the extent to which any factor, or combination of factors, may cause actual results to be materially different from those contained in any forward-looking statement.

**PART I**

**Item 1. Identity of Directors, Senior Management and Advisers**

Not Applicable.

**Item 2. Offer Statistics and Expected Timetable**

Not Applicable.

**Item 3. Key Information**

**A.[Reserved]**

**B.Capitalization and indebtedness.**

Not applicable.

**C.Reasons for the offer and use of proceeds.**

Not applicable.

**D.Risk factors**

The following summarizes certain risks that may materially affect our business, financial condition or results of operations. The occurrence of any of the events described in this section could significantly and negatively affect our business, financial condition, operating results or the trading price of our securities.

**Summary of Risk Factors**

***Risks Relating to Our Business and our Industry***

•*Our growth depends on continued growth in demand for dry bulk commodities, liquid cargo, finished or semi-finished goods, and the shipping of drybulk cargoes, containers as well as crude oil, petroleum products and other liquid cargoes.*

•*The cyclical nature of the international shipping industry may lead to decreases in charter rates and lower vessel values. Charter hire rates have significantly declined from historically high levels recently, are volatile and may remain depressed or reach low levels or decrease in the future, which may adversely affect our earnings, revenue, profitability and ability to pay distributions.*

•*A decrease in the level of China's imports of raw materials, exports of goods, or a decrease in trade globally could have a material adverse impact on our charterers' business and, in turn, could cause a material adverse impact on our results of operations, financial condition and cash flows.*

•*Any decrease in shipments of crude oil from the Arabian Gulf or the Atlantic basin may adversely affect our financial performance.*

•*Increasing energy self-sufficiency in the United States could lead to a decrease in imports of oil to that country, which to date has been one of the largest importers of oil worldwide.*

•*An increase in trade protectionism and the unraveling of multilateral trade agreements could have a material adverse impact on our charterers' business and, in turn, could cause a material adverse impact on our results of operations, financial condition and cash flows.*

•*While we favor longer term charters for all the tanker, dry bulk and container vessels we own or control, we may from time to time have to rely on chartering our vessels in the spot market that are highly volatile and may materially adversely affect our earnings.*

*•Our growth depends on our ability to expand relationships with existing customers, obtain new customers and enter new shipping sectors, for which we will face substantial competition from new entrants and established companies with significant resources.*

*•We may be unable to make or realize expected benefits from acquisitions, and implementing our growth strategy through acquisitions may harm our business, financial condition and operating results.*

*•Delays in deliveries of secondhand or newbuilding vessels, cancellations or non-completion of deliveries could harm our business, financial condition and results of operations.*

*•The loss of a customer, charter or vessel could result in a loss of revenues and cash flow in the event we are unable to replace such customer, charter or vessel.*

*•The aging of our vessels may result in increased operating costs in the future, which could adversely affect our earnings.*

*•Increased demand for and supply of "eco-type" or scrubber retrofitted vessels could reduce demand for our vessels that are not classified as such and expose us to lower vessel utilization and/or decreased charter rates.*

*•As of January 2024, our vessels that are entering or trading within the European Union (EU) and the European Economic Area (EEA) have to comply with provisions of the EU Emissions Trading System (ETS) and we may be subject to penalties, fines or other consequences if we fail to do so.*

*•Our vessels may suffer damage or unexpected drydocking costs or be subject to unbudgeted periods of off-hire, which could materially adversely affect our business, financial condition and results of operations.*

*•The market value of our vessels may fluctuate significantly, which amongst others, could cause us to breach covenants in our financing arrangements, resulting in the foreclosure of certain of our vessels, limit the amount of funds that we can borrow and adversely affect our ability to purchase new vessels and our operating results.*

*•We must make substantial capital expenditures to maintain the operating capacity of our fleet, which will reduce our cash available for distribution. In addition, each quarter our board of directors is required to deduct estimated maintenance and replacement capital expenditures from operating surplus, which may result in less or no cash available to unitholders than if actual maintenance and replacement capital expenditures were deducted.*

*•We may be subject to litigation that, if not resolved in our favor or not adequately insured against, could have a material adverse effect on our operations.*

*•Because we generate all of our revenues in U.S. dollars but incur a portion of our expenses in other currencies, exchange rate fluctuations could cause us to suffer exchange rate losses thereby increasing expenses and reducing income.*

*•Security breaches and disruptions to our and our Manager's information technology infrastructure could interfere with our operations and expose us to liability which could have a material adverse effect on our business, financial condition, cash flows and results of operations.*

*•We may not have adequate insurance to compensate us if we lose our vessels or to compensate third parties.*

*•Our growth depends on continued growth in demand for crude oil, refined petroleum products (clean and dirty) and bulk liquid chemicals and the continued demand for seaborne transportation of such cargoes.*

*•We conduct a substantial amount of business in China. The legal system in China has inherent uncertainties that could limit the legal protections available to us and could have a material adverse impact on our business, results of operations, financial condition and cash flows.*

*•We have Chinese built vessels and vessels currently under construction in China*

*•An oversupply of vessel capacity may depress charter rates, which may affect our ability to operate our vessels profitably.*

*•Fuel price fluctuations may have an adverse effect on our profits.*

*•We are subject to various laws, regulations, and international conventions, which could require significant expenditures to maintain compliance and to cover any uninsured environmental liabilities, including those resulting from spills or other environmental incidents.*

*•Climate change and government laws and regulations related to climate change could negatively impact our financial condition.*

*•We are subject to vessel security regulations and we incur costs to comply with adopted regulations. We may be subject to costs to comply with similar regulations that may be adopted in the future in response to terrorism.*

*•Changing laws and evolving reporting requirements could have an adverse effect on our business, including the sustainability disclosure rules and corporate sustainability directives in the European Union and/or the United States.*

*•Our international activities increase the compliance risks associated with economic and trade sanctions imposed by the United States, the EU, the UK and other jurisdictions/authorities.*

*•We could be materially adversely affected by violations of the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act and anti-corruption laws in other applicable jurisdictions.*

*•The operation of ocean-going vessels entails the possibility of marine disasters including damage or destruction of the vessel due to accident, the loss of a vessel due to piracy or terrorism, damage or destruction of cargo and similar events that may cause a loss of revenue from affected vessels and damage our business reputation, which may in turn lead to loss of business.*

*•Maritime claimants could arrest or attach one or more of our vessels, which could interrupt our cash flow.*

*•The smuggling of drugs or other contraband onto our vessels may lead to governmental claims against us.*

*•A failure to pass inspection by classification societies could result in one or more vessels being unemployable unless and until they pass inspection, resulting in a loss of revenues from such vessels for that period and a corresponding decrease in operating cash flows.*

*•Disruptions in global financial markets, terrorist attacks, regional armed conflicts, general political unrest, economic crisis, the emergence of a pandemic crisis and the resulting governmental action could have a material adverse impact on our results of operations, financial condition and cash flows.*

*•Governments could requisition our vessels during a period of war or emergency, resulting in a loss of earnings.*

**Risks Relating to Our Indebtedness**

*•We may be unable to obtain additional financing and our debt levels may limit our ability to do so and pursue other business opportunities, and our interest rates under our financing arrangements may fluctuate and may impact our operations.*

*•We are exposed to volatility in interest rates, including SOFR.*

*•Our credit facilities and certain financial liabilities contain restrictive covenants, which may limit our business and financing activities and may prevent us from paying distributions to unitholders, if our board of directors determines to do so again in the future.*

**Risks Relating to Our Units**

*•Our board of directors may not declare cash distributions in the foreseeable future.*

*•Any dividend payments on our common units would be declared in U.S. dollars, and any unit holder whose principal currency is not the U.S. dollar would be subject to risks of exchange rate fluctuations.*

*•The New York Stock Exchange may delist our securities from trading on its exchange, which could limit your ability to trade our securities and subject us to additional trading restrictions.*

*•The price of our common units may be volatile.*

*•Unitholders may be liable for repayment of distributions.*

*•Common unitholders have limited voting rights and our partnership agreement restricts the voting rights of common unitholders owning more than 4.9% of our common units.*

**Risks Relating to Our Organizational Structure, Taxes and Other Legal Matters**

*•We are a holding company and we depend on the ability of our subsidiaries to distribute funds to us in order to satisfy our financial obligations and to make distributions.*

*•We depend on the Manager to assist us in operating and expanding our business.*

*•The loss of key members of our senior management team could disrupt the management of our business.*

*•The Manager may be unable to attract and retain qualified, skilled employees or crew necessary to operate our vessels and business or may have to pay increased costs for its employees and crew and other vessel operating costs.*

*•We may be subject to taxes, which may reduce our cash available for distribution to our unitholders.*

*•U.S. tax authorities could treat us as a "passive foreign investment company", which could have adverse U.S. federal income tax consequences to U.S. unitholders.*

*•We may have to pay tax on U.S.-source income, which would reduce our earnings.*

*•Actions taken by holders of our common units or the formation of a U.S. subsidiary by us could result in our (and/or certain of our non-U.S. subsidiaries) being treated as a "controlled foreign corporation", which could have adverse U.S. federal income tax consequences to certain U.S. holders.*

*•You may be subject to income tax in one or more non-U.S. countries, including Greece, as a result of owning our common units if, under the laws of any such country, we are considered to be carrying on business there. Such laws may require you to file a tax return with and pay taxes to those countries.*

*•Our diverse lines of business may have an impact on our tax treatment in the countries in which we operate, which could result in a significant negative impact on our earnings and cash flows from operations.*

*•We have been organized as a limited partnership under the laws of the Republic of the Marshall Islands, which does not have a well-developed body of partnership law; as a result, unitholders may have more difficulty in protecting their interests than would unitholders of a similarly organized limited partnership in the United States.*

*•Because we are organized under the laws of the Marshall Islands and we operate primarily from Piraeus, Greece, it may be difficult to serve us with legal process or enforce judgments against us, our directors or our management.*

*•Our partnership agreement limits our general partner's and our directors' fiduciary duties to our unitholders and restricts the remedies available to unitholders for actions taken by our general partner or our directors.*

*•Our general partner has a limited call right that may require unitholders to sell their common units at an undesirable time or price.*

*•Our general partner may transfer its general partner interest to, and the control of our general partner may be transferred to a third party without common unitholder consent.*

*•Our partnership agreement contains provisions that may have the effect of discouraging a person or group from attempting to remove our current management or our general partner, and even if our public unitholders are dissatisfied, they will need a qualified majority to remove our general partner.*

*•Unitholders may not have limited liability if a court finds that unitholder action constitutes control of our business.*

*•We can borrow money to pay distributions, which would reduce the amount of credit available to operate our business.*

*•Our management will have broad discretion with respect to the use of the proceeds resulting from the issuance of common units whether under a continuous offering program or a secondary offering.*

*•Our general partner and its affiliates, which includes Angeliki Frangou, own a significant interest in us and may have conflicts of interest and limited fiduciary and contractual duties, which may permit them to favor their own interests to the detriment of unitholders.*

*•Navios Holdings and their affiliates may compete with us.*

*•Our officers face conflicts of interest and conflicts in the allocation of their time to our business.*

*•Fees and cost reimbursements, which the Manager determine for services provided to us, represent significant percentage of our revenues, are payable regardless of profitability and reduce our cash available for distributions.*

**Risks Relating to Our Business and our Industry**

***Our growth depends on continued growth in demand for dry bulk commodities, liquid cargo, finished or semi-finished goods, and the shipping of drybulk cargoes, containers as well as crude oil, petroleum products and other liquid cargoes.***

Our growth strategy focuses on expansion in the Dry Cargo and tanker shipping sectors. Accordingly, our growth depends on continued growth in world and regional demand for dry and liquid bulk commodities, finished or semi-finished goods and the shipping of containers, dry and liquid cargoes, which could be negatively affected by a number of factors, such as declines in prices for dry or liquid bulk commodities or containerized cargoes, or general political, social and economic conditions.

We anticipate that the future demand for our drybulk carriers, container and tanker vessels and their charter rates will be dependent upon demand for imported commodities, economic growth in the emerging markets, including the Asia Pacific region, India and Brazil. In past years, China and India have had two of the world's fastest growing economies in terms of gross domestic product and have been the main driving force behind increases in marine drybulk and tanker trades and the demand for drybulk vessels and tankers. The Asia Pacific and Indian economies have also been significant suppliers of manufactured goods currently shipped by container to the developed markets of the Organisation for Economic Co-operation and Development ("OECD") and worldwide. If economic growth declines in China, Japan, India and other countries in the Asia Pacific region, we may face decreases in demand of such drybulk, tanker and container shipping trades. For example, China increased its 2024 imports of iron ore, coal and bauxite, increasing ton mile demand which supported drybulk rates for the first nine months of 2024 which subsequently declined at year end and remain seasonally low bringing down asset values since September 2024.

Global economic conditions, while somewhat more stable than in the immediate aftermath of the financial crisis, remain uncertain with respect to long-term economic growth. In particular, the uncertainty surrounding the future of the Eurozone; the economic prospects of the United States (sometimes referred to as the "U.S."); the future economic growth of China, Brazil, India, and other emerging markets; the continuing armed conflicts between Russia and Ukraine, Israel and Hamas and the attacks in the Red Sea; imposition or removal of any tariffs, or sanctions or other fees and changing production and consumption patterns due to pandemics, war, efficiencies, environmental concerns, new technologies and government policy changes are all expected to affect demand for drybulk carriers, container vessels, and product and crude tankers going-forward.

Furthermore, the extension of refinery capacity in China, India and particularly the Middle East from 2022 to 2024 is expected to exceed the immediate consumption in these areas, and an increase in exports of refined oil products is expected as a result. Additionally, China's domestic oil product demand has recently decreased due to a rise in electric vehicle use for passengers and a rise in LNG to fuel trucks, which, if continued, could lead to rising product exports and decreased crude imports. Changes in product trading patterns due to the implementation of the IMO 2020 sulfur reduction rules, sanctions against ships carrying Russian crude and product exports and closure of refineries due to the pandemic should increase trade in refined oil products. Changes in crude and product trading patterns due to the armed conflict between Russia and the Ukraine may remain long after the conflict is resolved and sanctions are removed, which should affect positively or negatively ton miles and therefore the demand for such vessels. The attacks in the Red Sea may temporarily increase voyage length and vessel time charter rates, particularly for tankers and containerships however all shipping sectors will be affected if such attacks continue and ships avoid the Red Sea and transits of the Suez Canal.

Any future oil demand growth is expected to come primarily from emerging markets which have been historically volatile, such as China and India. A slowdown in these countries' economies or a change in policies favoring less oil consumption in favor of renewable energy sources or similar may severely affect global oil demand growth, and may result in protracted, reduced consumption of oil products and a decreased demand for our tanker vessels and lower charter rates. Should the Organization of the Petroleum Exporting Countries ("OPEC") significantly reduce oil production or should there be significant declines in non-OPEC oil production, that may result in a protracted period of reduced oil shipments and a decreased demand for our tanker vessels and lower charter rates. These changes could have a material adverse effect on our business, results of operations, cash flows, financial condition and ability to make cash distributions.

Containership rates have fallen from their all-time highs in the beginning of 2022 due to governments' removal of pandemic related restrictions on travel and business, and the reduction or elimination of supply chain disruptions. There is no guarantee that containership rates will remain at above pre-pandemic rates or return to levels at or below their long term averages particularly if transits through the Red Sea increase from the current levels.

Following the U.S. presidential election in 2024, the new administration has imposed and may continue to impose additional tariffs on U.S. imports from a variety of countries, including China, Mexico and Canada. In addition, increased port charges in US ports or charges due to the nationality of the vessel (its flag of registry) or where the vessel was built may change trading patterns for all vessels as charterers or owners seek to minimize costs, increasing ton miles and vessel demand.

Finally, a slowdown in the economies of the U.S. or the EU, or certain other Asian countries may also adversely affect economic growth in the Asia Pacific region and India. A decline in demand for commodities transported in drybulk carriers, tankers and/or containerships, or an increase in supply of drybulk vessels, tankers or containerships could cause a further decline in charter rates, which could materially adversely affect our cashflows, profitability and our results of operations and financial condition.

***The cyclical nature of the international shipping industry may lead to decreases in charter rates and lower vessel values. Charter hire rates have significantly declined from historically high levels recently, are volatile and may remain depressed or reach low levels or decrease in the future, which may adversely affect our earnings, revenue, profitability and ability to pay distributions.***

The drybulk shipping industry is cyclical with attendant volatility in charter hire rates and profitability. The degree of charter hire rate volatility among different types of drybulk vessels has varied widely, and charter hire rates for drybulk vessels have declined significantly from historically high levels. For example, in the past time charter and spot market rates for drybulk vessels have declined below operating costs of vessels. The Baltic Dry Index, or BDI, an index published by the Baltic Exchange Limited of shipping rates for 21 key drybulk routes, fell 97% from a peak of 11,793 in May 2008 to a low of 290 in February 2016. While the BDI showed improvement since then, in the last two years it has ranged from a low of 530 in February 2023 to a high of 3,346 in December 2023, and at 1,642 on March 25, 2025 it remains below the average since January 2020 and there can be no assurance that the drybulk charter market will not decline further.

The container shipping industry is similarly both cyclical and volatile in terms of charter rates, profitability and, consequently, vessel values. According to industry data, containership charter rates reached a peak in 2005, with the Containership Timecharter Rate Index (a $/day per twenty-foot equivalent units ("TEU") weighted average of 6-12 month time charter rates of Panamax and smaller vessels (1993=100)) reaching 172 points in March and April 2005, and generally stayed above 100 points until the middle of 2008, when the effects of the economic crisis began to affect global container trade, driving the Containership Timecharter Rate Index to a 10-year low of 32 points in the period from November 2009 to January 2010. As of the end of January 2020, the Containership Timecharter Rate Index stood at 60 points, hit a bottom of 41 points as of the end of June 2020 and then rose to an all time high of 434 as of the beginning of April 2022. Since then the Containership Timecharter Rate Index fell to 67 in the middle of December 2023 but has increased since then as containerships avoided transiting the Red Sea and stands at 190 as of March 21, 2025. Current container charter rates are at rates that are above pre-pandemic levels but there is no guarantee that they will remain elevated and could return to average or below average levels when they fall.

Charter rates in the crude oil, product and chemical tanker sectors have significantly declined from historically high levels in 2008 and may remain depressed or decline further. For example, the Baltic Exchange Dirty Tanker Index (BDTI) declined from a high of 2,347 in July 2008 to 453 in mid-April 2009, which represents a decline of approximately 81%. Since January 2023, it has traded between a low of 713 and a high of 1,648; as of March 25, 2025, it stood at 1,011. The Baltic Exchange Clean Tanker Index (BCTI) fell from 1,509 in the early summer of 2008 to 345 in April 2009, or an approximate 77% decline. It has traded between a low of 460 and a high of 1,411 since January 2023 and stood at 839 as of March 25, 2025. Tanker charter rates for VLCCs, LR1s and MR2s experienced the lowest annual average time charter earnings on record in 2021, although current rates are higher than those recorded lows. Of note is that Chinese imports of crude oil have increased from three million barrels per day in 2008 to a record 13 million barrels per day in June 2020 and stood at 11.1 million barrels per day in December 2024. Additionally, since the U.S. removed its ban at the end of 2015, U.S. crude oil exports increased by about 1,100% from 0.4 million barrels per day to a record 4.7 million barrels per day in February 2024; and averaged 3.9 million barrels per day in December 2024. The U.S. has steadily increased its total petroleum product exports by about 600% to a record 7.3 million barrels per day in December 2024 from one million barrels per day in January 2006.

If the drybulk, tanker or container shipping industries, are depressed when our charters expire or when we are otherwise seeking new charters, we may be forced to re-charter our vessels at reduced or even unprofitable rates, or we may not be able to re-charter them at all and/or we may be forced to scrap them, which may reduce or eliminate our earnings, make our earnings volatile, affect our ability to generate cash flows and maintain liquidity. However, the drybulk, tanker and containership rate cycles have peaked and have fallen to low points at different times, which may mitigate overall cash flow reductions. We cannot give any assurance that we will be able to successfully charter our vessels in the future or renew our existing charters at rates sufficient to allow us to operate our business profitably, to meet our obligations, including payment of debt service to our lenders, or to pay distributions to our unitholders.

Additionally, if the spot market rates or short-term time charter rates become significantly lower than the time charter equivalent rates that some of our charterers are obligated to pay us under our existing charters, the charterers may have incentive to default under that charter or attempt to renegotiate the charter. If our charterers fail to pay their obligations, we would have to attempt to re-charter our vessels at lower charter rates, which would affect our ability to comply with our loan covenants and operate our vessels profitably. If we are not able to comply with our loan covenants and our lenders choose to accelerate our indebtedness and foreclose their liens, we could be required to sell vessels in our fleet and our ability to continue to conduct our business would be impaired.

Fluctuations in charter rates result from changes in the supply and demand for vessel capacity and changes in the supply and demand for the major commodities and finished goods carried by water internationally. Because the factors affecting the supply and demand for vessels are outside of our control and are unpredictable, the nature, timing, direction and degree of changes in charter rates are also unpredictable.

Furthermore, a significant decrease in charter rates would cause asset values to decline, and we may have to record an impairment charge in our consolidated financial statements which could adversely affect our financial results. Because the market value of our vessels may fluctuate significantly, we may also incur losses when we sell vessels, which may adversely affect our earnings. If we sell vessels at a time when vessel prices have fallen and before we have recorded an impairment adjustment to our financial statements, the sale may be at less than the vessel's carrying amount in our financial statements, resulting in a loss and a reduction in earnings.

Factors that influence demand for vessels capacity include:

•global and regional economic and political conditions, including armed conflicts, wars and terrorist activities (including piracy), embargoes and strikes;

•global or local health related issues including disease outbreaks or pandemics;

•disruptions and developments in international trade, including the effects of currency exchange rate changes and any differences in supply and demand between regions;

•changes in seaborne and other transportation patterns;

•supply and demand for energy resources, drybulk products, commodities, semi-finished and finished consumer and industrial products;

•changes in the exploration or production of energy resources, commodities, semi-finished and finished consumer and industrial products;

•supply and demand for products shipped in containers;

•supply and demand for commodities shipped in Dry Cargo vessels;

•supply and demand of liquid cargoes, including petroleum and petroleum products;

•changes in global production of raw materials, semi-finished or finished goods and products transported by containerships;

•changes in oil production and refining capacity and regional availability of petroleum refining capacity;

•the distance drybulk, liquid cargo or containers are to be moved by sea, including changes in the distances over which cargo is transported due to geographic changes where commodities or other goods are produced, manufactured, refined or used or due to sanctions, tariffs or restrictions due to geopolitical issues, embargoes, wars or other conflicts, including any changed trading patterns to avoid port entry fees based on the nationality of the vessel operator or the vessel's country of build;

•fuel prices for the bunker fuel used aboard ships;

•whether the vessel is equipped with scrubbers or not;

•natural or man-made disasters or actions that affect the ability of our vessels to use certain waterways;

•waiting days in ports or port congestion generally due to any causes;

•the globalization or deglobalization of manufacturing and all developments in international trade;

•carrier alliances, vessel sharing or container slot sharing that seek to allocate container ship capacity on routes;

•any weather events affecting production or consumption or movements at sea or through canals or any waterways and crop yields;

•political, environmental and other regulatory developments, including but not limited to governmental macroeconomic policy changes (including the application of stimulus programs or withdrawal of same), import and export restrictions, including sanctions, tariffs, trade wars, central bank policies, port entry fees based on nationality of the vessel operator or a vessel's country of build and pollution conventions or protocols, including any limits on CO2 emissions or the consumption of carbon based fuels due to climate change agreements or protocols or the imposition to comply with the provisions of the European Union ("EU") Emissions Trading System ("EU ETS") which may have the effect of changing trading patterns on certain commodities or finished or semi-finished goods or decreasing vessels willing to trade into and out of the EU;

•political developments, including changes to trade policies, tariffs, port entry fees based on nationality and or trade wars, including the provision or removal of economic stimulus measures meant to counteract the effects of sudden market disruptions due to conflicts, wars, banking, financial, economic or health crises;

•domestic and foreign tax policies;

•armed conflicts and terrorist activities;

•competition from alternative sources of energy and/or governmental policies encouraging the use of such alternatives (including the replacement of fossil fuels, such as coal or oil or gas, with renewables for industrial or consumer use);

•international sanctions, embargoes, strikes and nationalizations; and

technical advances in ship design and construction.

The supply of vessel capacity has generally been influenced by, among other factors:

•the number of vessels that are out of service (including any held in quarantine or waiting for crew changes due to health related or other restrictions or those vessels impounded or restricted from movement due to any war, lockout, lack of insurance or other political measure), namely those that are laid-up, drydocked, awaiting or undergoing repairs or otherwise not available or prevented from being available for hire or deemed too expensive to enter any country due the imposition of fees based on the nationality of the vessel operator or a vessel's country of build;

•the berthing preference or the lack thereof that may increase or decrease overall fleet capacity depending on frequency of port calls to countries that give or deny such preference;

•the scrapping rate of older vessels;

•the availability of finance or lack thereof for ordering newbuildings or for facilitating ship sale and purchase transactions;

•port and canal traffic and congestion, including canal improvements that can affect employment of ships designed for older canals or closure or blockage of any waterway due to accidents, war, piracy, political issues, weather or any other reason;

•the number of shipyards and ability of shipyards to deliver vessels;

•the number of newbuilding deliveries;

•vessel casualties;

•localized weather events adversely affecting shipbuilding production;

•the number of vessels that are used for storage or as floating storage offloading service vessels;

•the conversion of tankers to drybulk cargo and the reverse conversion;

•the phasing out of single-hull tankers due to legislation and environmental concerns;

•national or international regulations that may effectively cause reductions in the carrying capacity of vessels or early obsolescence of tonnage;

•changes in environmental and other regulations and standards (including IMO rules requiring a reduction in the use of high sulfur fuels, the fitting of additional ballast water treatment systems and rules intended to reduce CO2 and Green House Gas emissions, including the EU ETS) that limit the profitability, operations or useful lives of vessels;

•the price of steel, fuel and other raw materials; and

•the economics of slow steaming.

In addition to the prevailing and anticipated charter rates, factors that affect the rate of newbuilding, scrapping and laying-up include newbuilding prices, secondhand vessel values in relation to newbuilding and scrap prices, costs of bunkers and other operating costs, costs associated with classification society surveys, normal maintenance and insurance coverage costs, the efficiency and age profile of the existing drybulk, tanker and container fleets in the market and government and industry regulation of maritime transportation practices, particularly environmental protection laws and regulations. These and other factors influencing the supply of and demand for shipping capacity are outside of our control, and we may not be able to correctly assess the nature, timing and degree of changes in industry conditions.

The consequences of any future global economic crisis may further reduce demand for transportation of dry and liquid commodities and finished or semi-finished goods over long distances and supply of ships that carry those dry and liquid commodities and finished or semi-finished goods, which may materially affect our future revenues, profitability and cash flows. In addition, public health threats, such as the coronavirus, influenza and other highly communicable diseases or viruses, outbreaks of which have from time to time occurred in various parts of the world in which we operate, including China, could adversely impact our operations, and the operations of our customers. Armed conflicts, wars and insurrections and any government actions resulting there from could also adversely impact our operations and the operations of our customers.

***A decrease in the level of China's imports of raw materials, exports of goods, or a decrease in trade globally could have a material adverse impact on our charterers' business and, in turn, could cause a material adverse impact on our results of operations, financial condition and cash flows.***

China imports significant quantities of raw materials, and exports significant amounts of finished or semi-finished goods. For example, in 2024, China imported 1.218 billion tons of iron ore by sea out of a total of 1.597 billion tons shipped globally, accounting for about 76% of the global seaborne iron ore trade. While it accounted for approximately 31% of seaborne coal movements of coal in 2024 according to current estimates (421 million tons imported compared to 1.366 billion tons of seaborne coal traded globally), and about 26% of all crude oil shipped globally in 2024 (504 million tons imported compared to 1.952 billion tons of seaborne crude oil traded globally). Our drybulk vessels, tankers and containerships are deployed by our charterers on routes involving trade in and out of emerging markets, and our charterers' revenue may be derived from the shipment of goods within the Asia Pacific region and to or from various overseas export markets. Any reduction in or hindrance to China-based importers or exporters could have a material adverse effect on the growth rate of China's imports and exports and on our charterers' business. For instance, the government of China has implemented economic policies aimed at reducing pollution, increasing consumption of domestically produced Chinese coal and Chinese-made goods, or increasing consumption of natural gas or banning imports of coal or other commodities from certain countries to China or increasing the production of electricity from renewable resources or changing any policy that focuses on or diverts attention away from housing, any specific industry or infrastructure or changing any policy to promote domestic consumption which decreases imports or exports of raw materials or finished goods.

This may have the effect of (i) reducing the demand for imported raw materials and may, in turn, result in a decrease in demand for drybulk or tanker shipping, and (ii) reducing the supply of goods available for export and may, in turn, result in a decrease of demand for drybulk, tanker or container shipping. Additionally, though in China there is an increasing level of autonomy and a gradual shift in emphasis to a "market economy" and enterprise reform, many of the reforms, particularly some limited price reforms that result in the prices for certain commodities being principally determined by market forces, are unprecedented or experimental and may be subject to revision, change, reversal or abolition. The level of imports to and exports from China could be adversely affected by changes to these economic reforms by the Chinese government, as well as by changes in political, economic and social conditions or other relevant policies of the Chinese government. The conflict between Ukraine and Russia, Israel and Hamas, the war and any sanctions resulting therefrom, the attacks in the Red Sea, the pandemic and ongoing global trade war between the U.S. and China and between China and any other countries or regions may contribute to an economic slowdown in China.

In recent years, China has been one of the world's fastest growing economies in terms of gross domestic product, which has had a significant impact on shipping demand. However, if China's growth in gross domestic product declines and other countries in the Asia Pacific region experience slower or negative economic growth in the future, this may negatively affect the economies of the United States and the European Union, and thus, may negatively impact the shipping industry. For example, the possibility of the introduction of impediments (including any sanctions or tariffs) to trade with or within the European Union member countries in response to wars, conflicts or increasing terrorist activities, and the possibility of market reforms to float the Chinese renminbi, either of which development could weaken the euro against the Chinese renminbi, could adversely affect consumer demand in the European Union. Moreover, the revaluation of the renminbi may negatively impact the United States' demand for imported goods, many of which are shipped from China. Political events such as a global trade war or any moves by either China, the United States, the European Union or other countries to levy additional tariffs on imported goods as part of protectionist measures or otherwise, could decrease shipping demand. Such weak economic conditions or protectionist measures could have a material adverse effect on our business, results of operations and financial condition, as well as our cash flows, including cash available for distributions to our unitholders.

China has enacted a tax for non-resident international transportation enterprises engaged in the provision of services of passengers or cargo, among other items, in and out of China using their own, chartered or leased vessels, including any stevedore, warehousing and other services connected with the transportation. The regulation broadens the range of international transportation companies which may find themselves liable for Chinese enterprise income tax on profits generated from international transportation services passing through Chinese ports. This tax or similar regulations by China may reduce our operating results and may also result in an increase in the cost of goods exported from China and the risks associated with exporting goods from China, as well as a decrease in the quantity of goods to be shipped from or through China, which would have an adverse impact on our charterers' business, operating results and financial condition and could thereby affect their ability to make timely charter hire payments to us and to renew and increase the number of their time charters with us.

Similarly, an extension or expansion or recurrence of the recent worldwide pandemic, or withdrawals or changes to economic stimulus packages or initiations or endings to local lockdowns or quarantines by China or other nations to combat the pandemic may reduce our operating results and may also result in an increase in the cost of goods exported from China and the risks associated with exporting goods from China, as well as a decrease in the quantity of goods including petroleum products and manufactured products to be shipped from or through China or imports of commodities including iron ore, coal, grain and crude oil to China, which would have an adverse impact on our charterers' business, operating results and financial condition and could thereby affect their ability to make timely charter hire payments to us and to renew and increase the number of their time charters with us.

Any sanctions levied against Russia or any other country involved in a conflict that affect or begin to affect China or other nations involved in commodity or manufactured goods trades which have the effect of raising prices for such goods or causing economic downturns due to such price rises which would have an adverse impact on our charterers' business, operating results and financial condition and could thereby affect their ability to make timely charter hire payments to us and to renew and increase the number of their time charters with us.

Any tariffs or port entry fees levied by or against China, the European Union or the United States, or any other country involved in commodity or manufactured goods trades which have the effect of raising prices for such goods or causing economic downturns due to such price rises which would have an adverse impact on our charterers' business, operating results and financial condition and could thereby affect their ability to make timely charter hire payments to us and to renew and increase the number of their time charters with us.

For a description of the economic and trade sanctions and other compliance requirements under which we operate please see "Item 4. Information on the Partnership – B. Business Overview – Economic Sanctions and Compliance".

***Any decrease in shipments of crude oil from the Arabian Gulf or the Atlantic basin may adversely affect our financial performance.***

The demand for VLCC oil tankers derives primarily from demand for Arabian Gulf and Atlantic basin (West Africa, United States, Brazil, North Sea, Guyana and other) crude oils, which, in turn, primarily depend on the economies of the world's industrial and industrializing countries and competition from alternative energy sources. A wide range of economic, social and other factors can significantly affect the strength of the world's industrial and industrializing economies and their demand for Arabian Gulf and Atlantic basin crude oil.

Among the factors that could lead to a decrease in demand for exported Arabian Gulf and Atlantic basin crude oil are:

•increased use of existing and future crude oil pipelines in the Arabian Gulf or Atlantic basin regions;

•increased demand for crude oil in the Arabian Gulf or Atlantic basin regions;

•a decision by OPEC or other petroleum exporters to increase their crude oil prices or to further decrease or limit their crude oil production;

•any increase in refining of crude into petroleum products for domestic consumption or export;

•armed conflict or acts of piracy in the Arabian Gulf, Red Sea, Gulf of Aden or Atlantic basin including West Africa and political or armed conflicts or sanctions anywhere that affect demand for crude oil from these regions or other factors;

•economic and pandemic related crises that decrease oil demand generally;

•changes to oil production in other regions, such as the United States, Russia and Latin America, including those production changes caused by war, conflict, sanctions or tariffs; and

•the development and the relative costs of nuclear power, natural gas, coal, renewables and other alternative sources of energy.

Any significant decrease in shipments of crude oil from the Arabian Gulf or Atlantic basin may materially adversely affect our financial performance.

***Increasing energy self-sufficiency in the United States could lead to a decrease in imports of oil to that country, which to date has been one of the largest importers of oil worldwide.***

According to the 2023 Annual Energy Outlook published in March 2023 by the US Energy Information Agency ("EIA"): Although domestic consumption of petroleum and other liquids does not increase through 2040 across most cases, U.S. petroleum and other liquids production remains high because of increased exports of finished products in response to growing international demand. In all cases, the EIA projected that the United States will remain a net exporter of petroleum products through 2050. Crude oil imports remain relatively flat in the reference case but vary widely in the side cases. This wide range in imports is mainly due to the tradeoff between domestic production and imports. In the Low Oil and Gas Supply case, crude oil imports increase significantly, partially to account for falling domestic crude oil production. The opposite occurs in the High Oil and Gas Supply case, in which increased domestic production balances lower crude oil imports. Similarly in the annual World Energy Outlook (October 2024), the International Energy Agency ("IEA") forecast that North American crude oil output will expand by 2.1 million barrels per day ("MBPD") to 29.5 MBPD by 2030 from 27.4 MBPD in 2023 in their Stated Policies Scenario ("STEPS") while the Middle East increases production by about 0.8 MBPD by 2030 (from 30.4 to 31.2 MBPD). Central and South American will increase oil production by 1.8 MBPD by 2030 adding to Atlantic Basin supply. Eurasian production, led by Russia will hold production steady at 13.8 MBPD in 2030, the same as 2023. In total North, Central and South American production will increase by 3.9 MBPD to 2030; 388% more than the Middle East's increase of 0.8 MBPD. Global oil demand rises to 101.7 MBPD in 2030 from 99.2 MBPD in 2023, with China, India and Southeast Asia together accounting for an increase of about 3.6 MBPD in global demand while demand in North America, Europe and Japan falls by 3.0 MBPD to 2030 which will continue the trend of shipping more Atlantic Basin oil to China, India and Other Asian countries. A slowdown in oil imports to or exports from the United States, one of the most important oil trading nations worldwide, may result in decreased demand for our vessels and lower charter rates, which could have a material adverse effect on our business, results of operations, cash flows, financial condition and ability to make cash distributions.

***An increase in trade protectionism and the unraveling of multilateral trade agreements could have a material adverse impact on our charterers' business and, in turn, could cause a material adverse impact on our results of operations, financial condition and cash flows.***

Our operations expose us to the risk that increased trade protectionism will adversely affect our business. In past years, government leaders have declared that their countries may turn to trade barriers to protect or revive their domestic industries in the face of foreign imports, thereby depressing the demand for shipping. Concerns regarding terrorist threats and the refugee crisis or any investment legislation that favors domestic production or production from friendly nations or places levies on transportation by vessel operators of certain nations or ships built in certain countries may advance protectionist policies and may negatively impact globalization and global economic growth, which could disrupt financial markets, and may lead to weaker consumer demand in the European Union, the United States, and other parts of the world which could have a material adverse effect on our business. Deteriorations in the global economy have caused, and may continue to cause, decreases in worldwide demand for dry and liquid cargoes and certain goods shipped in containerized form.

The U.S. government has introduced significant changes in trade policies, including the imposition of new tariffs and other trade restrictions that could affect cross-border commerce. On February 1, 2025, an executive order was issued, imposing tariffs on imports from Canada, Mexico, and China, with additional measures under consideration. These tariffs, along with potential retaliatory actions by these and other countries, could disrupt global trade flows, impact the cost and availability of telecom equipment and technology, and increase operational costs for companies reliant on international supply chains. In addition, to the extent that changes in the political environment due to the imposition of tariffs or other measures negatively impact us or the markets in which we operate, our business, financial condition, and results of operations could be materially and adversely affected. Given the expanding scope of trade restrictions and the uncertainty surrounding future policies of the U.S. administration, we can provide no assurances regarding the full extent of any potential impact.

Uncertainty has been created about the future relationship between the United States, the European Union, China, Russia and other importing and exporting countries, including with respect to trade policies, treaties, government regulations and tariffs. Protectionist developments, or the perception that they may occur, may have a material adverse effect on global economic conditions, and may significantly reduce global trade. Restrictions on imports, including in the form of tariffs and other levies, could have a major impact on global trade and demand for shipping. Specifically, increasing trade protectionism in the markets that our charterers serve may cause an increase in (i) the cost of goods exported from exporting countries, (ii) the length of time required to deliver goods from exporting countries (including any transshipment to avoid any levies or fees), (iii) the costs of such delivery and (iv) the risks associated with exporting or importing goods. These factors may result in a decrease in the quantity of goods to be shipped and the distances those goods travel. Protectionist developments, or the perception they may occur, may have a material adverse effect on global economic conditions, and may significantly reduce global trade, including trade between the United States, the European Union and China or between Russia and other countries. These developments would have an adverse impact on our charterers' business, operating results and financial condition. This could, in turn, affect our charterers' ability to make timely charter hire payments to us and impair our ability to renew charters and grow our business. This could have a material adverse effect on our business, results of operations and financial condition, as well as our cash flows, including cash available for distributions to our unitholders.

***While we favor longer term charters for all the tanker, dry bulk and container vessels we own or control, we may from time to time have to rely on chartering our vessels in the spot market that are highly volatile and may materially adversely affect our earnings.***

We may deploy at least some of our product tankers, chemical tankers and Very Large Crude Carriers ("VLCCs") in the spot market directly or in pools. Although spot chartering is common in the product, chemical and VLCC sectors, product tankers, chemical tankers and VLCC charter hire rates are highly volatile and may fluctuate significantly based upon demand for seaborne transportation of crude oil, oil products and chemicals, as well as tanker supply. World oil demand is influenced by many factors, including international economic activity (including reactions to any economic or health crises or conflicts); geographic changes in oil production, weather and seasonal demand, processing, and consumption; oil price levels; inventory policies of the major oil and oil trading companies; and strategic inventory policies of countries such as the United States and China.

We may also deploy our drybulk vessels on term charters either at fixed rates or rates that vary with an index of spot voyages such as those published by the Baltic Exchange. Some of these charters have the ability to fix rates for succeeding quarters or for longer durations into the future and we have exercised those options when we believe it is advantageous to do so to maximize earnings or to defend against a perceived market weakness. If we do not fix rates going forward or the index charter does not have an ability to do so or a long term charter ends during a period of market weakness, we may be exposed to volatile spot rates that can be lower than the rates in the existing term charters on our other drybulk vessels which may materially adversely affect our earnings.

The container ship market generally favors longer term charters so that liner companies can establish set schedules for deliveries of containerized cargoes and we may deploy our container vessels on longer term charters at fixed rates or in some instances at rates linked to a spot index such as the Contex. Should term charters on our container vessels end during periods of market weakness, we may be exposed to charters of shorter duration or charters linked to a spot index, which would expose our container ships to volatile spot rates that can be lower than the existing rates in the term charters on our other container ships, which may materially adversely affect our earnings.

The successful operation of our vessels in the spot charter market depends upon, among other things, obtaining profitable spot charters and minimizing, to the extent possible, time spent waiting for charters and time spent traveling unladen to pick up cargo. Furthermore, as charter rates for spot charters are fixed for a single voyage that may last up to several weeks, during periods in which spot charter rates are rising, we will generally experience delays in realizing the benefits from such increases. The spot market is highly volatile, and, in the past, there have been periods when spot rates have declined below the operating cost of vessels.

Currently, spot charter hire rates are above operating costs for all tanker, drybulk and container vessel sizes and there is no assurance that the charter market for any of these vessels will rise over the next several months or will not decline. A decrease in spot rates may decrease the revenues and cash flow we derive from vessels employed in pools or on index linked charters. Such volatility in pool or index linked charters may be mitigated by any minimum rate due to us that we negotiate with our charterers.

Additionally, if the spot market rates or short-term time charter rates become significantly lower than the time charter equivalent rates that some of our charterers are obligated to pay us under our existing charters, the charterers may have incentive to default under that charter or attempt to renegotiate the charter. If our charterers fail to pay their obligations, we would have to attempt to re-charter our vessels at lower charter rates, which would affect our ability to comply with our loan covenants and operate our vessels profitably. If we are not able to comply with our loan covenants and our lenders choose to accelerate our indebtedness and foreclose their liens, we could be required to sell vessels in our fleet and our ability to continue to conduct our business would be impaired.

Certain of our tanker, drybulk and container vessels are contractually committed to time charters. We are not permitted to unilaterally terminate the charter agreements of these vessels due to upswings in industry cycles, when spot market voyages might be more profitable. We may also decide to sell a vessel in the future. In such a case, should we sell a vessel that is committed to a long-term charter, we may not be able to realize the full charter free fair market value of the vessel during a period when spot market charters are more profitable than the charter agreement under which the vessel operates. We may re-charter our vessels on long term charters or charter them in the spot market or place them in pools upon expiration or termination of the vessels' current charters.

***Our growth depends on our ability to expand relationships with existing customers, obtain new customers and enter new shipping sectors, for which we will face substantial competition from new entrants and established companies with significant resources.***

Long-term time charters have the potential to provide income at pre-determined rates over more extended periods of time. However, the process for obtaining longer term time charters is highly competitive and generally involves a lengthy, intensive and continuous screening and vetting process and the submission of competitive bids that often extends for several months. In addition to the quality, age and suitability of the vessel, longer term shipping contracts tend to be awarded based upon a variety of other factors relating to the vessel operator, including:

•the operator's environmental, health and safety record and acceptability to charterers;

•the acceptability of the vessel due to its history;

•compliance with the IMO or carbon intensity rules or standards and the heightened industry standards that have been set by some energy companies;

•shipping industry relationships, reputation for customer service, technical and operating expertise;

•shipping experience and quality of ship operations, including cost-effectiveness;

•quality, experience and technical capability of crews;

•the ability to finance vessels at competitive rates and overall financial stability;

•relationships with shipyards and the ability to obtain suitable berths;

•construction management experience, including the ability to procure on-time delivery of new vessels according to customer specifications;

•willingness to accept operational risks pursuant to the charter, such as allowing termination of the charter for force majeure events; and

•competitiveness of the bid in terms of overall price and other commercial terms.

It is likely that we will face substantial competition for long-term charter business from a number of experienced companies. We may not be able to compete profitably as we expand our business into new geographic regions or provide new services. New markets may require different skills, knowledge or strategies than we use in our current markets. Many of these competitors have significantly greater financial resources than we do. It is also likely that we will face increased numbers of competitors entering into our transportation sectors, including in the tanker, containership and drybulk sectors. Many of these competitors have strong reputations and extensive resources and experience. Increased competition may cause greater price competition, especially for long-term charters, as well as for the acquisition of high-quality secondhand vessels and newbuilding vessels. Further, since the charter rate is generally considered to be one of the principal factors in a charterer's decision to charter a vessel, the rates offered by our competitors can place downward pressure on rates throughout the charter market.

Additionally, the consolidation among liner companies and the creation of alliances among liner companies have increased their negotiation power and oil companies facing declining fossil fuel use in the developed world may decrease the number of long term charters that they hold. However, participation in three shipping sectors should mitigate some of the volatility inherent in a focus on one particular market and allow us access to long term charter deals or asset purchases when single market competitors may be constrained.

As a result of these factors, we may be unable to expand our relationships with existing customers or obtain new customers for long-term charters on a profitable basis, if at all. However, even if we are successful in employing our vessels under longer term charters, our vessels will not be available for trading in the spot market during an upturn in the Dry Cargo, tanker or container market cycles, when spot trading may be more profitable. If we cannot successfully employ our vessels in profitable time charters our results of operations and financial condition, as well as operating cash flow could be adversely affected.

***We may be unable to make or realize expected benefits from acquisitions, and implementing our growth strategy through acquisitions may harm our business, financial condition and operating results.***

Our growth strategy depends, in part, on a gradual expansion of our fleet. Any acquisition of a vessel or a fleet may not be profitable to us at or after the time we acquire it and may not generate cash flow sufficient to justify our investment. We may also fail to realize anticipated benefits of our growth, such as new customer relationships, cost-savings or cash flow enhancements, or we may be unable to hire, train or retain qualified shore and seafaring personnel to manage and operate our growing business and fleet.

Our growth strategy could decrease our liquidity by using a significant portion of our available cash or borrowing capacity to finance acquisitions. To the extent that we incur additional debt to finance acquisitions, it could significantly increase our interest expense or financial leverage. We may also incur other significant charges, such as impairment of goodwill or other intangible assets, asset devaluation or restructuring charges.

Additionally, the marine transportation and logistics industries are capital intensive, traditionally using substantial amounts of indebtedness to finance vessel acquisitions, capital expenditures and working capital needs. If we finance the purchase of our vessels through the issuance of debt securities, it could result in:

•default and foreclosure on our assets if our operating cash flow after a business combination or asset acquisition were insufficient to pay our debt obligations;

•acceleration of our obligations to repay the indebtedness even if we have made all principal and interest payments when due if the debt security contained covenants that required the maintenance of certain financial ratios or reserves and any such covenant were breached without a waiver or renegotiation of that covenant;

•our immediate payment of all principal and accrued interest, if any, if the debt security was payable on demand; and

•our inability to obtain additional financing, if necessary, if the debt security contained covenants restricting our ability to obtain additional financing while such security was outstanding.

In addition, our business plan and strategy is predicated on buying vessels at what we believe is near the low end of the cycle in what has typically been a cyclical industry. However, charter rates and vessel asset values may sink lower, and shipping costs or vessel asset values may not increase in the near-term or at all.

***Delays in deliveries of secondhand or newbuilding vessels, cancellations or non-completion of deliveries could harm our business, financial condition and results of operations.***

If we purchase any newbuilding vessels, the shipbuilder could fail to deliver the newbuilding vessel as agreed. In addition, under charters that are related to a newbuilding, delays in our delivery of the newbuilding to our customer could result in liquidated damages payable to a customer, and for prolonged delays, the customer may terminate the charter and, in addition to the resulting loss of revenues, we may be responsible for additional, substantial liquidated damages. We do not derive any revenue from a vessel until after its delivery and will be required to pay substantial sums as progress payments during construction of a newbuilding. While we expect to have refund guarantees from financial institutions with respect to such progress payments in the event the vessel is not delivered by the shipyard or is otherwise not accepted by us, there is the potential that we may not be able to collect all or any portion of such refund guarantees, in which case we would lose the amounts of monies we have advanced to the shipyards for such progress payments.

The completion and delivery of newbuildings could be delayed, cancelled or otherwise not completed because of:

•quality or engineering problems;

•changes in governmental regulations or maritime self-regulatory organization standards;

•work stoppages or other labor disturbances at the shipyard;

•bankruptcy or other financial crisis of the shipbuilder;

•a backlog of orders at the shipyard;

•epidemics, pandemics, natural or man-made disasters;

•political, economic or military disturbances;

•weather interference or catastrophic event, such as a major earthquake or fire;

•requests for changes to the original vessel specifications;

•shortages of or delays in the receipt of necessary construction materials, such as steel;

•shortages of or delays in the receipt of necessary component machinery or equipment;

•inability to finance the construction or conversion of the vessels; or

•inability to obtain requisite permits or approvals.

If the delivery of any secondhand vessel is materially delayed or cancelled, especially if we have committed the vessel to a charter for which we become responsible for substantial liquidated damages to the customer as a result of the delay or cancellation, we could sustain significant losses and our business, financial condition and results of operations could be adversely affected.

***The loss of a customer, charter or vessel could result in a loss of revenues and cash flow in the event we are unable to replace such customer, charter or vessel.***

Payments to us by our charterers under time charters are and will be our main source of operating cash flow. Weaknesses in demand for our shipping services, increased operating costs due to changes in environmental or other regulations and the oversupply of vessels increase the likelihood of one or more of our customers being unable or unwilling to pay us contracted charter rates or going bankrupt.

For the year ended December 31, 2024, only one customer accounted for 10.0% or more of our total revenues and represented approximately 11.3% of our total revenues. For the years ended December 31, 2023 and 2022, no customer accounted for 10.0% or more of our total revenues. The charterers in the containership sector consist of a limited number of liner companies and the charterers in the tanker sector consist of a limited number of oil companies and oil traders. The combination of any surplus of vessel capacity, the expected entry into service of new technologically advanced vessels, and the expected increase in the size of the world dry bulk, tanker and container fleets over the next few years may make it difficult to secure substitute employment for any of our vessels if our counterparties fail to perform their obligations under the currently arranged time charters, and any new charter arrangements we are able to secure may be at lower rates. Furthermore, the surplus of capacity available at lower charter rates and lack of demand for our customers could negatively affect our charterers' willingness to perform their obligations under our time charters, which in many cases provide for charter rates significantly above current market rates. The number of leading liner companies which are part of our client base may continue to shrink and we may depend on an even more limited number of customers to generate a substantial portion of our revenues. The cessation of business with these liner companies or their failure to fulfill their obligations under the time charters for our containerships could have a material adverse effect on our financial condition and results of operations, as well as our cash flows, including cash available for distributions to our unitholders.

We could lose a customer or the benefits of our time charter arrangements for many different reasons, including if the customer is unable or unwilling to make charter hire or other payments to us because of a deterioration in its financial condition, disagreements with us or if the charterer exercises certain termination rights or otherwise. Our customers may go bankrupt or fail to perform their obligations under the contracts, they may delay payments or suspend payments altogether, they may terminate the contracts prior to the agreed-upon expiration date or they may attempt to renegotiate the terms of the contracts. If any of these customers terminates its charters, chooses not to re-charter our ships after charters expire or is unable to perform under its charters and we are not able to find replacement charters on similar terms or are unable to re-charter our ships at all, we will suffer a loss of revenues that could have a material adverse effect on our business, results of operations and financial condition and our ability to make distributions to our unitholders, as we will not receive any revenues from such a vessel while it is un-chartered, but we will be required to pay expenses necessary to maintain and insure the vessel and service any indebtedness on it. Accordingly we may have to grant concessions to our charterers in the form of lower charter rates for the remaining duration of the relevant charter or part thereof, or to agree to re-charter vessels coming off charter at reduced rates compared to the charter then ended.

All of our drybulk vessels' charters are scheduled to expire on dates ranging from April 2025 to January 2029. All of our tankers' charters are scheduled to expire on dates ranging from May 2025 to March 2033. All of our containerships' charters are scheduled to expire on dates ranging from May 2025 to February 2037.

If, upon expiration or termination of these or other contracts, long-term charter rates are lower than existing rates, particularly considering that we intend to enter into long-term charters, or if we are unable to obtain replacement charters, our earnings, cash flow and our ability to make cash distributions to our unitholders could be materially adversely affected.

The loss of any of our charterers, time charters or vessels, or a decline in payments under our time charters, could have a material adverse effect on our business, results of operations and financial condition, as well as our cash flows, including cash available for distributions to our unitholders.

***The aging of our vessels may result in increased operating costs in the future, which could adversely affect our earnings.***

As of March 20, 2025, the vessels in our fleet had an average age of approximately 9.8 years, on a dwt and fully delivered fleet basis, when drybulk and tanker vessels have an expected life of approximately 25 years and containerships have an expected life of approximately 30 years and we may acquire older vessels in the future. Older vessels are typically costlier to maintain than more recently constructed vessels due to improvements in engine and other technologies. As our fleet ages, we will incur increased costs. In some instances, charterers prefer newer vessels that are more fuel efficient than older vessels. Cargo insurance rates also increase with the age of a vessel, making older vessels less desirable to charterers as well. Therefore, as vessels age it can be more difficult to employ them on profitable time charters, particularly during periods of decreased demand in the charter market. Accordingly, we may find it difficult to continue to find profitable employment for our vessels as they age. Governmental regulations, safety or other equipment standards related to the age of the vessels may require expenditures for alterations or the addition of new equipment to our vessels and may restrict the type of activities in which these vessels may engage. Older vessels may require longer and more expensive dry-dockings, resulting in more off-hire days and reduced revenue. We cannot assure you that as our vessels age, market conditions will justify those expenditures or enable us to operate our vessels profitably during the remainder of their useful lives. If we sell vessels, we may have to sell them at a loss, and if charterers no longer charter our vessels due to their age, it could materially adversely affect our earnings.

***Increased demand for and supply of "eco-type" or scrubber retrofitted vessels could reduce demand for our vessels that are not classified as such and expose us to lower vessel utilization and/or decreased charter rates.***

New eco-type vessel designs or scrubber retrofits purport to offer material bunker cost savings compared to older designs, including certain of our vessels. Fitting scrubbers will allow a ship to consume high sulfur fuel oil ("HSFO") which, to date, has been cheaper than the low sulfur fuel oil ("LSFO") that ships without scrubbers must consume to comply with the IMO 2020 low sulfur emission requirements. Depending on the magnitude of the difference in prices between LSFO and HSFO, such savings could result in a substantial reduction of bunker cost for charterers compared to such vessels of our fleet which may not have scrubbers. As the supply of such "eco-type" or scrubber retrofitted vessels increases, if the differential between the cost of HSFO and LSFO remains high, or if charterers prefer such vessels over our vessels that are not classified as such, this may reduce demand for our non-"eco-type", non-scrubber retrofitted vessels, impair our ability to re-charter such vessels at competitive rates and have a material adverse effect on our business, financial condition, cash flows and results of operations.

***As of January 2024, our vessels that are entering or trading within the European Union (EU) and the European Economic Area (EEA) have to comply with provisions of the EU Emissions Trading System (ETS) and we may be subject to penalties, fines or other consequences if we fail to do so.***

As of June 5, 2023, the EU rules on greenhouse gas emissions from ships came into force. These rules specify that starting on January 1, 2024, the registered owners (or, if responsibility has been transferred, the ISM-company) have to surrender EU ETS emission allowances for CO2-emissions from vessels trading in EU/EEA waters and those trading in and out. Since the ETS-rules are specified in a directive, each member state will have to implement these rules into national legislation. The rules which now will become applicable for shipping companies are similar to the rules for the other ETS sectors (including power plants). The goal of these rules is to reduce emissions and boost demand for marine renewable and low carbon solutions. As these rules are new to shipping, it is unknown exactly how their implementation will affect the industry. While owners are responsible for surrendering the ETS allowances, it is the charterers that direct ships on trades that could enter or leave the EU. As a result, charterers should provide or cause to be provided enough ETS allowances to cover affected voyages or provide sufficient funds within the agreed commercial terms of the charter for the owner to be able to purchase such allowances. If our charterers do not provide enough ETS allowances or sufficient funds to purchase these allowance, we may have to purchase the allowances which may reduce our cash flow. While we have included a protective clause in our charter agreements, if charterers do not agree with the calculations of the needed allowances or there is an increase in cost of the allowances between the time that the allowances are incurred and the time that they are purchased, we may be subject to additional costs which could have a material adverse effect on our financial condition and results of operations, as well as our cash flows, including cash available for distributions to our unitholders.

***Our vessels may suffer damage or unexpected drydocking costs or be subject to unbudgeted periods of off-hire, which could materially adversely affect our business, financial condition and results of operations.***

If our owned vessels suffer damage, they may need to be repaired at a drydocking facility. The costs of drydocking and drydock repairs are unpredictable and can be substantial. We may have to pay drydocking costs that insurance does not cover. The loss of earnings while these vessels are being repaired and repositioned, as well as the actual cost of these repairs and repositioning, could decrease our revenues and earnings substantially, particularly if a number of vessels are damaged or drydocked at the same time. Under the terms of the Master Management Agreement with the Manager, the costs of drydocking repairs are be reimbursed at cost upon occurrence.

Under the terms of the charter agreements under which our vessels operate, when a vessel is "off-hire," or not available for service or otherwise deficient in its condition or performance, the charterer generally is not required to pay the hire rate, and we will be responsible for all costs (including the cost of bunker fuel) unless the charterer is responsible for the circumstances giving rise to the lack of availability.

As we do not maintain off-hire insurance except in cases of loss of hire up to a limited number of days due to war or piracy events any extended off-hire period could have a material adverse effect on our results of operations, cash flows and financial condition.

For more information on "off-hire" see "Item 4. Information on the Partnership - B. Business Overview – Off-hire".

***The market value of our vessels may fluctuate significantly, which amongst others, could cause us to breach covenants in our financing arrangements, resulting in the foreclosure of certain of our vessels, limit the amount of funds that we can borrow and adversely affect our ability to purchase new vessels and our operating results.***

The factors that influence vessel values include:

•the number of newbuilding deliveries;

•prevailing economic conditions in the markets in which drybulk, tanker or containerships operate, including all economic, conflict or pandemic related crises;

•reduced demand for drybulk, tanker or containerships, including as a result of a substantial or extended decline in world trade or energy use;

•the number of vessels scrapped or otherwise removed from the total fleet;

•competition from other shipping companies;

•sophistication and condition of the vessels;

•supply and demand for vessels;

•technological advances since the vessel was constructed;

•whether the vessel is equipped with scrubbers or energy saving/CO2 reducing devices or not;

•changes in environmental and other regulations, including carbon intensity rules, that may limit the useful life of vessels;

•whether a special survey has been passed recently or whether one is due soon;

•changes in global dry or liquid cargo commodity supply or sources and destinations of containerized cargoes;

•types, sizes and age of vessels;

•advances in efficiency, such as the introduction of remote or autonomous vessels;

•the development of an increase in use of other modes of transportation;

•where the ship was built and as-built specifications;

•lifetime maintenance record;

•the cost of vessel acquisitions including the cost of new buildings;

•governmental or other regulations (including the application of any IMO rules, including those regarding any reduction in CO2 emissions or carbon intensity);

•prevailing level of charter rates including any disruption or cessation of disruption that causes charter rates to increase or decrease;

•the availability of financing, or lack thereof, for ordering newbuildings or for facilitating ship sale and purchase transactions;

•general economic and market conditions affecting the shipping industry; and

•the cost of retrofitting or modifying existing ships to respond to technological advances in vessel design or equipment, changes in applicable environmental or other regulations or standards, or otherwise.

If the book value of a vessel is impaired due to unfavorable market conditions, or a vessel is sold at a price below its book value, we would incur a loss. If a charter expires or is terminated, we may be unable to re-charter the vessel at an acceptable rate and, rather than continue to incur costs to maintain the vessel, may seek to dispose it. Our inability to dispose of a vessel at a reasonable price could result in a loss on her sale and could materially and adversely affect our business, results of operations and financial condition, as well as our cash flows, including cash available for distributions to our unitholders.

If the market value of our vessels decreases, we may breach some of the covenants contained in the financing agreements relating to our indebtedness at the time. Our financing arrangements contain covenants including maximum total net liabilities over total net assets (effective in general after delivery of the vessels), minimum net worth and loan to value ratio covenants. As of December 31, 2024, Navios Partners was in compliance with the financial covenants and/or the prepayments and/or the cure provisions, as applicable, in each of its credit facilities and certain financial liabilities. If we breach any such covenants in the future and we are unable to remedy the relevant breach, our lenders could accelerate or require us to prepay a portion of our debt and foreclose on our vessels. In addition, if the book value of a vessel is impaired due to unfavorable market conditions, we would incur a loss that could have a material adverse effect on our business, financial condition and results of operations.

In addition, as vessels grow older, they generally decline in value. We will review our vessels for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. We review certain indicators of potential impairment, such as undiscounted projected operating cash flows expected from the future operation of the vessels, which can be volatile for vessels employed on short-term charters or in the spot market. Any impairment charges incurred as a result of declines in charter rates would negatively affect our financial condition and results of operations. In addition, if we sell any vessel at a time when vessel prices have fallen and before we have recorded an impairment adjustment to our financial statements, the sale may be at less than the vessel's carrying amount on our financial statements, resulting in a loss and a reduction in earnings. Conversely, if vessel values are elevated at a time when we wish to acquire additional vessels, the cost of acquisition may increase and this could materially adversely affect our business, financial condition and results of operations.

***We must make substantial capital expenditures to maintain the operating capacity of our fleet, which will reduce our cash available for distribution. In addition, each quarter our board of directors is required to deduct estimated maintenance and replacement capital expenditures from operating surplus, which may result in less or no cash available to unitholders than if actual maintenance and replacement capital expenditures were deducted.***

We must make substantial capital expenditures to maintain and replace, over the long term, the operating capacity of our fleet. We generally expect to finance these maintenance capital expenditures with cash balances or financing arrangements. These maintenance and replacement capital expenditures include capital expenditures associated with drydocking a vessel, modifying an existing vessel or acquiring a new vessel to the extent these expenditures are incurred to maintain the operating capacity of our fleet. These expenditures could increase as a result of changes in the cost of labor and materials, the cost of suitable replacement vessels, customer/market requirements, increases in the size of our fleet, the length of charters, governmental regulations and maritime self-regulatory organization standards relating to safety, security or the environment, competitive standards, and the age of our ships. In addition, we will need to make substantial capital expenditures to acquire vessels in accordance with our growth strategy and regular fleet renewals. The inability to replace the vessels in our fleet upon the expiration of their useful lives could have a material adverse effect on our business, results of operations and financial condition, as well as our cash flows, including cash available for distributions to our unitholders.

Our significant maintenance and replacement capital expenditures, including without limitation the vessel operating expenses to maintain and replace, over the long-term, the operating capacity of our fleet, as well as to comply with environmental and safety regulations, may reduce or eliminate the amount of cash we have available for distribution to our unitholders. Our partnership agreement requires our board of directors to deduct estimated, rather than actual, maintenance and replacement capital expenditures from operating surplus each quarter in an effort to reduce fluctuations in operating surplus. The amount of estimated capital expenditures deducted from operating surplus is subject to review and change by the Conflicts Committee of our board of directors at least once a year. If our board of directors underestimates the appropriate level of estimated maintenance and replacement capital expenditures, we may have less, if any, cash available for distribution in future periods when actual capital expenditures begin to exceed previous estimates.

For detailed information on the amount of vessel expenses please see the section entitled, "Item 5. Operating and Financial Review and Prospects - A. Operating results".

***We may be subject to litigation that, if not resolved in our favor or not adequately insured against, could have a material adverse effect on our operations.***

We have been and may be, from time to time, involved in various litigation matters. These matters may include, among other things, contract disputes, personal injury claims, environmental claims or proceedings, potential costs due to environmental damage and vessel collisions, and other tort claims, employment matters, governmental claims for taxes or duties, and other litigation that arises in the ordinary course of our business. We cannot predict with certainty the outcome or effect of any claim or other litigation matter, and the ultimate outcome of any litigation or the potential costs to resolve them may have a material adverse effect on us. Insurance may not be applicable or sufficient in all cases and/or insurers may not remain solvent which may have a material adverse effect on our financial condition.

***Because we generate all of our revenues in U.S. dollars but incur a portion of our expenses in other currencies, exchange rate fluctuations could cause us to suffer exchange rate losses thereby increasing expenses and reducing income.***

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 at present predominantly U.S. dollar-denominated. Transactions in currencies other than the functional currency are translated at the exchange rate in effect on the date of each transaction. Expenses incurred in foreign currencies against which the U.S. dollar falls in value can increase thereby decreasing our income or vice versa if the U.S. dollar increases in value. For example, as of December 31, 2024, the value of the U.S. dollar as compared to the Euro increased by approximately 6.4% compared with the respective value as of December 31, 2023. A greater percentage of our transactions and expenses in the future may be denominated in currencies other than the U.S. dollar.

***Security breaches and disruptions to our and our Manager's information technology infrastructure could interfere with our operations and expose us to liability which could have a material adverse effect on our business, financial condition, cash flows and results of operations.***

In the ordinary course of business, we rely on information technology networks and systems of our Manager to process, transmit, and store electronic information, and to manage or support a variety of business processes and activities.

Additionally, we collect and store certain data, including proprietary business information and customer and employee data, and may have access to other confidential information in the ordinary course of our business. Despite our cybersecurity measures, which includes active monitoring, training, reporting and other activities designed to protect and secure our data, our information technology networks and infrastructure may be vulnerable to damage, disruptions, or shutdowns due to attack by hackers or breaches, employee error or malfeasance, data leakage, power outages, computer viruses and malware, telecommunication or utility failures, systems failures, natural disasters, or other catastrophic events. Any such events could result in legal claims or proceedings, liability or penalties under privacy or other laws, disruption in operations, and damage to our reputation, which could have a material adverse effect on our business, financial condition, cash flows and results of operations.

In addition, some of our technology networks and systems are managed by third-party service providers (including cloud-service providers) for a variety of reasons, and such providers also may have access to proprietary business information and customer and employee data, and may have access to confidential information on the conduct of our business. Like us, these third-party providers are subject to risks imposed by data breaches and disruptions to their technology infrastructure. A cyber-attack could defeat one or more of our third-party service providers' security measures, allowing an attacker access to proprietary information from our company including employees', customers' and suppliers' data. Any such security breach or disruption to our third-party service providers could result in a disruption in operations and damage to our reputation and liability claims, which could have a material adverse effect on our business, financial condition, cash flows and results of operations.

***We may not have adequate insurance to compensate us if we lose our vessels or to compensate third parties.***

There are a number of risks associated with the operation of ocean-going vessels, including mechanical failure, collision, fire, human error, war, terrorism, piracy, loss of life, contact with floating, fixed or submerged objects, property loss, cargo loss or damage and business interruption due to political circumstances in foreign countries, hostilities and labor strikes. Any of these events may result in loss of revenues, increased costs and decreased cash flows. In addition, the operation of any vessel is subject to the inherent possibility of marine disaster, including oil spills and other environmental mishaps, and the associated liabilities.

There are also liabilities arising from owning and operating vessels in international trade. We procure insurance for our fleet in relation to risks commonly insured against by vessel owners and operators. Our current insurance includes (i) hull and machinery and war risk insurance covering damage to our vessels' hulls and machinery from, among other things, collisions and contact with fixed and floating objects, (ii) war risks insurance covering losses associated with the outbreak or escalation of hostilities and (iii) protection and indemnity insurance (which includes environmental damage) covering, among other things, third-party and crew liabilities such as expenses resulting from the injury or death of crew members, passengers and other third parties, the loss or damage to cargo, third-party claims arising from collisions with other vessels allisions with fixed structures, damage to other third-party property and pollution arising from oil or other substances, and salvage, towing and other related costs, including wreck removal.

We do not currently maintain "strikes and delay" or "loss of hire" insurance, which would cover the loss of revenue during extended vessel off-hire periods, such as those that occur during an unscheduled drydocking due to damage to the vessel from accidents except in cases of loss of hire up to a limited number of days due to war or a piracy event or due to presence or suspected presence of contraband on board.

Other events that may lead to off-hire periods include natural or man-made disasters that result in the closure of certain waterways and prevent vessels from entering or leaving certain ports. Accordingly, any extended vessel off-hire, due to an accident or otherwise, could have a material adverse effect on our business and our ability to pay distributions to our unitholders.

We can give no assurance that we are adequately insured against all risks or that our insurers will pay a particular claim. Even if our insurance coverage is adequate to cover our losses, we may not be able to obtain a timely replacement vessel in the event of a vessel loss. Under the terms of our financing arrangements, we are subject to restrictions on the use of any proceeds we may receive from claims under our insurance policies.

Because we obtain some of our insurance through protection and indemnity associations, we may also be subject to calls, or premiums, in amounts based not only on our own claim records, but also the claim records of all other members of the protection and indemnity associations. There is no cap on our liability exposure for such calls or premiums payable to our protection and indemnity association. Our payment of these calls could result in significant expenses to us, which could have a material adverse effect on our business, results of operations and financial condition. In addition, we cannot assure you that we will be able to renew our insurance policies on the same or commercially reasonable terms, or at all, in the future. For example, more stringent environmental regulations have led in the past to increased costs for, and in the future may result in the lack of availability of, protection and indemnity insurance against risks of environmental damage or pollution. Any uninsured or underinsured loss could harm our business, financial condition, cash flows and results of operations. In addition, our insurance may be voidable by the insurers as a result of certain of our actions, such as our vessels failing to maintain certification with applicable maritime self-regulatory organizations. Further, we cannot assure you that our insurance policies will cover all losses that we incur, or that disputes over insurance claims will not arise with our insurance carriers. Any claims covered by insurance would be subject to deductibles, and since it is possible that a large number of claims may be brought, the aggregate amount of these deductibles could be material. In addition, our insurance policies are subject to limitations and exclusions, which may increase our costs or lower our revenues, and could have a material adverse effect on our business, financial condition, cash flows and results of operations. A catastrophic oil spill or marine disaster could exceed our insurance coverage, which could have a material adverse effect on our business, results of operations and financial condition and our ability to make distributions to our unitholders. Any uninsured or underinsured loss could harm our business and financial condition. In addition, the insurance may be voidable by the insurers as a result of certain actions, such as vessels failing to maintain required certification.

Our charterers may in the future engage in legally permitted trading in locations or with persons which may still be subject to restrictions due to sanctions or boycott. However, no vessels in our fleet have called on ports in Iran or Syria and no vessels have called on ports in other sanctioned countries, unless authorized. Our insurers may be contractually or by operation of law prohibited from honoring our insurance contract for such trading on such locations or countries or trading with such persons, which could result in reduced insurance coverage for losses incurred by the related vessels. Changes in the insurance markets attributable to the risk of terrorism in certain locations around the world could make it difficult for us to obtain certain types of coverage. In addition, the insurance that may be available to us may be significantly more expensive than our existing coverage. Furthermore, our insurers and we may be prohibited from posting or otherwise be unable to post security in respect of any incident in such locations or countries or as a result of trading with such persons, resulting in the loss of use of the relevant vessel and negative publicity for our Company which could negatively impact our business, results of operations, cash flows and unit price.

***Our growth depends on continued growth in demand for crude oil, refined petroleum products (clean and dirty) and bulk liquid chemicals and the continued demand for seaborne transportation of such cargoes.***

Our growth strategy depends in part on expansion in the crude oil, product and chemical tanker sectors. Accordingly, our growth depends on continued growth in world and regional demand for crude oil, refined petroleum (clean and dirty) products and bulk liquid chemicals and the transportation of such cargoes by sea, which could be negatively affected by a number of factors, including:

•the economic and financial developments globally, including actual and projected global economic growth;

•fluctuations in the actual or projected price of crude oil, refined petroleum products or bulk liquid chemicals;

•refining or production capacity and its geographical location;

•increases in the production of oil in areas linked by pipelines to consuming areas, the extension of existing, or the development of new, pipeline systems in markets we may serve, or the conversion of existing non-oil pipelines to oil pipelines in those markets;

•decreases in the consumption of oil due to increases in its price relative to other energy sources, other factors making consumption of oil less attractive or energy conservation measures or pollution reduction measures or those intended to reduce global warming;

•availability of new, alternative energy sources; and

•negative or deteriorating global or regional economic or political conditions or health conditions (including changes to trade policies (including the imposition or removal of sanctions, tariffs and other actions), decreases or withdrawals of stimulus measures meant to counteract the effect of economic or health or other crises, wars or other conflicts and any resulting sanctions), particularly in oil-consuming or producing regions, which could reduce energy consumption or its growth or affect trading patterns negatively.

The refining and chemical industries may respond to any economic downturn and demand weakness by reducing operating rates, partially or completely reducing crude oil production, closing refineries or bulk liquid chemical production facilities and by reducing or cancelling certain investment expansion plans, including plans for additional crude oil production, refining or finished product or chemical production capacity. Continued reduced demand for crude, refined petroleum products and bulk liquid chemicals and the shipping of such cargoes or the increased availability of pipelines used to transport crude, refined petroleum products, and bulk liquid chemicals would have a material adverse effect on our future growth and could harm our business, results of operations and financial condition.

***We conduct a substantial amount of business in China. The legal system in China has inherent uncertainties that could limit the legal protections available to us and could have a material adverse impact on our business, results of operations, financial condition and cash flows.***

Many of our vessels regularly call to ports in China and we may enter into sale and leaseback transactions with Chinese financial institutions. Although our charters and sale and leaseback agreements are governed by English law, we may have difficulties enforcing a judgment rendered by an English court (or other non-Chinese court) in China. Such charters and any additional agreements that we enter into with Chinese counterparties, may be subject to new regulations in China that may require us to incur new or additional compliance or other administrative costs and pay new taxes or other fees to the Chinese government. Changes in laws and regulations, including with regards to tax matters, and their implementation by local authorities could affect our vessels chartered to Chinese customers as well as our vessels calling to Chinese ports and could have a material adverse effect on our business, results of operations and financial condition, as well as our cash flows, including cash available for distributions to our unitholders.

***We have Chinese built vessels and vessels currently under construction in China***

Any actions which levy additional port entry fees on companies that have Chinese built vessels or have ordered vessels to be built in China may affect our ability to charter our vessels to certain charterers or may result in our vessels receiving lower hire rates due to such circumstances which could have a material adverse effect on our business, results of operations and financial condition, as well as our cash flows, including cash available for distributions to our unitholders.

***An oversupply of vessel capacity may depress charter rates, which may affect our ability to operate our vessels profitably.***

The market supply of drybulk carriers has been increasing as a result of the delivery of numerous newbuilding orders over the last few years. Newbuildings have been delivered in significant numbers over the last few years and, as of March 2025, newbuilding orders had been placed for an aggregate of about 10% of the existing global drybulk fleet, with deliveries expected during the next three years. That is close to the all-time low of 7% recorded in February 2021 (on records dated from January 1996), but there is no guarantee that the orderbook will continue at these low levels in the future. While vessel supply will continue to be affected by the delivery of new vessels and the removal of vessels from the global fleet, either through scrapping or accidental losses, an over-supply of drybulk carrier capacity could exacerbate decreases in charter rates or prolong the period during which low charter rates prevail which may have a material adverse effect on our business, results of operations, cash flows, financial condition and ability to pay distributions.

From 2005 through 2010, the containership orderbook was at historically high levels as a percentage of the in-water fleet reaching a high of 61% in November 2007, according to industry data. Since that time, deliveries of previously ordered containerships increased substantially and ordering momentum slowed somewhat with the total orderbook declining as a percentage of the existing fleet to an all-time low of 8% as of October 2020, but has increased to 27% as of March 2025 falling from its most recent high of 30% in March 2023. The orderbook remains significantly skewed towards vessels over 8,000 TEU. An oversupply of large newbuilding vessels and/or containership capacity entering the market after existing charters expire, combined with any decline in the demand for containerships, may prolong or further depress current charter rates and may decrease our ability to charter our containerships when we are seeking new or replacement charters other than for unprofitable or reduced rates, or we may not be able to charter our containerships at all.

Similarly the market supply of tankers has been increasing as a result of the delivery of numerous newbuilding orders over the last few years; however the percentage of the total tanker fleet on order as a percent of the total fleet declined from 20% at the start of 2016 to 4% at the beginning of February 2023 but has since increased and stood at 14% as of March 2025. From 2004 through 2010, the tanker orderbook was at historically high levels as a percentage of the in-water fleet reaching a high of 48% in September 2008, according to industry data. Since that time, deliveries of previously ordered tankers increased substantially and ordering momentum slowed with the total orderbook declining as a percentage of the existing fleet to an all-time low of 4% in February 2023. An oversupply of newbuilding vessels entering the market, combined with any decline in the demand for crude or product tankers, may prolong or further depress current charter rates and may decrease our ability to charter our tankers when we are seeking new or replacement charters other than for unprofitable or reduced rates, or we may not be able to charter our tankers at all.

***Fuel price fluctuations may have an adverse effect on our profits.***

The cost of fuel is a significant factor in negotiating charter rates and can affect us in both direct and indirect ways. This cost will be borne by us when our vessels are not employed, are “off-hire” or are employed on voyage charters or contracts of affreightment so an increase in the price of fuel beyond our expectations may adversely affect our profitability. Even where the cost of fuel is borne by the charterer, which is the case with all of our existing time charters that cost may affect the level of charter rates that charterers are prepared to pay. Rising costs of fuel for any reason or as occurred following the Russian invasion of Ukraine in February 2022 will make our older and less fuel efficient vessels less competitive compared to more fuel efficient newer vessels or compared with vessels which can utilize less expensive fuel and may reduce their charter hire, limit their employment opportunities and force us to employ them at a discount compared to the charter rates commanded by more fuel efficient vessels or not at all.

Falling costs of fuel may lead our charterers to abandon slow steaming, thereby releasing additional capacity into the market and exerting downward pressure on charter rates or may lead our charterers to employ older, less fuel efficient vessels which may drive down charter rates and make it more difficult for us to secure employment for our newer vessels.

The price and supply of fuel is unpredictable and fluctuates based on events outside our control, including geo-political developments, supply and demand for oil, actions by members of the Organization of the Petroleum Exporting Countries and other oil and gas producers, economic or other sanctions, or tariffs, levied against oil and gas producing countries, war and unrest generally and in oil producing countries and regions, regional production patterns and environmental concerns and regulations. These changes in fuel prices may cause us, depending on the terms of existing charters, to pay additional costs for the fuel on board when our ships are redelivered to us which may have a material adverse effect on our business, results of operations, cash flows, financial condition and ability to pay distributions.

***We are subject to various laws, regulations, and international conventions, which could require significant expenditures to maintain compliance and to cover any uninsured environmental liabilities, including those resulting from spills or other environmental incidents.***

Vessel owners and operators are subject to government regulation in the form of international conventions, and national, state, and local laws and regulations in the jurisdictions in which their vessels operate, or are registered, which also apply in international waters. Such laws and regulations include those governing the management and disposal of hazardous substances and wastes, ship recycling, the cleanup of oil spills and other contamination, air emissions, discharges of operational and other wastes into the water, and ballast water management. Compliance with these laws, particularly those relating to ballast water management and air emissions requires us to incur costs relating to the installation of certain equipment on our vessels and operational costs. Such investments or operational costs may have a material adverse effect on our future performance, results of operations, cash flows and financial position.

Port State regulation significantly affects the operation of vessels, as it commonly is more stringent than international rules and standards. This is particularly true in the United States, Europe and Australia. Non-compliance with Port State laws and regulations can give rise to civil or criminal liability, and/or vessel delays and detentions.

Our vessels are subject to scheduled and unscheduled inspections by regulatory and enforcement authorities, as well as private maritime industry entities. This includes inspections by Port State control authorities, including the U.S. Coast Guard, harbor masters or equivalent entities, classification societies, flag Administrations (i.e., the regulatory authority in the country in which the vessel is registered), charterers, and terminal operators. Certain of these entities require vessel owners to obtain permits, licenses, and certificates for the operation of their vessels. Failure to maintain necessary permits or approvals could limit our ability to do business, result in the imposition of substantial penalties which could increase the cost of doing business, or require a vessel owner to incur substantial costs or temporarily suspend operation of one or more of its vessels.

Heightened levels of environmental and quality concerns among insurance underwriters, regulators, and charterers continue to lead to greater inspection and safety requirements on all vessels and may accelerate the scrapping of older vessels throughout the industry. Increasing environmental concerns and regulations have created a demand for vessels that conform to stricter environmental standards. Vessel owners are required to maintain operating standards for all vessels that emphasize operational safety, quality maintenance, continuous training of officers and crews, and compliance with U.S. and international regulations.

The legal requirements and maritime industry standards to which we and our vessels are subject, along with the risks associated therewith, are set forth below. We may be required to make substantial capital and other expenditures to ensure that we remain in compliance with these requirements and standards, as well as with standards imposed by our customers. Such costs can include ship modifications and changes in operating procedures. We also maintain insurance coverage against pollution liability risks for all of our vessels in the amount of $1.0 billion in the aggregate for any one event. The insured risks include penalties and fines, as well as civil liabilities and expenses resulting from accidental pollution. However, this insurance coverage is subject to exclusions, deductibles, and other terms and conditions. In addition, claims relating to pollution incidents for international or knowing violations of U.S. environmental laws or the International Convention for the Prevention of Pollution from Ships (MARPOL) may be considered by our protection and indemnity associations on a discretionary basis only. If any liabilities or expenses fall within an exclusion from coverage, or if damages from a catastrophic incident exceed the aggregate liability of $1.0 billion for any one event, our cash flow, profitability and financial position could be adversely impacted.

Because international conventions, laws, regulations, and other requirements are often revised, we cannot predict the ultimate cost of compliance or the impact on the fair market price or useful life of our vessels, nor can we assure that our vessels will be able to attain and maintain certifications of compliance with various regulatory requirements.

We expect, governmental regulation of the shipping industry to become stricter, particularly in the areas of safety and environmental requirements. Heightened environmental, safety, quality, and security concerns of insurance underwriters, regulators, and charterers may lead to additional requirements, including enhanced risk assessment and security requirements, greater inspection and safety requirements, and heightened due diligence obligations. We also may be required to take certain of our vessels out of service for extended periods of time to address changing legal requirements, which would result in lost revenue. In the future, market conditions may not justify these expenditures or enable us to operate our vessels, particularly older vessels, profitably during the remainder of their economic lives. This could lead to significant asset write-downs.

Specific examples of expected changes that could have a significant, and potentially material, impact on our business include:

•Further limitations on sulfur oxide and nitrogen oxide emissions from ships could cause increased demand and higher prices for low sulfur fuel due to supply constraints, as well as significant cost increases due to the implementation of measures such as fuel switching, vessel modifications such as adding distillate fuel storage capacity, or installation of exhaust gas cleaning systems or other devices;

•Environmental requirements could affect the resale value or useful lives of our vessels, require a reduction in cargo capacity, vessel modifications or operational changes or restrictions, lead to decreased availability of, or more costly insurance coverage for, environmental matters or result in the denial of access to certain jurisdictional waters or ports.

•Under local and national laws, as well as international conventions, we could incur material liabilities, including cleanup obligations and claims for natural resource damages, personal injury and/or property damages in the event that there is a release of petroleum or other hazardous materials from our vessels or otherwise in connection with our operations, or a casualty resulting in personal injury or death of crew members or other persons.

***Climate change and government laws and regulations related to climate change could negatively impact our financial condition.***

We are and will be, directly and indirectly, subject to the effects of climate change and may, directly or indirectly, be affected by local and national laws, as well as international treaties and conventions, and implementing regulations related to climate change. Any passage of climate control treaties, legislation, or other regulatory initiatives by the IMO, the European Union, the United States or other countries where we operate that restrict emissions of greenhouse gases ("GHGs") could require us to make significant financial expenditures that we cannot predict with certainty at this time. This could include, for example, the adoption of regulatory frameworks to reduce GHG emissions, such as carbon dioxide, methane and nitrogen oxides. The climate change efforts undertaken to date are detailed below.

We cannot predict with any degree of certainty what effect, if any, possible climate change and legal requirements relating to climate change will have on our operations. However, we believe that climate change, including the possible increases in severe weather events, and legal requirements relating to climate change may affect, directly or indirectly, (i) the cost of the vessels we may acquire in the future, (ii) our ability to continue to operate as we have in the past, (iii) the cost of operating our vessels, and (iv) insurance premiums and deductibles, and the availability of insurance coverage. As a result, our financial condition could be materially impacted by climate change and related legal requirements.

***We are subject to vessel security regulations and we incur costs to comply with adopted regulations. We may be subject to costs to comply with similar regulations that may be adopted in the future in response to terrorism.***

We are subject to local and national laws, including in the United States, as well as international treaties and conventions, intended to enhance and ensure vessel security. The Manager has and will continue to implement the various security measures addressed by all applicable laws and will take measures for our vessels or vessels that we charter to attain compliance with all applicable security requirements within the prescribed time periods. Although we do not believe that these additional requirements will have a material financial impact on our operations, there can be no assurance that there will not be an interruption in operations to bring vessels into compliance with the applicable requirements and any such interruption could cause a decrease in charter revenues. Furthermore, additional security measures could be required in the future that could have significant financial impact on us.

***Changing laws and evolving reporting requirements could have an adverse effect on our business, including the sustainability disclosure rules and corporate sustainability directives in the European Union and/or the United States.***

Changing laws, regulations and standards relating to regular reporting requirements, as adopted by the SEC and/or the European Union, including in relation to General Data Protection Regulation ("GDPR"), GHG, sustainability and additional climate disclosure rules, along with sustainability reporting rules which have been issued in recent years, may create additional compliance requirements for us. We may receive pressure from investors, lenders and other market participants, who are focused on climate change, to prioritize sustainable energy practices, reduce our carbon footprint and promote sustainability. To maintain high standards of corporate governance and public disclosure, we have invested in, and intend to continue to invest in, reasonably necessary resources to comply with evolving standards.

Companies that do not adapt to, or comply with, investor, lender, or other industry shareholder expectations and standards which are evolving, or which are perceived to have not responded appropriately to the concern for sustainability issues, regardless of whether there is a legal requirement to do so, may suffer from litigation risk or reputational damage and the business, financial condition, and/or stock price of such a company could be materially and adversely affected.

***Our international activities increase the compliance risks associated with economic and trade sanctions imposed by the United States, the EU, the UK and other jurisdictions/authorities.***

Our international operations and activities could expose us to risks associated with trade and economic sanctions, prohibitions or other restrictions imposed by the United States or other governments or organizations, including the United Nations, the EU (and its member countries) and the UK.

Under economic and trade sanctions laws, governments may seek to impose or modify existing prohibitions/restrictions on business practices and activities, which require modifications to compliance programs, which may increase compliance costs, and, in the event of a violation, may subject us to fines and other penalties and result in us being excluded or restricted in our access to international banking and finance markets. Action may also be taken against individuals if they act in a manner which breaches sanctions applicable to them. Considering U.S., EU and UK sanctions (the latter because the law of England & Wales frequently governs relations with our contractual counterparts and applies to our UK based insurers and reinsurers) and the nature of our business, there is a constant sanctions-related risk for us due to the worldwide trade of our vessels and the wide-ranging nationality of our counterparties. We seek to reduce the risk of violating economic sanctions and ensure our compliance with all applicable sanctions and embargo laws and regulations by the implementation of our corporate Economic Sanctions Compliance Policy and Procedures which we seek to diligently follow.

Although we intend to maintain such Economic Sanctions Compliance Policy and Procedures, due to the changing nature of sanctions and export controls there can be no assurance that we will be in compliance in the future, particularly as the scope of certain laws and regulations may be unclear and may be subject to changing interpretations by relevant authorities, and the underlying laws and regulations may change. Moreover, despite, for example, relevant provisions in charter parties forbidding the use of our vessels in trade that would or may violate economic sanctions, our charterers may nevertheless inadvertently violate applicable sanctions and embargo laws and regulations and those violations could in turn negatively affect our reputation, our ability to do business, if breaches are imputed to us.

We continually monitor developments in the United States, the EU, UK and other jurisdictions that maintain economic sanctions against various countries and regions including, Iran, Russia/ Belarus, Crimea, Venezuela, and other sanctions targets, including guidance on the implementation and enforcement of such sanctions programs. Expansion of sanctions programs, embargoes, tariffs and other restrictions in the future (including additional designations of countries and persons subject to sanctions), or modifications in how existing sanctions are interpreted or enforced, could prevent our vessels from calling in ports in sanctioned countries, being chartered to certain parties or for certain trade, or could restrict the cargoes carried onboard our vessels or make entry of our vessels into certain countries more expensive than comparable vessels in other fleets.

If any of the risks described herein materializes, it could have a material adverse impact on our business and results of operations.

For a description of the economic and trade sanctions and other compliance requirements under which we operate please see “Item 4. Information on the Partnership – B. Business Overview - Economic Sanctions and Compliance”

***We could be materially adversely affected by violations of the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act and anti-corruption laws in other applicable jurisdictions.***

As an international shipping company, we may operate in countries known to have a reputation for corruption. The U.S. Foreign Corrupt Practices Act of 1977 (the “FCPA”) and other anti-corruption laws and regulations in applicable jurisdictions generally prohibit companies registered with the SEC and their intermediaries from making improper payments to government officials for the purpose of obtaining or retaining business, and failing to keep adequate books and records. Under the FCPA, U.S. companies may be held liable for some actions taken by strategic or local partners or representatives. Recent years have seen a substantial increase in anti-bribery law enforcement activity, with more frequent and aggressive investigations and enforcement proceedings by both the Department of Justice and the SEC, increased enforcement activity by non-U.S. regulators, and increases in criminal and civil proceedings brought against companies and individuals.

Legislation in other countries includes the U.K. Bribery Act 2010 (the “U.K. Bribery Act”) which is broader in scope than the FCPA because it does not contain an exception for facilitation payments and prohibits not only the bribery of government officials, but also commercial bribery. We and our customers may be subject to these and similar anti-corruption laws in other applicable jurisdictions. Failure to comply with legal requirements could expose us to civil and/or criminal penalties, including fines, prosecution and significant reputational damage, all of which could materially and adversely affect our business and the results of operations, including our relationships with our customers, and our financial results. Compliance with the FCPA, the U.K. Bribery Act and other applicable anti-corruption laws and related regulations and policies impose potentially significant costs and operational burdens on us. Moreover, the compliance and monitoring mechanisms that we have in place including our Code of Ethics and our anti-bribery and anti-corruption policy, may not adequately prevent or detect all possible violations under applicable anti-bribery and anti-corruption legislation.

***The operation of ocean-going vessels entails the possibility of marine disasters including damage or destruction of the vessel due to accident, the loss of a vessel due to piracy or terrorism, damage or destruction of cargo and similar events that may cause a loss of revenue from affected vessels and damage our business reputation, which may in turn lead to loss of business.***

The ownership and operation of ocean-going vessels in international trade is affected by a number of inherent risks, including mechanical failure, personal injury, vessel and cargo loss or damage, business interruption due to political conditions in foreign countries, unexpected port closures, hostilities, piracy, terrorism, labor strikes and/or boycotts, adverse weather conditions and catastrophic marine disaster, including environmental accidents and collisions. All of these risks could result in liability, loss of revenues, increased costs and loss of reputation.

The operation of drybulk carriers has certain unique risks. With a drybulk carrier, the cargo itself and its interaction with the vessel can be an operational risk. By their nature, certain drybulk cargoes are often heavy, dense, easily shifted, and may react badly to water exposure. In addition, drybulk carriers are often subjected to battering treatment during unloading operations with grabs, jackhammers (to pry encrusted cargoes out of the hold), and small bulldozers. This treatment may cause damage to the vessel. Vessels damaged due to harsh treatment during unloading procedures may be more susceptible to breach at sea. Hull breaches in drybulk carriers may lead to the flooding of the vessels' holds. For example, if a drybulk carrier suffers flooding in its forward holds, the bulk cargo may become so dense and waterlogged that its pressure may buckle the vessel's bulkheads leading to the loss of a vessel. Damage and loss could also arise as a consequence of a failure in the services required to support the industry, for example, due to inadequate dredging. We have procedures and policies in place to ameliorate these risks, including a robust inspection system.

In addition, increased operational risks arise as a consequence of the complex nature of the crude oil, product and chemical tanker industry, the nature of services required to support the industry, including maintenance and repair services, and the mechanical complexity of the tankers themselves. Compared to other types of vessels, tankers are exposed to a higher risk of damage and loss by fire, whether ignited by a terrorist attack, collision or other cause, due to the high flammability and high volume of the oil transported in tankers. Damage and loss could also arise as a consequence of a failure in the services required to support the industry, for example, due to inadequate dredging. Inherent risks also arise due to the nature of the product transported by our vessels. Any damage to, or accident involving, our vessels while carrying crude oil could give rise to environmental damage or lead to other adverse consequences. Each of these inherent risks may also result in death or injury to persons, loss of revenues or property, higher insurance rates, damage to our customer relationships, delay or rerouting.

Similarly, the operation of containerships has certain unique risks. Containerized cargoes, which can be high value manufactured goods, dangerous cargoes or smaller quantity commodities, are sealed and locked in containers at the factory or port of origin. Some dangerous cargoes are either mis-declared or not declared at all posing a risk to the ship and other containerized cargo. Certain containerized cargoes are often loaded above the weather deck of a containership and although lashed in place in those above deck stacks, are subject to storms and heavy weather which may cause a container or group of containers to damage the containership if they fall or get thrown overboard. In additional the cargo in each container can be improperly stowed causing the cargo to shift or to self ignite or explode, which may damage the vessel. Certain containers are built with refrigeration units which are powered by electrical generators onboard the containership. Should those refrigeration units fail, they could cause damage to the containership due to fires caused by electrical faults or by raising the temperature of a cargo that needed to be kept below a certain threshold. Other cargo can be carried uncontainerized in so-called "flat racks" generally above the weather deck, which can pose a risk to the vessel or other cargo in a storm or if improperly stowed on the flat rack. Any loss of cargo, which may be covered by insurance, does expose the shipowner to potential monetary and reputational costs. Damage and loss could also arise as a consequence of a collision or grounding or a failure in the services required to support the industry, for example, due to inadequate dredging or icing in the harbors. We have procedures and policies in place to ameliorate these risks, including a robust inspection system during each cargo operation.

Any of these circumstances or events could substantially increase our costs. For example, the costs of replacing a vessel or cleaning up environmental damage could substantially lower our revenues by taking vessels out of operation permanently or for periods of time. Furthermore, the involvement of our vessels in a disaster or delays in delivery, damage or the loss of cargo may harm our reputation as a safe and reliable vessel operator and cause us to lose business. Our vessels could be arrested by maritime claimants, which could result in the interruption of business and decrease revenue and lower profitability.

Some of these inherent risks could result in significant damage, such as marine disaster or environmental incidents, and any resulting legal proceedings may be complex, lengthy, costly and, if decided against us, any of these proceedings or other proceedings involving similar claims or claims for substantial damages may harm our reputation and have a material adverse effect on our business, results of operations, cash flow and financial position. In addition, the legal systems and law enforcement mechanisms in certain countries in which we operate may expose us to risk and uncertainty. Further, we may be required to devote substantial time and cost defending these proceedings, which could divert attention from management of our business. Acts of piracy have historically affected ocean-going vessels trading in certain regions of the world, such as the South China Sea and the Gulf of Aden off the coast of Somalia. Piracy continues to occur in the Gulf of Aden off the coast of Somalia and increasingly in the Gulf of Guinea. Other areas where piracy has affected shipping include the Indian Ocean, the Strait of Malacca, the Arabian Sea, and the Mozambique Channel.

Acts of piracy are a material risk to the shipping industry. Our vessels regularly travel through regions where pirates are active. Piracy attacks have resulted in certain regions being characterized by insurers as "war risk" zones or Joint War Committee "war and strikes" listed areas.

Premiums payable for insurance coverage could increase significantly and insurance coverage may be more difficult to obtain. Crew costs, including those due to employing onboard security guards, could increase in such circumstances. While the use of security guards is intended to deter and prevent the hijacking of our vessels, it could also increase our risk of liability for death or injury to persons or damage to personal property. In addition, while we believe the charterer remains liable for charter payments when a vessel is seized by pirates, the charterer may dispute this and withhold charter hire until the vessel is released. Although we insure against these losses to the extent practicable, the risk remains of uninsured losses which could significantly affect our business. Costs are incurred in taking additional security measures in accordance with Best Management Practices to Deter Piracy, notably those contained in the BMP5 industry standard. A number of flag states have signed the 2009 New York Declaration, which expresses commitment to Best Management Practices in relation to piracy and calls for compliance with them as an essential part of compliance with the ISPS Code. A charterer may also claim that a vessel seized by pirates was not "on-hire" for a certain number of days and it is therefore entitled to cancel the charter party, a claim that we would dispute. We may not be adequately insured to cover losses from these incidents, which could have a material adverse effect on us, our results of operations, financial condition and ability to pay distributions. In addition, detention hijacking as a result of an act of piracy against our vessels, an increase in cost, or unavailability of insurance for our vessels, could have a material adverse impact on our business, financial condition, results of operations and cash flows. Acts of piracy on ocean-going vessels could adversely affect our business and operations.

The total loss or damage of any of our vessels or cargoes could harm our reputation as a safe and reliable vessel owner and operator. Any extended vessel off-hire, due to an accident or otherwise, or strikes, could have a materially adverse effect on our business. If we are unable to adequately maintain or safeguard our vessels, we may be unable to prevent any such damage, costs, or loss that could negatively impact our business, financial condition, results of operations, cash flows and ability to pay distributions.

***Maritime claimants could arrest or attach one or more of our vessels, which could interrupt our cash flow.***

Crew members, tort claimants, claimants for breach of certain maritime contracts, vessel mortgages, suppliers of goods and services to a vessel, shippers or receivers of cargo, and other parties may be entitled to a maritime lien against a vessel for unsatisfied debts, claims or damages, including, in some jurisdictions, for debts incurred by previous owners. In many jurisdictions, a maritime lien holder may enforce its lien by arresting a vessel. The arrest or attachment of one or more of our vessels, if such arrest or attachment is not timely discharged, could cause us to default on a charter or breach covenants in certain of our credit facilities and certain financial liabilities, could interrupt our cash flow and require us to pay large sums of money to have the arrest or attachment lifted. Any of these occurrences could have a material adverse effect on our business, results of operations and financial condition, as well as our cash flows, including cash available for distributions to our unitholders.

In addition, in some jurisdictions, such as South Africa, under the "sister ship" theory of liability, a claimant may arrest both the vessel which is subject to the claimant's maritime lien and any "associated" vessel, which is any vessel owned or controlled by the same owner. Claimants could try to assert "sister ship" liability against one vessel in our fleet for claims relating to another vessel in the fleet.

***The smuggling of drugs or other contraband onto our vessels may lead to governmental claims against us.***

Our vessels may call in ports where smugglers may attempt to hide drugs and other contraband on vessels, with or without the knowledge of crew members. To the extent our vessels are found with contraband, whether inside or attached to the hull of our vessel and whether with or without the knowledge of any of our crew, we may face reputational damage and governmental or other regulatory claims or penalties, which could have an adverse effect on our business, results of operations, financial condition, as well as our cash flows, including cash available for distributions to our unitholders. Under some jurisdictions, vessels used for the conveyance of illegal drugs or contraband could be forfeited to the government of such jurisdiction.

***A failure to pass inspection by classification societies could result in one or more vessels being unemployable unless and until they pass inspection, resulting in a loss of revenues from such vessels for that period and a corresponding decrease in operating cash flows.***

The hull and machinery of every commercial vessel must be inspected and approved by a classification society authorized by its country of registry. The classification society certifies that a vessel has been built and maintained, is safe and seaworthy in accordance with the applicable rules and regulations of the country of registry of the vessel and with SOLAS (as defined below). Our owned fleet is currently classed by American Bureau of Shipping, Nippon Kaiji Kiokai, Bureau Veritas, DNV, China Classification Society and Lloyd's Register.

A vessel must undergo an annual survey, an intermediate survey and a special survey. In lieu of a special survey, a vessel's machinery may be on a continuous survey cycle, under which the machinery would be surveyed periodically over a five-year period. Our vessels are on special survey cycles for hull inspection and continuous survey cycles for machinery inspection. Every vessel is also required to be drydocked every two to three years for inspection of the underwater parts of such vessel.

If vessel fails any annual survey, intermediate survey or special survey, the vessel may be unable to trade between ports and, therefore, would be unemployable, potentially causing a negative impact on our revenues due to the loss of revenues from such vessel until she is able to trade again. Further, if any vessel fails a classification survey and the condition giving rise to the failure is not cured within a reasonable time, the vessel may lose coverage under various insurance programs, including hull and machinery insurance and/or protection and indemnity insurance, which would result in a breach of relevant covenants under our financing arrangements. Failure to maintain the class of one or more of our vessels could have a material adverse effect on our financial condition and results of operations, as well as our cash flows.

***Disruptions in global financial markets, terrorist attacks, regional armed conflicts, general political unrest, economic crisis, the emergence of a pandemic crisis and the resulting governmental action could have a material adverse impact on our results of operations, financial condition and cash flows.***

The global economy remains subdued, especially when compared to the period prior to the 2008-2009 financial crisis. The current global recovery is proceeding at varying speeds across regions and is still subject to downside economic risks stemming from factors like terrorist attacks in certain parts of the world and the continuing response of the United States and other countries to these attacks, the threat of future terrorist attacks, the continuing refugee crisis in the European Union, the war in and the general political unrest in Ukraine, the Israel and Hamas conflict and the presence of terrorist organizations in the Middle East, conflicts and turmoil in Yemen, Iraq, Afghanistan and Iran, political tension, concerns regarding epidemics and pandemics and other viral outbreaks or conflicts in the Asia Pacific Region or imposition of tariffs or port entry fees have all led to increased volatility in global credit and equity markets and continue to cause uncertainty and volatility in the world financial markets, which may in turn affect our business, results of operations and financial conditions.

Furthermore, our operations may be adversely affected by changing or adverse political and governmental conditions in the countries where our vessels are built, flagged or registered and in the regions where we otherwise engage in business. Any disruption caused by these factors may interfere with the operation of our vessels, which could harm our business, financial condition and results of operations. Our operations may also be adversely affected by expropriation of vessels, taxes, regulation, tariffs, trade embargoes, economic sanctions or a disruption of or limit to trading activities, or other adverse events or circumstances in or affecting the countries and regions where we operate or where we may operate in the future or where our vessels were built. Adverse economic, political, social or other developments can decrease demand and prospects for growth in the shipping industry and thereby could reduce revenue significantly.

We may also experience difficulties obtaining financing commitments or be unable to fully draw on the capacity under our committed term loans in the future, if our lenders are unwilling to extend financing to us or unable to meet their funding obligations due to their own liquidity, capital or solvency issues. We may experience higher interest rates due to governments' efforts to fight inflation or other reasons which, due to floating rate obligations in some of our financial facilities, may cause our costs to rise which may in turn affect our business, results of operations and financial conditions or may make refinancing or new financing facilities difficult to obtain. We cannot be certain that financing will be available on acceptable terms or at all. If financing is not available when needed, or is available only on unfavorable terms, we may be unable to meet our future obligations as they come due. Our failure to obtain such funds could have a material adverse effect on our business, results

of operations and financial condition, as well as our cash flows, including cash available for distributions to our unitholders. In the absence of available financing, we also may be unable to take advantage of business opportunities or respond to competitive pressures.

***Governments could requisition our vessels during a period of war or emergency, resulting in a loss of earnings.***

A government of the jurisdiction where one or more of our vessels are registered could requisition one or more of our vessels for title or for hire. Requisition for title occurs when a government takes control of a vessel and becomes its owner, while requisition for hire occurs when a government takes control of a vessel and effectively becomes its charterer at dictated charter rates. Generally, requisitions occur during periods of war or emergency, although governments may elect to requisition vessels in other circumstances. Although we may be entitled to compensation in the event of a requisition of one or more of our vessels the amount and timing of payment would be uncertain. Government requisition of one or more of our vessels may cause us to breach covenants in certain of our credit facilities and certain financial liabilities, and could have a material adverse effect on our business, financial condition, and results of operations, as well as our cash flows, including cash available for distributions to our unitholders.

**Risks Relating to Our Indebtedness**

***We may be unable to obtain additional financing and our debt levels may limit our ability to do so and pursue other business opportunities, and our interest rates under our financing arrangements may fluctuate and may impact our operations.***

As of December 31, 2024 our total borrowings amounted to $2,153.2 million. We have the ability to incur additional debt, subject to limitations in our financing arrangements. Our level of debt could have important consequences to us, including the following:

•our ability to obtain additional financing, if necessary, for working capital, capital expenditures, acquisitions or other purposes may be impaired or such financing may not be available on favorable terms;

•we may need to use a substantial portion of our cash from operations to make principal and interest payments on our debt, reducing the funds that would otherwise be available for operations, future business opportunities, distributions to unitholders;

•our debt level could make us more vulnerable than our competitors with less debt to competitive pressures or a downturn in our business or the economy generally; and

•our debt level may limit our flexibility in responding to changing business and economic conditions.

Our ability to borrow against the ships in our existing fleet and any ships we may acquire in the future largely depends on the existence of time charter employment of the ship and on the value of the ships, which in turn depends in part on charter hire rates and the creditworthiness of our charterers. The actual or perceived credit quality of our charterers, any defaults by them, any decline in the market value of our fleet and a lack of long-term employment of our ships may materially affect our ability to obtain the additional capital resources that we will require to purchase additional vessels or may significantly increase our costs of obtaining such capital. Our inability to obtain additional financing or committing to financing on unattractive terms could have a material adverse effect on our business, results of operations and financial condition, as well as our cash flows, including cash available for distributions to our unitholders.

Our ability to service our debt depends upon, among other things, our future financial and operating performance, which will be affected by prevailing economic conditions and financial, business, regulatory and other factors, some of which are beyond our control. Our ability to service debt under our financing arrangements also will depend on market interest rates, since the interest rates applicable to our borrowings will generally fluctuate with the SOFR.

If our operating income is not sufficient to service our current or future indebtedness, we will be forced to take actions such as reducing or discontinuing distributions, reducing or delaying our business activities, acquisitions, investments or capital expenditures, selling assets, restructuring or refinancing our debt, or seeking additional equity capital or bankruptcy protection. We may not be able to effect any of these remedies on satisfactory terms, or at all.

***We are exposed to volatility in interest rates, including SOFR.***

Loans advanced under our financing arrangements are advanced at a floating rate based on SOFR. Interest rates, which after a long period of relative stability at historically low levels, have been increasing and have been volatile, which can affect the amount of interest payable on our debt, and which, in turn, could have an adverse effect on our earnings and cash flow.

We enter from time to time into interest rate swap arrangements for a portion of our debt. Our financial condition could be materially adversely affected as a result of not entering into interest rate hedging arrangements to hedge our interest rate exposure if the interest rates applicable to our unhedged financing arrangements (and any other financing arrangements we may enter into in the future) increases. Even if we enter into interest rate swaps or other derivative instruments for purposes of managing our interest rate, our hedging strategies may not be effective or have the desired impact on our financial conditions or results of operations as we may not effectively manage our interest rate exposure and may incur substantial losses, which could result in higher than market interest rates and charges against our income.

***Our credit facilities and certain financial liabilities contain restrictive covenants, which may limit our business and financing activities and may prevent us from paying distributions to unitholders, if our board of directors determines to do so again in the future.***

As of December 31, 2024, the outstanding balance under Navios Partners' total borrowings, net of deferred finance costs, was $2,128.9 million.

The operating and financial restrictions and covenants in our credit facilities and certain financial liabilities and any future credit facilities and financial liabilities could adversely affect our ability to finance future operations or capital needs to engage, expand or pursue our business activities and reduce cash available for distribution on our common units. For example, our credit facilities and certain financial liabilities require the consent of our lenders or limit our ability to (among other things):

•incur or guarantee indebtedness;

•charge, pledge or encumber the vessels;

•merge or consolidate;

•change the flag, class or commercial and technical management of our vessels;

•make cash distributions;

•make new investments; and

•sell or change the ownership or control of our vessels.

Our financing arrangements also require us to comply with the International Safety Management Code (the "ISM Code"), and the ISPS Code and to maintain valid safety management certificates and documents of compliance at all times.

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 $0.5 million 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 $135.0 million.

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.

In addition, our credit facilities and certain financial liabilities prohibit the payment of distributions if we are not in compliance with certain financial covenants or upon the occurrence of an event of default.

Events of default under our credit facilities and certain financial liabilities include, among other things, the following:

•failure to pay any principal, interest, fees, expenses or other amounts when due;

•failure to observe any other agreement, security instrument, obligation or covenant beyond specified cure periods in certain cases;

•default under other indebtedness;

•an event of insolvency or bankruptcy;

•material adverse change in the financial position or prospects of us or our general partner;

•failure of any representation or warranty to be materially correct; and

•failure of Angeliki Frangou, or their affiliates (as defined in the financing agreements) to own at least 5% of us.

Our ability to comply with the covenants and restrictions that are contained in our credit facilities and certain financial liabilities and any other debt instruments we may enter into in the future may be affected by events beyond our control, including prevailing economic, financial and industry conditions. If market or other economic conditions deteriorate, our ability to comply with these covenants may be impaired. If we are in breach of any of the restrictions, covenants, ratios or tests in our credit facilities and certain financial liabilities, especially if we trigger a cross default currently contained in certain of our loan agreements, a significant portion of our obligations may become immediately due and payable, and our lenders' commitment to make further loans to us may terminate. We may not have, or be able to obtain, sufficient funds to make these accelerated payments. In addition, our obligations under our credit facilities are secured by certain of our vessels, and if we are unable to repay borrowings under such credit facilities, lenders could seek to foreclose on those vessels. We anticipate that any subsequent refinancing of our current debt or any new debt will have similar restrictions.

**Risks Relating to Our Units**

***Our board of directors may not declare cash distributions in the foreseeable future.***

The declaration and payment of cash distributions, if any, will always be subject to the discretion of our board of directors, restrictions contained in our financing arrangements and the requirements of Marshall Islands law. The timing and amount of any cash distributions declared will depend on, among other things, our earnings, financial condition and cash requirements and availability, our ability to obtain debt and equity financing on acceptable terms as contemplated by our growth strategy, the terms of our outstanding indebtedness and the ability of our subsidiaries to distribute funds to us.

The Dry Cargo and tankers sector of the shipping industry is highly volatile, and we cannot predict with certainty the amount of cash, if any, that will be available for distribution as cash distributions in any period. Also, there may be a high degree of variability from period to period in the amount of cash that is available for the payment of cash distributions.

We may not have sufficient cash available to pay quarterly distributions or to maintain or increase distributions following the establishment of cash reserves and payment of fees and expenses. In February 2016, we announced that our board of directors decided to suspend the quarterly cash distributions to our unitholders, including the distribution for the quarter ended December 31, 2015, in order to conserve cash and improve our liquidity. In March 2018, our board of directors determined to reinstate a distribution and any continued distribution will be at the discretion of our board of directors. The amount of cash we can distribute on our common units depends principally upon the amount of cash we generate from our operations, which may fluctuate based on numerous factors including, those set forth elsewhere in this section.

The actual amount of cash we will have available for distribution also will depend on other factors, some of which are beyond our control, such as the level of capital expenditures we make (including those associated with maintaining vessels, building new vessels, acquiring existing vessels and complying with regulations), our debt service requirements and restrictions on distributions contained in our debt instruments, interest rate fluctuations, the cost of acquisitions, if any, fluctuations in our working capital needs, our ability to make working capital borrowings, and the amount of any cash reserves, including reserves for future maintenance and replacement capital expenditures, working capital and other matters, established by our board of directors in its discretion.

In addition, the amount of cash we generate from our operations may differ materially from our profit or loss for the period, which will be affected by non-cash items. As a result of this and the other factors mentioned above, we may make cash distributions during periods when we record losses and may not make cash distributions during periods when we record net income.

***Any dividend payments on our common units would be declared in U.S. dollars, and any unit holder whose principal currency is not the U.S. dollar would be subject to risks of exchange rate fluctuations.***

Our common units, and any cash dividends or other distributions to be declared in respect of them, if any, will be denominated in U.S. dollars. Unitholders whose principal currency is not the U.S. dollar will be exposed to foreign currency exchange rate risk. Any depreciation of the U.S. dollar in relation to such foreign currency will reduce the value of such unitholders' units and any appreciation of the U.S. dollar will increase the value in foreign currency terms. In addition, we will not offer our unitholders the option to elect to receive dividends, if any, in any other currency. Consequently, unitholders may be required to arrange their own foreign currency exchange, either through a brokerage house or otherwise, which could incur additional commissions or expenses.

***The New York Stock Exchange may delist our securities from trading on its exchange, which could limit your ability to trade our securities and subject us to additional trading restrictions.***

Our securities are listed on the New York Stock Exchange (the "NYSE"), a national securities exchange. The NYSE minimum listing standards, require that we meet certain requirements relating to stockholders' equity, number of round-lot holders, market capitalization, aggregate market value of publicly held shares and distribution requirements.

If NYSE delists our securities from trading on its exchange, we could face significant material adverse consequences, including limited availability of market quotations for our securities, limited amount of news and analyst coverage for us, decreased ability for us to issue additional securities or obtain additional financing in the future, limited liquidity for our unitholders and the loss of our tax exemption under Section 883 of the Internal Revenue Code of 1986, as amended (the "Code"), loss of preferential capital gain tax rates for certain dividends received by certain non-corporate U.S. holders, and loss of "mark-to-market" election by U.S. holders in the event we are treated as a passive foreign investment company ("PFIC").

***The price of our common units may be volatile.***

The price of our common units may be volatile and fluctuate due to various factors, including but not limited to: actual or anticipated fluctuations in quarterly and annual results; changes in the seaborne transportation industry, including the containership market; our distribution decisions; mergers and strategic alliances within the shipping industry; changes in governmental regulations or maritime self-regulatory standards; shortfalls in operating results relative to analyst forecasts; announcements concerning us or our competitors; general economic conditions, such as the impact of the Russian and Ukrainian conflict, the Israel and Hamas conflicts, and attacks in the Red Sea and Gulf of Aden; terrorist acts; future sales of our common units or other securities; investors' perceptions of us and the international container shipping industry; the state of the securities markets; the impact on our stock price of our ongoing stock repurchase program and other developments affecting us, our industry, or our competitors.

This volatility, combined with economic, market, or political conditions, could lower the market price of our securities, even if our operating performance remains strong. As a result, you may not be able to sell our securities at prices equal to or greater than those at which you purchased them.

Additionally, an increase in interest rates may lead to a decline in demand for equity investments in general, particularly for yield-based equity investments like our common units. Such a rise in interest rates, or the availability of relatively more attractive investment opportunities, could cause the trading price of our common units to decrease.

***Unitholders may be liable for repayment of distributions.***

Under some circumstances, unitholders may have to repay amounts wrongfully returned or distributed to them. Under the Marshall Islands Act, we may not make a distribution to unitholders if the distribution would cause our liabilities to exceed the fair value of our assets. Marshall Islands law provides that for a period of three years from the date of the impermissible distribution, limited partners who received the distribution and who knew at the time of the distribution that it violated Marshall Islands law will be liable to the limited partnership for the distribution amount.

Assignees who become substituted limited partners are liable for the obligations of the assignor to make contributions to the partnership that are known to the assignee at the time it became a limited partner and for unknown obligations if the liabilities could be determined from the partnership agreement. Liabilities to partners on account of their partnership interest and liabilities that are non-recourse to the partnership are not counted for purposes of determining whether a distribution is permitted.

***Common unitholders have limited voting rights and our partnership agreement restricts the voting rights of common unitholders owning more than 4.9% of our common units.***

Holders of our common units have only limited voting rights on matters affecting our business. We hold a meeting of the limited partners every year to elect one or more members of our board of directors and to vote on any other matters that are properly brought before the meeting. Common unitholders may only elect four of the seven members of our board of directors. The elected directors are elected on a staggered basis and serve for three year terms. Our general partner in its sole discretion has the right to appoint the remaining three directors and to set the terms for which those directors will serve. The partnership agreement also contains provisions limiting the ability of unitholders to call meetings or to acquire information about our operations, as well as other provisions limiting the unitholders' ability to influence the manner or direction of management. Unitholders will have no right to elect our general partner and our general partner may not be removed except by a vote of the holders of at least 66 2/3% of the outstanding units, including any units owned by our general partner and its affiliates, voting together as a single class.

Our partnership agreement further restricts common unitholders' voting rights by providing that if any person or group owns beneficially more than 4.9% of the common units then outstanding, any such common units owned by that person or group in excess of 4.9% may not be voted on any matter and will not be considered to be outstanding when sending notices of a meeting of unitholders, calculating required votes, except for purposes of nominating a person for election to our board, determining the presence of a quorum or for other similar purposes, unless required by law. The voting rights of any such common unitholders in excess of 4.9% will effectively be redistributed pro rata among the other common unitholders holding less than 4.9% of the voting power of all classes of units entitled to vote. Our general partner, its affiliates and persons who acquired common units with the prior approval of our board of directors will not be subject to this 4.9% limitation except with respect to voting their common units in the election of the elected independent directors.

**Risks Relating to Our Organizational Structure, Taxes and Other Legal Matters**

In addition to the following risk factors, you should read the sections entitled "Material U.S. Federal Income Tax Considerations" and "Non-United States Tax Considerations" of this annual report for a more complete discussion of the expected material U.S. federal and non-U.S. income tax considerations relating to us and the ownership and disposition of common units.

***We are a holding company and we depend on the ability of our subsidiaries to distribute funds to us in order to satisfy our financial obligations and to make distributions.***

We are a holding company and our subsidiaries conduct all of our operations and own all of our operating assets, including our ships. We have no significant assets other than the equity interests in our subsidiaries. As a result, our ability to pay our obligations and to make distributions depends entirely on our subsidiaries and their ability to distribute funds to us. The ability of a subsidiary to make these distributions could be affected by a claim or other action by a third party, including a creditor, or by the law of their respective jurisdiction of incorporation which regulates the payment of distributions. If we are unable to obtain funds from our subsidiaries, our board of directors may not exercise its discretion not to declare or make distributions.

***We depend on the Manager to assist us in operating and expanding our business.***

Pursuant to the Master Management Agreement, the Manager provides to us significant commercial and technical management services (including the commercial and technical management of our vessels, vessel maintenance and crewing, purchasing and insurance and shipyard supervision). In addition, pursuant to the Administrative Services Agreement between us and the Manager, the Manager provides us administrative, financial and other support services. Our operational success and ability to execute our growth strategy will depend significantly upon the Manager's satisfactory performance of these services. Our business will be harmed if the Manager fails to perform these services satisfactorily, if the Manager cancels either of these agreements, or if the Manager stops providing these services to us.

Our ability to enter into new charters and expand our customer relationships will depend largely on the Manager and their reputation and relationships in the shipping industry. If the Manager suffers material damage to its reputation or relationships, it may harm our ability to:

•renew existing charters upon their expiration;

•obtain new charters;

•successfully interact with shipyards during periods of shipyard construction constraints;

•obtain financing on commercially acceptable terms; or

•maintain satisfactory relationships with suppliers and other third parties.

If our ability to do any of the things described above is impaired, it could have a material adverse effect on our business, results of operations and financial condition and our ability to make cash distributions and repurchases of common units.

***The loss of key members of our senior management team could disrupt the management of our business.***

We believe that our success depends on the continued contributions of the members of our senior management team, including our Chairwoman and Chief Executive Officer. The loss of the services of our Chairwoman and Chief Executive Officer or one of our other executive officers or senior management members could impair our ability to identify and secure new charter contracts, to maintain good customer relations and to otherwise manage our business, which could have a material adverse effect on our financial performance and our ability to compete.

***The Manager may be unable to attract and retain qualified, skilled employees or crew necessary to operate our vessels and business or may have to pay increased costs for its employees and crew and other vessel operating costs.***

Our success will depend in part on the Manager's ability to attract, hire, train and retain highly skilled and qualified personnel. In crewing our vessels, we require technically skilled employees with specialized training who can perform physically demanding work. Competition to attract, hire, train and retain qualified crew members is intense, and crew manning costs continue to increase. If we are not able to increase our hire rates to compensate for any crew cost increases, our business, financial condition, results of operations and ability to make cash distributions to our unitholders may be adversely affected. Any inability we experience in the future to attract, hire, train and retain a sufficient number of qualified employees could impair our ability to manage, maintain and grow our business.

***We may be subject to taxes, which may reduce our cash available for distribution to our unitholders.***

We and our subsidiaries may be subject to tax in the jurisdictions in which we are organized or operate, reducing the amount of cash available for distribution. In computing our tax obligation in these jurisdictions, we are required to take various tax accounting and reporting positions on matters that are not entirely free from doubt and for which we have not received rulings from the governing authorities. We cannot assure you that upon review of these positions the applicable authorities will agree with our positions. A successful challenge by a tax authority could result in additional tax imposed on us or our subsidiaries, further reducing the cash available for distribution. In addition, changes in our operations or ownership could result in additional tax being imposed on us or our subsidiaries in jurisdictions in which operations are conducted.

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 vessels' 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.

***U.S. tax authorities could treat us as a "passive foreign investment company", which could have adverse U.S. federal income tax consequences to U.S. unitholders.***

A non-U.S. entity treated as a corporation for U.S. federal income tax purposes will be treated as a PFIC for U.S. federal income tax purposes if either (1) at least 75.0% of its gross income for any taxable year consists of "passive income", or (2) at least 50.0% of the average value of the entity's assets produce or are held for the production of "passive income". For purposes of these tests, "passive income" generally includes dividends, interest, gains from the sale or exchange of investment property, and rents and royalties other than rents and royalties that are received from unrelated parties in connection with the active conduct of a trade or business. For purposes of these tests, income derived from the performance of services does not constitute "passive income". U.S. unitholders of a PFIC are subject to a disadvantageous U.S. federal income tax regime with respect to the income derived by the PFIC, the distributions they receive from the PFIC, and the gain, if any, they derive from the sale or other disposition of their units in the PFIC, as well as additional U.S. federal income tax filing obligations.

Based on our current and projected method of operation, and on opinion of counsel, we believe that we were not a PFIC for any taxable year, including our 2024 taxable year, and we expect that we will not become a PFIC in subsequent taxable years, although no assurance can be given in this regard. Our U.S. counsel, Thompson Hine LLP, is of the opinion that (1) the income we receive from time chartering activities and the assets we own that are engaged in generating such income should not be treated as passive income or assets, respectively, and (2) so long as our income from time charters exceeds 25.0% of our gross income from all sources for each taxable year after our initial taxable year and the fair market value of our vessels contracted under time charters exceeds 50.0% of the average fair market value of all of our assets for each taxable year after our initial taxable year, we should not be a PFIC for any taxable year. This opinion is based on representations and projections provided by us to our counsel regarding our assets, income and charters, and its validity is conditioned on the accuracy of such representations and projections. We expect that all of the vessels in our fleet will be engaged in time chartering activities and thus, for PFIC purposes, our income from those activities will be non-passive income and the vessels engaged in those activities will be non-passive assets. However, we cannot assure you that the method of our operations, or the nature or composition of our income or assets, will not change in the future and that we will not become a PFIC. Moreover, although there is legal authority for our position, there is also contrary authority and no assurance can be given that the Internal Revenue Service, or the IRS, will accept our position.

***We may have to pay tax on U.S.-source income, which would reduce our earnings.***

Under the Code, 50.0% of the gross transportation income of a vessel-owning or chartering corporation that is attributable to transportation that either begins or ends, but that does not both begin and end, in the United States is characterized as "U.S. Source International Transportation Income". U.S. Source International Transportation Income generally is subject to a 4.0% U.S. federal income tax without allowance for deduction or, if such U.S. Source International Transportation Income is effectively connected with the conduct of a trade or business in the United States, U.S. federal corporate income tax (presently imposed at a 21.0% rate) as well as a branch profits tax (presently imposed at a 30.0% rate on effectively connected earnings) apply, unless the non-U.S. corporation qualifies for exemption from tax under Section 883 of the Code.

Based on an opinion of counsel, and certain assumptions and representations, we believe that we have qualified for this statutory tax exemption, and we will take this position for U.S. federal income tax return reporting purposes for our 2024 taxable year. However, there are factual circumstances, including some that may be beyond our control that could cause us to lose the benefit of this tax exemption, including the delisting of our securities from quotation on the NYSE and thereby make us subject to U.S. federal income tax on our U.S. Source International Transportation Income. See "Risks Relating to Our Units-The New York Stock Exchange may delist our securities from trading on its exchange, which could limit your ability to trade our securities and subject us to additional trading restrictions". Furthermore, our board of directors could determine that it is in our best interests to take an action that would result in this tax exemption not applying to us in the future. In addition, our conclusion that we qualify for this exemption, as well as the conclusions in this regard of our counsel, Thompson Hine LLP, is based upon legal authorities that do not expressly contemplate an organizational structure such as ours; specifically, although we have elected to be treated as a corporation for U.S. federal income tax purposes, we are organized as a limited partnership under Marshall Islands law. As such, we are not subject to section 1446 as that section only applies to entities that for U.S. federal income tax purposes are characterized as partnerships. Therefore, we can give no assurances that the IRS will not take a different position regarding our qualification for this tax exemption.

If we were not entitled to the Section 883 exemption for any taxable year, we generally would be subject to a 4.0% U.S. federal gross income tax with respect to our U.S. Source International Transportation Income or, if such U.S. Source International Transportation Income were effectively connected with the conduct of a trade or business in the United States, U.S. federal corporate income tax as well as a branch profits tax for those years would apply. Our failure to qualify for the Section 883 exemption could have a negative effect on our business and would result in decreased earnings available for distribution to our unitholders.

***Actions taken by holders of our common units or the formation of a U.S. subsidiary by us could result in our (and/or certain of our non-U.S. subsidiaries) being treated as a "controlled foreign corporation", which could have adverse U.S. federal income tax consequences to certain U.S. holders.***

Special rules would apply if we or any of our non-U.S. subsidiaries that are treated as corporations for U.S. federal tax purposes is classified as a "controlled foreign corporation" ("CFC") for U.S. federal income tax purposes. A foreign corporation will generally be classified as a CFC if more than 50% of its outstanding shares, measured by reference to voting power or value, are owned (directly, indirectly or constructively under Section 318 of the Code) by "10% U.S. Shareholders". For this purpose, a "10% U.S. Shareholder" is any U.S. person that owns directly, indirectly or by attribution, 10% or more of the voting power or value of the issued and outstanding stock of such foreign corporation. Additionally, as a result of changes introduced by the 2017 Tax Cuts and Jobs Act, even absent 10% U.S. Shareholders with direct or indirect interests in a foreign corporation, a U.S. subsidiary of ours alone may cause certain related foreign corporations to be treated as CFCs by reason of "downward attribution". We believe that Navios Partners was not a controlled foreign corporation (a "CFC") as of December 31, 2024, or at any time during 2024, and we do not expect to become a CFC in a subsequent taxable year. However, given that we are publicly held, the constructive ownership rules under Section 318 of the Code may make it difficult to determine whether any U.S. person is a 10% U.S. Shareholder of ours and our non-U.S. subsidiaries and whether we or any of our non-U.S. subsidiaries is a CFC. Moreover, in the event the Company establishes one or more U.S. subsidiaries, the Company's non-U.S. subsidiaries could be treated as CFCs (regardless of whether the Company is treated as a CFC), depending on the structure of the Company group at any given time.

U.S. holders who at all times own less than 10% of our equity should not be affected. However, if we (or our non-U.S. subsidiaries) were to become a CFC, any U.S. holder owning 10% or more (by vote or value), directly or indirectly, of our equity could be subject to U.S. federal income tax in respect of a portion of our earnings and the earnings of our non-U.S. subsidiary. Any U.S. holder of Navios Partners that owns 10% or more (by vote or value), directly, indirectly or constructively, of the equity of Navios Partners should consult its own tax advisor regarding the U.S. federal tax consequences that may result from Navios Partners (and our non-U.S. subsidiary) being treated as a CFC (see "Material U.S. Federal Income Tax Considerations – U.S. Federal Income Taxation of U.S. Holders - Controlled Foreign Corporation).

***You may be subject to income tax in one or more non-U.S. countries, including Greece, as a result of owning our common units if, under the laws of any such country, we are considered to be carrying on business there. Such laws may require you to file a tax return with and pay taxes to those countries.***

We intend that our affairs and the business of each of our controlled affiliates will be conducted and operated in a manner that minimizes income taxes imposed upon us and these controlled affiliates or which may be imposed upon you as a result of owning our common units. However, because we are organized as a partnership, there is a risk in some jurisdictions that our activities and the activities of our subsidiaries may be attributed to our unitholders for tax purposes and, thus, that you will be subject to tax in one or more non-U.S. countries, including Greece, as a result of owning our common units if, under the laws of any such country, we are considered to be carrying on business there. If you are subject to tax in any such country, you may be required to file a tax return with and to pay tax in that country based on your allocable share of our income. We may be required to reduce distributions to you on account of any withholding obligations imposed upon us by that country in respect of such allocation to you. The United States may not allow a tax credit for any foreign income taxes that you directly or indirectly incur.

We believe we can conduct our activities in such a manner that our unitholders should not be considered to be carrying on business in one or more non-U.S. countries including Greece solely as a consequence of the acquisition, holding, disposition or redemption of our common units. However, the question of whether either we or any of our controlled affiliates will be treated as carrying on business in any particular country will be largely a question of fact to be determined based upon an analysis of contractual arrangements, including the Master Management Agreement we entered into with the Manager and the Administrative Services Agreement we entered into with the Manager, and the way we conduct business or operations, all of which may change over time. Furthermore, the laws of Greece or any other country may change in a manner that causes that country's taxing authorities to determine that we are carrying on business in such country and are subject to its taxation laws. Any foreign taxes imposed on us or any subsidiaries will reduce our cash available for distribution.

***Our diverse lines of business may have an impact on our tax treatment in the countries in which we operate, which could result in a significant negative impact on our earnings and cash flows from operations.***

We are an international company that conducts business throughout the world. Tax laws and regulations are highly complex and subject to interpretation. Consequently, a change in tax laws, treaties or regulations, in the interpretation thereof or in the applicability thereof in and between countries in which we operate, could result in a materially high tax expense or higher effective tax rate on our worldwide earnings, and such change could be significant to our financial results.

New tax laws and regulations are currently being adopted by many jurisdictions pursuant to the Base Erosion and Profit Shifting ("BEPS") Project to set up an international framework to combat tax avoidance. In January 2019, the Organization for Economic Co-operation and Development (the "OECD") announced the Pillar One and Pillar Two frameworks. Pillar One reallocates certain residual profits of multinational enterprises to market jurisdictions where goods or services are used or consumed. Pillar Two also referred to as the Global Anti-Base Erosion Rules (the "GloBE Rules") operate to impose a minimum tax rate of 15% calculated on a jurisdictional basis. More than 130 countries have signed on to the GloBE Rules released in December 2021 that, among other provisions, give the countries the right to "tax back" profit that is currently taxed below the minimum 15% rate. The framework calls for law enactment by OECD and G20 members in 2022 to take effect in 2023 and 2024. Presently, it is difficult to assess if and to what extent such changes will impact our tax burden. The timing, scope, and implementation of any of the potential Pillar One and Pillar Two provisions into the domestic law of relevant countries remains subject to significant uncertainty, and the content of existing and future OECD guidance (and its consistency with current international tax principles or with implementing legislation of relevant countries) also remains uncertain. Further developments and unexpected implementation mechanics could adversely affect our effective tax rate or result in higher cash tax liabilities.

If any tax authority successfully challenges our operational structure, intercompany pricing policies or the taxable presence of our key subsidiaries in certain countries, or if the terms of certain income tax laws or treaties are interpreted in a manner that is adverse to our structure or new lines of business, or if we lose a material tax dispute in any country, our effective tax rate on our worldwide earnings from our operations could increase substantially and our earnings and cash flows from these operations could be materially adversely affected.

We and our subsidiaries may be subject to taxation in the jurisdictions in which we and our subsidiaries conduct business. Such taxation would result in decreased earnings. Investors are encouraged to consult their own tax advisors concerning the overall tax consequences of the ownership of our common shares arising in an investor's particular situation under U.S. federal, state, local and foreign law.

***We have been organized as a limited partnership under the laws of the Republic of the Marshall Islands, which does not have a well-developed body of partnership law; as a result, unitholders may have more difficulty in protecting their interests than would unitholders of a similarly organized limited partnership in the United States.***

Our partnership affairs are governed by our partnership agreement and by the Marshall Islands Act. The provisions of the Marshall Islands Act resemble provisions of the limited partnership laws of a number of states in the United States, most notably Delaware. The Marshall Islands Act also provides that it is to be applied and construed to make it uniform with Delaware law and, so long as it does not conflict with the Marshall Islands Act or decisions of the Marshall Islands courts, interpreted according to the non-statutory law (or case law) of the State of Delaware. There have been, however, few, if any, court cases in the Marshall Islands interpreting the Marshall Islands Act, in contrast to Delaware, which has a fairly well-developed body of case law interpreting its limited partnership statute. Accordingly, we cannot predict whether Marshall Islands courts would reach the same conclusions as the courts in Delaware. For example, the rights of our unitholders and the fiduciary responsibilities of our general partner under Marshall Islands law are not as clearly established as under judicial precedent in existence in Delaware. As a result, unitholders may have more difficulty in protecting their interests in the face of actions by our officers or directors than would unitholders of a similarly organized limited partnership in the United States.

***Because we are organized under the laws of the Marshall Islands and we operate primarily from Piraeus, Greece, it may be difficult to serve us with legal process or enforce judgments against us, our directors or our management.***

We are organized under the laws of the Marshall Islands, and all of our assets are located outside of the United States. Our business is operated primarily from Piraeus, Greece. In addition, our general partner is a Marshall Islands limited liability company, and our directors and officers generally are or will be non-residents of the United States, and all or a substantial portion of the assets of these non-residents are located outside the United States. As a result, it may be difficult or impossible for you to bring an action against us or against these individuals in the United States if you believe that your rights have been infringed under securities laws or otherwise. Even if you are successful in bringing an action of this kind, the laws of the Marshall Islands, Greece and other jurisdictions may prevent or restrict you from enforcing a judgment against our assets or the assets of our general partner or our directors or officers.

***Our partnership agreement limits our general partner's and our directors' fiduciary duties to our unitholders and restricts the remedies available to unitholders for actions taken by our general partner or our directors.***

Our partnership agreement contains provisions that reduce the standards to which our general partner and directors would otherwise be held by Marshall Islands law. For example, our partnership agreement:

•permits our general partner to make a number of decisions in its individual capacity, as opposed to in its capacity as our general partner. Where our partnership agreement permits, our general partner may consider only the interests and factors that it desires, and in such cases it has no fiduciary duty or obligation to give any consideration to any interest of, or factors affecting us, our affiliates or our unitholders. Decisions made by our general partner in its individual capacity will be made by Olympos Maritime Ltd. Specifically, pursuant to our partnership agreement, our general partner will be considered to be acting in its individual capacity if it exercises its call right, pre-emptive rights or registration rights, consents or withholds consent to any merger or consolidation of the partnership;

•appoints any directors or votes for the election of any director, votes or refrains from voting on amendments to our partnership agreement that require a vote of the outstanding units, voluntarily withdraws from the partnership, transfers (to the extent permitted under our partnership agreement) or refrains from transferring its units or, general partner interest or votes upon the dissolution of the partnership;

•provides that our general partner and our directors are entitled to make other decisions in "good faith" if they reasonably believe that the decision is in our best interests;

•generally provides that affiliated transactions and resolutions of conflicts of interest not approved by the Conflicts Committee of our board of directors and not involving a vote of unitholders must be on terms no less favorable to us than those generally being provided to or available from unrelated third parties or be "fair and reasonable" to us and that, in determining whether a transaction or resolution is "fair and reasonable," our board of directors may consider the totality of the relationships between the parties involved, including other transactions that may be particularly advantageous or beneficial to us; and

•provides that neither our general partner nor our officers or our directors will be liable for monetary damages to us, our limited partners or assignees for any acts or omissions unless there has been a final and non-appealable judgment entered by a court of competent jurisdiction determining that our general partner or directors or our officers or directors or those other persons engaged in actual fraud or willful misconduct.

In order to become a limited partner of our partnership, a common unitholder is required to agree to be bound by the provisions in the partnership agreement, including the provisions discussed above.

***Our general partner has a limited call right that may require unitholders to sell their common units at an undesirable time or price.***

If at any time our general partner and its affiliates, including Angeliki Frangou, our Chairwoman and Chief Executive Officer, own more than 80% of the common units, our general partner will have the right, which it may assign to any of its affiliates or to us, but not the obligation, to acquire all, but not less than all, of the common units held by unaffiliated persons at a price not less than their then-current market price. As a result, unitholders may be required to sell their common units at an undesirable time or price and may not receive any return on their investment. Unitholders may also incur a tax liability upon a sale of their units.

As of March 20, 2025, Angeliki Frangou beneficially owned approximately 17.1% of the outstanding Common Units including 4,672,314 common units held through four entities affiliated with her. As of March 20, 2025, our general partner owned all 622,296 outstanding general partnership units, which represented a 2.1% ownership interest in us based on all outstanding common units and general partnership units.

***Our general partner may transfer its general partner interest to, and the control of our general partner may be transferred to a third party without common unitholder consent.***

Our general partner may transfer its general partner interest to a third party without the consent of the unitholders. In addition, our partnership agreement does not restrict the ability of the members of our general partner from transferring their respective membership interests in our general partner to a third party. A different general partner may make decisions or operate our business in a manner that is different, and significantly less skilled and beneficial to us, and that could have a material adverse effect on our business, results of operations and financial condition, as well as our cash flows, including cash available for distributions to our unitholders.

***Our partnership agreement contains provisions that may have the effect of discouraging a person or group from attempting to remove our current management or our general partner, and even if our public unitholders are dissatisfied, they will need a qualified majority to remove our general partner.***

Our partnership agreement contains provisions that may have the effect of discouraging a person or group from attempting to remove our current management or our general partner.

•The vote of the holders of at least 66 2/3% of all the then outstanding common units, voting together as a single class is required to remove the general partner.

•Common unitholders elect only four of the seven members of our board of directors. Our general partner in its sole discretion has the right to appoint the remaining three directors.

•Election of the four directors elected by unitholders is staggered, meaning that the members of only one of three classes of our elected directors are selected each year. In addition, the directors appointed by our general partner will serve for terms determined by our general partner.

•A director appointed by our general partner may be removed from our board of directors at any time without cause only by our general partner and with cause by either our general partner, the vote of holders of a majority of all classes of equity interests in us voting as a single class or the majority vote of the other members of our board. A director elected by our common unitholders may be removed from our board of directors at any time with cause by the vote of holders of a majority of our outstanding common units or the majority vote of the other members of our board. "Cause" is narrowly defined to mean that a court of competent jurisdiction has entered a final, non-appealable judgment finding our general partner or director liable for actual fraud or willful or wanton misconduct in its capacity as our general partner or as a member of the board of directors, as the case may be. Cause does not include most cases of charges of poor business decisions such as charges of poor management of our business by the directors appointed by our general partner or as a member of the Board of Directors, as the case may be.

•Our partnership agreement contains provisions limiting the ability of unitholders to call meetings of unitholders, to nominate directors and to acquire information about our operations as well as other provisions limiting the unitholders' ability to influence the manner or direction of management.

•Unitholders' voting rights are further restricted by the partnership agreement provision providing that if any person or group owns beneficially more than 4.9% of the common units then outstanding, any such common units owned by that person or group in excess of 4.9% may not be voted on any matter and will not be considered to be outstanding when sending notices of a meeting of unitholders, calculating required votes, except for purposes of nominating a person for election to our board, determining the presence of a quorum or for other similar purposes, unless required by law. The voting rights of any such common unitholders in excess of 4.9% will be redistributed pro rata among the other common unitholders holding less than 4.9% of the voting power of all classes of units entitled to vote. Our general partner, its affiliates and persons who acquired common units with the prior approval of our board of directors will not be subject to this 4.9% limitation except with respect to voting their common units in the election of the elected directors.

•We have substantial latitude in issuing equity securities without unitholder approval.

***Unitholders may not have limited liability if a court finds that unitholder action constitutes control of our business.***

As a limited partner in a partnership organized under the laws of the Marshall Islands, unitholders could be held liable for our obligations to the same extent as a general partner if they participate in the "control" of our business. Our general partner generally has unlimited liability for the obligations of the partnership, such as its debts and environmental liabilities, except for those contractual obligations of the partnership that are expressly made without recourse to our general partner.

***We can borrow money to pay distributions, which would reduce the amount of credit available to operate our business.***

Our partnership agreement will allow us to make borrowings to make distributions. Accordingly, we can make distributions on all our units even though cash generated by our operations may not be sufficient to pay such distributions. Any borrowings by us to make distributions will reduce the amount of borrowings we can make for operating our business.

***Our management will have broad discretion with respect to the use of the proceeds resulting from the issuance of common units whether under a continuous offering program or a secondary offering.***

Our management will have broad discretion in the application of the net proceeds from continuous offering programs or secondary offerings, and could spend such proceeds in ways that do not improve our results of operations or enhance the value of our common units. The failure by our management to apply these funds effectively could result in financial losses and cause the price of our common units to decline. Pending their use, we may invest the net proceeds from continuous offering programs or secondary offerings in a manner that does not produce income or that loses value.

***Our general partner and its affiliates, which includes Angeliki Frangou, own a significant interest in us and may have conflicts of interest and limited fiduciary and contractual duties, which may permit them to favor their own interests to the detriment of unitholders.***

Angeliki Frangou, the Company's Chief Executive Officer and Chairwoman is our main unitholder owning, directly and indirectly through affiliated entities, an approximate 17.1% of the total number of outstanding common units. Angeliki Frangou also beneficially owns our general partner, which owns all of our general partnership units representing a 2.1% ownership interest in us based on all outstanding common units and general partnership units. This concentration of ownership may delay, deter or prevent acts that would be favored by our other unitholders or deprive unitholders of an opportunity to receive a premium for their common units as part of a sale of our business, and it is possible that the interests of the controlling unitholders may in some cases conflict with our unitholders. The interests of our general partner and its

affiliates may be different from your interests. As a result of these conflicts, our general partner and its affiliates may favor their own interests over the interests of our unitholders. These conflicts include, among others, the following situations:

•neither our partnership agreement nor any other agreement requires our general partner to pursue, in the operation of their businesses, a business strategy that favors us;

•our general partner and our directors have limited liabilities and reduced their fiduciary duties under the laws of the Marshall Islands, while the remedies available to our unitholders are also restricted, and, as a result of purchasing common units, unitholders are treated as having agreed to the modified standard of fiduciary duties and to certain actions that may be taken by our general partner and our directors, all as set forth in the partnership agreement;

•either or both of our general partner and our board of directors are involved in determining the amount and timing of our asset purchases and sales, capital expenditures, borrowings, issuances of additional partnership securities and reserves, each of which can affect the amount of cash that is available for distribution to our unitholders;

•our general partner is authorized to cause us to borrow funds in order to permit the payment of cash distributions;

•our general partner is entitled to reimbursement of all reasonable costs incurred by it and its affiliates for our benefit;

•our partnership agreement does not restrict us from paying our general partner or its affiliates for any services rendered to us on terms that are fair and reasonable or entering into additional contractual arrangements with any of these entities on our behalf; and

•our general partner may exercise its right to call and purchase our common units if it and its affiliates own more than 80% of our common units.

Although a majority of our directors will be elected by common unitholders, our general partner will likely have substantial influence on decisions made by our board of directors.

***Navios Holdings and their affiliates may compete with us.***

Navios Partners has entered into an omnibus agreement with Navios Holdings (the "Omnibus Agreement") in connection with the closing of Navios Partners' initial public offering "IPO" governing, among other things, Navios Holdings and its affiliates (other than us, our general partner and our subsidiaries) generally agreed not to acquire or own Panamax or Capesize drybulk carriers under time charters of three or more years without the consent as required under such agreement. The Omnibus Agreement, however, contains significant exceptions that allow Navios Holdings or any of its affiliates to compete with us under specified circumstances which could harm our business.

***Our officers face conflicts of interest and conflicts in the allocation of their time to our business.***

Certain of our executive officers and/or directors also serve as executive officers and/or directors of Navios Holdings and its affiliates. Our Chief Executive Officer is also the Chief Executive Officer of Navios Holdings. Our officers are not required to work full-time on our affairs and, in the future, we may have additional officers that also provide services to Navios Holdings and their affiliates. As such these individuals have fiduciary duties to Navios Holdings and its affiliates which may cause them to pursue business strategies that disproportionately benefit Navios Holdings and its affiliates or which otherwise are not in our best interests or those of our unitholders. Conflicts of interest may arise between Navios Holdings and its affiliates, on the one hand, and us and our unitholders on the other hand. Certain our officers may spend a substantial portion of their monthly business time dedicated to the business activities of the Navios Holdings and their affiliates. However, the actual allocation of time could vary significantly from time to time depending on various circumstances and needs of the businesses, such as the relative levels of strategic activities of the businesses.

***Fees and cost reimbursements, which the Manager determine for services provided to us, represent significant percentage of our revenues, are payable regardless of profitability and reduce our cash available for distributions.***

A large portion of the management, staffing and administrative services that we require to operate our business are provided to us by the Manager. We pay the Manager's fees under the Master Management Agreement.

Pursuant to the Master Management Agreement, the Manager provides commercial and technical management services to our vessels commencing January 1, 2025, for a term of ten years, renewing annually.

In addition, the Manager will provide us with administrative services, pursuant to the Administrative Services Agreement also commencing January 1, 2025, for a term of ten years, renewing annually, and we will reimburse the Manager for all costs and expenses reasonably incurred by them in connection with the provision of those services. The exact amount of these future costs and expenses are unquantifiable at this time and they are payable regardless of our profitability.

If we desire to terminate either of these agreements before its scheduled expiration, we must pay a termination fee to the Manager as set forth in the Master Management Agreement and the Administrative Services Agreement. As a result, our ability to make short-term adjustments to manage our costs by terminating one or both these agreements may be limited which could cause our results of operations and ability to pay cash distributions and repurchases of common units to be materially and adversely affected.

For detailed information on the amount of vessel operating expenses and/or fees owed under the Master Management Agreement and the management agreements with the Manager effective until January 1, 2025 (the "Management Agreements"), please read the section entitled, "Item 5. Operating and Financial Review and Prospects - A. Operating results – Vessel operating expenses" and the Note 17 – Transactions with related parties and affiliates to our consolidated financial statements, included elsewhere in this annual report.

## Item 4. Information on the Partnership

### A. History and Development of the Partnership

Navios Partners is an international owner and operator of Dry Cargo and tanker vessels that was formed on August 7, 2007 under the laws of the Republic of the Marshall Islands as a limited partnership, under the Marshall Islands Limited Partnership Act.

Olympos Maritime Ltd. is Navios Partners' general partner (the "General Partner") and currently owns all the general partnership units representing an approximately 2.1% ownership interest in Navios Partners based on all outstanding common units and general partnership units.

Navios Partners is engaged in the seaborne transportation services of a wide range of liquid and dry cargo commodities including iron ore, oil, coal, grain and fertilizer and also containers, chartering its vessels generally under short-term, medium to long-term charters. The operations of Navios Partners are managed by the Manager from its offices in Greece, Singapore and Monaco.

The principal executive offices of Navios Partners are located at c/o 85 Akti Miaouli, Piraeus 18538, Greece, and its telephone number is + (30) 2104595000.

The SEC maintains an internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC at http://www.sec.gov. The address of the Company's internet site is https://www.navios-mlp.com. Information contained on this website does not constitute part of this report.

### Financing Arrangements

Please read "Item 5. Operating and Financial Review and Prospects – Recent Developments" for a full description of the Company's most recent financing arrangements.

Please read Note 10 – Borrowings to our consolidated financial statements, included elsewhere in this annual report for a full description of the financing arrangements of the Company as of December 31, 2024.

### Distributions

Please read "Item 8. Financial Information – A. Consolidated Statements and Other Financial Information – Cash Distribution Policy" for a full description of the Company's cash distribution policy.

Please read Note 18 – Cash distributions and earning per unit to our consolidated financial statements, included elsewhere in this annual report for a full description of the authorized cash distributions of the Company.

### Equity Offerings and Issuances

Please read Note 13 – Repurchases and issuance of units to our consolidated financial statements, included elsewhere in this annual report for a full description of the Company's equity offerings and issuances of units.

**Acquisitions and Sales of Vessels**

Please read Note 6 – Vessels, net to our consolidated financial statements, included elsewhere in this annual report for a full description of the Company's acquisitions and sales of vessels as of December 31, 2024.

Please read "Item 5. Operating and Financial Review and Prospects – Recent Developments" for a full description of the Company's most recent acquisition and sales of vessels.

**B. Business Overview**

**Introduction**

We are an international owner and operator of Dry Cargo and tanker vessels that was formed by Navios Holdings. Our vessels are generally chartered-out under short-term, medium and long-term time charters with an average remaining charter duration of approximately 2.1 years to a strong group of counterparties, including ZIM Integrated Shipping Services Ltd., HMM Co. Ltd., COSCO Shipping Group, Chevron Transport Corporation Ltd., Ocean Network Express Pte. Ltd., Unifeeder ISC FZCO, Pacific International Lines (Pte) Ltd ("PIL"), VS Tankers FZE/AMPTC, Saudi Aramco.

**Our Sustainability Practices**

We are committed to integrating sustainability practices into our operations and business strategy aiming to become a leader in sustainability and exploitation of new technologies. We present our sustainability strategy and goals, set measurable sustainability targets and report on our progress across our business operations. Our sustainability reports may be found on our website at www.navios-mlp.com, given that we intend to make our emission data publicly available. The information on our website is not incorporated by reference into this annual report. The relevant emissions data for our fleet will be reported to the applicable Classification Societies and the IMO.

**Environment**

Our goal ambition is to achieve "net-zero" carbon emissions by 2050. We proudly joined the Global Maritime Forum in 2023, an international not-for-profit organization for the global maritime industry. It assembles key leaders from across the maritime industry with policymakers, experts, NGOs and other influential decision-makers. Additionally, we joined the Global Maritime Forum's Getting to Zero Coalition – a show of our commitment to reducing greenhouse gas emissions. This network is committed to getting commercially viable deep sea zero emission vessels powered by zero emission fuels into operation by 2030 towards full decarbonization by 2050. The Getting to Zero Coalition includes initiative for Green Corridors, we are participating in this initiative which aims to achieve an outsized impact on emissions reductions by installing advanced infrastructure technologies in ports along specific shipping routes.

We are progressing our decarbonization path through:

(i)emissions data-driven operational improvements. We continue to expand our vessel performance software tools, allowing us to monitor efficiency performance. This data, in turn, informs operational strategy. We foster and grow long-term relationships with our charterers, with whom we share common environmental sustainability goals by implementing these operationally efficient strategies into our long-term charter agreements.

(ii)technological research and ESD implementation onboard. We have invested in renewing and upgrading our fleet with the latest technologies. Our newbuilding program replaces older vessels with newer, more efficient vessels, all of which are fitted with Energy Saving Devices ("ESD") straight from the shipyard. We have also been retrofitting propeller boss cap fins and energy saving ducts on multiple vessels and have installed high-efficiency LED lights across our fleet.

**Invest in Research:** We continue to invest in researching and developing innovative emission reduction technologies, specifically targeting advancements like carbon capture technologies. We explore and incorporate alternative fuels into future-looking strategies, positioning ourselves to benefit as they become technologically available and economically viable. For example, in 2024, in collaboration with Lloyd's Register Maritime Decarbonization Hub and four other leading ship owners, we launched a global non-profit Maritime Emissions Reduction Center ("M-ERC") in Athens. The M-ERC was created with the goal of removing technical, investment and community barriers to reduce emissions of the existing global fleet. Its task is to inform and inspire the adoption of new and existing solutions to facilitate the maritime energy transition.

Since March 2025, Navios Partners is an Innovation Member of the Maritime Consortium founded by the Massachusetts Institute of Technology and leading industry stakeholders dedicated to developing through research cutting-edge solutions in the modernization of the commercial fleet that reduce environmental impact.

**Biodiversity and Ecology management:**

The release of untreated ballast water can have severe impacts on biodiversity. It can contain invasive species and bacteria which if not treated can have a detrimental impact to the local ecosystem and economy. Ballast Water Transfer Systems are employed to reduce the impacts of releasing ballast water to the environment. There are two methods of discharging ballast water safely, ballast water exchange, and ballast water treatment systems.

A more sophisticated way of improving the safety of ballast water release is through the Ballast Water Treatment System ("BWTS"). This method involved treating the ballast water chemically or using ultraviolet light to sterilize the water before release. 100% of our fleet has implemented ballast water treatment systems.

**Social responsibility:**

We believe we are one of the industry leaders in workplace inclusion. Navios Partners has joined the All Aboard Alliance which unites senior leaders from the maritime industry to enhance inclusion in both maritime organizations at sea and onshore. All members of the alliance are encouraged to implement the alliance's framework into company policies and are required to report on their actions and progress each year. We joined this initiative in 2024 - signifying our commitment to shared learning and collective action in the maritime industry and fostering accountability. We are committed to ensuring that we have effective policies, strategies, procedures, and processes that promote equality, and contribute to an inclusive organizational culture. Our crew retention rates remained in the area of 97% for all our fleets in 2024. We continually invest in training both seafarers and shore side staff, especially in topics relating to safety and wellbeing. These trainings are repeated and stressed periodically at regularly hosted crew forums around the world. We address the issue of mental health, as a priority. All our seafarers have access to a 24/7 support line, where they can receive advice and guidance on any health or mental wellbeing issue. We believe that these efforts are the reason for our high crew retention rate. We also participate in community philanthropy and donate to several universities and learning institutions, charities, hospitals, and local religious institutions that assist the local communities. In 2024, we reinforced our dedication in advancing sustainability initiatives in the shipping industry by making annual donations to esteemed educational organizations both locally and internationally. By supporting five Greek university teams and fostering academic excellence, we contributed to the research and development of innovative technologies while enhancing teamwork. Additionally, we extended our support to academic institutions directly, furthering their growth and impact.

We are founding members of the North American Marine Environment Protection Association ("NAMEPA") - a non-profit organization with a mission to protect the marine environment and educate seafarers on the importance of protecting ocean waters, lakes and rivers. We continue to sponsor NAMEPA, alongside our financial contributions to Hellenic Marine Environment Protection Association ("HELMEPA") - affirming our commitment to saving our seas.

The safety of our seafarers is of paramount importance. As a show of our dedication to safety, we have chosen to align with multiple industry frameworks and disclose both our Lost Time Injury Rate ("LTIR") and the Total Recordable Case Frequency ("TRCF"). The LTIR is a metric that calculates the number of incidents that result in time away from work. The TRCF goes further, recording the total number of recorded incidents. We are proud to report that the LTIR across the entire fleet year-on-year has decreased by an average of around 42.8%. Our tanker TRCF decreased to approximately 0.00 in 2023 and we have maintained this for 2024.

**Governance:**

Our company is governed by an experienced and majority independent board of directors. We have committees to ensure the oversight of our activities, as well as compliance with all applicable frameworks. We have adopted a Code of Corporate Conduct and Ethics and we encourage our officers, employees and crew to engage in free and open reporting, anonymously or otherwise, using a dedicated email address, or, for crew, an open reporting hotline.

Our existing corporate governance strategy includes regular board evaluations, and proactive engagement with stakeholders. Through our company values we encourage a culture of integrity, ethics, and accountability. This year our corporate governance strategy has had to develop to include the new requirements of upcoming regulations. For example, the Corporate Sustainability Reporting Directive ("CSRD") requires companies to put in place and disclose governance oversight procedures covering information gathering, internal controls and the sustainability reporting process. The SEC climate-related disclosures rules have similar, less strict requirements around the process of identifying climate risk.

**Climate risk management:**

Climate change has the potential to present profound risks to the maritime sector. From physical risks such as increasing severity of storms to transition risks, such as carbon taxes, we must engage with these real and substantial issues. They will impact our operations, and therefore they must be managed. While climate change poses risks, the response to climate change also presents interesting opportunities for the sector.

It is imperative that we have the processes and tools required to fully manage climate risk, however, we have an opportunity to leverage our strategic benefits. Since 2023 we have built a holistic climate-risk management process. Its main aim is to formalize the governance structure dictating how climate risks are identified and engaged with.

**Climate risk mitigation**

We continually monitor and implement strategies to mitigate the effects of climate risk, this includes:

•Evaluating new vessel technologies that may improve vessel operational efficiency.

•Renewing and modernizing our fleet and embracing new vessel designs.

•Collaborating with stakeholders to share information, insights, and best practices for reducing harmful environmental impacts.

•Engaging with partners in our value chain to ensure efficient and sustainable operation of our vessels.

•Training seafarers on how to deal with risks that are enhanced by climate change, such as navigating in extreme weather conditions.

**Privacy and Data Security**

Privacy and data security is crucial to our operations. The risk of security breaches is one that we take serious measures to safeguard against, implementing best practices in line with BIMCO recommendations and by utilizing high-quality operating systems. Our systems are regularly reviewed and updated as appropriate. We are fully compliant with the E.U. General Data Protection Regulation (GDPR).

**Regulatory Compliance**

Navios conforms to the highest standards of ethical conduct. Our officers and directors, at all corporate levels, comply with applicable laws and regulations, including, among others, the OECD Convention, the U.S. Foreign Corrupt Practices Act (FCPA), the UK Bribery Act, all SEC requirements, and applicable tax laws of the countries in which we have a relevant business presence. We also aim to maintain all ISO certifications achieved to date.

**Our Fleet**

Navios Partners' fleet consists of 69 dry bulk vessels, 49 containerships and 56 tanker vessels, that includes 18 newbuilding tankers (12 Aframax/LR2 and six MR2 product tanker chartered-in vessels under bareboat contracts), that are expected to be delivered through the first half of 2028 and four 7,900 TEU newbuilding containerships, that are expected to be delivered through the first half of 2027. The fleet excludes one Panamax and one Containership 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 and long-term charters.

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

| Owned Drybulk Vessels | Type | Built | Capacity (DWT) | Charter-Out Rate[1] | Index[2] | Expiration Date[3] |
|---|---|---|---|---|---|---|
| Navios Vega | Transhipper | 2009 | 57,573 | $ 13,825 | No | Dec-26 |
| | | | | $ 38,315 | No | Dec-28 |
| | | | | $ 25,478 | No | Jan-29 |
| Navios Christine B | Ultra-Handymax | 2009 | 58,058 | $ 11,250 | No | Apr-25 |
| Navios Celestial | Ultra-Handymax | 2009 | 58,063 | — | 100% average BSI 58 10TC | Jun-25 |
| Navios Venus | Ultra-Handymax | 2015 | 61,339 | $ 6,563 | No | Apr-25 |
| Navios La Paix | Ultra-Handymax | 2014 | 61,485 | — | 111.0% average BSI 58 10TC | Jun-26 |
| N Amalthia | Panamax | 2006 | 75,356 | — | 90.0% average BPI 82 | Jul-25 |
| | | | | — | 89.0% average BPI 82 | Apr-26 |
| Navios Hope | Panamax | 2005 | 75,397 | — | 100.0% average BPI 82 less $1,266 per day | May-25 |
| Navios Galileo[13] | Panamax | 2006 | 76,596 | $ 4,688 | No | Apr-25 |
| Navios Sun | Panamax | 2005 | 76,619 | — | 100.0% average BPI 82 less $1,269 per day | Oct-25 |
| Navios Helios | Panamax | 2005 | 77,075 | — | 100.0% average BPI 82 less $1,266 per day | Jun-25 |
| Navios Victory | Panamax | 2014 | 77,095 | — | 96.0% average BPI 82 | Dec-25 |
| Rainbow N | Panamax | 2011 | 79,602 | $ 6,281 | No | Apr-25 |
| Unity N | Panamax | 2011 | 79,642 | — | 89.0% average BPI 82 | Dec-25 |
| Odysseus N | Panamax | 2011 | 79,642 | — | 90.0% average BPI 82 | Jul-25 |
| Navios Amber | Kamsarmax | 2015 | 80,909 | $ 17,063 | No | Apr-26 |
| Navios Avior | Kamsarmax | 2012 | 81,355 | — | 100.0% average BPI 82 | Jan-26 |
| Navios Centaurus | Kamsarmax | 2012 | 81,472 | — | 101.0% average BPI 82 | Oct-25 |
| Navios Citrine | Kamsarmax | 2017 | 81,626 | — | 110.0% average BPI 82 | Mar-25 |
| | | | | $ 13,686 | No | Dec-25 |
| | | | | — | 110.0% average BPI 82 | Jan-26 |
| Navios Dolphin | Kamsarmax | 2017 | 81,630 | $ 15,000 | No | Dec-25 |
| Navios Horizon I [23] | Kamsarmax | 2019 | 81,692 | $ 13,239 | No | Mar-25 |
| | | | | — | 110.0% average BPI 82 | Jun-25 |
| Navios Galaxy II [6] | Kamsarmax | 2020 | 81,789 | — | 112.5% average BPI 82 | Jun-25 |
| | | | | $ 13,872 | No | Dec-25 |
| | | | | — | 112.0% average BPI 82 | Jan-27 |
| Navios Uranus [6] | Kamsarmax | 2019 | 81,821 | — | 112.0% average BPI 82 | Mar-25 |
| | | | | $ 13,744 | No | Dec-25 |
| | | | | — | 112.0% average BPI 82 | Apr-26 |
| Navios Felicity I [6] | Kamsarmax | 2020 | 81,962 | — | 114.0% average BPI 82 | May-25 |
| Navios Primavera [5] | Kamsarmax | 2022 | 82,003 | — | 114.0% average BPI 82 | Nov-25 |
| Navios Meridian [5] | Kamsarmax | 2023 | 82,010 | — | 113.5% average BPI 82 | Oct-25 |
| Navios Herakles I [6] | Kamsarmax | 2019 | 82,036 | — | 113.5% average BPI 82 | Mar-25 |
| | | | | $ 14,510 | No | Jun-25 |
| | | | | — | 113.5% average BPI 82 | Oct-25 |
| Navios Magellan II [6] | Kamsarmax | 2020 | 82,037 | — | 112.0% average BPI 82 | Oct-25 |
| Navios Sky [5] | Kamsarmax | 2015 | 82,056 | — | 102.0 % average BPI 82 | Jan-26 |
| Navios Alegria [23] | Kamsarmax | 2016 | 84,852 | $ 15,200 | No | Dec-25 |
| Navios Sphera | Kamsarmax | 2016 | 84,872 | $ 13,518 | No | Mar-25 |
| | | | | — | 110.0% average BPI 82 | Oct-25 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Navios Coral | Kamsarmax | 2016 | 84,904 | | — | 110.0% average BPI 82 | Mar-25 |
| | | | | $ | 13,361 | No | Dec-25 |
| | | | | | — | 110.0% average BPI 82 | Apr-26 |
| Copernicus N | Post-Panamax | 2010 | 93,062 | $ | 7,641 | No | Mar-25 |
| | | | | $ | 11,250 | No | May-25 |
| Navios Stellar [5] | Capesize | 2009 | 168,818 | | — | 97.0% average BCI 5TC | Mar-25 |
| | | | | $ | 18,099 | No | Jun-25 |
| | | | | | — | 97.0% average BCI 5TC | Jun-26 |
| Navios Aurora II | Capesize | 2009 | 169,031 | | — | 95.0% average BCI 5TC | Jan-26 |
| Navios Antares [5] | Capesize | 2010 | 169,059 | | — | 96.0% average BCI 5TC | Mar-25 |
| | | | | $ | 18,225 | No | Jun-25 |
| | | | | | — | 96.0% average BCI 5TC | Jun-26 |
| Navios Symphony | Capesize | 2010 | 177,960 | $ | 15,413 | No | Mar-25 |
| | | | | $ | 17,098 | No | Jun-25 |
| | | | | | — | 102.75% average BCI 5TC | Apr-26 |
| Navios Ace [5] | Capesize | 2011 | 178,929 | | — | 107.25% average BCI 5TC | Feb-26 |
| Navios Aster | Capesize | 2010 | 178,978 | | — | 108.0% average BCI 5TC | Jun-25 |
| Navios Melodia | Capesize | 2010 | 178,982 | $ | 16,375 | No | Mar-25 |
| | | | | $ | 17,255 | No | Jun-25 |
| | | | | | — | 104.0% average BCI 5TC | Apr-26 |
| Navios Buena Ventura | Capesize | 2010 | 179,109 | | — | 105.0% average BCI 5TC | Apr-25 |
| | | | | | — | 94.0% average BCI 5TC | Jun-25 |
| | | | | | — | 102.0% average BCI 5TC | Apr-27 |
| Navios Luz | Capesize | 2010 | 179,144 | $ | 16,418 | No | Mar-25 |
| | | | | $ | 17,210 | No | Jun-25 |
| | | | | | — | 105.5% average BCI 5TC | Oct-25 |
| Navios Altamira | Capesize | 2011 | 179,165 | | — | 107.0% average BCI 5TC | Oct-26 |
| Navios Azimuth [5] | Capesize | 2011 | 179,169 | | — | 105.0% average BCI 5TC | May-25 |
| | | | | | — | 103.0% average BCI 5TC | Mar-27 |
| Navios Bonheur | Capesize | 2010 | 179,204 | | — | 102.0% average BCI 5TC | Dec-25 |
| Navios Etoile | Capesize | 2010 | 179,234 | | — | 105.0% average BCI 5TC | May-25 |
| | | | | | — | 94.0% average BCI 5TC | Aug-25 |
| | | | | | — | 102.0% average BCI 5TC | Apr-27 |
| Navios Fulvia | Capesize | 2010 | 179,263 | | — | 105.5% average BCI 5TC | Oct-26 |
| Navios Ray [5] | Capesize | 2012 | 179,515 | | — | 102.0% average BCI 5TC | Feb-26 |
| Navios Happiness | Capesize | 2009 | 180,022 | $ | 17,168 | No | Mar-25 |
| | | | | $ | 18,394 | No | Apr-25 |
| | | | | $ | 18,056 | No | Jun-25 |
| | | | | | — | 107.0% average BCI 5TC | Jan-26 |
| Navios Bonavis [5] | Capesize | 2009 | 180,022 | $ | 14,910 | No | Mar-25 |
| | | | | $ | 17,428 | No | Jun-25 |
| | | | | | — | 103.0% average BCI 5TC | Apr-26 |
| Navios Fantastiks | Capesize | 2005 | 180,055 | $ | 17,344 | No | Jun-26 |
| Navios Phoenix [5] | Capesize | 2009 | 180,060 | $ | 16,732 | No | Mar-25 |
| | | | | $ | 18,894 | No | Jun-25 |
| | | | | | — | 100.0% average BCI 5TC + $1,880 per day | Aug-26 |
| Navios Sol [5] | Capesize | 2009 | 180,274 | $ | 17,111 | No | Mar-25 |
| | | | | $ | 18,124 | No | Jun-25 |
| | | | | | — | 108.0% average BCI 5TC | Jun-26 |
| Navios Lumen [23] | Capesize | 2009 | 180,493 | $ | 15,999 | No | Mar-25 |
| | | | | $ | 17,738 | No | Jun-25 |
| | | | | | — | 106.0% average BCI 5TC | Jul-26 |
| Navios Canary [23] | Capesize | 2015 | 180,528 | | — | 120.0% average BCI 5TC | Feb-26 |
| Navios Pollux [5] | Capesize | 2009 | 180,727 | | — | 102.5% average BCI 5TC | May-25 |
| Navios Gem | Capesize | 2014 | 181,206 | | — | 125.0% average BCI 5TC | Mar-25 |
| | | | | $ | 21,088 | No | Jun-25 |
| | | | | | — | 125.0% average BCI 5TC | Apr-26 |
| Navios Joy | Capesize | 2013 | 181,215 | | — | Freight Voyages | Aug-25 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Navios Felix [23] | Capesize | 2016 | 181,221 | $ | 28,125 [20] | No | Jan-27 |
| Navios Corali [23] | Capesize | 2015 | 181,249 | | — | 126.0% average BCI 5TC | Mar-25 |
| | | | | $ | 24,452 | No | Jun-25 |
| | | | | | — | 126.0% average BCI 5TC | Jul-25 |
| | | | | | — | 128.0% average BCI 5TC | Jan-26 |
| Navios Mars | Capesize | 2016 | 181,259 | | — | 128.0% average BCI 5TC | Jun-25 |
| Navios Koyo | Capesize | 2011 | 181,415 | $ | 18,585 | No | Mar-25 |
| | | | | $ | 19,359 | No | Jun-25 |
| | | | | | — | 118.0% average BCI 5TC | Jan-26 |
| Navios Azalea [6] | Capesize | 2022 | 182,064 | $ | 19,701 | No | Nov-27 |
| Navios Armonia [6] | Capesize | 2022 | 182,079 | $ | 20,491 | No | Sep-27 |
| Navios Altair [6] | Capesize | 2023 | 182,115 | $ | 19,355 | No | Nov-27 |
| Navios Sakura [6] | Capesize | 2023 | 182,169 | $ | 19,306 | No | Mar-28 |
| Navios Amethyst [6] | Capesize | 2023 | 182,212 | $ | 19,306 | No | Feb-28 |
| Navios Astra [14] | Capesize | 2022 | 182,393 | $ | 20,738 | No | Aug-27 |

| **Owned Containerships** | **Capacity (TEU)** | **Built** | | **Charter-Out Rate[1]** | **Index[2]** | **Expiration Date[3]** |
|---|---|---|---|---|---|---|
| Spectrum N | 2,546 | 2009 | $ | 36,075 | No | Mar-25 |
| | | | $ | 24,375 | No | Apr-27 |
| Protostar N [13] | 2,741 | 2007 | $ | 11,550 | No | May-25 |
| Fleur N | 2,782 | 2012 | $ | 18,769 | No | May-26 |
| Ete N | 2,782 | 2012 | $ | 18,769 | No | May-26 |
| Navios Summer [5] | 3,450 | 2006 | $ | 29,920 | No | May-25 |
| | | | $ | 20,570 | No | May-26 |
| | | | $ | 33,660 | No | Jul-26 |
| Navios Verano [5] | 3,450 | 2006 | $ | 18,574 | No | Apr-26 |
| Matson Lanai [5] | 4,250 | 2007 | $ | 55,088 | No | Jun-25 |
| | | | $ | 34,125 | No | Sep-27 |
| Navios Verde [5] | 4,250 | 2007 | $ | 21,450 | No | May-25 |
| | | | $ | 34,613 | No | Jun-27 |
| Navios Amarillo [5] | 4,250 | 2007 | $ | 28,050 | No | Jan-26 |
| | | | $ | 9,350 | No | Jan-28 |
| Navios Vermilion [5] | 4,250 | 2007 | $ | 28,394 | No | Mar-27 |
| Navios Azure | 4,250 | 2007 | $ | 20,479 | No | Apr-26 |
| Navios Indigo [5] | 4,250 | 2007 | $ | 33,688 | No | Apr-25 |
| | | | $ | 24,063 | No | Apr-26 |
| | | | $ | 40,906 | No | Aug-26 |
| Navios Domino [5] | 4,250 | 2008 | $ | 23,156 | No | Aug-25 |
| | | | $ | 35,100 | No | Sep-27 |
| Matson Oahu [5] | 4,250 | 2008 | $ | 34,125 | No | Jan-28 |
| Navios Tempo | 4,250 | 2009 | $ | 43,875 | No | Sep-25 |
| Navios Destiny [5] | 4,250 | 2009 | $ | 28,394 | No | Feb-27 |
| Navios Devotion [5] | 4,250 | 2009 | $ | 33,688 | No | Mar-25 |
| | | | $ | 24,063 | No | Mar-26 |
| | | | $ | 40,906 | No | Jul-26 |
| Navios Lapis | 4,250 | 2009 | $ | 24,688 | No | Jun-26 |
| Navios Dorado | 4,250 | 2010 | $ | 24,131 | No | May-26 |
| Carmel I | 4,360 | 2010 | $ | 32,258 | No | Apr-25 |
| | | | $ | 22,908 | No | Apr-26 |
| | | | $ | 39,270 | No | Jun-26 |
| Zim Baltimore | 4,360 | 2010 | $ | 24,063 | No | Jan-26 |
| | | | $ | 40,906 | No | May-26 |
| Navios Bahamas | 4,360 | 2010 | $ | 47,400 | No | Apr-25 |
| | | | $ | 22,219 | No | Jun-27 |
| Navios Miami | 4,563 | 2009 | $ | 28,394 | No | Feb-27 |
| Navios Magnolia | 4,730 | 2008 | $ | 28,394 | No | Feb-26 |
| Navios Jasmine | 4,730 | 2008 | $ | 47,400 | No | Mar-25 |
| | | | $ | 22,219 | No | May-27 |
| Navios Chrysalis | 4,730 | 2008 | $ | 23,156 | No | Jun-25 |

| | | | | | | |
|---|---|---|---|---|---|---|
| | | | $ | 34,613 | No | Jul-27 |
| Navios Nerine | 4,730 | 2008 | $ | 28,394 | No | Aug-26 |
| Sparrow | 5,300 | 2023 | $ | 38,500 | No | Nov-25 |
| | | | $ | 36,575 | No | Nov-26 |
| | | | $ | 34,650 | No | Nov-27 |
| | | | $ | 30,800 | No | Nov-28 |
| | | | $ | 36,575 | No | Jan-29 |
| Zim Eagle | 5,300 | 2024 | $ | 38,500 | No | Jan-26 |
| | | | $ | 36,575 | No | Jan-27 |
| | | | $ | 34,650 | No | Jan-28 |
| | | | $ | 30,800 | No | Jan-29 |
| | | | $ | 36,575 | No | Mar-29 |
| Zim Condor | 5,300 | 2024 | $ | 42,350 | No | Apr-25 |
| | | | $ | 38,500 | No | Apr-26 |
| | | | $ | 36,575 | No | Apr-27 |
| | | | $ | 34,650 | No | Apr-28 |
| | | | $ | 30,800 | No | Apr-29 |
| | | | $ | 36,575 | No | Jun-29 |
| Hawk I | 5,300 | 2024 | $ | 42,350 | No | Jun-25 |
| | | | $ | 38,500 | No | Jun-26 |
| | | | $ | 36,575 | No | Jun-27 |
| | | | $ | 34,650 | No | Jun-28 |
| | | | $ | 30,800 | No | Jun-29 |
| | | | $ | 36,575 | No | Aug-29 |
| Zim Falcon | 5,300 | 2024 | $ | 42,350 | No | Jul-25 |
| | | | $ | 38,500 | No | Jul-26 |
| | | | $ | 36,575 | No | Jul-27 |
| | | | $ | 34,650 | No | Jul-28 |
| | | | $ | 30,800 | No | Jul-29 |
| | | | $ | 36,575 | No | Sep-29 |
| Zim Pelican | 5,300 | 2024 | $ | 42,350 | No | Jul-25 |
| | | | $ | 38,500 | No | Jul-26 |
| | | | $ | 36,575 | No | Jul-27 |
| | | | $ | 34,650 | No | Jul-28 |
| | | | $ | 30,800 | No | Jul-29 |
| | | | $ | 36,575 | No | Sep-29 |
| Zim Seagull [23] | 5,300 | 2024 | $ | 42,350 | No | Aug-25 |
| | | | $ | 38,500 | No | Aug-26 |
| | | | $ | 36,575 | No | Aug-27 |
| | | | $ | 34,650 | No | Aug-28 |
| | | | $ | 30,800 | No | Aug-29 |
| | | | $ | 36,575 | No | Oct-29 |
| Zim Albatross [23] | 5,300 | 2024 | $ | 42,350 | No | Dec-25 |
| | | | $ | 38,500 | No | Dec-26 |
| | | | $ | 36,575 | No | Dec-27 |
| | | | $ | 34,650 | No | Dec-28 |
| | | | $ | 30,800 | No | Dec-29 |
| | | | $ | 36,575 | No | Feb-30 |
| Navios Utmost[5] | 5,300 | 2024 | $ | 37,031 | No | Apr-30 |
| Navios Unite [5] | 5,300 | 2024 | $ | 37,031 | No | May-30 |
| Hyundai Shanghai | 6,800 | 2006 | $ | 20,816 | No | Aug-29 |
| Hyundai Tokyo | 6,800 | 2006 | $ | 20,816 | No | Dec-28 |
| Hyundai Hongkong | 6,800 | 2006 | $ | 20,816 | No | Dec-28 |
| Hyundai Singapore | 6,800 | 2006 | $ | 20,816 | No | Dec-28 |
| Hyundai Busan | 6,800 | 2006 | $ | 20,816 | No | Aug-29 |
| HMM Ocean | 7,700 | 2025 | $ | 56,494 | No | Jan-28 |
| | | | $ | 51,581 | No | Jan-31 |
| | | | $ | 36,844 | No | Jan-33 |
| | | | $ | 27,019 | No | Jan-35 |
| | | | $ | 24,563 [22] | No | Jan-37 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| HMM Sky | 7,700 | 2025 | $ | 56,494 | | No | Feb-28 |
| | | | $ | 51,581 | | No | Feb-31 |
| | | | $ | 36,844 | | No | Feb-33 |
| | | | $ | 27,019 | | No | Feb-35 |
| | | | $ | 24,563 | (22) | No | Feb-37 |
| Navios Unison [5] | 10,000 | 2010 | $ | 25,939 | | No | Jun-26 |
| Navios Constellation [5] | 10,000 | 2011 | $ | 25,939 | | No | Jun-26 |

| Owned Tanker Vessels | Type | Built | Capacity (DWT) | | Charter-Out Rate[1] | | Profit Sharing Arrangements | Expiration Date[3] |
|---|---|---|---|---|---|---|---|---|
| Hector N | MR1 Product Tanker | 2008 | 38,402 | $ | 20,475 | | No | Jan-26 |
| Nave Aquila [5] | MR2 Product Tanker | 2012 | 49,991 | $ | 26,813 | | No | Aug-26 |
| Nave Atria [5] | MR2 Product Tanker | 2012 | 49,992 | $ | 15,844 | | No | Jul-25 |
| Nave Capella | MR2 Product Tanker | 2013 | 49,995 | $ | 24,225 | | No | Jan-28 |
| Nave Alderamin | MR2 Product Tanker | 2013 | 49,998 | $ | 24,225 | | No | Nov-27 |
| Nave Pyxis | MR2 Product Tanker | 2014 | 49,998 | $ | 19,475 | | No | Jan-27 |
| Nave Bellatrix [5] | MR2 Product Tanker | 2013 | 49,999 | $ | 19,500 | | No | Jun-25 |
| Nave Orion [5] | MR2 Product Tanker | 2013 | 49,999 | $ | 24,225 | | No | Dec-27 |
| Nave Titan | MR2 Product Tanker | 2013 | 49,999 | $ | 25,555 | | No | Mar-25 |
| | | | | $ | 18,769 | | No | Feb-26 |
| Nave Jupiter | MR2 Product Tanker | 2014 | 49,999 | $ | 20,963 | | No | Oct-28 |
| Nave Velocity | MR2 Product Tanker | 2015 | 49,999 | $ | 16,331 | (11) | No | Dec-25 |
| Nave Sextans | MR2 Product Tanker | 2015 | 49,999 | $ | 22,895 | (10) | No | May-26 |
| Nave Luminosity | MR2 Product Tanker | 2014 | 50,240 | $ | 22,705 | (10) | No | Dec-25 |
| Nave Equinox | MR2 Product Tanker | 2007 | 50,922 | $ | 18,525 | (26) | No | May-25 |
| Nave Pulsar | MR2 Product Tanker | 2007 | 50,922 | $ | 20,963 | (8) | No | Sep-25 |
| Bougainville | MR2 Product Tanker | 2013 | 50,626 | $ | 21,528 | (7) | No | Oct-26 |
| Nave Cetus | LR1 Product Tanker | 2012 | 74,581 | $ | 21,694 | | No | Nov-25 |
| Nave Ariadne | LR1 Product Tanker | 2007 | 74,671 | | Floating Rate | (12) | No | Jun-25 |
| Nave Rigel | LR1 Product Tanker | 2013 | 74,673 | $ | 26,666 | | No | May-29 |
| Nave Atropos | LR1 Product Tanker | 2013 | 74,695 | $ | 18,525 | | No | Aug-25 |
| Nave Cassiopeia | LR1 Product Tanker | 2012 | 74,711 | $ | 18,038 | | No | Jul-25 |
| Nave Cielo | LR1 Product Tanker | 2007 | 74,896 | $ | 27,788 | | No | May-25 |
| Nave Andromeda | LR1 Product Tanker | 2011 | 75,000 | $ | 19,988 | | No | Dec-25 |
| Nave Estella | LR1 Product Tanker | 2012 | 75,000 | $ | 24,225 | | No | Nov-26 |
| Nave Cosmos [23] | Aframax / LR2 | 2024 | 115,651 | $ | 26,033 | (21) | No | May-29 |
| Nave Polaris [5] | Aframax / LR2 | 2024 | 115,699 | $ | 26,033 | (21) | No | Aug-29 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Nave Photon [23] | Aframax / LR2 | 2024 | 115,752 | $ | 25,253 [21] | No | Oct-29 |
| Nave Neutrino [5] | Aframax / LR2 | 2025 | 115,807 | $ | 25,253 [21] | No | Jan-30 |
| Nave Galactic | VLCC | 2009 | 296,945 | $ | 43,875 | No | Sep-26 |
| Nave Constellation | VLCC | 2010 | 296,988 | | Floating Rate [12] | No | Dec-25 |
| Nave Universe | VLCC | 2011 | 297,066 | $ | 45,094 | No | Apr-26 |
| Nave Quasar | VLCC | 2010 | 297,376 | | Floating Rate [12] | No | Dec-25 |
| Nave Buena Suerte | VLCC | 2011 | 297,491 | $ | 34,856 | No | Jan-26 |
| Nave Synergy | VLCC | 2010 | 309,483 | $ | 37,538 | No | Apr-26 |

| **Bareboat-in Vessels** | **Type** | **Built** | **Capacity (DWT)** | **Charter-Out Rate[1]** | **Index[2]** | **Expiration Date[3]** |
|---|---|---|---|---|---|---|
| Navios Star | Kamsarmax | 2021 | 81,994 | $ 13,551 | No | Mar-25 |
| | | | | — | 112.0% average BPI 82 | Jun-25 |
| Navios Amitie | Kamsarmax | 2021 | 82,002 | $ 13,977 | No | Mar-25 |
| | | | | — | 112% average BPI 82 | Jun-25 |
| Navios Libra | Kamsarmax | 2019 | 82,011 | — | 111.25% average BPI 82 | Mar-25 |
| | | | | $ 14,194 | No | Dec-25 |
| | | | | — | 111.25% average BPI 82 | Jan-26 |
| Nave Electron | VLCC | 2021 | 313,239 | $ 47,289 | Yes [16] | Mar-26 |
| Nave Celeste [24] | VLCC | 2022 | 313,418 | Floating rate | Yes [4] | Jul-29 |
| Baghdad [24] | VLCC | 2020 | 313,433 | $ 27,456 [17] | No | Sep-30 |
| Erbil [24] | VLCC | 2021 | 313,486 | $ 27,456 [17] | No | Feb-31 |

| **Containerships to be Delivered** | **Expected Delivery** | **Capacity (TEU)** | **Charter-Out Rate[1]** | **Index[2]** | **Expiration Date[3]** |
|---|---|---|---|---|---|
| TBN XIX | H1 2026 | 7,900 | $ 42,463 [25] | No | May-30 |
| TBN XX | H2 2026 | 7,900 | $ 42,463 [25] | No | Sep-30 |
| TBN XXI | H2 2026 | 7,900 | $ 42,744 | No | Dec-31 |
| TBN XXII | H1 2027 | 7,900 | $ 42,744 | No | Feb-32 |

| **Tanker Vessels to be Delivered** | **Type** | **Expected Delivery** | **Capacity (DWT)** | **Charter-Out Rate[1]** | **Expiration Date[3]** |
|---|---|---|---|---|---|
| TBN I [5] | Aframax / LR2 | H1 2025 | 115,000 | $ 27,446 [21] | Apr-30 |
| TBN II | Aframax / LR2 | H1 2025 | 115,000 | $ 27,446 [21] | Jun-30 |
| TBN IX | Aframax / LR2 | H1 2026 | 115,000 | $ 27,431 [9] | Mar-31 |
| TBN X | Aframax / LR2 | H1 2026 | 115,000 | $ 27,431 [9] | May-31 |
| TBN XI | Aframax / LR2 | H1 2026 | 115,000 | $ 27,420 [18] | Feb-31 |
| TBN XII | Aframax / LR2 | H2 2026 | 115,000 | $ 27,420 [18] | Jun-31 |
| TBN XIII | Aframax / LR2 | H1 2027 | 115,000 | $ 27,913 [19] | May-32 |
| TBN XIV | Aframax / LR2 | H2 2027 | 115,000 | $ 27,913 [19] | Sep-32 |
| TBN XV | Aframax / LR2 | H2 2027 | 115,000 | $ 27,420 [18] | May-32 |
| TBN XVI | Aframax / LR2 | H2 2027 | 115,000 | $ 27,420 [18] | Aug-32 |
| TBN XVII | Aframax / LR2 | H2 2027 | 115,000 | $ 27,788 [15] | Dec-32 |
| TBN XVIII | Aframax / LR2 | H1 2028 | 115,000 | $ 27,788 [15] | Mar-33 |
| TBN III [6] | MR2 Product Tanker | H2 2025 | 52,000 | $ 22,669 | Nov-30 |
| TBN IV [6] | MR2 Product Tanker | H1 2026 | 52,000 | $ 22,669 | May-31 |
| TBN V [6] | MR2 Product Tanker | H2 2026 | 52,000 | — | — |
| TBN VI [6] | MR2 Product Tanker | H2 2026 | 52,000 | — | — |
| TBN VII [6] | MR2 Product Tanker | H1 2027 | 52,000 | — | — |

| | | | | | |
|---|---|---|---|---|---|
| TBN VIII [6] | MR2 Product Tanker | H1 2027 | 52,000 | — | — |

(1) Daily charter-out rate per day, net of commissions and commercial management fee.
(2) Index rates exclude commissions.
(3) Estimated dates assuming the midpoint or Company's estimate of the redelivery period by charterers.
(4) Bareboat charter based on adjusted TD3C-WS with floor $26,393 and collar at $36,168.
(5) The vessel is subject to a sale and leaseback transaction with a purchase obligation at the end of the lease term.
(6) The vessel is subject to a bareboat contract with a purchase option at the end of the contract.
(7) Charterer's option to extend charter for one year at $24,589 net per day.
(8) The premium for when the vessel is trading on ice or follow ice breaker is $1,463 per day.
(9) Charterer's option to extend the charter for one year at $29,356 net per day plus one year at $30,800 net per day.
(10) Charterer's option to extend the charter for one year at $27,550 net per day.
(11) Charterer's option to extend the charter for one year at $17,306 net per day.
(12) Rate based on pool earnings.
(13) Vessel agreed to be sold.
(14) The vessel is subject to a bareboat contract with a purchase obligation at the end of the contract.
(15) Charterer's option for a firm period of five years at $27,788 net per day or three years at $34,613 net per day, declarable six months prior to the vessels' delivery.
(16) Profit sharing arrangement of 35% above $54,388, 40% above $59,388 and 50% above $69,388.
(17) Charterer's option to extend the bareboat charter for five years at $29,366 net per day.
(18) Charterer's option to extend the charter for one year at $29,248 net per day plus one year at $31,173 net per day.
(19) Charterer's option for a firm period of five years at $27,913 net per day or three years at $34,169 net per day, declarable six months prior to the vessels' delivery.
(20) Charterer's option to extend the charter for a minimum of 11 to a maximum of 15 months at $32,813 net per day.
(21) Charterer has the option to extend for five further one-year options at rates increasing by $1,219 net per day each year.
(22) Charterer's option to extend charter for two years at $24,563 net per day.
(23) The vessel is subject to a sale and leaseback transaction with a purchase option at the end of the lease term.
(24) The vessel is subject to a bareboat charter-out contract.
(25) Charterer's option to extend charter for two years at $46,906 net per day.
(26) The premium for when the vessel is trading on ice or follow ice breaker is $1,950 per day.

**Our Competitive Strengths**

We believe that our future prospects for success are enhanced by the following aspects of our business:

•*Strength through Diversification.* Our diversified platform provides stable entity-level returns for unitholders despite uneven sector performance. We have opted to fix our container fleet on long-term charters with almost 99.3% of our available containership days fixed for 2025 as of March 20, 2025. This reduces market and residual risk for these vessels. We manage the credit risk of the long-term charters independently to ensure we are not simply trading one risk for another. In our dry bulk fleet, we have fixed 45.3% of our available drybulk fleet days for 2025 (excluding index linked days) and have opted to keep 54.7% of our 2025 available days exposed to market rates as of March 20, 2025. Within tankers, we have 84.2% of our 2025 available tanker days fixed (excluding index linked days) as of March 20, 2025.

Capturing cyclical opportunity that allows for optimal capital allocation. For example, we made an approximately $2.6 billion investment in 38 newbuilding containerships and tankers that will be delivered to our fleet through 2028. Of these acquisitions, we used the strength of the container market to acquire 16 newbuilding containerships, hedging our financial investment by entering into long-term, creditworthy charters for these vessels. Additionally, we acquired 16 Aframax/LR2 tankers (all of which were chartered long-term) as well as six MR2 product tankers (two of which were chartered long-term). We also look to opportunistically sell vessels when we can avail of a good return to reallocate capital.

*Stable cash flows.* We have scale through a larger, diversified asset base that has an increased earnings capacity. We have a good credit profile by increasing cash flow to support our growth, fleet renewal and deleveraging initiatives. We opportunistically seek to fix our vessels longer term during market highs and for shorter periods during market lows to avail of any market upturn.

•*Strong relationship with our Manager.* We believe our relationship with our Manager provides us with numerous benefits that are key to our long-term growth and success. Our Manager's commercial expertise, reputation within the shipping industry and their network of strong relationships with many of the world's dry cargo raw material producers, agricultural traders and exporters, commodity traders, oil companies, liner operators, industrial end-users, shipyards and shipping companies. We benefit from the Manager's expertise in technical management, which offers efficient operations and maintenance for our vessels at fixed rates. The Manager's expertise in fleet management is reflected in its history of low number of off-hire days and in its record of no material incidents resulting in pollution or loss of life.

•*High-quality, diversified fleet.* Our diversified fleet, which includes Capesize, Kamsarmax, Panamax, Ultra-Handymax and Transhipper drybulk vessels, VLCC and product tankers and Feeder, baby Panamax to Neo Panamax containerships allows us to serve our customers' transportation needs for dry and liquid commodities and finished goods. Capesize vessels transport mainly iron ore and coal, to industrial users principally in China. Kamsarmax, Panamax and Ultra-Handymax vessels carry coal and grain and other bulk commodities worldwide. Our recently converted Ultra-Handymax vessel performs transshipment services in South America that will enable more economic exports of drybulk cargoes from the Hidrovia region. VLCC tankers transport crude oil and operate on primarily long–haul trades from the Arabian Gulf or the Atlantic basin to the Far East, North America and Europe. Product tankers transport a large number of different refined oil products, such as naphtha, gasoline, kerosene, jet fuel and gasoil, and principally operate on short– to medium– and some long– haul routes. Feeder containerships operate worldwide on short haul trips moving containers from smaller ports to transshipment hubs where the containers are placed on larger containerships for long haul trips from the Far East to Europe or North America. Baby Panamaxes engage in intra ocean trade in the Far East and Indian Subcontinent as well as long haul trades to North America, South America and Africa. Neo Panamax containerships serve long haul routes from the Far East to North America and Europe. We believe that our fleet of vessels servicing the drybulk, transshipment, tanker and container transportation sectors provides us with a more balanced exposure to the commodities and goods we transport and a diversified platform for revenue generation.

Our fleet has an average age of 9.8 years as of March 20, 2025, on a dwt and fully delivered fleet basis, (average age of 11.3 years for drybulk fleet, 10.6 years for containerships fleet and 7.5 years for the tanker fleet), compared to a current industry average age of about 12.6 years for the drybulk fleet, 13.9 years for the containerships fleet and 14.0 years for the tanker fleet (all industry averages as of March 2025). Our large asset base provides us a significant buffer of collateral value.

**Business Strategies**

Our primary business strategies are the following:

•*Strategically manage sector exposure.* We operate a fleet of dry bulk, tanker and containership vessels, which we believe provides us with diverse opportunities with a range of producers and consumers. As we grow and renew our fleet, we expect to adjust our relative emphasis among the dry bulk, tanker and containership sectors according to our view of the relative opportunities present in each sector. We believe that having a mixed fleet provides the flexibility to adapt to changing market conditions and will allow us to capitalize on sector–specific opportunities through varying economic cycles.

•*Pursue stable cash flows through long-term charters for our fleet.* We believe that we are a safe, cost-efficient operator of modern and well-maintained dry bulk, tanker and containership vessels. We also believe that these attributes, together with our strategy of proactively working towards meeting our customers' chartering needs, will build us long term customer relationships. Where possible, we will also seek profit sharing arrangements in our time charters, to provide us with potential incremental revenue above the contracted minimum charter rates. Depending on the then applicable market conditions, we intend to deploy our vessels to leading charterers on a mix of long, medium and short-term time charters, with a greater emphasis on long-term charters paired with profit sharing, when available. We believe a flexible chartering strategy will afford us opportunities to capture increased profits during strong charter markets, while continuing to benefit from the stable cash flows and high utilization rates associated with longer-term time charters. As of March 20, 2025, the vessels in our fleet have an average remaining charter duration of approximately 2.1 years, which we will continuously seek to improve.

•*Actively manage our fleet to maximize return on capital over market cycles.* We plan to actively manage the size and composition of our fleet through our vessel purchase and sale activities in an effort to achieve sizeable returns on invested capital. Using our Manager's global network of relationships and extensive experience in the maritime transportation industry, coupled with our Manager's shipping and financial expertise, we plan to opportunistically grow and renew our fleet through the timely and selective acquisition of high-quality newbuilding or secondhand vessels when we believe those acquisitions will result in attractive returns on invested capital. We also intend to engage in opportunistic sales to avail ourselves of attractive values available through market cycles.

•*Provide superior customer service by maintaining high standards of performance, reliability and safety.* Our customers seek transportation partners that have a reputation for high standards of performance, reliability and safety. We intend to use the Manager's operational expertise and customer relationships to further expand a sustainable competitive advantage with consistent delivery of superior customer service.

•*Benefit from our Manager's risk management practices and corporate managerial support.* Risk management requires the balancing of a number of factors in a cyclical and potentially volatile environment. In part, this requires a view of the overall health of the markets, as well as an understanding of capital costs and returns. The Manager actively engages in assessing financial and other risks associated with fluctuating market rates, fuel prices, credit risks, interest rates and foreign exchange rates. The Manager closely monitors credit exposure to charterers and other counterparties and have established policies designed to ensure that contracts are entered into with counterparties that have appropriate credit history. We believe that Navios Partners benefits from these established policies

•*Sustain a competitive cost structure.* Pursuant to our Master Management Agreement with the Manager, the Manager coordinate and oversee the commercial, technical and administrative management of our fleet. We believe that the Manager is able to do so at rates competitive with those that would be available to us through independent vessel management companies.

**Our Customers**

We provide or will provide seaborne shipping services under long-term time charters with customers that we believe are creditworthy. For the year ended December 31, 2024, only one customer accounted for 10.0% or more of our total revenues and represented approximately 11.3% of our total revenues. For the years ended December 31, 2023 and 2022, no customer accounted for 10.0% or more of our total revenues.

Although we believe that if any one of our charters were terminated, we could recharter the related vessel at the prevailing market rate relatively quickly, the permanent loss of a significant customer or a substantial decline in the amount of services requested by a significant customer could harm our business, financial condition and results of operations if we were unable to recharter our vessel on a favorable basis due to then-current market conditions, or otherwise.

**Competition**

The drybulk shipping market is extensive, diversified, competitive and highly fragmented, divided among approximately 2,854 independent drybulk carrier owners. The world's active drybulk fleet consists of approximately 14,204 vessels, aggregating approximately 1.040 billion dwt as of March 1, 2025. As a general principle, the smaller the cargo carrying capacity of a drybulk carrier, the more fragmented is its market, both with regard to charterers and vessel owner/operators. Even among the larger drybulk owners and operators, whose vessels are mainly in the larger sizes, only ten companies are known to have fleets of 98 dry bulk vessels or more: China COSCO Shipping, Nippon Yusen Kaisha, Starbulk Carriers, Mitsui OSK Lines, Wisdom Marine, China Development Bank, CMB, China Merchants, Pacific Basin Shipping and Kawasaki Kisen Kaisha Ltd. There are about 40 owners known to have fleets of between 38 and 95 vessels. However, vessel ownership is not the only determining factor of fleet control. Many owners of bulk carriers charter their vessels out for extended periods, not just to end users (owners of cargo), but also to other owner/operators and to tonnage pools. Such operators may, at any given time, control a fleet many times the size of their owned tonnage. Such operators include Cargill International S.A., Pacific Basin Shipping, Bocimar, Zodiac Maritime, Louis Dreyfus/Cetragpa, Cobelfret, Torvald Klaveness and Swiss Marine.

The container shipping market is extensive, diversified, competitive and fragmented, divided among approximately 925 liner operators and independent owners. The world's active containership fleet consists of approximately 6,838 vessels, aggregating approximately 31.225 million TEU as of March 1, 2025. As a general principle, the smaller the cargo carrying capacity of a containership, the more fragmented is its market, both with regard to charterers and vessel owner/operators. Even among the larger liner companies and containership owners and operators, whose vessels are mainly in the larger sizes, only ten companies are known to control fleets of 105 vessels or more: Mediterranean Shipping Co. (MSC), CMA CGM, AP Moller, China COSCO Shipping, Atlas Corp (former Seaspan), Evergreen, Wan Hai Lines, Hapag Lloyd, SITC and PIL. There are about 40 owners known to control fleets of between 27 and 89 vessels. However, vessel ownership is not the only determining factor of fleet control. Liner companies, who control the movement of containers on land and at sea, own vessels directly and charter in vessels on short and long-term charters. Many owners/managers of containerships charter their vessels out for extended periods but do not control the movement of any containers, the so called tonnage providers. Liner companies may, at any given time, control a fleet many times the size of their owned tonnage. MSC and AP Moller are such liner operators; whereas Danaos, Costamare, Peter Dohle, Atlas/Seaspan and others including Navios Partners are tonnage providers.

The tanker shipping market is extensive, diversified, competitive and fragmented, divided among approximately 3,919 oil companies, operators and independent owners. The world's active tanker fleet over 10,000 DWT consists of approximately 7,690 vessels, aggregating approximately 697 million DWT as of March 1, 2025. As a general principle, the smaller the cargo carrying capacity of a tanker, the more fragmented is its market, both with regard to charterers and vessel owner/operators. Even among the larger oil companies, tanker owners and operators, whose vessels are mainly in the larger sizes, only twelve companies are known to control fleets of 90 vessels or more: China COSCO Shipping, China Merchants, Mitsui OSK Lines, Pertamina, Fredriksen Group, Dynacom, BW Group, Scorpio Group, Sinokor Merchant, TORM A/S, Eastern Pacific Shipping and Junzheng Energy. There are about 38 owners known to control fleets of between 33 and 85 vessels. However, vessel ownership is not the only determining factor of fleet control. Oil and trading companies, who control the movement of crude oil and petroleum products on land and at sea, own vessels directly and charter in vessels on short and long-term charters. Many owners/managers of tankers charter their vessels out for extended periods but do not control the movement of any crude or products. Oil companies or trading companies may, at any given time, control a fleet many times the size of their owned tonnage. Saudi Aramco, Exxon, Shell and Chevron are such oil companies; whereas Vitol, Trafigura and Glencore are traders trading crude oil and product cargoes worldwide. These companies leverage their own cargo base and controlled fleets to optimize their fleet trading strategies.

In addition, a number of large pool operators such as Tankers International, Navig8 and Scorpio Group control substantial fleets in each market segment and have preferential access to cargoes and the ability to optimize vessel chartering through economies of scale and superior market information.

It is likely that we will face substantial competition for long-term charter business from a number of experienced companies. Many of these competitors will have significantly greater financial resources than we do. It is also likely that we will face increased numbers of competitors entering into our transportation sectors, including in the container, tanker and drybulk sectors. Many of these competitors have strong reputations and extensive resources and experience. Increased competition may cause greater price competition, especially for long-term charters.

**Time Charters**

A time charter is a contract for the use of a vessel for a fixed period of time at a specified daily rate. Under a time charter, the vessel owner provides crewing and other services related to the vessel's operation, the cost of which is included in the daily rate and the customer is responsible for substantially all of the vessel voyage costs. The vessels in our fleet are generally hired out under time charters, and we intend to continue to hire out our vessels under time charters. The following discussion describes the material terms common to all of our time charters.

**Basic Hire Rate**

"Basic hire rate" refers to the basic payment from the customer for the use of the vessel. The hire rate is generally payable semi-monthly, in advance, in U.S. dollars as specified in the charter.

**Expenses**

The charterer generally pays the voyage expenses, which include all expenses relating to particular voyages, including any bunker fuel expenses, port fees, cargo loading and unloading expenses, canal tolls, agency fees and commissions.

**Off-hire**

When the vessel is "off-hire," the charterer generally is not required to pay the basic hire rate, and we are responsible for all costs. A prolonged off-hire may lead to vessel substitution or termination of the time charter. A vessel generally will be deemed off-hire if there is a loss of time due to, among other things:

•operational deficiencies; drydocking for repairs, maintenance or inspection; equipment breakdowns; or delays due to accidents or deviations from course, crewing strikes, labor boycotts, certain vessel detentions or similar problems, occurrence of hostilities in the vessel's flag state or in the event of piracy, a natural or man-made event of force majeure; or

•the ship owner's failure to maintain the vessel in compliance with its specifications and contractual standards or to provide the required crew.

Under some of our charters, the charterer is permitted to terminate the time charter if the vessel is off-hire for an extended period, which is generally defined as a period of 90 or more consecutive off-hire days. Under some circumstances, an event of force majeure may also permit the charterer to terminate the time charter or suspend payment of charter hire.

**Termination**

We are generally entitled to suspend performance under the time charters covering our vessels if the customer defaults in its payment obligations. Under some of our time charters, either party may terminate the charter in the event of war in specified countries or in locations that would significantly disrupt the free trade of the vessel. Some of our 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.

**Classification, Inspection and Maintenance**

Every sea going vessel must be "classed" by a classification society. The classification society certifies that the vessel is "in class," signifying that the vessel has been built and maintained in accordance with the rules of the classification society and complies with applicable rules and regulations of the vessel's country of registry and the international conventions of which that country is a member. In addition, where surveys are required by international conventions and corresponding laws and ordinances of a flag state, the classification society will undertake them on application or by official order, acting on behalf of the authorities concerned.

The classification society also undertakes, on request, other surveys and checks that are required by regulations and requirements of the flag state. These surveys are subject to agreements made in each individual case or to the regulations of the country concerned. For maintenance of the class, regular and extraordinary surveys of hull, machinery (including the electrical plant) and any special equipment classed are required to be performed as follows:

•*Annual Surveys:* For seagoing ships, annual surveys are conducted for the hull and the machinery (including the electrical plant) and, where applicable, for special equipment classed, at intervals of 12 months from the date of commencement of the class period indicated in the certificate.

•*Intermediate Surveys:* Extended annual surveys are referred to as intermediate surveys and typically are conducted two and a half years after commissioning and each class renewal. Intermediate surveys may be carried out on the occasion of the second or third annual survey.

•*Class Renewal Surveys:* Class renewal surveys, also known as special surveys, are carried out for the ship's hull, machinery (including the electrical plant), and for any special equipment classed, at the intervals indicated by the character of classification for the hull. At the special survey, the vessel is thoroughly examined, including audio-gauging, to determine the thickness of its steel structure. Should the thickness be found to be less than class requirements, the classification society would prescribe steel renewals. The classification society may grant a one-year grace period for completion of the special survey. Substantial amounts of money may have to be spent for steel renewals to pass a special survey if the vessel experiences excessive wear and tear. In lieu of the special survey every four or five years, depending on whether a grace period was granted, a ship owner has the option of arranging with the classification society for the vessel's integrated hull or machinery to be on a continuous survey cycle, in which every part of the vessel would be surveyed within a five-year cycle.

**Management of Ship Operations, Administration and Safety**

Pursuant to the Master Management Agreement with the Manager and the Administrative Services Agreement with the Manager, we have access to human resources, financial and other administrative functions, including:

•bookkeeping, audit and accounting services;

•administrative and clerical services;

•banking and financial services; and

•client and investor relations.

Technical management services are also provided, including:

•commercial management of the vessel;

•vessel maintenance and crewing;

•purchasing and insurance; and

•shipyard supervision.

For more information on the Master Management Agreement and the Administrative Services Agreement, please read "Item 7. Major Unitholders and Related Party Transactions" and Note 17 – Transactions with related parties and affiliates to our consolidated financial statements, included elsewhere in this annual report.

**Crewing**

The Manager crews our vessels primarily with Filipino, Ukrainian, Polish, Russian, Georgian and Indian officers and Filipino, Ethiopian and Indian seamen. For these nationalities, officers and seamen are referred to the Manager by local crewing agencies. The Manager is also responsible for travel and payroll of the crew. The crewing agencies handle each seaman's training. The Manager requires that all of its seamen have the qualifications and licenses required to comply with international regulations and shipping conventions.

**Risk of Loss and Liability Insurance**

**General**

The operation of any cargo vessel includes risks such as mechanical failure, physical damage, collision, property loss, cargo loss or damage, business interruption due to political circumstances in foreign countries, hostilities, and labor strikes. In addition, there is always an inherent possibility of marine disaster, including oil spills and other environmental mishaps, and the liabilities arising from owning and operating vessels in international trade. The OPA (as defined below), which imposes virtually unlimited liability upon owners, operators and demise charterers of any vessel trading in the United States exclusive economic zone for certain oil pollution accidents in the United States, has made liability insurance more expensive for ship owners and operators trading in the U.S. market. While we believe that our present insurance coverage is adequate, not all risks can be insured, and there can be no guarantee that any specific claim will be paid, or that we will always be able to obtain adequate insurance coverage at reasonable rates.

**Hull and Machinery and War Risk Insurances**

We have marine hull and machinery and war risk insurance, which include coverage of the risk of actual or constructive total loss, for all of our owned vessels. Each of the owned vessels is covered up to at least fair market value, with a deductible of approximately $0.6 million for dry bulk, containers and tanker vessels for the hull and machinery insurance. We have also extended our war risk insurance to include war loss of hire for any loss of time to the vessel, including for physical repairs, caused by a warlike incident and piracy seizure for up to 270 days of detention / loss of time under customary deductibles.

We have arranged, as necessary, increased value insurance for our vessels. With the increased value insurance, in case of total loss of the vessel, we will be able to recover the sum insured under the increased value policy in addition to the sum insured under the hull and machinery policy. Increased value insurance also covers excess liabilities that are not recoverable in full by the hull and machinery policies by reason of underinsurance. We do not expect to maintain loss of hire insurance for our vessels. Loss of hire insurance covers business interruptions that result in the loss of use of a vessel.

**Protection and Indemnity Insurance**

Protection and indemnity insurance is expected to be provided by mutual protection and indemnity associations, or P&I Associations, who indemnify members in respect of discharging their tortious, contractual or statutory third-party legal liabilities arising from the operation of an entered ship. Such liabilities include but are not limited to third-party liability and other related expenses from injury or death of crew, passengers and other third parties, loss or damage to cargo, unrecoverable General Average contributions, claims arising from collisions with other vessels, damage to other third-party property, pollution arising from oil or other substances, and salvage, towing and other related costs, including wreck removal. Protection and Indemnity insurance does not automatically cover liabilities that arise from illegal activity by an officer or a crew member, although coverage may be provided at the discretion of the carrier. Protection and indemnity insurance is a form of mutual indemnity insurance, extended by protection and indemnity mutual associations and always provided in accordance with the applicable associations' rules and members' agreed terms and conditions.

Navios Partners' fleet is currently entered for protection and indemnity insurance with International Group associations where, in line with all International Group Clubs, coverage for oil pollution is limited to $1.0 billion per event. The 12 P&I Associations that comprise the International Group insure approximately 95% of the world's commercial tonnage and have entered into a pooling agreement to collectively reinsure each association's liabilities. Each vessel that Navios Partners acquires will be entered with P&I Associations of the International Group. Under the International Group reinsurance program for the current policy year, each P&I club in the International Group is responsible for the first $10.0 million of every claim. In every claim the amount in excess of $10.0 million and up to $100.0 million is shared by the clubs under the pooling agreement. Any claim in excess of $100.0 million is reinsured by the International Group in the international reinsurance market under the General Excess of Loss Reinsurance Contract. This policy currently provides an additional $2.0 billion of coverage for non-oil pollution claims. Further to this, an additional reinsurance layer has been placed by the International Group for claims up to $1.0 billion in excess of $2.1 billion, i.e. $3.1 billion in total. For passengers and crew claims, the overall limit is $3.0 billion for any one event on any one vessel with a sub-limit of $2.0 billion for passengers. With the exception of pollution, passenger or crew claims, should any other P&I claim exceed Group reinsurance limits, the provisions of all International Group Club's overspill claim rules will operate and members of any International Group Club will be liable for additional contributions in accordance with such rules. To date, there has never been an overspill claim, or one even nearing this level.

As a member of the P&I Associations, comprising the International Group of P&I Clubs, Navios Partners will be subject to calls payable to the associations based on the individual fleet record, the associations' overall claim records as well as the claim records of all other members of the individual associations, and members of the pool of P&I Associations comprising the International Group. The P&I Associations' policy year commences on February 20th. Calls are levied by means of Estimated Total Premiums ("ETP") and the amount of the final installment of the ETP varies according to the actual total premium ultimately required by the club for a particular policy year. Members have a liability to pay supplementary calls which might be levied by the board of directors of the club if the ETP is insufficient to cover amounts paid out by the club.

Should a member leave or terminate the fleet entry with any of the associations, at the Club's Manager discretion, they may be liable to pay release calls or provide adequate security for the same amount. Such calls are levied in respect of potential outstanding Club/Member liabilities on open policy years and include but are not limited to liabilities for deferred calls and supplementary calls.

**Uninsured Risks**

Not all risks are insured and not all risks are insurable. The principal insurable risks which nonetheless remain uninsured across our fleet are "loss of hire" and "strikes and delay," except in cases of loss of hire due to war or a piracy event or due to presence or suspected presence of contraband on board. Specifically, Navios Partners does not insure these risks because the costs are regarded as disproportionate. These insurances provide, subject to a deductible, a limited indemnity for hire that would not be receivable by the ship owner for reasons set forth in the policy.

However, in some cases when a vessel is transiting high risk war and/or piracy areas, we arrange war loss of hire insurance to cover up to 270 days of detention/loss of time. When our charterers engage in legally permitted trading in locations which may still be subject to sanctions or boycott, such as Iran or Syria, our insurers may be contractually or by operation of law prohibited from honoring our insurance contract for such trading, which could result in reduced insurance coverage for losses incurred by the related vessels. Furthermore, our insurers and we may be prohibited from posting or otherwise be unable to post security in respect of any incident in such locations, resulting in the loss of use of the relevant vessel and negative publicity for our Company which could negatively impact our business, results of operations, cash flows and unit price.

There are no deductibles for the war loss of hire cover in case of piracy and contraband cover.

Even if our insurance coverage is adequate to cover our losses, if we suffer a loss of a vessel, we may not be able to obtain a timely replacement for any lost vessel. Furthermore, in the future, we may not be able to obtain adequate insurance coverage at reasonable rates for our fleet. For example, due to the escalating security threats in the designated war risk area encompassing the Indian Ocean, Gulf of Aden, and Red Sea, insurance underwriters are increasingly reluctant to provide coverage or are significantly limiting their risk exposure. What is more, more stringent environmental regulations have led to increased costs for, and in the future may result in the lack of availability of, insurance against risks of environmental damage or pollution. We may also be subject to calls, or premiums, in amounts based not only on our own claim records but also on the claim records of all other members of the protection and indemnity associations through which we receive indemnity insurance coverage. A catastrophic oil spill or marine disaster could exceed our insurance coverage, which could have a material adverse effect on our business, results of operations and financial condition. Any uninsured or underinsured loss could harm our business and financial condition. In addition, the insurance may be voidable by the insurers as a result of certain actions, such as vessels failing to maintain required certification.

**Regulation**

**Sources of Applicable Maritime Laws and Standards**

Shipping is one of the world's most heavily regulated industries, as it is subject to both governmental regulation and rigorous industry standards. The governmental regulations to which we are subject include local and national laws and regulations, as well as international conventions promulgated by the International Maritime Organization ("IMO"), the United Nations agency governing the maritime sector. We are also subject to regulation by ship classification societies and industry associations, which often have independent standards. In the United States, increasingly, in Europe and Australia, the national, state, and local laws and regulations may be more stringent than international conventions, as well as industry standards. Violations of these laws, regulations, conventions, as implemented by various countries, and other requirements could result in regulatory sanctions, civil or criminal fines or penalties, delays, and detentions.

The primary areas of maritime laws and standards to which we are subject include environment, safety, and security, as provided in detail below.

***International Conventions and Standards***

The IMO is the United Nations agency with jurisdiction over maritime safety and the prevention of pollution by ships. The IMO has adopted several international conventions concerned with preventing, reducing, or managing pollution from ships, as well as ship safety and security. The most significant of these are described below.

The International Convention for the Prevention of Pollution from Ships or "MARPOL" is the primary international convention governing vessel pollution prevention and response. MARPOL includes six annexes concerning operational pollution by oil, noxious liquid substances ("NLS"), harmful substances, sewage, garbage and air emissions. Specifically, these annexes contain regulations for the prevention of pollution by oil (Annex I), by noxious liquid substances in bulk (Annex II), by harmful substances in packaged forms within the scope of the International Maritime Dangerous Goods Code (Annex III), by sewage (Annex IV), by garbage (Annex V), and by air emissions, including sulfur oxides ("SOx"), nitrogen oxides ("NOx"), and particulate matter (Annex VI). The annexes also contain recordkeeping and inspection requirements. Port State or the vessel's flag State may impose fines and penalties for MARPOL violations, particularly for improper discharges into the air or water.

Under MARPOL Annex I, our ships are required to have an International Oil Pollution Prevention ("IOPP") Certificate and a Shipboard Oil Pollution Emergency Plan; under Annex IV, an International Sewage Pollution Prevention Certificate; under Annex V, a Garbage Management Plan; and under Annex VI, an International Air Pollution Prevention Certificate issued by their flag States, among other requirements, some of which must be approved by their flag States. Additionally, Annex II separates NLS into three categories (X, Y, and Z), depending upon the seriousness of the hazard presented, and Annex III contains requirements for safe handling of packaged substances that represent a serious risk to the environment, as well as guidelines for identification of harmful substances. For example, any relevant documents, such as the ship's manifest, must identify the substances carried, if any, aboard our vessels.

In January 2013, MARPOL introduced mandatory measures related to energy efficiency for ships. All ships are now required to develop and implement Ship Energy Efficiency Management Plans ("SEEMP"), and new ships must meet minimum energy efficiency levels per capacity mile as defined by the Energy Efficiency Design Index ("EEDI"). In 2025, all new ships will be 30% more energy efficient than those built in 2014. The effective day for EEDI's phase 3 requirements was January 1, 2025 for several ship types, including gas carriers, general cargo ships and LNG carriers.

MEPC 75 also approved draft amendments to MARPOL Annex I to prohibit the use and carriage of use as fuel of heavy fuel oil ("HFO") by ships in Arctic waters. This provision came into effect on July 1 2024. The draft amendments introduced at MEPC 75 were adopted at the MEPC 76 session and entered into force shortly thereafter, along with the requirements for Energy Efficiency Existing Ship Index ("EEXI") and Carbon intensity indication ("CII") certification.

MEPC 79 adopted amendments to MARPOL Annex VI, Appendix IX to include the attained and required CII values, the CII rating and attained EEXI for existing ships in the required information to be submitted to the IMO Ship Fuel Oil Consumption Database. The amendments entered force on May 1, 2024.

We may incur costs to comply with these revised standards. Additional or new conventions, laws and regulations may be adopted that could require the installation of expensive emission control systems and could adversely affect our business, results of operations, cash flows and financial condition.

The emissions standards for SOx under MARPOL Annex VI are 0.5% worldwide (down from the pre-2020 level of 3.5%). These requirements are in addition to EU Directive 2005/33/EC, which has required all vessels to changeover to 0.1% sulfur fuel oil when 'at berth' in EU and European Economic Area ("EEA") ports since 2010.

Moreover, IMO regulations also allow for special emissions control areas ("ECAs") to be established with more stringent controls on emissions of 0.1% sulfur, particulate matter, and nitrogen oxide emissions. Thus, the 0.5% sulfur content requirement applies outside the ECAs. Ships may comply with these requirements either by operating on fuel with 0.5% sulfur content or through the installation of pollution control equipment (exhaust gas cleaning systems), which allows the vessel to use high sulfur content fuel and limits emissions. Certain vessels must be modified in order to use 0.5% sulfur fuel, which results in operational costs; however, the installation of scrubbers also can be capital intensive.

At present, ECAs have been formally adopted for the Baltic Sea area (limits SOx emissions only subject to the 2017 amendments described below); the North Sea area including the English Channel (limiting SOx emissions only subject to the 2017 amendments described below); the North American ECA (limiting SOx, nitrogen oxides ("NOx"), and particulate matter emissions); and the U.S. Caribbean ECA (limiting SOx, NOx, and particulates). The Mediterranean Sea ECA will enter into force on May 1, 2025 (limiting SOx emissions only subject to the 2017 amendments described below). MEPC 82 took steps to designate the Canadian Arctic and the Norwegian Sea as ECAs. These ECAs will be implemented in 2026 and 2027, respectively The IMO designated the North Sea and Baltic Sea as ECAs for NOx under Annex VI as well, which took effect in January 2021 for new vessels constructed on or after January 1, 2021 or existing vessels that replace an engine with non-identical engines, or install an additional engine.

Despite Annex VI's extensive regulations, some jurisdictions have taken unilateral approaches to air emissions regulation. For example, the U.S. state of California's California Air Resources Board ("CARB") has adopted the California Ocean-Going Vessel Fuel Regulation, which contains more stringent low sulfur fuel requirements within California-regulated waters, requiring marine gas oil, extending out to 24 nautical miles, thus prohibiting the use of exhaust gas cleaning systems. CARB additionally continues to phase in the required use of shore power and limit air emissions when vessels call California ports. Such regulations can result in increased operational costs

China has also established local emissions control areas: the Pearl River Delta, the Yangtze River Delta, and Bohai Bay. While the Chinese areas are currently consistent with international standards in terms of requiring a 0.5% sulfur content, certain Chinese local emissions control areas such as inland waterways, coastal emission control areas and Hainan waters have a 0.1% sulfur limit in force. Similarly, South Korea has established Port Air Quality Control Zones, which cap the sulfur content of fuel at 0.1%. South Korea's Ministry of Oceans and Fisheries designated South Korea's port areas in in Busan, Ulsan, Yeosu, Gwangyang, Incheon and Pyeongtaek-Dangjin as ECA areas and as of January 1, 2022, the 0.1 % sulfur limit extends to all vessels from the moment of entering until the moment of exiting the Korean ECA.

In addition, certain jurisdictions in which we trade may have not adopted all of the MARPOL annexes, and some may have established various national, regional, or local laws and regulations that apply to these areas.

**•Ballast Water**

The IMO, as well as jurisdictions worldwide acting outside the scope of the IMO, have implemented requirements relating to the management of ballast water to prevent the harmful effects of foreign invasive species. The IMO's International Convention for the Control and Management of Ships' Ballast Water and Sediments (the "BWM Convention") entered into force on September 8, 2017. The BWM Convention requires ships to manage ballast water in a manner that removes, renders harmless, or avoids the uptake or discharge of aquatic organisms and pathogens within ballast water and sediment. As of June 2024, the International Convention for the Control and Management of Ships' Ballast Water and Sediments (BWM Convention) has been ratified by 97 countries, representing approximately 93.73% of the world's merchant shipping tonnage.

As amended, the BWM Convention requires, among other things, ballast water exchange until ballast water treatment systems are required, the maintenance of certain records, and the implementation of a Ballast Water and Sediments Management Plan. It also requires the installation of ballast water management systems for existing ships by certain deadlines. All ships must meet the IMO ballast water discharge standard by September 8, 2024, regardless of construction date.

The MEPC has recently provided updated guidance for Ballast Water and Sediments Management Plan includes more robust testing and performance specifications. At the MEPC 80 Session in July 2023, the MEPC adopted amendments to appendix II of the Annex to the BWM Convention (Form of Ballast Water Record Book) which entered into force on February 1, 2025. MEPC 81 provided interim guidance on the application of the BWM Convention to ships operating in challenging water quality conditions. Similarly, MEPC 82 issued a circular providing guidance for the temporary storage of treated sewage and/or grey water in ballast water tanks.

The United States is not party to the BWM Convention, but has similar, though not identical, requirements. Ships operating in U.S. waters must comply with U.S. ballast water regulations.

**•Pollution Liability Regimes**

Several international conventions impose and limit pollution liability from vessels. An owner of a tank vessel carrying a cargo of "persistent oil," as defined by the International Convention for Civil Liability for Oil Pollution Damage (the "CLC"), is subject to strict liability for any pollution damage caused in a contracting state by an escape or discharge from cargo or bunker tanks. There is a financial limit on this liability, which is calculated by reference to the tonnage of the ship. The right to limit liability may be lost if the spill is caused by the ship owner's intentional or reckless conduct. Liability may also be incurred under the CLC for a bunker spill from the vessel even when it is not carrying such cargo if the spill occurs while it is in ballast. However, certain states have only ratified earlier iterations of the CLC, which have a lower liability limit, restrict the area in which the convention is applicable, and only cover spills from tankers if laden at the time of the spill.

The CLC applies in over 100 jurisdictions around the world. Some countries around the world have ratified an earlier version of the CLC, the "1969 Convention"; while others have not ratified any version of the CLC. Further, it is possible that courts in certain States may interpret the CLC to provide fewer protections than intended based on fault, which can increase our liability in certain areas of the globe.

There is no equivalent international convention in force which would regulate spills of non-persistent petroleum products. As such, when a tanker is carrying refined oil or petroleum products that do not constitute "persistent oil" under the CLC, liability for any pollution damage will fall outside the CLC and will generally depend on domestic laws in the jurisdiction where the spillage occurs, although other international conventions may apply. The same principle applies to any pollution from the vessel in a jurisdiction that is not a party to the CLC. While some states have acceded to the IMO's Hazardous and Noxious Substances by Sea Convention, that Convention is far from the requisite number of contracting states required to enter into force.

For vessel operations not covered by the CLC, including all non-tank vessels in our fleet, international liability for oil pollution may be governed by the International Convention on Civil Liability for Bunker Oil Pollution Damage (the "Bunker Convention") in addition to local and national environmental laws.

The Bunker Convention entered into force in 2008 and imposes strict liability on shipowners for pollution damage and response costs incurred in contracting States caused by discharges, or threatened discharges, of bunker oil from all classes of ships not covered by the CLC. The Bunker Convention also requires registered owners of ships over a certain tonnage to maintain insurance to cover their liability for pollution damage in an amount equal to the limits of liability under the applicable national or international limitation regime, including liability limits calculated in accordance with the Convention on Limitation of Liability for Maritime Claims 1976, as amended (the "1976 Convention"). As of March 12, 2025, the Bunker Convention had 107 contracting States, representing 95.04% of the gross tonnage of the world's merchant fleet.

The 1976 Convention is the most widely applicable international regime limiting maritime pollution liability. Rights to limit liability under the 1976 Convention are forfeited where a spill is caused by a shipowner's intentional or reckless conduct. Certain jurisdictions have ratified the IMO's Protocol of 1996 to the 1976 Convention, referred to herein as the "Protocol of 1996". The Protocol of 1996 provides for substantially higher liability limits in those jurisdictions than the limits set forth in the 1976 Convention.

Finally, some jurisdictions are not parties to either the 1976 Convention or the Protocol of 1996, and, therefore, a shipowner's rights to limit liability for maritime pollution in such jurisdictions may be uncertain or subject to national and local law. The United States is not party to these conventions, but has similar, though not identical, regime under the Oil Pollution Act of 1990 ("OPA"). Ships operating in U.S. waters must comply with U.S. regulations under OPA.

**•International Safety Regulations**

Our vessels also must operate in compliance with the requirements set forth in the IMO's International Convention for the Safety of Life at Sea, as amended, ("SOLAS"), including the International Safety Management Code (the "ISM Code"), which is contained in Chapter IX of SOLAS. Effective, January 1, 2024, new SOLAS Regulation II-1/3-8 will require both new and existing ships to comply with new towing and mooring equipment standards. These regulations are expected to increase the cost of building new vessels (built after January 1, 2024) and will require increased expenditures for compliance, inspection, and certification on existing vessels (keels laid on or after January 1, 2007) of least 3,000 gross tons.

SOLAS was enacted primarily to promote the safety of life and preservation of property. SOLAS, and the regulations and codes of practice thereunder, are regularly amended to introduce heightened shipboard safety requirements into the industry.

The ISM Code requires ship operators to develop and maintain an extensive Safety Management System ("SMS") that includes the adoption of a safety and environmental protection policy setting forth instructions and procedures for safe vessel operation and describing procedures for dealing with emergencies. The ISM Code also requires vessel operators to obtain a Document of Compliance ("DOC") demonstrating that the company complies with the SMS and a Safety Management Certificate ("SMC") for each vessel verifying compliance with the approved SMS by each vessel's flag state. No vessel can obtain an SMC unless the vessel's flag State issues a DOC to the manager.

Non-compliance with the ISM Code and regulations contained in other IMO conventions may subject a shipowner to increased liability, lead to decreases in available insurance coverage for affected vessels, or result in the denial of access to, or detention in, certain ports, which can cause delays. For example, the U.S. Coast Guard and EU authorities have indicated that vessels not in compliance with the ISM Code may be prohibited from trading in ports in the United States and the EU. Each company's DOC and each vessel's SMC must be periodically renewed, and compliance must be periodically verified.

On cybersecurity, IMO Cyber Risk Management Guidelines came into force on January 1, 2021. On June 7, 2022, IMO issued Revision 2 of its Guidelines on Maritime Cyber Risk Management, which provide high-level recommendations to vessel operators to assist in minimizing cybersecurity risks. Pursuant to the IMO's resolution MSC.428(98) administrations are encouraged to ensure that cyber risks are appropriately addressed in existing SMSs.

•**Vessel Security - the ISPS Code**

In 2002, following the September 11, 2001 terrorist attacks, SOLAS was amended to impose detailed security obligations on vessels and port authorities, most of which are contained in the International Ship and Port Facility Security (ISPS) Code, which is Chapter XI-2 of SOLAS. Vessels demonstrate compliance with the ISPS Code by having an International Ship Security Certificate issued by their flag State.

Among the various requirements are:

•On-board installation of automatic information systems to enhance vessel-to-vessel and vessel-to-shore communications;

•On-board installation of ship security alert systems;

•Development of Ship Security Plans;

•Appointment of a Ship Security Officer and a Company Security Officer; and

•Compliance with flag State's security certification requirements.

***Applicable U.S. Law***

Since 2023, he U.S. Federal Trade Commission ("FTC") was considering revisions to its Guides for the Use of Environmental Marketing Claims ("Green Guides"). As of March 24, 2025, the FTC has not released the revised Guides for the Use of Green Guides. It remains unclear when or if new guidance will be released. Until such time, the 2012 Green Guides remain the operative guidance.

The Office of the United States Trade Representative made a determination on January 20, 2025, that China's targeting of the maritime, logistics, and shipbuilding sectors is actionable under Section 301 of the Trade Act of 1974 because China's dominance is unreasonable and it burdens or restricts U.S. commerce. Based on that determination, the Office of the United States Trade Representative has proposed new port fees on vessels operated by Chinese companies, or on vessels built in China but operated by non-Chinese companies, or on vessels operated by companies that own Chinese vessels to counter China's dominance in the maritime industry. Fees of up to $1.5 million have been proposed per U.S. port call by Chinese-built vessels. A public hearing was held on March 24, 2025. Some of the vessels we operate were built in China, and so we may be subject to these fees for each port call of our vessels in the United States.

•**The Act to Prevent Pollution from Ships**

The Act to Prevent Pollution from Ships ("APPS") and corresponding U.S. Coast Guard regulations implement several MARPOL annexes in the United States. Violations of MARPOL, APPS, or the implementing regulations can result in liability for civil and/or criminal penalties. Numerous vessel owners and operators, as well as individual ship officers and shoreside

technical personnel, have been criminally prosecuted for APPS violations, which may result in significant fines and imprisonment for ship officers.

**•Clean Water Act, National Invasive Species Act, Vessel General Permit, and Vessel Incidental Discharge Act.**

The Clean Water Act ("CWA") prohibits the discharge of oil or hazardous substances in U.S. navigable waters and imposes penalties for unauthorized discharges without a permit or exemption. The CWA also imposes substantial liability for the costs of removal, remediation and damages.

The United States is not a party to the BWM Convention discussed above. Instead, ballast water operations are governed by the National Invasive Species Act ("NISA") and U.S. Coast Guard regulations mandating ballast water management practices for all vessels equipped with ballast water tanks entering U.S. waters, as well as the Vessel General Permit issued by the U.S. EPA under the CWA. In 2013, the Environmental Protection Agency ("EPA") adopted an enforcement response policy for ballast water discharges and U.S. Coast Guard extensions. The memorandum articulates how EPA will consider the grant of an extension by the Coast Guard when a vessel has not complied with the numeric ballast water discharge limits In addition, through the CWA certification provisions that allow U.S. states to place additional conditions on EPA's Vessel General Permit, a number of states have implemented a variety of stricter ballast water requirements. The past several years have seen a marked increase in enforcement actions by EPA for alleged violations of the Vessel General Permit.

Depending on a vessel's compliance date for installation of a U.S. Coast Guard type-approved ballast water management system, these requirements may be met by performing mid-ocean ballast exchange, by retaining ballast water onboard the vessel, or by using another ballast water management method authorized by the U.S. Coast Guard. As nearly all vessels approach their compliance date, ballast water exchange will soon no longer be permissible.

The Vessel Incidental Discharge Act ("VIDA") establishes a new framework for regulation of discharges incidental to the normal operation of commercial vessels into navigable waters of the United States, including management of ballast water. VIDA required the EPA to implement a final rule setting forth standards for incidental discharges, including ballast water, by December 4, 2020 and the U.S. Coast Guard to issue a final rule implementing the EPA's standards by December 4, 2022. However, EPA missed the statutory deadline of December 4, 2020. As of March 13, 2024, the EPA states they are targeting September 2024 for publication of the final rule on standards , which is consistent with what EPA was reporting in 2023. This was further agreed in a consent decree resulting from a February 2023 lawsuit brought by environmental groups against the EPA. As such, the overall implementation of VIDA will be delayed compared to its original timeline, including the U.S. Coast Guard's implementation of EPA's final rule on standards, which is scheduled for two years after EPA finalizes its standards. Implementation of VIDA is intended to create more uniformity in state and federal regulation of incidental vessel discharges. EPA signed the final rule establishing national standards for incidental discharges on September 20, 2024. On October 9, 2024, these Vessel Incidental Discharge National Standards of Performance were published. Several U.S. states have added specific requirements to the Vessel General Permit inclusion submission of a Notice of Intent, or retention of a PARI form and submission of annual reports. Until the USCG's regulations are final, effective, and enforceable, vessels will continue to be subject to the existing discharge requirements established in EPA's 2013 Vessel General Permit and the USCG's ballast water regulations.

On October 18, 2023, EPA published a Supplemental Notice to the Vessel Incidental Discharge National Standards Performance. The notice shares new ballast water information that EPA received from the U.S. Coast Guard and discusses regulatory options for ballast tanks, hulls and associated niche areas, and graywater systems under consideration for the final rule. Importantly, EPA did not significantly reduce the number of discharges covered, rather combined several discharges into one, taking a more systematic approach to managing the discharges. Two years after the EPA publishes its final standard, the U.S. Coast Guard is required to finalize corresponding implementation, compliance and enforcement regulations for those standards, including any requirements governing the design, construction, testing, approval, installation and use of devices necessary to achieve the EPA standards.

The 2013 VGP requirements remain in effect until such time that the U.S. Coast Guard develops regulations to implement EPA's VIDA standards. If this current schedule holds, VIDA will be implemented in late 2026.

**•Oil Pollution Act of 1990 and State Law Regarding Oil Pollution Liability**

The United States has a comprehensive regulatory and liability regime for the protection and cleanup of the environment from oil spills from all vessels, including cargo or bunker oil spills from tank vessels. This regime is set forth in the "OPA".

OPA applies to owners and operators whose vessels trade in the United States, its territories and possessions or whose vessels operate in U.S. waters. Under OPA, vessel owners, operators and bareboat charterers are "responsible parties" and are jointly, severally and strictly liable for all containment and clean-up costs. Responsible parties can also be liable for damages, arising from discharges or substantial threats of discharges, of oil from their vessels. Defenses to OPA include asserting that the spill

results solely from the act or omission of a third party, an act of God or an act of war, which is determined after-the-fact. As such, responsible parties must respond to a spill immediately irrespective of fault. This strict liability regulatory scheme has made liability insurance in the U.S. more expensive for shipowners and operators trading in the U.S. market.

OPA liability limits are periodically adjusted for inflation, and the U.S. Coast Guard's most recent adjustments took effect on March 23, 2023. OPA limits of liability of the responsible party for non-tank vessels are $1,300 per gross ton or $1,076,000, whichever is greater. For double hull tank vessels, other than edible oil tank vessels and oil spill response vessels, the limits of liability depends upon the size of the vessel. The liability amounts are listed as follows: for a tank vessel greater than 3,000 gross tons, other than a single-hull tank vessel, the greater of $2,500 per gross ton or $21,521,000; and for a tank vessel less than or equal to 3,000 gross tons, other than a single-hull tank vessel, the greater of $2,500 per gross ton or $5,380,300. Under OPA, these liability limits do not apply if an incident was directly caused by violation of applicable U.S. federal safety, construction or operating regulations or by a responsible party's gross negligence or willful misconduct, or if the responsible party fails or refuses to report the incident or to cooperate and assist in connection with oil removal activities.

Under OPA, an owner or operator of a fleet of vessels is required only to demonstrate evidence of financial responsibility in an amount sufficient to cover the vessel in the fleet having the greatest maximum liability under OPA. The Certificate of Financial Responsibility ("COFR") program has been created by the U.S. Coast Guard to ensure that vessels carrying oil as cargo or fuel in the U.S. waters have the financial ability to pay for removal costs and damages resulting from an oil spill or threat of a spill up to their liability limits, which are based on the gross tonnage of our vessels. These limits are subject to annual increases. It is possible for our liability limits to be broken as discussed above, which could expose us to unlimited liability.

A COFR is issued in the name of the company/person financially responsible in the event of a spill or threat of a spill and this is usually the owning company or operator of the vessel. Once they have shown the capability to pay clean-up and damage costs up to the liability limits required by OPA, and a guaranty is issued and then provided to the U.S. Coast Guard, the U.S. Coast Guard will issue a COFR. With a few limited exceptions (not applicable to Navios vessels), vessels greater than 300 gross tons and vessels of any size that are transferring oil or cargoes between vessels or shipping oil in the Exclusive Economic Zone ("EEZ") are required to comply with the COFR regulations in order to operate in U.S. waters.

The guarantor used throughout the Navios fleet is SIGCO/The Shipowners Insurance and Guaranty Company. SIGCO issues the guaranty noted above and confirms that if the responsible party does not respond to an oil spill or threat of a spill, the guarantor will be called upon to provide the funds to do so. This would be rare because any guaranty issued by SIGCO is contingent on protection and indemnity cover.

The COFR is renewed on a three-year basis whereas the COFR guaranty is renewed annually. The U.S. Coast Guard checks that a vessel has a valid COFR prior to or upon entering the U.S. waters. Some states have COFR requirements in addition to the federal requirement under OPA, which may be more stringent than the requirement under OPA.

Trading in the United States without a valid COFR may result in the vessel being detained and/or fined or prevented from entering U.S. ports until the COFR is in place.

We have provided satisfactory evidence of financial responsibility to the U.S. Coast Guard for all of our vessels and all have valid COFRs.

In addition to potential liability under OPA, individual states may impose their own and more stringent liability regimes with regard to oil pollution incidents occurring within their boundaries. Some states' environmental laws impose unlimited liability for oil spills and contain more stringent financial responsibility and contingency planning requirements.

**•Comprehensive Environmental Response, Compensation and Liability Act**

The Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA") contains a liability regime and provides for cleanup, removal and natural resource damages for the release of hazardous substances (other than oil) whether on land or at sea. Under U.S. law, certain petroleum products which may be carried by our fleet are not considered "oil" and thus are hazardous substances regulated by CERCLA. Thus, in some cases, CERCLA could be applicable to potential cargo spills from our vessels rather than OPA.

Under CERCLA, the owner or operator of a vessel from which there is a release or threatened release of a hazardous substance is liable for certain removal costs, other remedial action, damages due to injury of natural resources, and the costs of any required health assessment for releases that expose individuals to hazardous substances. Liability for any vessel that carries any hazardous substance as cargo or residue is limited to the greater of $300 per gross ton or $5 million. For any other vessel, the limitation is the greater of $300 per gross ton or $500,000. Failure to comply with these requirements may result in daily fines.

These liability limits do not apply if the release resulted from willful misconduct or gross negligence within the privity or knowledge of the responsible person, or from a violation of applicable safety, construction, or operating standards or regulations within the privity or knowledge of the responsible person. In addition, the liability limits also do not apply if the responsible person fails to provide all reasonable cooperation and assistance requested by a responsible public official in connection with response activities conducted under the National Contingency Plan.

Further, any person who is liable for a release or threat of release, and who fails to provide removal or remedial action ordered by the EPA is subject to punitive damages in an amount equal to three times the costs incurred by the federal Superfund trust fund as a result of such failure to act.

**•Clean Air Act and Emissions Regulations**

The Federal Clean Air Act ("CAA") requires the EPA to develop standards applicable to emissions of volatile organic compounds and other air contaminants. Our vessels are subject to CAA vapor control and recovery standards ("VCS") for cleaning fuel tanks and conducting other operations in regulated port areas.

Also, under the CAA, since 1990 the U.S. Coast Guard has regulated the safety of VCSs that are required under EPA and state rules. Our vessels operating in regulated port areas have installed VCSs that are compliant with EPA, state and U.S. Coast Guard requirements. The U.S. Coast Guard has adopted regulations that made its VCS requirements more compatible with new EPA and state regulations, reflected changes in VCS technology, and codified existing U.S. Coast Guard guidelines.

In December 2023, the U.S. House of Representatives introduced the Renewable Fuel for Ocean-Going Vessels Act which would amend the CAA to include fuel for oceangoing vessels as an additional type of renewable fuel for which credits may be generated under the existing renewable fuel program. This legislation is currently still pending in the House of Representatives. The same legislation was then introduced in the U.S. Senate in March 2025.

**•State Laws**

In the United States, there is always a possibility that state law could be more stringent than federal law. Such is the case with certain state laws concerning marine environmental protection. A few examples include:

•California adopted more stringent low sulfur fuel requirements within California-regulated waters, requiring marine gas oil and prohibiting exhaust gas cleaning systems.

•California adopted regulatory amendments that implement the federal ballast water discharge standards for vessels arriving at California ports, establish operational monitoring and recordkeeping requirements for vessels that use a ballast water treatment system to meet ballast water discharge performance standards, and authorize California State Lands Commission staff to collect ballast water and sediment samples for research purposes and compliance assessments. These changes have been in effect since 2022.

•California also requires the use of shore power or equivalent emissions reductions strategies for vessels at all California ports.

•Vessel owners may in some instances incur liability on an even more stringent basis under state law in the particular state where the spill occurred. For example, many U.S. states have unlimited liability and more stringent requirements for financial responsibility and contingency planning.

•Most states do not have comprehensive laws relating specifically to the discharge of hazardous substances from vessels into state waters as they do for oil discharges, but many states have general water pollution prevention laws that apply to hazardous substances and other materials and others have broadly written hazardous substance cleanup laws based on CERCLA that would provide a cause of action for discharges of hazardous substances from vessels.

•New York and Vermont have enacted Climate Superfund Acts which impose liability on large emitters of greenhouse gas emissions to address carbon pollution and do so retroactively. The New York law seeks damages to the state for

pollution that occurred between 2000 to 2018. Liability is not joint and several. New York's law is being challenged in federal court by 22 state attorney generals. Vermont's law seeks damages over a thirty-year period, or from 1995 to 2024. The law also is not joint and several. Legislatures in California, Maryland, Massachusetts, and Oregon are currently considering similar legislation.

**•Ship Safety and Security Laws**

With respect to ship safety, the requirements contained in SOLAS and the ISM Code generally have been implemented into U.S. law and are largely captured within U.S. Coast Guard regulations.

Ship security in the United States is governed primarily by the Marine Transportation Security Act of 2002 ("MTSA"), which is implemented by U.S. Coast Guard regulations that impose certain security requirements aboard vessels operating in waters subject to the jurisdiction of the United States.

Because the MTSA regulations were intended to be aligned with international maritime security standards contained in the ISPS Code, the regulations exempt non-U.S.-flag vessels from MTSA vessel security measures, provided such vessels have on board a valid International Ship Security Certificate ("ISSC") that attests to the vessel's compliance with SOLAS security requirements and the ISPS Code.

***Applicable EU Laws***

European regulations in the maritime sector are in general based on international law. However, since the Erika incident in 1999 and subsequent court decisions, the European Community has become increasingly active in the field of regulation of maritime safety and protection of the environment. It has been the driving force behind a number of amendments to MARPOL (including, for example, changes to accelerate the timetable for the phase-out of single hull tankers, and to prohibit the carriage in such tankers of heavy grades of oil), and if dissatisfied either with the extent of such amendments or with the timetable for their introduction it has been prepared to legislate on a unilateral basis.

In some instances, EU regulations may impose burdens and costs on shipowners and operators beyond the requirements under international rules and standards.

**•Liability for Pollution and Interaction between MARPOL and EU Law**

The EU has implemented certain EU-specific pollution laws, including a 2005 directive on ship-source pollution. This directive imposes criminal sanctions for pollution caused by intent or recklessness (which would be an offense under MARPOL), as well as by "serious negligence". The directive could therefore result in criminal liability being incurred in a European port state in circumstances where it may not be incurred in other jurisdictions. Directive (EU) 2024/3101 extends the 2005 directive's definition of "polluting substances" to cover also Annex III (harmful substances carried by sea in packaged form), Annex IV (sewage from ships) and Annex V (garbage from ships) to MARPOL 73/78 and Exhaust Gas Cleaning System residue. This directive entered force on January 5, 2025 and much be implemented by Member States by July 6, 2027.

The EU also promulgated another Directive, (EU) 2024/1203. This directive ensures common definitions of environmental criminal offences and the availability of effective, proportionate and dissuasive criminal penalties for serious environmental offences. According to this directive, Member States shall ensure that violations of standards constitute a criminal offence. This directive also mandates that Member States shall ensure that criminal offences relating to this conduct constitute qualified criminal offences. Directive (EU) 2024/1203 entered into force on 20 May 2024 and has to be implemented in national regulations on 21 May 2026 at the latest.

**•Regulation of Emissions and Emissions Trading System**

The EU has an Emissions Trading System ("ETS") that has been approved for the maritime transport sector. Formal adoption occurred in June 2023 and the ETS has been in effect since January 1, 2024.

On 14 July 2021, the European Commission adopted a series of legislative proposals depicting how it intends to achieve climate neutrality in the EU by 2050, including the intermediate target of an at least 55% net reduction in greenhouse gas emissions by 2030. The package proposes to revise several pieces of EU climate legislation, including the EU ETS FuelEU Maritime, Effort Sharing Regulation, transport and land use legislation, setting out in real terms the ways in which the Commission intends to reach EU climate targets under the European Green Deal. The EU ET includes the monitoring and reporting of CO2 emissions and will include methane and nitrous oxide in 2026. The ETS requires the purchase and surrender

of EU ETS emissions allowances equal to % carbon emitted, thereby putting a price on emissions (2025 – 40% of 2024 emissions; 2026 – 70% of 2025 emissions; 2027 – 100%). Allowances can be purchased through the European Energy Exchange (EEX) as the primary market. The surrendering is to be done by transferring EU allowances from the Maritime Operator Holding Account (MOHA) of a shipping company to its Administering Authority. The deadline to submit (surrender) allowances will be 30 September of the following year. In general, 100% of emissions on voyages within EU/EEA and while at berth are subject to ETS; and 50% of emissions on voyages in and out of EU/EEA are subject to ETS. In order to reduce the risk of evasion by container ships and the risk of relocation of container transshipment activities outside the EU/EEA, the EU ETS also contain a mitigation measure; stops at "neighboring container transshipment ports" (defined as certain ports located within 300 nautical miles of EU) are also subject to ETS. Vessels entering the EU must report under both EU Monitoring, Reporting and Verification ("EU MRV") and IMO Data Collection System.

The EU ETS covers 50% of emissions from voyages starting or ending outside of the EU (allowing the third country to decide on appropriate action for the remaining share of emissions) and 100% of emissions that occur between two EU ports and when ships are within EU ports. Exemptions to the EU ETS apply for certain voyages to outermost regions or some small islands, or to the benefit of ships using renewable fuels. Exemptions are subject to verification by the competent authority of the member state of the port of call or any duly authorized entity, after consulting relevant entities where appropriate. Compliance to EU ETS means that the shipping company responsible has surrendered a sufficient amount of allowances before September 30 following the reporting year.

The penalty for non-compliance with the EU ETS is penalties / fines. Shipping company that has failed to surrender allowances for two or more consecutive periods is also at risk of receiving an expulsion order. This order means ships can be refused entry into EU / EEA ports, and that they can be detained by the Member State the ship is flagged.

**•EU MRV**

The EU MRV regulation entered into force on July 1, 2015, and requires ship owners and operators to annually monitor, report, and verify carbon dioxide emissions for vessels larger than 5,000 gross tonnage calling at any EU, Norway and Iceland port. Data collection takes place on a per voyage basis and started on January 1, 2018. The reported carbon dioxide emissions, together with additional data, are to be verified by independent certified bodies and sent to a central database managed by the European Maritime Safety Agency. Since the year, 2019, it is mandatory for the companies to submit an approved by an independent verifier emissions report to the European Commission and to the responsible authorities of the flag states. The aggregated ship emission and efficiency data is published by the European Commission. From 2025 on, per the EU's Trading System EU MRV will apply to offshore ships above 400 GT and general cargo ships between 400 and 5000 GT.

**•FuelEU Maritime**

Closely linked to MRV Maritime and the EU ETS, the "FuelEU Maritime Regulation" (Regulation (EU) 2023/1805 of the European Parliament and of the Council of 13 September 2023) is a regulation under which shipping companies have to monitor, calculate and report the average annual GHG intensity of the energy used on board each of their ships. This Regulation requires from January 2025 the reporting of life cycle emissions rather than direct emissions ("Well-to-Wake", WtW emissions), while the MRV Maritime and EU ETS require the reporting of direct emissions, or "Tank-to-Wake" (TtW) emissions. FuelEU Maritime has its own compliance system. With certain exceptions, the FuelEU Maritime Regulation will apply to ships above 5,000 gross tons calling at EU / EEA ports from 1 January 2025, irrespective of flag. This regulation contains two main requirements; (i) an obligation to use onshore power supply or other zero-emission technology in ports; and (ii) the introduction of increasingly stringent limitations on the carbon intensity of fuels/energy used on board vessels. There are specific targets for reduction of the yearly average GHG intensity of the energy used on board by ships, set in 5-year steps, ranging from 2% in 2025 to 80% in 2050.

The obligation to use onshore power supply or other zero-emission technology in ports will apply from 1 January 2030. The limitations on the carbon intensity of fuels/energy used on board vessels will, applies since 1 January 2025. Rather than dictating the type of fuels to be used by the shipping industry, the FuelEU Maritime Regulation requires that the yearly average intensity of the energy used on board ships does not exceed a specific GHG intensity limit. The GHG intensity limit is calculated from a reference value of 91,16 grams of CO2 equivalent per MJ. This reference value will be reduced by a given percentage in certain years; starting with a 2% reduction in 2025 and ending with an 80% reduction in 2050. The targets cover not only CO2 but also methane and nitrous oxide emissions over the full lifecycle of the fuels used onboard.

Shipping companies will have to document compliance with the FuelEU Maritime Regulation. Compliant shipping companies will receive a "FuelEU Certificate of Compliance", which must be kept onboard the vessels. For vessel which does not meet the annual limits, a penalty system will be established. The penalties will be calculated on the basis of specific rules set out in an annex to the regulation. Generally, these will be based on the amount and cost of renewable and low-carbon fuel that the vessel would have needed to use in order to meet the relevant requirements. If a vessel has failed to present a valid FuelEU Certificate of Compliance for two or more consecutive reporting periods an expulsion order may be issued, with consequences similar to those applicable for EU ETS.

Beginning January 1 2025, companies have been required to record data for each of their ships' arrivals and departures at EU ports related to FuelEU Maritime. Additionally, by January 31 of each verification period, a ship-specific 'FuelEU report' must be provided to the verifier. The regulation can apply differently depending on the type of voyage undertaken. Additionally, exemptions are available. The requests for these exemptions must be notified by Member States to the European Commission and will be published by the Commission in the Official Journal of the European Union. They are subject to a time limit, with an expiration date no later than December 31, 2029.

**•Ship Recycling and Waste Shipment Regulations**

The EU continues to advance regulation on ship recycling and waste shipment. On December 31, 2018, EU-flagged vessels became subject to Regulation (EU) No. 1257/2013 of the European Parliament and of the Council of 20 November 2013 on ship recycling (the "EU Ship Recycling Regulation" or "ESRR") and exempt from Regulation (EC) No. 1013/2006 of the European Parliament and of the Council of 14 June 2006 on shipments of waste (the "European Waste Shipment Regulation" or "EWSR"), which had previously governed their disposal and recycling. The EWSR continues to be applicable to Non-European Union Member State-flagged ("non-EU-flagged") vessels. These regulations were recently amended.

Regulation (EU) 2024/1157 of 11 April 2024 on shipments of waste, amended Regulation (EU) 1257/2013 (of 20 November 2013 on ship recycling and amending Regulation (EC) 1013/2006 and Directive 2009/16/EC) and Regulation (EU) 2020/1056 (of 15 July 2020 on electronic freight transport information), and repealed Regulation (EC) 1013/2006 (of 14 June 2006 on shipments of waste)).

Regulation (EU) 2024/1157 shall apply from 21 May 2026, with some exceptions. Regulation (EU) 2024/1157 is intended to supplement the general waste management legislation of the EU, such as Directive 2008/98/EC of the European Parliament and of the Council of 19 November 2008. Regulation (EU) 2024/1157 implements at the EU level the Basel Convention of 22 March 1989 on the control of transboundary movements of hazardous wastes and their disposal.

On May 15, 2009, the IMO adopted the Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships, 2009 (the "Hong Kong Convention"). The Hong Kong Convention was ratified by 16 states, representing 40% of the world fleet, in June 2023 and will enter into force on June 26, 2025. The Hong Kong Convention requires ships over 500 gross tonnes operating in international waters to maintain an Inventory of Hazardous Materials (an "IHM").

Under the ESRR, commercial EU-flagged vessels of 500 gross tonnage and above may be recycled only at shipyards included on the European List of Authorised Ship Recycling Facilities (the "European List"). The European List presently includes eleven facilities in Turkey, and one facility in the United States amidst 31 European locations, but no facilities in the major ship recycling countries in Asia. The combined capacity of the European List facilities may prove insufficient to absorb the total recycling volume of EU-flagged vessels, particularly given the above-referenced requirements which are in the process of coming into force. This circumstance, taken in tandem with the possible decrease in cash sales, may result in longer wait times for divestment of recyclable vessels as well as downward pressure on the purchase prices offered by European List shipyards. Furthermore, facilities located in the major ship recycling countries generally offer significantly higher vessel purchase prices, and as such, the requirement that we utilize only European List shipyards may negatively impact revenue from the residual values of our vessels.

In addition, the EWSR requires that non-EU-flagged ships departing from European Union ports be recycled only in Organisation for Economic Co-operation and Development (OECD) member countries. In March 2018, the Rotterdam District Court ruled that the sale of four recyclable vessels by third-party Dutch shipowner Seatrade to cash buyers, who then reflagged and resold the vessels to non-OECD country recycling yards, were effectively indirect sales to non-OECD country yards, in violation of the EWSR. If European Union Member State courts widely adopt this analysis, it may negatively impact

revenue from the residual values of our vessels and we may be subject to a heightened risk of non-compliance, due diligence obligations and costs in instances in which we sell older ships to cash buyers.

**Maritime Decarbonization: Energy Efficiency and Greenhouse Gas Reduction**

IMO's Initial Strategy and Recent Developments

The IMO now has mandatory measures for an international greenhouse gas ("GHG") reduction regime for a global industry sector, and recent activity indicates continued interest and regulation in this area in the coming years.

The IMO's initial strategy targeted both reducing gross output and efficiency. In order to reduce emissions and increase shipboard efficiency, the IMO coordinated ways to measure these approaches in two primary ways. First, the technical aspects and design of existing vessels will now be governed by the Energy Efficiency Existing Ships Index ("EEXI"). EEXI regulations provide that an "Attained EEXI" must be calculated for each ship, and a "Required EEXI" for specified ship types. Second, the Carbon Intensity Indicators ("CII") index will now govern every ship's operational efficiency based upon Data Collection System information. Aspects of a vessel's CII will need to be documented under the existing framework of the SEEMP. Ships of 5,000 GT and above were required to revise their SEEMP before January 1, 2023.

MARPOL Annex VI amendments entered into force on November 1, 2022, and requirements for EEXI and CII certification went into effect on January 1, 2023. The first annual reporting was completed in 2023, with the first rating given in 2024. A review clause requires the IMO to review the effectiveness of the implementation of the CII and EEXI requirements, by January 1, 2026, at the latest, and, if necessary, develop and adopt further amendments. The IMO reviewed EEXI requirements at MEPC 82 in September 2024 and found that there were no gaps. In reviewing CII and SEEMP, the IMO noted that it will continue to examine various issues that were brought up by committee members throughout 2025 and into 2026.

The MEPC 79 session also took further steps to address GHG emissions. In particular, the session adopted amendments to designate the Mediterranean Sea, as a whole, as an Emission Control Area for Sulphur Oxides and Particulate Matter, under MARPOL Annex VI. In such an Emission Control Area, the limit for sulfur in fuel oil used on board ships is 0.10% mass by mass (m/m), while outside these areas the limit is 0.50% m/m. The amendment entered into force on May 1, 2024, with the new limit taking effect on May 1, 2025. The session also adopted amendments to MARPOL Annex VI to include information on the flashpoint of fuel in the Bunker Delivery Note.

MEPC 80 adopted the 2023 IMO Strategy on Reduction of Greenhouse Gas Emissions at its July 2023 meeting. The revised IMO will seek to achieve net-zero greenhouse gas emissions from international shipping by 2050 and alternative zero and near-zero greenhouse gas emissions by 2030. As yet, regulations in this regard have not been implemented, but MEPC and IMO continue to emphasize that targets remain unchanged. The strategy also calls for the development of measures to deliver on the reduction targets. The comprehensive impact assessment of the basket of candidate GHG reduction mid-term measures was completed, but due to concerns raised it was agreed to carry out additional work before MEPC 83, assessing the potential impact GHG regulations may have on food security. The short-term measures are to be completed by January 1, 2026.

MEPC 81 reviewed measures like the Data Collection System for fuel oil consumption of ships, EEXI and CII along with a discussion of mid-term measures and lifetime assessments of marine fuels. Amendments to Appendix IX of MARPOL Annex VI were adopted concerning definitions of fuel oil and gas fuel and when sampling requirements do not apply, replacement of a steam engine and NOX compliance. Both the Ballast Water Management Convention and Hong Kong Convention on ship recycling were implemented and the 2024 Guidelines on SEEMP, 2022 fuel consumption data and 2019-2022 carbon intensity data were also adopted.

MEPC 81 also approved two proposals for designation of ECAs. One is for the Canadian Arctic Waters, for Nitrogen Oxides, Sulphur Oxides and Particulate Matter and in the Norwegian Sea for Nitrogen Oxide and Sulphur Oxides. The draft amendments to MARPOL Annex VI to establish the ECAs will be forwarded to MEPC 82 for adoption. The earliest entry-into force date of the amendments would be March 1, 2026.

Green House Gas (GHG) Regulations

In February 2005, the Kyoto Protocol to the United Nations Framework Convention on Climate Change (the "UNFCCC") entered into force. Pursuant to the Kyoto Protocol, adopting countries are required to implement national programs to reduce emissions of certain greenhouse gases, generally referred to as GHGs, which are suspected of contributing to global warming. Currently, GHG emissions from international shipping do not come under the Kyoto Protocol.

The IMO has developed and intends to continue developing limits on GHG emissions. The IMO is also considering its position on market-based measures through an expert working group.

Among the numerous proposals being considered by the working group are the following: a port State levy based on the amount of fuel consumed by the vessel on its voyage to the port in question; and a global emissions trading scheme which would allocate emissions allowances and set an emissions cap, among others. The IMO's goal is to reduce total annual GHG emissions by at least 50% by 2050 compared to 2008, while at the same time, pursuing efforts towards phasing them out entirely.

Some attention has been paid to GHGs in Europe as detailed above. On June 28, 2013, the European Commission ("EC") adopted a communication setting out a strategy for progressively including GHG emissions from maritime transport in the EU's policy for reducing its overall GHG emissions. The first step proposed by the EC was an EU Regulation to an EU-wide system for the monitoring, reporting and verification of carbon dioxide emissions from large ships starting in 2018. The Regulation was adopted on April 29, 2015, and took effect on July 1, 2015. Monitoring, reporting and verification requirements began on January 1, 2018. The EC also adopted an Implementing Regulation, which entered into force in November 2016, setting templates for monitoring plans, emissions reports, and compliance documents pursuant to Regulation 2015/757.

In the United States, there are varying approaches on whether to add additional regulations on GHG emissions. In the spring of 2022, the U.S. Coast Guard was also expected to adopt GHG regulations that mirror MARPOL Annex VI, but those regulations still remain pending. The Coast Guard has reported that its regulations will be designed to "fill gaps in the existing framework". The Coast Guard and U.S. Environmental Protection Agency ("EPA") have entered a memorandum of understanding ("MOU") by which they have agreed on enforcement responsibilities relating to inspections of marine fueling facilities, shipboard compliance inspections and investigations and enforcement actions. In September 2022, the U.S. Department of Energy, Transportation, Housing and Urban Development and EPA signed a historic memorandum of understanding to enable the four agencies to accelerate efforts to decarbonize the transportation sector. In January 2023, the agencies released the U.S. National Blueprint for Transportation Decarbonization, an interagency framework of strategies to remove all emissions from the sector by 2050.

In the United States, the EPA issued a finding that greenhouse gases endanger the public health and safety, adopted regulations to limit greenhouse gas emissions from certain mobile sources, and proposed regulations to limit greenhouse gas emissions from large stationary sources. In February 2025, EPA moved to reverse this 2009 declaration.

In January 2023, the U.S. Department of Energy issued an updated decarbonization strategy which included specific policy measures for the maritime sector. The strategy calls for incentivizing research and development activities for zero-emission shipping technology, including alternative fuels and propulsion systems. The strategy seeks to promote electric and hybrid options for small vessels, operational efficiency improvements and onboard carbon capture systems. The U.S. Department of Energy has also recently reported that it is monitoring maritime decarbonization efforts and coordinating with other U.S. government agencies regarding this topic, in addition to providing grants and other funding to support decarbonization efforts.

The U.S. Department of Energy hosted a Maritime Decarbonization Action Plan Workshop in late 2023, in anticipation of the Plan's release later this year. The plan will outline decarbonization pathways across fuels, energies, technologies, vessel types and operational profiles.

Other decarbonization efforts, include the Call to Action for Shipping Decarbonization, an outgrowth of the 2021 United Nations Climate Change Conference, which is aimed at focusing on decarbonizing shipping by 2050.

In March 2024, the SEC released a final rule (the "SEC Climate Rule") requiring certain reporting criteria for U.S. public companies, including the disclosure of climate-related risk information in registration statements and periodic reports.. On March 27, 2025, in a filing in the Eighth Circuit litigation, the SEC stated that it would no longer defend the rules and asked the court to set them aside and dismiss the pending cases.

The new disclosure rules would require public companies to disclose certain GHG risks provided that they are material as defined by the SEC and relevant court precedents. The addition of a "materiality" requirement for disclosure was a significant departure from the proposed rule. The SEC Climate Rule defines materiality as existing when "there is a substantial likelihood that a reasonable investor would consider it important when determining whether to buy or sell securities or how to vote or such a reasonable investor would view omission of the disclosure as having significantly altered the total mix of information made available. The materiality determination is fact specific and one that requires both quantitative and qualitative considerations". Publicly traded companies subject to the SEC Climate Rule must also provide information about their direct greenhouse gas (GHG) emissions (Scope 1) and indirect emissions from purchased electricity or other forms of energy (Scope 2)". Companies are required to disclose whether such climate-related risks are reasonably likely to occur in the short-term (within the next 12 months) or long-term. If a company has undertaken activities to mitigate or adapt to climate-related risks, it is required to provide a quantitative and qualitative description of any material expenditures incurred and any material impacts on financial estimates and assumptions that directly resulted from such mitigation or adaptation activities. Companies will be required to disclose any climate-related targets or goals that have materially affected, or are reasonably likely to

materially affect, their business, results or operations or financial condition. The final rule includes phased-in compliance dates based on filer status, with the earliest filing requirements beginning in 2026.

In the United States, states have passed and are considering similar climate disclosure legislation. In 2023, California passed the Climate Corporate Accountability Act which requires large companies doing business in California and making $1 billion (gross revenue) to report and verify their Scope 1, Scope 2, and Scope 3 greenhouse gas emissions. California also passed the Climate-Related Financial Risk Act which requires companies doing business in California and obtaining over $500 million (gross revenue) to disclosure information relating to the company's climate-related financial risk and their plans to mitigate any such climate-related risks biannually. Companies must also post their climate-related risks on their website. Both bills' first reporting deadlines are on January 1, 2026. In December 2024, CARB issued an enforcement notice delaying enforcement of the first cycle of emissions reporting (Scope 1 and Scope 2) under the emissions disclosure law for one year. It also opened a public comment period to solicit information on how the laws should be implemented on December 16, 2024. The comment period will close on March 21, 2025. CARB is still expected to issue regulations for the laws by July 1, 2025.

In 2023, California also passed AB 1305, or the Voluntary Carbon Market Disclosures Business Regulation Act, effective on January 1, 2024. The legislation applies to entities operating in California that market or sell voluntary carbon offsets, or make claims regarding the achievement of net zero emissions, carbon neutral status or significant carbon emissions reductions. Each activity will require companies to disclose on their website specific information related to its methodology.

New York, Colorado, New Jersey and Illinois have similar legislation related to climate disclosure for both private and publicly traded companies that is still pending in their respective state legislatures. We are continuing to monitor these bills.

The EU Corporate Sustainability Reporting Directive's ("CSRD") requirements will require most large maritime shipping companies to report on GHG emissions. Under the CSRD, companies within its scope must disclose their business model, sustainability objectives, progress, management's involvement in sustainability, policies, due diligence processes, adverse impacts, mitigation measures, sustainability risks, and relevant indicators. Additionally, the CSRD mandates disclosure of transition plans for climate change mitigation, ensuring alignment with a sustainable economy and the Paris Agreement's goal of limiting warming to 1.5°C. Companies without plans must specify intentions to develop one, with the absence potentially deterring investor interest due to perceived financial risks. On January 20, 2021, an executive order was issued for the U.S. to enter the Paris Agreement, with the country officially rejoining on February 19, 2021. Then, in January 2025, an executive order was signed to initiate the process of the United States' withdrawal from the Paris Agreement.

Most large EU companies will need to comply for financial years beginning on or after January 1, 2025. CSRD will apply to all large EU companies with more than 250 employees, a turnover of more than 40 million Euros, or total assets of 20 million Euros. Non-EU entities with annual EU- generated revenues in excess of 150 million Euros which also have a large or listed EU subsidiary or a significant EU branch (generating at least 40 million Euros) will have to comply.

The first set of reporting standards, developed by the European Financial Reporting Advisory Group (EFRAG) and endorsed by the European Commission, were adopted on July 31, 2023. A second set of reporting standards, European Sustainability Reporting Standards and sector-specific standards for large non-EU companies have been postponed until June 30, 2026. Non-EU parent companies must still prepare a group report from the financial year beginning on or after January 1, 2028. Reporting on greenhouse gas emissions (scopes 1, 2, and 3) is obligatory if climate change is recognized as a material concern following a materiality assessment. For example, it is anticipated that a company operating in the shipping sector acknowledges climate change as a significant issue.

The CSRD requires member states to establish effective supervision and sanction systems. Breaches may incur rectification orders, administrative late fees, or criminal liability, including fines or imprisonment, to enforce compliance with CSR reporting requirements.

On March 15, 2024, the Committee of Permanent Representatives (COREPER) of the Council of the European Union surprisingly approved an amended draft of the Corporate Sustainability Due Diligence Directive (CS3D). This approval came after several postponements due to opposition from certain EU member states.

For EU companies to fall under the directive's scope, thresholds have been raised from 500 to 1000 employees, and the global turnover threshold has increased from exceeding 150 million euros to exceeding 450 million euros. Non-EU companies are covered by the CS3D if they have a turnover of more than 450 million euros in the EU.

The main obligations under the CS3D include conducting risk-based human rights and environmental due diligence and adopting and implementing a climate transition plan. This plan aims to ensure, through best efforts, that a company's business model and strategy align with the transition to a sustainable economy and with the goal of limiting global warming to 1.5°C as per the Paris Agreement. The transition plan should include time-bound climate change targets, decarbonization levels, key actions, investment descriptions, and the roles of administrative bodies.

Non-compliance with the CS3D may result in various sanctions, such as orders from supervisory authorities, penalties of up to 5% of the company's net worldwide turnover, and civil liability for damages caused by non-compliance with due diligence obligations.

In February 2025, the European Commission published an Omnibus Simplification Package which proposes significant amendments to streamline and reduce the administrative burden associated with CSRD and CS3D compliance. Under the CSRD, while the double materiality obligation would be retained, the scope is significantly amended, and will now cover approximately 10,000 firms, from the original 50,000. Sector-specific standards would also be removed, and firms would no longer be required to obtain data from firms not covered by the CSRD. Changes to CS3D are also wide ranging, as firms would no longer be obliged to report on their entire chain of activities, but only their direct business partners, and monitoring would only have to be done every 5 years, down from yearly. Each proposal will be separately negotiated in the European Parliament and Council. Negotiations in the European Parliament are expected to take months. On March 27, 2025, EU member states in the European Council approved the European Commission's directive delaying implementation of the law, while the proposal to amend portions of CSRD and CS3D make their way through the legislative process. The European Parliament is set to vote on proposal to delay implementation on April 1, 2025.

***Economic Sanctions and Compliance***

We constantly monitor developments in the U.S., the EU and other jurisdictions that maintain economic sanctions against Iran, Russia, Venezuela, other countries, and other sanctions targets, including developments in implementation and enforcement of such sanctions programs. Expansion of sanctions programs, embargoes and other restrictions in the future (including additional designations of countries and persons subject to sanctions), or modifications in how existing sanctions are interpreted or enforced, could prevent our vessels from calling in ports in sanctioned countries or could limit their cargoes.

Across all sanctions regimes it is important to ensure that due diligence has been carried out on the parties involved in each transaction. Whilst the US, EU and UK maintain lists of sanctioned persons (as do other jurisdictions), there is variance between those lists on the individuals and entities listed. It cannot be assumed that an individual or entity who does not appear on one list is not caught by alternative sanctions regimes.

**Iran Sanctions**

There is significant divergence in the U.S. and EU / UK positions on Iran, largely stemming from the U.S. withdrawal from the Joint Comprehensive Plan of Action (JCPOA). The EU / UK sanctions on Iran are rather limited, while the U.S. maintains a comprehensive trade embargo.

EU and UK sanctions

EU sanctions on Iran remain in place in relation to the export of arms and military goods listed in the EU Common Military List, military-related goods and items that might be used for internal repression as well as in relation to listed individuals / entities. Full details of these goods can be found in the EU Common Military List and the consolidated EU Council Regulation 267/2012 and EU Council Regulation 359/2011 (each as amended from time to time). Trade with Iran which is caught by the above mentioned sanctions can only be engaged if prior authorization (granted on a case-by-case basis) is obtained from the relevant national authorities within the EU. The remaining restrictions apply to the sale, supply, transfer or export, of specific listed goods directly or indirectly to any Iranian person/for use in Iran, as well as the provision of technical assistance, financing or financial assistance in relation to the restricted activity. Certain individuals and entities remain sanctioned and the prohibition to make available, directly or indirectly, economic resources or assets to or for the benefit of sanctioned parties remains. "Economic resources" is widely defined and it remains prohibited to provide vessels for a fixture from which a sanctioned party (or parties related to a sanctioned party) directly or indirectly benefits. It is therefore still necessary to carry out due diligence on the parties and cargoes involved in fixtures involving Iran.

The UK imposes similar sanctions to the EU in circumstances where there has not been a significant shift in the Iran sanctions regime following the UK's departure from the EU.

U.S. Sanctions

U.S. economic sanctions on Iran fall into two general categories: "Primary" sanctions, which prohibit, barring an applicable U.S. Government authorization, U.S. persons or U.S. companies and their foreign branches, U.S. citizens, foreign owned or controlled subsidiaries, U.S. permanent residents, persons within the territory of the United States, generally where a US nexus is established, from engaging in all direct and indirect trade and other transactions with Iran without U.S. government authorization, virtually from any transaction with an Iran nexus; and U.S. "secondary" sanctions, which in contrast, can apply to non-U.S. persons. – even when there is no U.S. nexus to the transaction (i.e. U.S. person or U.S. dollar involvement).

The current secondary sanctions in place with respect to Iran, are relatively expansive and include but are not limited to: (i) sanctions on the Iranian metals industry, (ii) sanctions on Iran's shipping and shipbuilding sectors, (iii) sanctions on the Iranian energy industry, which includes the petroleum and petrochemicals industries, (iv) sanctions on the Iranian construction, mining, manufacturing, and textiles industry, and (v) sanctions with SDNs sanctioned under certain programs. These secondary sanctions prohibit significant/material transactions involving the sale, supply, or transfer of goods or services used in connection with any of the aforementioned industries and sectors of Iran's economy.

**Russia Sanctions**

As a result of the crisis in Ukraine and the annexation of Crimea by Russia in 2014, both the United States and the EU implemented sanctions in 2014 against Crimea and certain Russian individuals and entities. These sanctions which are still in force have been greatly expanded and fortified due to Russia's invasion of Ukraine in February 2022. The United States, the EU, the UK and other nations have imposed expanded economic sanctions against certain Russian individuals, entities and business sectors. Among other things, these sanctions suspend the use of SWIFT for certain Russian banks, curtail Russian access to the sanctioning-countries' credit markets, forbid Russian aircraft from flying over NATO and other airspace, impose wide ranging trade sanctions in respect of certain Russian exports and prohibit the export of many items to Russia and their provision to persons in Russia.

EU Sanctions

Since 2014, the EU has imposed travel bans and asset freezes on certain Russian persons and entities pursuant to which it is prohibited to make available, directly or indirectly, economic resources or assets to or for the benefit of the sanctioned parties. Other entities are subject to sectoral sanctions, which limit the provision of equity financing and loans to the listed entities. Additionally, various restrictions on trade have been implemented, including a prohibition on the import into the EU of goods originating in Crimea or Sevastopol or the provision of goods to Crimea/Sevastopol. This includes certain Russian seaports where restrictions would prevent a vessel from calling at the port.

Since February 2022, the EU has designated a significant number of individuals and entities as subject to an asset freeze. Notably a number of trading companies have sought to distance themselves from the involvement of sanctioned persons and caution must therefore be exercised when dealing with any Russian individual or entity with appropriate due diligence carried out in accordance with company procedures.

In particular, the EU has widened existing trade sanctions in relation to Russia including by (i) restricting exports of dual-use and military , and various other advanced technologies, (ii) various restrictions on financial services (including a ban on certain banks from using the SWIFT system), (iii) prohibitions against any transactions with certain state-owned entities, and (iv) various trade and transport restrictions for both export and import of goods, including in relation to inter alia oil and petroleum products, coal, steel/iron, fertilisers, luxury goods, metals, LNG and various other goods; (v) imposing restrictions to capture various services, including business management services, accounting, architectural and engineering, and legal advice services; (vi) introducing port bans on certain categories of vessels; and (vii) imposing notification requirements for sale of tanker vessels.

The E.U. has also implemented price cap policies with respect to with respect to Russian-origin crude oil and petroleum products.

Lastly, the EU, has also introduced broad trade restrictions in respect of newly annexed regions of Ukraine (Donetsk, Kherson, Luhansk and Zaporizhzhia).

U.S. Sanctions

U.S. sanctions against Russia were initially imposed following Russia's annexation of Crimea in 2014 and have been greatly expanded in the last year following Russia's full invasion of Ukraine. The current sanctions against Russia include full blocking sanctions, an investment ban/trade embargo with respect to certain commodities, sectoral sanctions aimed at certain sectors of the Russian economy, and sanctions with respect to "Covered Regions" in Ukraine. In addition, the majority of the U.S. sanctions against Russia also authorize the imposition of secondary sanctions against any deemed to have materially assisted any persons or entities sanctioned pursuant to the Russian sanctions program. We also note there is a broad carveout to the U.S. sanctions against Russia for transactions involving agricultural commodities.

Additionally, the U.S. has also designated various sectors of the Russian economy for blocking sanctions pursuant to E.O. 14024, including notably the marine sector. Pursuant to this sector designation, the U.S. has the ability to designate to the SDN list any individual or entity determined to be operating or have operated in the marine sector of the Russian economy.

The U.S. has also imposed in E.O. 14066 a prohibition against the importation of Russian-origin petroleum products into the United States. This prohibition encompasses shipments of Russian-origin commodities such as crude oil, petroleum fuels, petroleum, oils and products of their distillation, coal and coal products, and liquefied natural gas. E.O. 14066 also prohibits U.S. persons from financing, approving, facilitating, or guaranteeing a transaction of a foreign person where the transaction by that person would be prohibited under the E.O. if that person were a U.S. person. E.O. 14066 also prohibits new investment by U.S. persons in the Russian energy sector. The United States has also issued Executive Order 14071, a complete prohibition on "new investment" in Russia by a U.S. person.

On November 22, 2022, the United States Department of the Treasury, announced determinations, pursuant to Executive Order 14071, which prohibit the provision of trading/commodities broker, financing, shipping, insurance, flagging, and customs brokering services as they relate to the maritime transport of crude oil and petroleum products of Russian Federation origin (collectively "Covered Services").

The Treasury Department, in coordination with other G7 states, the European, Union, and Australia, authorized the provision of the foregoing services when the price of Russian-origin crude oil does not exceed a certain price, as determined by the Secretary of the Treasury, effectively creating price caps on Russian-origin crude oil and petroleum products. Effective December 5, 2022, the Secretary of the Treasury and other members of the price cap coalition set the price cap on Russian-origin crude oil at $60 per barrel. Effective February 5, 2023, cap on Discount to Russian-origin crude petroleum products has been set at $45 per barrel and at $100 per barrel for Premium to Russian-origin crude petroleum products. The discount to crude price cap applies to naphtha, residual fuel oil, and waste oils, whereas the premium to crude price cap applies to gasoline, motor fuel blending stock, gasoil and diesel fuel, kerosene and kerosene-type jet fuel, and vacuum gas oil. While these price cap policies are not directed specifically at Navios, they could have some impact on our trade, in particular with respect to obtaining "Covered Services" in the U.S. or by U.S. persons.

UK Sanctions

Since its departure from the EU, the UK's departure from the EU it has enacted its own sanctions regime, which although in parts mirrors the approach of the EU, is a distinct sanctions regime. Again from February 2022 further restrictions were imposed targeting Russia and those connected to the invasion of Ukraine. Care should be taken to identify where the regimes differ, as whilst frequently similar, there are often key distinctions.

UK restrictions similarly include designation of individuals as subject to an asset freeze and travel ban as well as restrictions in relation to the import, export, supply, delivery and making available of certain goods. There is also a ban on Russian flagged or owned ships from entering UK ports and lastly, the U.K. has also recently implemented price cap policies with respect to Russian-origin crude oil and petroleum products.

**Venezuela Sanctions**

EU and UK sanctions

EU sanctions against Venezuela are primarily governed by EU Council Regulation 2017/2063 (as amended from time to time) concerning restrictive measures in view of the situation in Venezuela. This includes financial sanctions and restrictions on listed persons and an, arms embargo, and related prohibitions and restrictions including restrictions on items related to internal repression.

The UK imposes similar sanctions to the EU in circumstances where there has not been a significant shift in the Venezuela sanctions regime following the UK's departure from the EU.

U.S. Sanctions

The U.S. sanctions against Venezuela mainly consist of primary sanctions aimed at U.S. persons and activities within the United States and does not contain broad secondary sanctions aimed at non-U.S. persons such as Navios, unless the transaction involves an SDN subject to secondary sanctions. However, there are a number of components of the U.S. sanctions against Venezuela that impact the international shipping community as will be discussed below.

First, E.O. 13850 authorizes sanctions against anyone determined to operate in designated sectors of the Venezuela economy. The designated sectors consist of the gold, oil, financial, and security/defense sectors. This E.O. is pertinent because it has been used in the past to sanction vessels and vessel-owning companies engaged in the trade of Venezuelan oil. E.O. 13850 also authorizes sanctions against anyone who is determined to have provided material assistance, goods or services to a SDN who is designated under E.O. 13850.

Second, E.O. 13884 blocked the Government of Venezuela and all entities 50% or more owned by the Government of Venezuela. Under E.O. 13884, unless exempt or authorized by OFAC, the property and interests in property of persons meeting the definition of the "Government of Venezuela" that are in, or come within, the United States or the possession or control of a United States person are blocked. However, while the Government of Venezuela entities are blocked, they are not necessarily also designated to the SDN list. The prohibitions set forth in E.O. 13884 apply to Navios only with respect to voyages involving U.S. persons or activities within the United States.

General License 41, that previously permitted the lifting of Venezuelan oil from the PdVSA-Chevron joint venture, was revoked on March 4, 2025.

**Other E.U., UK, and U.S. Economic Sanctions Targets**

The EU and UK also maintain sanctions against North Korea, Belarus and certain other countries and against individuals listed by the EU/UK. These restrictions apply to our operations and as such, to the extent that these countries may be involved in any business it is important to carry out checks to ensure compliance with all relevant restrictions and to carry out due diligence checks on counterparties and cargoes.

The United States maintains comprehensive economic sanctions against various other countries, including Syria, Cuba and North Korea as well as sanctions against entities and individuals (such as entities and individuals in the foregoing targeted countries, designated terrorists, narcotics traffickers) whose names appear on the List of SDNs and Blocked Persons maintained by the U.S. Treasury Department (collectively, the "Sanctions Targets") and sanctions targeting particular industries (including the potash industry in Belarus). We are subject to the prohibitions of these sanctions to the extent that any transaction or activity we engage in involves Sanctions Targets and a U.S. person or otherwise has a nexus to the United States.

**Taxation of the Partnership**

**United States Taxation**

The following is a discussion of the material U.S. federal income tax considerations applicable to us. This discussion is based upon provisions of the Code, final and temporary regulations thereunder ("Treasury Regulations"), and administrative rulings and court decisions, all as in effect currently and during our year ended December 31, 2024 and all of which are subject to change, possibly with retroactive effect. Changes in these authorities may cause the tax consequences to vary substantially from the consequences described below. The following discussion is for general information purposes only and does not purport to be a comprehensive description of all of the U.S. federal income tax considerations applicable to us.

**Election to be Treated as a Corporation:** We have elected to be treated and we are currently treated as a corporation for U.S. federal income tax purposes. As such, (i) we are subject to U.S. federal income tax on our income to the extent it is from U.S. sources or otherwise is effectively connected with the conduct of a trade or business in the United States as discussed below; and (ii) we are not subject to section 1446 as that section only applies to entities that for U.S. federal income tax purposes are characterized as partnerships.

**Taxation of Operating Income:** Substantially all of our gross income is attributable to international shipping. For this purpose, gross income attributable to transportation ("Transportation Income") includes income derived from, or in connection with, the use, the hiring for use, or the leasing for use (if any) of a vessel to transport cargo, or the performance of services directly related to the use of any vessel to transport cargo, and thus includes both time charter income and bareboat charter income (if any).

Transportation Income that is attributable to transportation that either begins or ends, but that does not both begin and end in the United States ("U.S. Source International Transportation Income") is considered to be 50.0% derived from sources within the United States. Transportation Income attributable to transportation that both begins and ends in the United States ("U.S. Source Domestic Transportation Income") is considered to be 100.0% derived from sources within the United States. Transportation Income attributable to transportation exclusively between non-U.S. destinations is considered to be 100.0% derived from sources outside the United States. Transportation Income derived from sources outside the United States generally is not subject to U.S. federal income tax.

We believe that we did not earn any U.S. Source Domestic Transportation Income for our fiscal year ended December 31, 2024 and expect that we will not earn any such income for future years. However, certain of our activities gave rise to U.S. Source International Transportation Income, and future expansion of our operations could result in an increase in the amount of U.S. Source International Transportation Income, which generally would be subject to U.S. federal income taxation, unless the exemption from U.S. federal income taxation under Section 883 of the Code (the "Section 883 Exemption") applied.

**The Section 883 Exemption:** In general, the Section 883 Exemption provides that if a non-U.S. corporation satisfies the requirements of Section 883 of the Code and the Treasury Regulations thereunder (the "Section 883 Regulations"), it will not be subject to the net basis and branch profit taxes or the 4.0% gross basis tax described below on its U.S. Source International Transportation Income. The Section 883 Exemption applies only to U.S. Source International Transportation Income and does not apply to U.S. Source Domestic Transportation Income. We qualify for the Section 883 Exemption if, among other matters, we meet the following three requirements:

•We are organized in a jurisdiction outside the United States that grants an equivalent exemption from tax to corporations organized in the United States with respect to the types of U.S. Source International Transportation Income that we earn (an "Equivalent Exemption");

•We satisfy the Publicly Traded Test (as described below) or the qualified shareholder stock ownership test (as described in the Section 883 Regulations); and

•We meet certain substantiation, reporting and other requirements.

We are organized under the laws of the Republic of the Marshall Islands. The U.S. Treasury Department has recognized the Republic of the Marshall Islands as a jurisdiction that grants an Equivalent Exemption with respect to the type of income that we have earned and are expected to earn. Consequently, our U.S. Source International Transportation Income (including for this purpose, any such income earned by our subsidiaries, that have elected to be disregarded as entities separate from us for U.S. federal income tax purposes) will be exempt from U.S. federal income taxation provided we meet the Publicly Traded Test or the qualified shareholder stock ownership test and we satisfy certain substantiation, reporting and other requirements.

In order to meet the "Publicly Traded Test", the equity interests in the non-U.S. corporation at issue must be "primarily traded" and "regularly traded" on an established securities market either in the United States or in a jurisdiction outside the United States that grants an Equivalent Exemption. The Section 883 Regulations generally provide, in pertinent part, that a class of equity interests in a non-U.S. corporation will be considered to be "primarily traded" on an established securities market in a given country if the number of units of such class that are traded during any taxable year on all established securities markets in that country exceeds the number of units in such class that are traded during that year on established securities markets in any other single country. Equity interests in a non-U.S. corporation will be considered to be "regularly traded" on an established securities market under the Section 883 Regulations provided one or more classes of such equity interests representing more than 50.0% of the aggregate vote and value of all of the outstanding equity interests in the non-U.S. corporation satisfy certain listing and trading volume requirements. These listing and trading volume requirements are satisfied with respect to a class of equity interests listed on an established securities market provided trades in such class are effected, other than in de minimis quantities, on such market on at least 60 days during the taxable year and the aggregate number of units in such class that are traded on such market or markets during the taxable year are at least 10% of the average number of units outstanding in that class during the taxable year (with special rules for short taxable years). In addition, a class of equity interests traded on an established securities market in the United States will be considered to satisfy the listing and trading volume requirements if the equity interests in such class are "regularly quoted by dealers making a market" in such class (within the meaning of the Section 883 Regulations). Notwithstanding these rules, a class of equity that would otherwise be treated as "regularly traded" on an established securities market will not be so treated if, for more than half of the number of days during the taxable year, one or more "5.0% unitholders" (i.e., unitholders owning, actually or constructively, at least 5.0% of the vote and value of that class) own in the aggregate 50.0% or more of the vote and value of that class (the "Closely Held Block Exception"), unless the corporation can establish that a sufficient proportion of such 5.0% unitholders are qualified shareholders (as defined in the Section 883 Regulations) so as to preclude other persons who are 5.0% unitholders from owning 50.0% or more of the value of that class for more than half the days during the taxable year.

Because substantially all of our common units are and have been traded on the NYSE, which is considered to be an established securities market, our common units are and have been "primarily traded" on an established securities market for purposes of the Publicly Traded Test.

Further, although the matter is not free from doubt, based upon our expected cash flow and distributions on our outstanding equity interests, we believe that our common units represented more than 50.0% of the total value of all of our outstanding equity interests, and we believe that we satisfied the trading volume requirements described previously for our fiscal year ended December 31, 2024. We believe that we did not lose eligibility for the Section 883 Exemption as a result of the Closely Held Block Exception for such year, and consequently, we believe that we satisfied the Publicly Traded Test for our fiscal year ended December 31, 2024.

While there can be no assurance that we will continue to satisfy the requirements for the Publicly Traded Test in the future, and our board of directors could determine that it is in our best interests to take an action that would result in our not being able to satisfy the Publicly Traded Test, we presently expect, subject to the possibility that our common units may be delisted by a qualifying exchange, to continue to satisfy the requirements for the Publicly Traded Test and the Section 883 Exemption

for future years. Please see below for a discussion of the consequences in the event we do not satisfy the Publicly Traded Test or otherwise fail to qualify for the Section 883 Exemption.

Please also see the risk factor entitled "Item 3. Key Information - D. Risk Factors - Risks Relating to Our Units - The New York Stock Exchange may delist our securities from trading on its exchange, which could limit your ability to trade our securities and subject us to additional trading restrictions".

**The Net Basis Tax and Branch Profits Tax:** If we earn U.S. Source International Transportation Income and the Section 883 Exemption does not apply, the U.S. source portion of such income may be treated as effectively connected with the conduct of a trade or business in the United States ("Effectively Connected Income") if we have a fixed place of business in the United States and substantially all of our U.S. Source International Transportation Income is attributable to regularly scheduled transportation or, in the case of bareboat charter income (if any), is attributable to a fixed place of business in the United States.

We believe that, for our fiscal year ended December 31, 2024, none of our U.S. Source International Transportation Income was attributable to regularly scheduled transportation or received pursuant to bareboat charters. As a result, we believe that none of our U.S. Source International Transportation Income for such year would be treated as Effectively Connected Income even in the event that we did not qualify for the Section 883 Exemption. However, there is no assurance that we will not earn income pursuant to regularly scheduled transportation or bareboat charters attributable to a fixed place of business in the United States in the future, which would result in such income being treated as Effectively Connected Income. In addition, any U.S. Source Domestic Transportation Income may be treated as Effectively Connected Income. Any income we earn that is treated as Effectively Connected Income would be subject to U.S. federal corporate income tax (presently imposed at a 21.0% rate) as well as a 30.0% branch profits tax imposed under Section 884 of the Code. In addition, a 30.0% branch interest tax could be imposed on certain interest paid or deemed paid by us.

On the sale of a vessel that has produced Effectively Connected Income, we could be subject to the net basis corporate income tax as well as the branch profits tax with respect to the gain recognized up to the amount of certain prior deductions for depreciation that reduced Effectively Connected Income. Otherwise, we would not be subject to U.S. federal income tax with respect to gain realized on the sale of a vessel, provided the gain is not attributable to an office or other fixed place of business maintained by us in the United States under U.S. federal income tax principles.

**The 4.0% Gross Basis Tax:** If the Section 883 Exemption does not apply and the net basis tax does not apply, we would be subject to a 4.0% U.S. federal income tax on the U.S. source portion of our gross U.S. Source International Transportation Income, without the benefit of any deductions.

**Marshall Islands Taxation**

Based on the opinion of Reeder and Simpson, P.C., our counsel as to matters of the law of the Republic of the Marshall Islands, because we, our operating subsidiary and our controlled affiliates do not, and do not expect to, conduct business or operations in the Republic of the Marshall Islands, neither we nor our controlled affiliates will be subject to income, capital gains, profits or other taxation under current Marshall Islands law. As a result, distributions by our operating subsidiary and our controlled affiliates to us will not be subject to Marshall Islands taxation.

**Other Tax Jurisdictions**

Certain of Navios Partners' subsidiaries are incorporated in countries which impose taxes, such as Malta, however such taxes are immaterial to Navios Partners' operations.

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

**C. Organizational Structure**

Please read exhibit 8.1 to this annual report for a list of our significant subsidiaries as of December 31, 2024.

**Affiliates included in the financial statements accounted for under the equity method:**

In the consolidated financial statements of Navios Partners for the reported periods, there are no affiliates accounted for under the equity method.

**D. Property, plants and equipment**

Other than our vessels, we do not have any material property, plants or equipment.

**Item 4A. Unresolved Staff Comments**

None

**Item 5. Operating and Financial Review and Prospects**

The following is a discussion of Navios Partners' financial condition and results of operations for each of the fiscal years ended December 31, 2024, 2023 and 2022. Navios Partners' consolidated financial statements have been prepared in accordance with U.S. GAAP. You should read this section together with the consolidated financial statements and the accompanying notes to those financial statements, which are included in this document.

This report contains forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Reform Act of 1995. These forward-looking statements are based on Navios Partners' current expectations and observations. Included among the factors that, in our view, could cause actual results to differ materially from the forward-looking statements contained in this report are those discussed under "Risk Factors" and "Forward-Looking Statements".

**Overview**

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

As of March 20, 2025, there were outstanding 29,487,443 common units and 622,296 general partnership units. Angeliki Frangou, our Chief Executive Officer and Chairwoman beneficially owns an approximately 17.1% common interest of the total outstanding common units including 4,672,314 common units held through four entities affiliated with her. Angeliki Frangou beneficially owns 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.

Please see "Item 4. Information on the Partnership".

**Fleet Developments**

Please read Note 6 – Vessels, net to our consolidated financial statements, included elsewhere in this annual report for a full description of the Company's fleet developments.

Please read "Item 5. Operating and Financial Review and Prospects – Recent Developments" for a full description of the Company's most recent fleet developments.

Please read Note 15 – Commitments and contingencies to our consolidated financial statements, included elsewhere in this annual report for a full description of vessels to be delivered to our fleet.

Please read Note 2(b) – Summary of significant accounting policies to our consolidated financial statements, included elsewhere in this annual report for a full description of the Company's subsidiaries.

**Recent Developments**

In January and February 2025, Navios Partners took delivery of the Nave Neutrino, a 2025-built Aframax/LR2 of 115,807 dwt, the HMM Ocean and the HMM Sky, two 2025-built 7,700 TEU Containerships.

In February 2025 and March 2025, Navios Partners agreed to sell a 2006-built Panamax of 76,596 dwt, a 2005-built Panamax of 76,801 dwt and a 2007-built 2,741 TEU Containership, to unrelated third parties. The aggregate gross sale proceeds of the

above vessels amounted to $34.7 million. The sale of the 2005-built Panamax of 76,801 dwt was completed on March 17, 2025 and the sales of the remaining two vessels are expected to be completed during the second quarter of 2025.

In March 2025, Navios Partners entered into an export credit agency-backed facility for a total amount up to $151.5 million (including insurance premium) in order to finance part of the acquisition cost of two newbuilding 7,900 TEU containerships, currently under construction. The facility matures 12 years after the delivery date of each vessel and bears interest at Compounded SOFR plus 124 bps per annum.

**Our Charters**

We generate revenues by charging our customers for the use of our vessels to transport their liquid, dry and containerized cargos. 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 under long-term charters.

For the year ended December 31, 2024, only one customer accounted for 10.0% or more of our total revenues and represented approximately 11.3% of our total revenues. For the years ended December 31, 2023 and 2022, no customer accounted for 10.0% or more 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 dry dock 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.

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.

**Vessel Operations**

Our Manager is generally responsible for the commercial, technical, health and safety and other management services related to the vessels' operation, while charterers are usually responsible for bunkering and substantially all of the vessel voyage costs, including canal tolls and port charges.

For more information on our agreements with the Manager, please read "Item 7. Major Unitholders and Related Party Transactions" and the Note 17 – Transactions with related parties and affiliates to our consolidated financial statements, included elsewhere in this annual report.

**Administrative Services**

Under the Administrative Services Agreement we entered into with the Manager, we reimburse the Manager for reasonable costs and expenses incurred in connection with the provision of the services under this agreement after the Manager submits to us an invoice for such costs and expenses, together with any supporting detail that may be reasonably required.

For more information, please read "Item 7. Major Unitholders and Related Party Transactions - Administrative Services Agreement" and the Note 17 – Transactions with related parties and affiliates to our consolidated financial statements, included elsewhere in this annual report.

**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. Other key factors that will be fundamental to our business, future financial condition and results of operations include:

•the demand for seaborne transportation services;

•the ability of the Manager's commercial and chartering operations to successfully employ our vessels at economically attractive rates, particularly as our fleet expands and our charters expire;

•the effective and efficient technical management of our vessels;

•the Manager's ability to satisfy technical, health, safety and compliance standards of major commodity traders; and

•the strength of and growth in the number of our customer relationships, especially with major commodity traders.

In addition to the factors discussed above, we believe certain specific factors will impact our combined and consolidated results of operations. These factors include:

•the charter hire earned by our vessels under our charters;

•our access to capital required to acquire additional vessels and/or to implement our business strategy;

•our ability to sell vessels at prices we deem satisfactory;

•our level of debt and the related interest expense and amortization of principal; and

•the level of any distribution on our common units.

Please read "Risk Factors" for a discussion of certain risks inherent in our business.

**A. Operating results**

**Year ended December 31, 2024 compared to the year ended December 31, 2023**

The following table presents consolidated revenue and expense information for the years ended December 31, 2024 and 2023. This information was derived from the audited consolidated revenue and expense accounts of Navios Partners for the respective periods.

| | Year Ended December 31, 2024 | Year Ended December 31, 2023 |
|---|---|---|
| | (In thousands of U.S. dollars) | |
| Time charter and voyage revenues | $ 1,334,066 | $ 1,306,889 |
| Time charter and voyage expenses | (146,429) | (160,231) |
| Direct vessel expenses | (77,169) | (69,449) |
| Vessel operating expenses (entirely through related parties transactions) | (349,160) | (331,653) |
| General and administrative expenses | (85,165) | (80,559) |
| Depreciation and amortization of intangible assets | (228,472) | (217,823) |
| Amortization of unfavorable lease terms | 12,718 | 19,922 |
| Gain on sale of vessels, net | 25,760 | 50,248 |
| Interest expense and finance cost, net | (124,529) | (133,642) |
| Interest income | 13,803 | 10,699 |
| Other income | 582 | 53,682 |
| Other expense | (8,697) | (14,438) |
| **Net income** | **$ 367,308** | **$ 433,645** |

The following table reflects certain key indicators of Navios Partners' fleet performance for the years ended December 31, 2024 and 2023.

| | Year Ended December 31, 2024 | Year Ended December 31, 2023 |
|---|---|---|
| Available Days[(1)] | 54,261 | 54,766 |
| Operating Days[(2)] | 53,656 | 54,294 |
| Fleet Utilization[(3)] | 98.9% | 99.1% |
| Time Charter Equivalent rate (per day)[(4)] | $ 22,924 | $ 22,337 |
| Vessels operating at period end | 152 | 151 |

(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 are off-hire due to any reason, including unforeseen circumstances. The shipping industry uses operating days to measure the aggregate number of days in a relevant period during which vessels actually generate revenues.

(3) Fleet utilization is the percentage of time that Navios Partners' vessels were available for generating revenue, and is determined by dividing the number of operating days during a relevant period by the number of available days during that period. The shipping industry uses fleet utilization to measure efficiency in finding employment for vessels and minimizing the amount of days that its vessels are off-hire for reasons other than scheduled repairs, drydockings or special surveys.

(4) Time Charter Equivalent rate ("TCE rate") per day is defined as voyage, time charter revenues and charter-out revenues under bareboat contracts (grossed up by the applicable fixed vessel operating expenses for the respective periods) less voyage expenses during a period divided by the number of available days during the period. The TCE rate per day is a customary shipping industry performance measure used primarily to present the actual daily earnings generated by vessels on various types of charter contracts for the number of available days of the fleet.

**Time charter and voyage revenues:** Time charter and voyage revenues of Navios Partners for the year ended December 31, 2024 increased by $27.2 million, or 2.1%, to $1,334.1 million, as compared to $1,306.9 million for the same period in 2023. The increase in revenue was mainly attributable to the increase in TCE rate, partially mitigated by the decrease in the available days of our fleet. For the years ended December 31, 2024 and December 31, 2023, time charter and voyage revenues were positively affected by $1.9 million and negatively affected by $40.7 million, respectively, relating to the straight-line effect of the containership and tanker charters with de-escalating rates. For the year ended December 31, 2024, the TCE rate increased by 2.6% to $22,924 per day, as compared to $22,337 per day for the same period in 2023. The available days of the fleet slightly decreased by 0.9% to 54,261 days for the year ended December 31, 2024, as compared to 54,766 days for the same period in 2023 mainly due to the sale of vessels, partially mitigated by the deliveries of newbuilding vessels.

**Time charter and voyage expenses:** Time charter and voyage expenses for the year ended December 31, 2024 decreased by $13.8 million, or 8.6%, to $146.4 million, as compared to $160.2 million for the year ended December 31, 2023. The decrease was mainly attributable to: (i) a $21.1 million decrease in bareboat and charter-in hire expenses of the dry bulk fleet; (ii) an $11.3 million decrease in bunker expenses arising from the decreased days of freight voyages in 2024; (iii) a $0.6 million decrease in port expenses; and (iv) a $0.2 million decrease in brokers' commissions. The above decrease was partially mitigated by a $19.4 million increase in other voyage expenses.

**Direct vessel expenses:** Direct vessel expenses for the year ended December 31, 2024, increased by $7.8 million, or 11.2%, to $77.2 million, as compared to $69.4 million for the year ended December 31, 2023. The increase was mainly attributable to the amortization of the deferred drydock and special survey costs due to the increase in the number of vessels that underwent drydocking or special survey.

**Vessel operating expenses:** Vessel operating expenses for the year ended December 31, 2024, increased by $17.5 million, or 5.3%, to $349.2 million, as compared to $331.7 million for the year ended December 31, 2023. The increase was mainly due to the change in the composition of our fleet with deliveries and sales of vessels and the adjustment of the fixed daily fee in accordance with the Management Agreements.

**General and administrative expenses:** General and administrative expenses increased by $4.6 million, or 5.7%, to $85.2 million for the year ended December 31, 2024, as compared to $80.6 million for the year ended December 31, 2023. The increase was mainly due to a: (i) $3.9 million increase in administrative expenses in accordance with the administrative services agreement in effect until January 1, 2025; and (ii) $0.7 million increase in legal and professional fees, as well as audit fees and other administrative expenses.

**Depreciation and amortization of intangible assets:** Depreciation and amortization of intangible assets amounted to $228.5 million for the year ended December 31, 2024, as compared to $217.8 million for the year ended December 31, 2023. The increase of $10.7 million was mainly attributable to a: (i) $16.3 million increase due to the delivery of 24 vessels in 2023 and 2024; and (ii) $3.7 million increase in depreciation expense due to vessel improvements. The above increase was partially mitigated by a: (i) $8.2 million decrease in depreciation due to the sale of 25 vessels in 2023 and 2024; and (ii) $1.1 million decrease in amortization of favorable lease terms. Depreciation of vessels is calculated using an estimated useful life of 25 years for drybulk 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 $12.7 million and $19.9 million for the years ended December 31, 2024 and December 31, 2023, respectively, related mainly to the amortization of the fair value of the time charters with unfavorable lease terms as determined at the acquisition date of Navios Containers.

**Gain on sale of vessels, net:** Gain on sale of vessels, net amounted to $25.8 million for the year ended December 31, 2024, relating to a $42.9 million gain on sale of our vessels, partially mitigated by a $17.1 million impairment loss on four of our vessels. Gain on sale of vessels, net amounted to $50.2 million for the year ended December 31, 2023, relating to a $53.0 million gain on sale of our vessels, partially mitigated by a $2.8 million impairment loss on one of our operating lease assets.

**Interest expense and finance cost, net:** Interest expense and finance cost, net for the year ended December 31, 2024 decreased by $9.1 million, or 6.8%, to $124.5 million, as compared to $133.6 million for the year ended December 31, 2023. The decrease was mainly due to the decrease in the discount effect of long-term assets and other finance costs, the increase in interest expense capitalized related to deposits for vessel acquisitions, the decrease in interest expense incurred on finance lease liabilities, partially mitigated by the increase in amortization of finance charges. The weighted average interest rate for the year ended December 31, 2024 decreased to 6.9% from 7.2% for the year ended December 31, 2023, while Navios Partner's average loan balance increased to $1,989.7 million for the year ended December 31, 2024, as compared to the $1,922.4 million for the year ended December 31, 2023.

**Interest income:** Interest income amounted to $13.8 million for the year ended December 31, 2024, as compared to $10.7 million for the year ended December 31, 2023, mainly due to the increase of interest in time deposits.

**Other income:** Other income for the year ended December 31, 2024 amounted to $0.6 million, as compared to $53.7 million for the year ended December 31, 2023, mainly due to the hire received in 2023 as compensation for the early termination of the charter parties for two containerships.

**Other expense:** Other expense for the year ended December 31, 2024 amounted to $8.7 million as compared to $14.4 million for the year ended December 31, 2023, mainly due to the decrease in expenses related to claims and foreign exchange differences, partially mitigated by an increase in other miscellaneous expenses.

**Net income:** Net income for the year ended December 31, 2024 amounted to $367.3 million compared to net income of $433.6 million for the year ended December 31, 2023. The decrease in net income of $66.3 million was due to the factors discussed above.

For a detailed discussion of operating results for the year ended December 31, 2023 compared to the year ended December 31, 2022 please see "Item 5. Operating and Financial Review and Prospects - A. Operating results" included in Navios Partners' 2023 Annual Report filed on Form 20-F with the SEC on April 3, 2024, which information is incorporated herein by reference.

**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.

**B. 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 December 31, 2024, Navios Partners' current assets totaled $443.0 million, while current liabilities totaled $409.7 million, resulting in a positive working capital position of $33.3 million. Navios Partners' cash forecast indicates that it will generate sufficient cash through its contracted revenue as of March 20, 2025, of $3.7 billion and cash proceeds from the sale of vessels (see Note 21 – Subsequent events to our consolidated financial statements, included elsewhere in this annual 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 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 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.

As of December 31, 2024, the total borrowings, net of deferred finance costs were $2,128.9 million.

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 their affiliates' ownership in Navios Partners of at least 5.0%; and subordinating the obligations under the credit facilities to any general and administrative costs related to the vessels and the payables under the Management Agreements.

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 $0.5 million 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 $135.0 million.

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 December 31, 2024, Navios Partners was in compliance with the financial covenants and/or the prepayments and/or the cure provisions, as applicable, in each of its credit facilities and certain financial liabilities.

Please read Note 10 – Borrowings to our consolidated financial statements, included elsewhere in this annual report for a full description of the financing arrangements of the Company as of December 31, 2024.

Please read "Item 5. Operating and Financial Review and Prospects – Recent Developments" for a full description of the Company's most recent financing arrangements.

Please read Note 13 – Repurchases and issuance of units to our consolidated financial statements, included elsewhere in this annual report for a full description of the Company's equity offerings and issuances of units.

Please See "Item 4. Information on the Partnership – A. History and Development of the Partnership" for further discussion of Navios Partners' Liquidity and Capital Resources.

Navios Partners also minimizes exposure to credit risk by dealing with a diversified group of major financial institutions.

**Cash flows for the year ended December 31, 2024 compared to the year ended December 31, 2023:**

The following table presents cash flow information for the years ended December 31, 2024 and 2023. This information was derived from the audited Consolidated Statements of Cash Flows of Navios Partners for the respective periods.

| | Year Ended December 31, 2024 | Year Ended December 31, 2023 |
|---|---|---|
| | (In thousands of U.S. dollars) | |
| Net cash provided by operating activities | $ 483,478 | $ 560,317 |
| Net cash used in investing activities | (782,126) | (253,015) |
| Net cash provided by/ (used in) financing activities | 349,262 | (233,225) |
| **Increase in cash, cash equivalents and restricted cash** | **$ 50,614** | **$ 74,077** |

**Net cash provided by operating activities for the year ended December 31, 2024 as compared to the net cash provided by operating activities for the year ended December 31, 2023:**

Net cash provided by operating activities decreased by $76.8 million to $483.5 million for the year ended December 31, 2024 as compared to $560.3 million for the same period in 2023.

The net cash outflow resulting from the change in operating assets and liabilities of $135.3 million for the year ended December 31, 2024 resulted from a: (i) $119.1 million in payments for dry dock and special survey costs; (ii) $32.0 million decrease in amounts due to related parties; and (iii) $7.7 million decrease in accounts payable. This amount was partially mitigated by: (i) a $9.0 million decrease in prepaid expenses and other current assets; (ii) an $8.8 million decrease in accounts receivable; (iii) a $3.6 million decrease in amounts due from related parties; (iv) a $1.2 million increase in accrued expenses; and (v) an $0.9 million increase in deferred revenue.

The net cash outflow resulting from the change in operating assets and liabilities of $134.8 million for the year ended December 31, 2023 resulted from: (i) a $101.3 million in payments for dry dock and special survey costs; (ii) a $72.7 million decrease in amounts due to related parties; (iii) an $8.3 million decrease in deferred revenue; and (iv) a $1.6 million decrease in accounts payable. This amount was partially mitigated by a: (i) $32.8 million decrease in accounts receivable; (ii) $7.6 million decrease in prepaid expenses and other current assets; (iii) $7.5 million increase in accrued expenses; and (iv) $1.2 million decrease in amounts due from related parties.

**Net cash used in investing activities for the year ended December 31, 2024 as compared to the net cash used in investing activities for the year ended December 31, 2023:**

Net cash used in investing activities for the year ended December 31, 2024 amounted to $782.1 million, as compared to $253.0 million for the year ended December 31, 2023.

Net cash used in investing activities of $782.1 million for the year ended December 31, 2024 was mainly due to: (i) $747.0 million related to vessel acquisitions and additions; and (ii) $260.1 million related to deposits for the acquisition/ option to acquire vessels and capitalized expenses. This was partially mitigated by: (i) $190.3 million of proceeds related to the sale of ten vessels; and (ii) $34.7 million decrease in time deposits with original maturities greater than three months.

Net cash used in investing activities of $253.0 million for the year ended December 31, 2023 was mainly due to: (i) $282.1 million related to deposits for the acquisition/ option to acquire vessels and capitalized expenses; (ii) $182.9 million related to vessel acquisitions and additions; and (iii) $47.0 million related to time deposits with original maturities of greater than three months. This was partially mitigated by $259.0 million of proceeds related to the sale of 15 vessels.

**Net cash provided by financing activities for the year ended December 31, 2024 as compared to the net cash used in financing activities for the year ended December 31, 2023:**

Net cash provided by financing activities increased by $582.5 million to $349.3 million inflow for the year ended December 31, 2024, as compared to $233.2 million outflow for the same period in 2023.

Net cash provided by financing activities of $349.3 million for the year ended December 31, 2024 was mainly due to $966.1 million proceeds from the new credit facilities and financial liabilities. This amount was partially mitigated by: (i) $575.0 million repayments of loans and financial liabilities; (ii) $25.0 million related to the acquisition of treasury units; (iii) $10.7 million payments of deferred finance costs related to the new credit facilities and financial liabilities; and (iv) $6.1 million payments for cash distributions.

Net cash used in financing activities of $233.2 million for the year ended December 31, 2023 was mainly due to: (i) $822.7 million repayments of loans and financial liabilities; (ii) $14.0 million payments of deferred finance costs related to the new credit facilities and financial liabilities; and (iii) $6.2 million payments for cash distributions. This amount was partially mitigated by $609.7 million proceeds from the new credit facilities and sale and leaseback agreements.

For a detailed discussion of cash flows for the year ended December 31, 2023 compared to the year ended December 31, 2022 please see “Item 5. Operating and Financial Review and Prospects - A. Operating results” included in Navios Partners’ 2023 annual report filed on Form 20-F with the SEC on April 3, 2024, which information is incorporated herein by reference.

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

| | Year Ended December 31, 2024 | Year Ended December 31, 2023 | Year Ended December 31, 2022 |
|---|---|---|---|
| | (In thousands of U.S. dollars) | | |
| Net cash provided by operating activities | $ 483,478 | $ 560,317 | $ 506,340 |
| Net increase in operating assets | 97,685 | 59,729 | 139,537 |
| Net decrease in operating liabilities | 37,606 | 75,079 | 255 |
| Net interest cost | 110,726 | 122,943 | 82,235 |
| Amortization and write-off of deferred finance cost | (7,841) | (7,188) | (5,349) |
| Amortization of operating lease assets/liabilities | 2,973 | (8,918) | (3,912) |
| Non-cash amortization of deferred revenue and straight-line | 7,006 | (54,396) | (51,048) |
| Stock-based compensation | — | (4) | (154) |
| Gain on sale of vessels, net | 25,760 | 50,248 | 149,352 |
| **EBITDA[(1)]** | **$ 757,393** | **$ 797,810** | **$ 817,256** |
| Gain on sale of vessels, net | (25,760) | (50,248) | (149,352) |
| **Adjusted EBITDA[(1)]** | **$ 731,633** | **$ 747,562** | **$ 667,904** |
| Cash interest income | 13,561 | 9,883 | 856 |
| Cash interest paid | (139,261) | (144,388) | (80,626) |
| Maintenance and replacement capital expenditures | (266,266) | (224,080) | (244,589) |
| **Operating Surplus[(2)]** | **$ 339,667** | **$ 388,977** | **$ 343,545** |

| | Year Ended December 31, 2024 | Year Ended December 31, 2023 | Year Ended December 31, 2022 |
|---|---|---|---|
| | (In thousands of U.S. dollars) | | |
| Net cash provided by operating activities | $ 483,478 | $ 560,317 | $ 506,340 |
| Net cash used in investing activities | $ (782,126) | $ (253,015) | $ (316,241) |
| Net cash provided by/ (used in) financing activities | $ 349,262 | $ (233,225) | $ (184,447) |

**(1)EBITDA and Adjusted EBITDA**

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

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

EBITDA for the year ended December 31, 2024 was affected by the accounting effect of a $25.8 million net gain related to the gain on sale of our vessels (including an impairment loss of $17.1 million). Excluding this item, Adjusted EBITDA decreased by $16.0 million to $731.6 million for the year ended December 31, 2024, as compared to $747.6 million for the same period in 2023. The decrease in Adjusted EBITDA was primarily due to a: (i) $53.1 million decrease in other income, mainly due to the hire received in 2023 as compensation for the early termination of the charter parties for two containerships; (ii) $17.5 million increase in vessel operating expenses mainly due to the change in the composition of our fleet with deliveries and sales of vessels and the adjustment of the fixed daily fee in accordance with our Management Agreements; (iii) $4.6 million increase in general and administrative expenses in accordance with our administrative services agreement in effect until January 1, 2025. The above decrease was partially mitigated by a: (i) $27.2 million increase in time charter and voyage revenues; (ii) $13.8 million decrease in time charter and voyage expenses, mainly due to the decrease in bareboat and charter-in hire expenses of the dry bulk fleet and the decrease in bunker expenses arising from the decreased days of freight voyages in 2024; (iii) $12.5 million decrease in direct vessel expenses (excluding the amortization of deferred drydock, special survey costs and other capitalized items); and (iv) $5.7 million decrease in other expenses.

EBITDA for the year ended December 31, 2023 was affected by the accounting effect of a $50.2 million net gain related to the sale of 15 of our vessels (including an impairment loss of $2.8 million in connection with one of our operating lease assets). Excluding this item, Adjusted EBITDA increased by $79.7 million to $747.6 million for the year ended December 31, 2023, as compared to $667.9 million for the same period in 2022. The increase in Adjusted EBITDA was primarily due to a: (i) $96.4 million increase in time charter and voyage revenues; (ii) $52.6 million increase in other income, mainly due to the hire received in 2023 as compensation for the early termination of the charter parties for two containerships; and (iii) $1.8 million decrease in direct vessel expenses (excluding the amortization of deferred drydock, special survey costs and other capitalized items). The above increase was partially mitigated by a: (i) $37.6 million increase in time charter and voyage expenses, mainly due to the increase in a) bareboat and charter-in hire expense of the tanker and drybulk fleet and b) bunker expenses arising from the increased days of freight voyages in 2023; (ii) $19.7 million increase in vessel operating expenses in accordance with our Management Agreements, mainly due to the expansion of our fleet; (iii) $13.4 million increase in general and administrative expenses, mainly due to the expansion of our fleet in accordance with our administrative services agreement in effect until January 1, 2025; and (iv) $0.4 million increase in other expenses.

**(2)Operating Surplus**

Navios Partners generated an Operating Surplus for the year ended December 31, 2024 of $339.7 million, as compared to $389.0 million for the year ended December 31, 2023. 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.

**Borrowings**

Navios Partners' long-term third party borrowings are presented under the captions "Long-term financial liabilities, net", "Long-term debt, net", "Current portion of financial liabilities, net" and "Current portion of long-term debt, net". As of December 31, 2024 and December 31, 2023, total borrowings, net of deferred finance costs amounted to $2,128.9 million and $1,861.5 million, respectively. The current portion of long-term borrowings, net of deferred finance costs amounted to $266.2 million at December 31, 2024 and $285.0 million at December 31, 2023.

**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 the years ended December 31, 2024, 2023 and 2022 amounted to $1,007.1 million, $465.0 million and $610.6 million, respectively.

For the year ended December 31, 2024, expansion capital expenditures of $1,007.1 million related to: (i) $747.0 million relating to vessel acquisitions, additions and capitalized expenses to our fleet; and (ii) $260.1 million representing deposits for the acquisition/option to acquire six newbuilding containerships that are expected to be delivered through the first half of 2027 and 19 newbuilding tankers expected to be delivered through the first half of 2028 .

For the year ended December 31, 2023, expansion capital expenditures of $465.0 million related to: (i) $282.1 million representing deposits for the acquisition/option to acquire eleven newbuilding containerships that are expected to be delivered through 2025 and 16 newbuilding tankers expected to be delivered through 2027; and (ii) $182.9 million relating to vessel acquisitions, additions and capitalized expenses to our fleet.

For the year ended December 31, 2022, expansion capital expenditures of $610.6 million related to: (i) $176.8 million representing deposits for the acquisition/option to acquire three Capesize bareboat charter-in vessels expected to be delivered by the first half of 2023, one Panamax bareboat charter-in vessel delivered in February 2023, 12 newbuilding Containerships expected to be delivered by the second half of 2023 and in 2024; six newbuilding Aframax/LR2 tanker vessels expected to be delivered in 2024 and the first half of 2025; and (ii) $433.8 million relating to vessel acquisitions, additions and capitalized expenses to our fleet.

Maintenance for our vessels and expenses related to drydocking expenses are reimbursed at cost by Navios Partners to our Manager under the Management Agreements and the Master Management Agreement. For more information, please read “Item 7. Major Unitholders and Related Party Transactions - Management Agreements” and Note 17 – Transactions with related parties and affiliates to our consolidated financial statements, included elsewhere in this annual report.

**Maintenance and Replacement Capital Expenditures Reserve**

Our annual maintenance and replacement capital expenditures reserve for the years ended December 31, 2024 and 2023 was $266.3 million and $224.1 million, respectively, for replacing our vessels at the end of their useful lives.

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 drybulk 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.

***Vessels to be delivered***

Please read Note 15 – Commitments and contingencies to our consolidated financial statements, included elsewhere in this annual report for a full description of vessels to be delivered to our fleet.

**C. Research and development, patents and licenses, etc.**

We have made, and will continue to make, investments in research and development in connection with advancing the technology of our systems and vessels. We review our research and development activities on an ongoing basis based on the needs of our business and operations.

**D. Trend information**

Our results of operations depend primarily on the charter hire rates that we are able to realize for our vessels, which depend on the demand and supply dynamics characterizing the drybulk market at any given time. For other trends affecting our business please see other discussions in “Item 5. Operating and Financial Review and Prospects”.

**E. Critical Accounting Estimates**

**Critical Accounting Policies**

Our consolidated 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. Following is a discussion of the accounting policies that involve a higher degree of judgment and the methods of their application that affect the reported amount of assets and liabilities, revenues and expenses and related disclosure of contingent assets and liabilities at the date of our financial statements. 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. For a description of all of our significant accounting policies, please refer to Note 2 — Summary of significant accounting policies to the notes to the consolidated financial statements, included elsewhere in this annual report.

***Use of Estimates****:* The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of the dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods. On an on-going basis, management evaluates the estimates and judgments, including those related to expected future cash flows from long-lived assets to support impairment tests. Management bases its estimates and judgments on historical experience and on various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results could differ from those estimates under different assumptions and/or conditions.

***Impairment of Long Lived Assets:*** Vessels, other fixed assets and other long lived assets held and used by Navios Partners are reviewed periodically for potential impairment whenever events or changes in circumstances indicate that the carrying amount of a particular asset may not be fully recoverable. Navios Partners' management evaluates the carrying amounts and periods over which long-lived assets are depreciated to determine if events or changes in circumstances have occurred that would require modification to their carrying values or useful lives. Measurement of the impairment loss is based on the fair value of the asset. Navios Partners determines the fair value of its assets on the basis of management estimates and assumptions by making use of available market data and taking into consideration third party valuations performed on an individual vessel basis. In evaluating the carrying values of long-lived assets, certain indicators of potential impairment, are reviewed such as obsolesce or significant damages to the vessel, vessel sales and purchases, business plans, overall market conditions and market economic outlook.

Undiscounted projected net operating cash flows are determined for each asset group, for which impairment indicators are present, and compared to the carrying value of the vessel, the unamortized portion of deferred drydock and special survey costs, ballast water treatment system costs, exhaust gas cleaning system costs and other capitalized items, if any, related to the vessel and the related carrying value of the intangible assets with respect to the time charter agreement attached to that vessel or the carrying value of deposits for newbuildings. Within the shipping industry, vessels are customarily bought and sold with a charter attached. The value of the charter may be favorable or unfavorable when comparing the charter rate to the current market rates. The loss recognized either on impairment or on disposition will reflect the excess of carrying value over fair value (selling price) for the vessel asset group.

As of each of December 31, 2024, 2023 and 2022 the Company concluded that events occurred and circumstances had changed, which indicated that potential impairment of certain of Navios Partners' long-lived assets might exist. These indicators included volatility in the charter market as well as the potential impact the current marketplace may have on the Company's future operations. As a result, a recoverability test of certain of long-lived assets was performed.

As at June 30, 2024, the Company concluded that events occurred and circumstances had changed, which indicated that potential impairment of certain of Navios Partners' dry bulk vessels, mainly due to Company's intention to sell these vessels. As a result, a recoverability test of these long-lived assets was performed.

Undiscounted projected net operating cash flow analysis is performed by considering various assumptions and covers the remaining economic life of each vessel. These assumptions include revenue from existing time charters for fixed fleet days based on rates under Navios Partners' remaining charter agreements and an estimated daily time charter equivalent rate for unfixed days. The latter is determined by using the one-year average historical time charter rates for the first year and the ten-year average historical one-year time charter rates for the remaining period. Revenue is included in the analysis net of brokerage and address commissions and commercial management fee, and excludes days associated with scheduled dry-dockings or special surveys. The analysis also incorporates estimates of scrap values and considers the probability of sale of each vessel. Planned expenditures for dry-dockings or special surveys are based on Navios Partners' budget. Vessel operating expenses are based on industry data, assuming a 3.0% increase every second year starting in 2025. The utilization rate is based on the fleet's historical performance.

During the year ended December 31, 2024, the undiscounted projected net operating cash flows for four vessels of the Company 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, an impairment loss of $17.1 million was recognized and is presented under the caption "Gain on sale of vessels, net" in the Consolidated Statements of Operations for the year ended December 31, 2024 (see Note 6 — Vessels, net to our consolidated financial statements, included elsewhere in this annual report).

As of December 31, 2023, the Company's recoverability test concluded that no impairment loss was identified and recognized, as the undiscounted projected net operating cash flows of each asset group exceeded the carrying value.

During the year ended December 31, 2022, an impairment loss of $7.9 million, which was presented under the caption "Gain on sale of vessels, net" in the Consolidated Statements of Operations, was recognized in connection with the committed sales of four vessels in January and in February 2023, as the carrying amount of each asset group was not recoverable and exceeded its fair value less costs to sell (see Note 6 — Vessels, net to our consolidated financial statements, included elsewhere in this annual report)

The Company compared the 10-year historical average (of the one-year charter rate for similar vessels) with the five-year, three-year and one-year historical averages (of the one-year charter rate for similar vessels). A comparison of the 10-year historical average (of the one-year charter rate for similar vessels) and the five-year, three-year and one-year historical averages (of the one-year charter rate for similar vessels) is as follows (as of December 31, 2024):

| | **Historical Average of One-year Charter Rates (over Various Periods) vs. the 10-year Historical Average (of the One-Year Charter Rate)** | | |
|---|---|---|---|
| | **Five-Year Average** | **Three-Year Average** | **One-Year Average** |
| | **(% above/(below) the 10-year average)** | | |
| Ultra-Handymax | 23.1% | 26.4% | 17.0% |
| Panamax | 25.9% | 26.8% | 16.8% |
| Kamsarmax | 24.4% | 23.9% | 13.8% |
| Capesize | 19.2% | 20.4% | 40.6% |

If testing for impairment using the five-year, three-year and one-year historical averages (of the one-year charter rate for similar vessels) in lieu of the 10-year historical average (of the one-year charter rate for similar vessels), the Company estimates that none, none and one of its vessels, respectively, would have carrying values in excess of their projected undiscounted future cash flows.

***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 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 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 profit-sharing*

Profit-sharing revenues are calculated at an agreed percentage of the excess of the charterer's average daily income (calculated on a quarterly or semi annual basis) over an agreed amount and accounted for on an accrual basis based on provisional amounts and for those contracts that provisional accruals cannot be made due to the nature of the profit sharing elements, these are accounted for on the actual cash settlement or when such revenue becomes determinable.

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

***Recent Accounting Pronouncements:***

Please refer to Note 2 — Summary of significant accounting policies to the notes to the consolidated financial statements, included elsewhere in this annual report.

**Item 6. Directors, Senior Management and Employees**

**A. Directors and Senior Management**

The following table sets forth information regarding our current directors and senior management:

| Name | Age | Position |
|---|---|---|
| Angeliki Frangou | 60 | Chairwoman of the Board, Chief Executive Officer and Director |
| Ted C. Petrone | 70 | Vice Chairman of the Board |
| Shunji Sasada | 67 | President and Director |
| Efstratios Desypris | 52 | Chief Operating Officer |
| Erifyli Tsironi | 51 | Chief Financial Officer |
| Joergen Rosleff | 53 | Chief Commercial Officer |
| Vincent Vandewalle | 52 | Chief Trading Officer |
| Georgios Akhniotis | 60 | Executive Vice President-Business Development and Director |
| Anna Kalathaki | 55 | Executive Vice President - Risk Management |
| Vasiliki Papaefthymiou | 56 | Secretary |
| Serafeim Kriempardis | 77 | Director (Class III) |
| Vasilios Mouyis | 62 | Director (Class II) |
| Kunihide Akizawa | 65 | Director (Class I) |
| Alexander Kalafatides | 61 | Director (Class I) |

Biographical information with respect to each of our current directors and our executive officers is set forth below. The business address for our directors and executive officers is 85 Akti Miaouli, Piraeus 18538, Greece. Each of Ms. Frangou, Mr. Akhniotis and Mr. Sasada were appointed as directors by our general partner, pursuant to our partnership agreement.

**Angeliki Frangou** has been our Chairwoman of the Board of Directors and Chief Executive Officer since our inception. Ms. Frangou has also been Chairwoman and Chief Executive Officer of Navios Holdings, since August 2005. Ms. Frangou has been the Chairwoman and a Member of the Board of Directors of Navios South American Logistics Inc. since its inception in December 2007. Ms. Frangou is also a Member of the Board of the Foundation for Economic and Industrial Research (IOBE). Ms. Frangou is also a Member of the Board of the Union of Greek Shipowners. Ms. Frangou also acts as Vice Chairwoman of the China Classification Society Mediterranean Committee, and is a member of the International General Committee and of the Hellenic and Black Sea Committee of Bureau Veritas, and is also a member of the Greek Committee of Nippon Kaiji Kyokai. Ms. Frangou received a Bachelor's Degree in Mechanical Engineering, summa cum laude, from Fairleigh Dickinson University and a Master's Degree in Mechanical Engineering from Columbia University.

**Ted C. Petrone** was appointed our Vice Chairman in November 2022. Mr. Petrone also serves as Vice Chairman of Navios Corporation since January 2015 having previously served as a director of Navios Holdings from May 2007 to January 2015 and President of Navios Corporation from September 2006 to January 2015. Mr. Petrone has also been Navios South American Logistics Inc. President since July 2020. Mr. Petrone also serves as Vice Chairman of Navios Maritime Partners L.P. since November 2022. Mr. Petrone has served in the maritime industry for 46 years, 43 of which he has spent with Navios Holdings. After joining Navios Holdings as an assistant vessel operator, Mr. Petrone worked in various operational and commercial positions. Mr. Petrone was previously responsible for all aspects of the daily commercial activity, encompassing the trading of tonnage, derivative hedge positions and cargoes. Mr. Petrone graduated from New York Maritime College at Fort Schuyler with a Bachelor of Science degree in maritime transportation. He has served aboard U.S. Navy (Military Sealift Command) tankers.

**Shunji Sasada** became our President in November 2022 and was appointed to our Board of Directors in August 2007. Mr. Sasada has also served as a director of Navios Holdings and President of Navios Corporation since January 2015. Mr. Sasada started his shipping career in 1981 in Japan with Mitsui O.S.K. Lines, Ltd. ("MOSK"). In 1991, Mr. Sasada joined Trinity Bulk Carriers as its chartering manager as well as subsidiary board member representing MOSK as one of the shareholders. After an assignment in Norway, Mr. Sasada moved to London and started MOSK's own Ultra-Handymax operation as its General Manager. Mr. Sasada joined Navios Holdings in May 1997. Mr. Sasada was Senior Vice President - Fleet Development of Navios Holdings from October 1, 2005 to July 2007 and Chief Operating Officer until December 2014. Mr. Sasada has been a member of the North American Committee of Nippon Kaiji Kyokai (Class NK) since inception and currently acting as Chairman. Mr. Sasada is a graduate of Keio University, Tokyo, with a B.A. degree in business and he is a member of Board of Trustees of Keio Academy of New York.

**Efstratios Desypris** has been the Chief Operating Officer of Navios Partners since November 2021. He has also served as Chief Financial Officer of Navios Partners from 2010 through November 2021. In addition, Mr. Desypris is the Chief Financial Controller of Navios Holdings, Navios Partners' sponsor, since May 2006 and the Chief Operating Officer of Navios Shipmanagement Holdings Corporation since March 2025. He also serves as director since August 2024 and SVP-Strategic Planning of Navios South American Logistics Inc. Before joining Navios Holdings, Mr. Desypris worked in the accounting profession, most recently as manager of the audit department at Ernst & Young in Greece. Mr. Desypris started his career as an auditor with Arthur Andersen & Co. in 1997. Mr. Desypris is also a member of the governance committee of Maritime Emissions Reduction Center established by the Lloyds Register. He holds a Bachelor of Science degree in Economics from the University of Piraeus.

**Erifyli Tsironi** has been our Chief Financial Officer since November 4th, 2021. Ms. Tsironi is also Senior Vice President – Credit Management of Navios Holdings since October 2014. Ms. Tsironi served as Chief Financial Officer of Navios Maritime Containers L.P. since 2019 until completion of the merger with Navios Maritime Partners L.P. in 2021, and as Chief Financial Officer of Navios Maritime Midstream Partners L.P since its inception in 2014 until completion of the merger with Navios Maritime Acquisition Corporation in 2018. Ms. Tsironi has 29 years experience in shipping. Before joining us, she was Global Dry Bulk Sector Coordinator and Senior Vice President at DVB Bank SE focusing on ship finance. Ms. Tsironi joined DVB Bank in 2000 serving as Assistant Local Manager and Senior Relationship Manager. Previously, she served as account manager/shipping department in ANZ Investment Bank/ANZ Grindlays Bank Ltd from May 1997 until December 1999. Ms. Tsironi holds a BSc. in Economics, awarded with Honours, from the London School of Economics and Political Science and a MSc in Shipping, Trade and Finance, awarded with Distinction, from Bayes (ex Cass) Business School of City University in London.

**Joergen Rosleff** was appointed our Chief Commercial Officer in November 2022. Previously Mr. Rosleff served as Chief Commercial Officer – Container Division since 2013. Mr. Rosleff has served as a Director and Head of Maersk Broker Exclusive Tonnage Team / Commercial Management Department before joining Navios as well as in various other senior positions in Maersk Broker for about 11 years. Mr. Rosleff has more than 30 years of experience in the shipping industry as

he has served in various commercial positions - tankers, bulkers and containers. Mr. Rosleff has a degree in Business Administration, International Management and Economics, from Copenhagen Business School.

**Vincent Vandewalle** was appointed as our Chief Trading Officer in November 2022. Since 2010, Mr. Vandewalle also serves as Managing Director in Kleimar NV and has served in the Navios Group as Chief Commercial Officer in Dry bulk since 2012. Mr. Vandewalle has 24 years of experience in the shipping industry with focus in the dry bulk sector. He has served in several commercial positions in Kleimar N.V. in the past 23 years. Mr. Vandewalle has a degree followed by a Master in Applied Economics from University of Leuven and he also holds a Master in Taxation from the University of Leuven.

**Georgios Akhniotis** was appointed to our Board of Directors in August 2007 and he has been our Executive Vice President-Business Development since February 2008. Mr. Akhniotis has been Navios Holdings' Chief Financial Officer since April 12, 2007. Prior to being appointed Chief Financial Officer of Navios Holdings, Mr. Akhniotis served as Senior Vice President - Business Development of Navios Holdings from August 2006 to April 2007. Mr. Akhniotis has also been Navios South American Logistics Inc. Chief Executive Officer since October 2022 and Director. Prior to joining Navios Holdings, Mr. Akhniotis was a partner at PricewaterhouseCoopers from 1999 to August 2006. Mr. Akhniotis holds a Bachelor of Science degree in engineering from the University of Manchester and he is a member of the institute of chartered accountants in England and Wales. Mr. Akhniotis is also a member of the institute of certified accountants in Cyprus.

**Anna Kalathaki** was appointed our Executive Vice President – Risk Management in November 2022. Ms. Kalathaki has been Chief Legal Risk Officer of Navios Holdings since November 2012, and previously Senior Vice President — Legal Risk Management of Navios Holdings from December 2005 until October 2012. Ms. Kalathaki has also been Navios South American Logistics Inc. Secretary since inception and Executive Vice President – Group Risk Management and Director since October 2022. Ms. Kalathaki is also a Director on the Member's Committee of the UK Club's Board of Directors since November 2023. Before joining Navios Holdings, Ms. Kalathaki was Associate Director of A Bilbrough & Co Ltd, Managers of the London Steam – Ship Owners' Mutual Insurance Association Limited having previously worked for a U.S. maritime law firm in New Orleans, and in a similar capacity thereafter in a London based maritime law firm. She was admitted to practice law in the state of Louisiana in 1995. She qualified as a solicitor in England and Wales in 1999 and was admitted to practice law before the Bar in Piraeus, Greece in 2003. She holds a B.A degree in International Relations from Georgetown University, Washington D.C. (1991), an MBA degree from European University in Brussels (1992) and a law degree (J.D) from Tulane Law School (1995).

**Vasiliki Papaefthymiou** was appointed our Secretary in August 2007. Ms. Papaefthymiou has been Executive Vice President - Legal and a member of Navios Holdings' board of directors since August 25, 2005, and prior to that was a member of the board of directors of ISE. Ms. Papaefthymiou has served as general counsel for Maritime Enterprises Management S.A. since October 2001, where she has advised the company on shipping, corporate and finance legal matters. Ms. Papaefthymiou provided similar services as general counsel to Franser Shipping from October 1991 to September 2001. Ms. Papaefthymiou received her undergraduate degree from the Law School of the University of Athens and a Master degree in Maritime Law from Southampton University in the United Kingdom. Ms. Papaefthymiou is admitted to practice law before the Bar in Piraeus, Greece.

**Serafeim Kriempardis** was appointed to our Board of Directors in December 2009. Mr. Kriempardis previously served as the Head of Shipping of Piraeus Bank from 2007 to 2009 and as the Head of Shipping of Emporiki Bank of Greece from 1999 to 2007. Prior to serving as Head of Shipping at Emporiki Bank, Mr. Kriempardis served in the Project Finance and Corporate and Feasibility departments of the bank. Mr. Kriempardis is an accountant by training and holds a Bachelor's degree in Economics from the Athens University of Economics and Business and a Diploma in Management from the McGill University of Canada. Mr. Kriempardis also serves as chairman of the Audit Committee, chairman of the Compensation Committee and as a member of our Conflicts Committee, is an independent director.

**Vasilios Mouyis** was appointed to our Board of Directors in March 2023. Mr. Mouyis has over 35 years of experience in chartering and ship brokerage. He is the co-founder of the Athens-based ship brokering firm, Doric Shipbrokers S.A., where he currently serves as the joint managing director—a position he has held since the firm's inception in 1994. Previously, Mr. Mouyis served as a chartering broker at Clarkson's Plc South African office, formerly known as Afromar Pty Ltd. Mr. Mouyis participates as a panelist for the Handysize index of the Baltic Exchange, London, representing Doric Shipbrokers S.A. Mr. Mouyis holds a bachelor's degree in Economics from the American College of Greece and a post-graduate diploma in Port and Shipping Administration from The University of Wales, Institute of Science and Technology. Mr. Mouyis also serves on our Audit, Compensation and Conflicts Committee and is an independent director.

**Kunihide Akizawa** has 43 years of experience in shipping and logistics. Mr. Akizawa started his shipping career in 1982 in Japan with Mitsui O.S.K. Lines, Ltd. He worked in the accounting department, the export department focusing on the Red Sea and Mediterranean areas, the bulk department, and a chartering manager of Skaarup Shipping International Corporation, which was a joint-venture company with Mitsui O.S.K. Lines, Ltd. In 1995, Mr. Akizawa joined ITOCHU Corporation in the logistics division. In 2011, he became President of MarineNet, a subsidiary of ITOCHU Corporation as well as five other

major Japanese trading houses. In 2016, he was appointed as President of IMECS Co., Ltd, the ship-owning arm of ITOCHU and full subsidiary. From 2021 to December 2022, Mr. Akizawa served as Vice President Business Development of Fleet Management Limited. As of April 1, 2023, Mr. Akizawa joined Synergy Marine Japan, as Group Representative in Japan. Mr. Akizawa is a graduate of Gakushuin University, Tokyo with a B.A. degree in Economics.

**Alexander Kalafatides** has been a member of our board of directors since 2019. Mr. Kalafatides has over 41 years of experience in general management and marketing. He holds the position of Special Projects Director at IUC International LLC, a designer and importer of consumer products. He has been involved in considerable turnarounds in various sectors including the marine sector, where he served as Partner and Vice President of CCSI, Inc., a company acting as the sales agent of the Chevron/Texaco joint venture. Following its successful turnaround, the company was acquired by the Chevron/Texaco group. Mr. Kalafatides received his M.B.A. in marketing and international business from the New York University, his B.S.E. in computer engineering & science at the University of Pennsylvania and a Certificate of Director Education from Drexel University's Gupta Governance Institute. Mr. Kalafatides serves as chairman of the Conflicts Committee and as a member of the Audit Committee, is an independent director.

**B. Compensation**

**Reimbursement of Expenses of Our General Partner**

Our General Partner does not receive any management fee or other compensation for services from us, although it will be entitled to reimbursement for expenses incurred on our behalf. These expenses include all expenses necessary or appropriate for the conduct of our business and allocable to us, as determined by our General Partner. For the years ended December 31, 2024, 2023 and 2022 no amounts were paid to the General Partner.

**Officers' Compensation**

We were formed in August 2007. Because our officers, including our Chief Executive Officer and our Chief Financial Officer, are employees of the Manager, their compensation is set and paid by the Manager, and we reimburse the Manager for time they spend on the Company's matters pursuant to the Administrative Services Agreement. Under the terms of the Administrative Services Agreement, we reimburse the Manager for the actual costs and expenses they incur in providing administrative support services to us. The amount of our reimbursements to the Manager for the time of our officers depends on an estimate of the percentage of time our officers spent on our business and is based on a percentage of the salary and benefits that the Manager pays to such officers. For the years ended December 31, 2024, 2023 and 2022, the expenses charged by the Manager for administrative services under the administrative services agreement in effect until January 1, 2025, were $63.8 million, $59.9 million and $50.2 million, respectively.

**Compensation of Directors**

Our officers and directors who are also employees of the Manager do not receive additional compensation for their service as directors, other than Ms. Frangou who receives, a fee of $0.15 million per year for acting as a director and as Chairwoman of the Board. Each non-management director receives compensation for attending meetings of our board of directors, as well as committee meetings. Each non-management director receives a director fee of $0.08 million per year. The Chairman of our Audit Committee and our Compensation Committee receives an additional fee of $0.03 million per year and the Chairman of our Conflicts Committee receives an additional fee of $0.01 million per year. In addition, each director is reimbursed for out-of-pocket expenses in connection with attending meetings of the board of directors or committees. Each director is fully indemnified by us for actions associated with being a director to the extent permitted under Marshall Islands law.

For the year ended December 31, 2024, the aggregate annual fees paid to our non-management directors were $0.36 million and $0.15 million was paid to Ms. Frangou for acting as a director and as our Chairwoman of the Board.

In December 2024, the Compensation Committee of Navios Partners authorized and approved a cash payment of $5.9 million to our officers and directors for which all service conditions had been met as of December 31, 2024. Also, the Compensation Committee of Navios Partners authorized and approved an additional $5.9 million cash payment to the directors and officers of the Company subject to fulfillment of certain service conditions in 2025.

In February 2019, December 2019 and December 2018, Navios Partners granted restricted common units to its directors and officers, which are based solely on service conditions and vest over four years each, respectively. Following the completion of the merger with Navios Acquisition, Navios Partners assumed the 8,116, after exchange on a 1 to 0.1275 basis, restricted common units granted in December 2018 to directors and officers of Navios Acquisition, which were based solely on service conditions and vest over four years. Compensation expense, net of estimated forfeitures, is recognized based on a graded expense model over the vesting period. During the years ended December 31, 2024 and December 31, 2023, there were no restricted common units exercised, forfeited or expired, respectively. During the year ended December 31, 2022, the

Company forfeited 12,699 unvested restricted common units and cancelled 259 general partnership units. Navios Partners vested 0, 1,001 and 29,216 restricted common units during the years ended December 31, 2024, 2023 and 2022, respectively.

**C. Board Practices**

Our partnership agreement provides that our General Partner has delegated to our board of directors the authority to oversee and direct our operations, management and policies on an exclusive basis and such delegation will be binding on any successor general partner of the partnership. Our executive officers manage our day-to-day activities consistent with the policies and procedures adopted by our board of directors. All of our executive officers and three of our directors also are executive officers and/or directors of Navios Holdings and our Chief Executive Officer is also the Chairwoman and Chief Executive Officer of Navios Holdings.

Following our first annual meeting of unitholders in 2008, our board of directors consisted of seven members, three persons who were appointed by our General Partner in its sole discretion and four who were elected by the common unitholders. Directors appointed by our general partner serve as directors for terms determined by our general partner. Directors elected by our common unitholders are divided into three classes serving staggered three-year terms. Two of the four directors elected by our common unitholders were designated as our Class I elected directors and will serve until our annual meeting of unitholders in 2027; one director was designated as the Class II elected director and will serve until our annual meeting of unitholders in 2025; and one director was designated as the Class III elected director and will serve until our annual meeting of unitholders in 2026. At each subsequent annual meeting of unitholders, directors will be elected to succeed the class of directors whose terms have expired by a plurality of the votes of the common unitholders, as such holders and voting are determined pursuant to our partnership agreement. Directors elected by our common unitholders will be nominated by the board of directors or by any limited partner or group of limited partners that holds at least 10% of the outstanding common units and complies with the requirements in our partnership agreement.

With respect to our corporate governance, there are several significant differences between us and a domestic issuer in that the New York Stock Exchange does not require a listed limited partnership like us to have a majority of independent directors on our board of directors or to establish a Compensation Committee, although we meet both requirements, or a nominating/corporate governance committee.

We have three committees: an Audit Committee, a Conflicts Committee and a Compensation Committee. Three independent members of our board of directors serve on the Conflicts Committee to review specific matters that the board believes may involve potential conflicts of interest. The Conflicts Committee determines if the resolution of the conflict of interest is fair and reasonable to us.

The members of the Conflicts Committee may not be officers or employees of our general partner or directors, officers or employees of its affiliates, and must meet the independence standards established by the New York Stock Exchange to serve on an Audit Committee of a board of directors and certain other requirements. Any matters approved by the Conflicts Committee are conclusively deemed to be fair and reasonable to us, approved by all of our partners, and not a breach by our directors, our general partner or its affiliates of any duties any of them may owe us or our unitholders. The members of our Conflicts Committee are Messrs. Alexander Kalafatides, Serafeim Kriempardis and Vasilios Mouyis.

In addition, we have an Audit Committee of three independent directors. One of the members of the Audit Committee is an “audit committee financial expert” for purposes of SEC rules and regulations. The Audit Committee, among other things, reviews our external financial reporting, engages our external auditors and oversees our internal audit activities and procedures and the adequacy of our internal accounting controls. Our Audit Committee is comprised of Messrs. Serafeim Kriempardis (financial expert), Alexander Kalafatides and Vasilios Mouyis.

Lastly, we have a Compensation Committee consisting of two independent directors, Mr. Vasilios Mouyis and Mr. Serafeim Kriempardis. The Compensation Committee is governed by a written charter, which was approved by our board of directors. The Compensation Committee is responsible for reviewing and approving the compensation of the Company’s executive officers and for establishing, reviewing and evaluating the long-term strategy of our compensation plan.

Employees of the Manager provide assistance to us and our operating subsidiaries pursuant to the Master Management Agreement and the Administrative Services Agreement.

Our Chief Executive Officer, Ms. Angeliki Frangou, our Chief Operating Officer, Mr. Efstratios Desypris, and our Chief Financial Officer, Mrs. Erifyli Tsironi, our Secretary, Vasiliki Papaefthymiou, and our Executive Vice President-Business Development, Georgios Akhniotis, allocate their time between managing our business and affairs and the business and affairs of Navios Holdings and its affiliates. As such these individuals have fiduciary duties to Navios Holdings and its affiliates which may cause them to pursue business strategies that disproportionately benefit Navios Holdings or which otherwise are not in our best interests or those of our unitholders. The amount of time each of them allocate between our business and the

business of Navios Holdings varies from time to time depending on various circumstances and the respective needs of the business. We intend, however, to cause our officers to devote as much time to the management of our business and affairs as is necessary for the proper conduct of our business and affairs.

Whenever our General Partner makes a determination or takes or declines to take an action in its individual capacity rather than in its capacity as our General Partner, it is entitled to make such determination or to take or decline to take such other action free of any fiduciary duty or obligation whatsoever to us or any limited partner, and is not required to act in good faith or pursuant to any other standard imposed by our partnership agreement or under the Marshall Islands Act or any other law. Specifically, our General Partner will be considered to be acting in its individual capacity if it exercises its call right, pre-emptive rights or registration rights, consents or withholds consent to any merger or consolidation of the partnership, appoints any directors or votes for the appointment of any director, votes or refrains from voting on amendments to our partnership agreement that require a vote of the outstanding units, voluntarily withdraws from the partnership, transfers (to the extent permitted under our partnership agreement) or refrains from transferring its units, or general partner interest or votes upon the dissolution of the partnership. Actions of our General Partner, which are made in its individual capacity, are made by Olympos Maritime Ltd.

**D. Employees**

Employees of the Manager provide assistance to us and our operating subsidiaries pursuant to the Master Management Agreement and the Administrative Services Agreement.

The Manager crews our vessels primarily with Filipino, Ukrainian, Polish, Russian, Georgian and Indian officers and Filipino, Ethiopian and Indian seamen. For these nationalities, officers and seamen are referred to the Manager by local crewing agencies. The crewing agencies handle each seaman's training while the Manager handles their travel and payroll. The Manager requires that all of its seamen have the qualifications and licenses required to comply with international regulations and shipping conventions.

The Manager also provides on-shore advisory, operational and administrative support to us pursuant to service agreements. Please see "Item 7. Major Unitholders and Related Party Transactions" and Note 17 – Transactions with related parties and affiliates to our consolidated financial statements, included elsewhere in this annual report.

**E. Unit Ownership**

The following table sets forth certain information regarding beneficial ownership, as of March 20, 2025, of our units by each of our officers and directors and by all of our directors and officers as a group. The information is not necessarily indicative of beneficial ownership for any other purposes. Under SEC rules, a person or entity beneficially owns any units that the person or entity has the right to acquire as of May 19, 2025 (60 days after March 20, 2025) through the exercise of any unit option or other right. The percentage disclosed below is based on all outstanding common units (29,487,443), not including general partnership units (622,296). Unless otherwise indicated, each person or entity has sole voting and investment power (or shares such powers with his or her spouse) with respect to the units set forth in the following table. Information for certain holders is based on information delivered to us.

**Identity of Person or Group**

| | Common Units Owned | Percentage of Common Units Owned |
|---|---|---|
| Angeliki Frangou[1] | 5,039,090 | 17.1% |
| Ted C. Petrone | * | * |
| Shunji Sasada | * | * |
| Efstratios Desypris | * | * |
| Joergen Rosleff | * | * |
| Georgios Akhniotis | * | * |
| Anna Kalathaki | * | * |
| Serafeim Kriempardis | * | * |
| Kunihide Akizawa | * | * |
| Alexander Kalafatides | * | * |
| Erifyli Tsironi | — | — |
| Vincent Vandewalle | — | — |
| Vasiliki Papaefthymiou | — | — |
| Vasilios Mouyis | — | — |
| All directors and officers as a group (14 persons)[2] | 5,145,214 | 17.4% |

*Less than 1%

(1) Represents common units beneficially owned directly and indirectly through affiliated entities.
(2) Each director, executive officer and key employee beneficially owns less than one percent of the outstanding common units, other than Angeliki Frangou.

**F. Disclosure of a Registrant's Action to Recover Erroneously Awarded Compensation.**

Nothing to disclose.

**Item 7. Major Unitholders and Related Party Transaction**

**A. Major Unitholders**

The following table sets forth the beneficial ownership as of March 20, 2025, of our common units by each person we know to beneficially own more than 5% of the common units. The number of units beneficially owned by each person is determined under SEC rules and the information is not necessarily indicative of beneficial ownership for any other purpose. Under SEC rules, a person beneficially owns any units as to which the person has or shares voting or investment power. In addition, a person beneficially owns any units that the person or entity has the right to acquire as of May 19, 2025 (60 days after March 20, 2025) through the exercise of any unit option or other right. The percentage disclosed under "Common Units Beneficially Owned" is based on all outstanding units of 29,487,443 common units. There are also 622,296 general partnership units outstanding which are not included in the ownership table below. The general partnership units are held by Olympos Maritime Ltd., which represents a 2.1% ownership interest in Navios Partners based on all outstanding common units and general partnership units. For more information on our general partner, please read "Item 7. Major Unitholders and Related Party Transaction - B. Related Party Transactions".

| | Common Units Beneficially Owned | |
|---|---|---|
| | Number | Percentage |
| **Name of Beneficial Owner** | | |
| Angeliki Frangou[1] | 5,039,090 | 17.1% |
| Pilgrim Global Advisors LLC[2] | 4,908,105 | 16.6% |
| Ned L. Sherwood[3] | 2,157,445 | 7.3% |
| George O. Sertl, Jr.[4] | 1,510,013 | 5.1% |

(1) The number of common units beneficially owned is based on the information disclosed on the Schedule 13D/A filed with the SEC on March 6, 2024.
(2) The number of common units beneficially owned is based on the information disclosed on the Schedule 13G filed with the SEC on February 13, 2024.
(3) The number of common units beneficially owned is based on the information disclosed on the Schedule 13D/A filed with the SEC on November 20, 2024
(4)The number of common units beneficially owned is based on the information disclosed on the Schedule 13G filed with the SEC on February 14, 2025.

Our majority unitholders have the same voting rights as our other unitholders except as follows: each outstanding common unit is entitled to one vote on matters subject to a vote of common unitholders. However, to preserve our ability to be exempt from U.S. federal income tax under Section 883 of the Code, if at any time, any person or group owns beneficially more than 4.9% of any class of units then outstanding, any such units owned by that person or group in excess of 4.9% may not be voted. The voting rights of any such unitholders in excess of 4.9% will effectively be redistributed pro rata among the other unitholders holding less than 4.9% of the voting power of such class of units. Our General Partner, its affiliates and persons who acquired common units with the prior approval of our board of directors will not be subject to this 4.9% limitation except with respect to voting their common units in the election of the elected directors.

As of March 20, 2025, we had at least 23 common unit holders of record, 7 of which were located in the United States and held an aggregate of 24,905,325 of our common units, representing approximately 84.5% of our outstanding common units. However, one of the U.S. common unit holders of record is CEDE & CO., a nominee of The Depository Trust Company, which held 24,745,841 of our common units as of that date. Accordingly, we believe that the units held by CEDE & CO. include common units beneficially owned by both holders in the United States and non-U.S. beneficial owners. We are not aware of any arrangements the operation of which may at a subsequent date result in our change of control.

**B. Related Party Transactions**

Please read Note 17 – Transactions with related parties and affiliates to our consolidated financial statements, included elsewhere in this annual report for a full description of related party transactions.

**The Omnibus Agreement**

At the closing of the IPO, we entered into the Omnibus Agreement with Navios Holdings governing, among other things, when Navios Holdings and Navios Partners may compete against each other as well as rights of first offer on certain drybulk carriers. Pursuant to the Omnibus Agreement, Navios Holdings generally agreed not to acquire or own Panamax or Capesize drybulk carriers under time charters of three or more years without consent as required under such agreement. The Omnibus Agreement, however, contains significant exceptions that allow Navios Holdings or any of its affiliates to acquire or own these drybulk carriers.

**Management agreements**

Since the closing of the IPO in 2007, we entered into the 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 us at fixed rates for these services until December 31, 2024. Costs associated with special surveys, drydocking expense and certain extraordinary items under these amendments were reimbursed at cost at occurrence. For more information please read Note 17 – Transactions with related parties and affiliates to our consolidated financial statements, included elsewhere in this annual report.

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 provides for technical and commercial management and related specialized services based on fee structure, including: (i) a technical management fee of $950 per day per owned vessel; (ii) a commercial management fee of 1.25% on revenues; (iii) an S&P fee of 1% on purchase or sales price; and (iv) fees for other specialized services (e.g. supervision of newbuilding vessels). Fixed fees will be adjusted annually for United States Consumer Price Index. The Master Management Agreement also allows for fixed incentive awards if equity returns exceed certain thresholds, as identified in such agreement, upon the unanimous consent of the Board of Directors of Navios 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.

The Conflicts Committee of the Board of Directors, consisting of independent directors, negotiated and approved the Agreement with the advice of Watson Farley & Williams LLP as legal advisor and KPMG Advisors Single Member S.A. (a member firm of the KPMG global organization of independent member firms) as financial advisor.

The services under the Master Management Agreement are provided in accordance with customary ship management practice and under our direction. The Manager provides these services to us directly, but may subcontract for certain of these services with other entities.

The commercial and technical management services include:

•*the commercial and technical management of the vessel*: managing day-to-day vessel operations including negotiating charters and other employment contracts with respect to the vessels and monitoring payments thereunder, ensuring regulatory compliance, arranging for the vetting of vessels, procuring and arranging for port entrance and clearance, appointing counsel and negotiating the settlement of all claims in connection with the operation of each vessel, appointing adjusters and surveyors and technical consultants as necessary, and providing technical support,

•*vessel maintenance and crewing*: including supervising the maintenance and general efficiency of vessels, and ensuring the vessels are in seaworthy and good operating condition, arranging our hire of qualified officers and crew, arranging for all transportation, board and lodging of the crew, negotiating the settlement and payment of all wages, and

•*purchasing and insurance*: purchasing stores, supplies and parts for vessels, arranging insurance for vessels (including marine hull and machinery insurance, protection and indemnity insurance and war risk and oil pollution insurance).

Operating expenses and drydocking expenses are reimbursed at cost for all vessels.

**Administrative services agreement**

Since the closing of the IPO in 2007, we entered into an administrative services agreement, as amended from time to time, with the Manager, pursuant to which the Manager had agreed to provide certain administrative management services to us. For additional information, please read Note 17 – Transactions with related parties and affiliates to our consolidated financial statements, included elsewhere in this annual report.

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

The administrative services include:

•*bookkeeping, audit and accounting services:* assistance with the maintenance of our corporate books and records, assistance with the preparation of our tax returns and arranging for the provision of audit and accounting services;

•*legal and insurance services:* arranging for the provision of legal, insurance and other professional services and maintaining our existence and good standing in necessary jurisdictions;

•*administrative and clerical services:* assistance with office space, arranging meetings for our common unitholders pursuant to the partnership agreement, arranging the provision of IT services, providing all administrative services required for subsequent debt and equity financings and attending to all other administrative matters necessary to ensure the professional management of our business;

•*banking and financial services*: providing cash management including assistance with preparation of budgets, overseeing banking services and bank accounts, arranging for the deposit of funds, negotiating loan and credit terms with lenders and monitoring and maintaining compliance therewith;

•*advisory services*: assistance in complying with United States and other relevant securities laws;

•*client and investor relations:* arranging for the provision of, advisory, clerical and investor relations services to assist and support us in our communications with our common unitholders;

•integration of any acquired businesses; and

•client and investor relations.

The Administrative Services Agreement provides for reimbursement of allocable general and administrative costs within 30 days after the Manager submits to us an invoice for such costs and expenses, together with any supporting detail that may be reasonably required and also provides for payment of a termination fee, which is equal to the costs charged for the most recent calendar year, each as set forth in the latest audited annual financial statements.

**C. Interests of Experts and Counsel.**

Not applicable.

**Item 8. Financial Information**

**A.Consolidated Statements and Other Financial Information**

**Consolidated Financial Statements:** See “Item 18. Financial Statements”.

**Legal Proceedings**

We are not involved in any legal proceedings or aware of any proceedings against us, or contemplated to be brought against us that we believe would have a material adverse effect on our business, financial position, results of operations and liquidity.

From time to time, we may be subject to legal proceedings and claims arising out of our operations in the normal course of business. We maintain insurance policies with insurers in amounts and with coverage and deductibles as our board of directors believes are reasonable and prudent. We expect that some of these claims would be covered by insurance, subject to customary deductibles. Those claims, even if lacking merit, could result in the expenditure of significant financial and managerial resources.

**Cash Distribution Policy**

**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. Beginning with the quarter ending December 31, 2015, our Board of Directors elected to suspend distributions on our common units in order to preserve cash and improve our liquidity. In March 2018, the Company’s Board of Directors announced a new distribution policy under which it paid quarterly cash distributions in the amount of $0.30 per unit, or $1.20 annually. In July 2020, the Company

amended its distribution policy under which it intends to pay quarterly cash distributions in the amount of $0.05 per unit, or $0.20 annually.

Our distribution policy is subject to certain restrictions and may be changed at any time, including:

•Our unitholders have no contractual or other legal right to receive distributions other than the obligation under our partnership agreement to distribute available cash on a quarterly basis, which is subject to the broad discretion of our board of directors to establish reserves and other limitations.

•While our partnership agreement requires us to distribute all of our available cash, our partnership agreement, including provisions requiring us to make cash distributions contained therein, may be amended.

•Even if our cash distribution policy is not modified or revoked, the amount of distributions we pay under our cash distribution policy and the decision to make any distribution is determined by our board of directors, taking into consideration the terms of our partnership agreement.

•Under Section 51 of the Marshall Islands Limited Partnership Act, we may not make a distribution to our unitholders if the distribution would cause our liabilities to exceed the fair value of our assets.

•We may lack sufficient cash to pay distributions to our unitholders due to decreases in net revenues or increases in operating expenses, principal and interest payments on outstanding debt, tax expenses, working capital requirements, maintenance and replacement capital expenditures or anticipated cash needs.

•Our distribution policy is affected by restrictions on distributions under our credit facilities or other debt instruments. Specifically, our credit facilities contain material financial tests that must be satisfied and we will not pay any distributions that will cause us to violate our credit facilities or other debt instruments. Should we be unable to satisfy these restrictions included in our credit facilities or if we are otherwise in default under our credit facilities, our ability to make cash distributions to unitholders, notwithstanding our cash distribution policy, would be materially adversely affected.

•If we make distributions out of capital surplus, as opposed to operating surplus, such distributions will constitute a return of capital and will result in a reduction in the minimum quarterly distribution and the target distribution levels. We do not anticipate that we will make any distributions from capital surplus.

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.

**Quarterly Distribution**

Please read Note 18 – Cash distributions and earnings per unit to our consolidated financial statements, included elsewhere in this annual report for a full description of the authorized cash distributions of the Company.

**B.Significant Changes**

No significant changes have occurred since the date of the annual financial statements included herein.

## Item 9. The Offer and Listing

### A. Offer and Listing Details

Our common units are traded on the New York Stock Exchange (or "NYSE") under the symbol "NMM".

### B. Plan of Distribution

Not applicable.

### C. Markets

See "Item 9.A Offer and Listing Details".

### D. Selling Shareholders

Not applicable.

### E. Dilution

Not applicable.

### F. Expenses of the Issue

Not applicable.

**Item 10. Additional Information**

**A.Share Capital**

Not applicable.

**B.Memorandum and Articles of Association**

The information required to be disclosed under Item 10.B is incorporated by reference to the following sections of the prospectus included in our Registration Statement on Form F-1 filed with the SEC on November 14, 2007, as such disclosures may be revised pursuant to amendments to our Agreement of Limited Partnership: "The Partnership Agreement," "Description of the Common Units - The Units", "Conflicts of Interest and Fiduciary Duties", "How we make Cash Distributions" and "Our Cash Distribution Policy and Restrictions on Distributions".

On June 10, 2009, we executed the Second Amended and Restated Agreement of Limited Partnership of Navios Partners. The Second Amended and Restated Agreement of Limited Partnership designated a new series of subordinated units as Subordinated Series A Units (the "Series A Units").

On March 12, 2015, we executed the Third Amended and Restated Agreement of Limited Partnership of Navios Partners in order to reflect the conversion of the Subordinated Units and the Subordinated Series A Units into Common Units.

On March 19, 2018, we executed the Fourth Amended and Restated Agreement of Limited Partnership of Navios Partners in order to reflect the recent process to clarify the quorum necessary to conduct business at any adjourned meeting.

**C.Material Contracts**

The following is a summary of each material contract, other than material contracts entered into in the ordinary course of business, to which we or any of our subsidiaries is a party, for the two years immediately preceding the date of this annual report, each of which is included in the list of exhibits in Item 19.

Except as otherwise indicated, please read "Item 5. Operating and Financial Review and Prospects - Trends and Factors Affecting Our Future Results of Operations - B. Liquidity and Capital Resources " for a summary of certain contract terms.

•Omnibus Agreement, dated as of November 16, 2007, among Navios Holdings, Navios GP LLC, Navios Maritime Operating LLC., and Navios Partners. Please read "Item 7. Major Unitholders and Related Party Transactions" for a summary of certain contract terms.

•Amendment to Omnibus Agreement, dated as of June 29, 2009, among Navios Holdings, Navios GP LLC, Navios Maritime Operating LLC., and Navios Partners, relating to the Omnibus Agreement dated November 16, 2007. Please read "Item 7. Major Unitholders and Related Party Transactions" for a summary of certain contract terms.

•Management Agreement dated November 16, 2007, between Navios Partners and Navios ShipManagement. Please read "Item 7. Major Unitholders and Related Party Transactions" for a summary of certain contract terms.

•Amendment to Management Agreement dated October 29, 2009, between Navios Partners and Navios ShipManagement relating to the Management Agreement dated November 16, 2007. Please read "Item 7. Major Unitholders and Related Party Transactions" for a summary of certain contract terms.

•Amendment No. 2 to Management Agreement dated October 21, 2011, between Navios Partners and Navios ShipManagement relating to the Management Agreement dated November 16, 2007. Please read "Item 7. Major Unitholders and Related Party Transactions" for a summary of certain contract terms.

•Amendment No. 3 to Management Agreement dated October 30, 2013, between Navios Partners and Navios ShipManagement relating to the Management Agreement dated November 16, 2007. Please read "Item 7. Major Unitholders and Related Party Transactions" for a summary of certain contract terms.

•Amendment No. 4 to Management Agreement dated August 29, 2014, between Navios Partners and Navios ShipManagement relating to the Management Agreement dated November 16, 2007. Please read "Item 7. Major Unitholders and Related Party Transactions" for a summary of certain contract terms.

•Amendment No. 5 to Management Agreement dated February 10, 2015, between Navios Partners and Navios ShipManagement relating to the Management Agreement dated November 16, 2007. Please read "Item 7. Major Unitholders and Related Party Transactions" for a summary of certain contract terms.

•Amendment No. 6 to Management Agreement dated May 4, 2015, between Navios Partners and Navios ShipManagement relating to the Management Agreement dated November 16, 2007. Please read "Item 7. Major Unitholders and Related Party Transactions" for a summary of certain contract terms.

•Amendment No. 7 to Management Agreement dated February 4, 2016, between Navios Partners and Navios ShipManagement relating to the Management Agreement dated November 16, 2007. Please read "Item 7. Major Unitholders and Related Party Transactions" for a summary of certain contract terms.

•Amendment No. 8, to Management Agreement dated November 14, 2017, between Navios Partners and Navios ShipManagement relating to the Management Agreement dated November 16, 2007. Please read "Item 7. Major Unitholders and Related Party Transactions" for a summary of certain contract terms.

•Amendment No. 9 to Management Agreement dated August 28, 2019, between Navios Partners and Navios ShipManagement relating to the Management Agreement dated November 16, 2007. Please read "Item 7. Major Unitholders and Related Party Transactions" for a summary of certain contract terms.

•Amendment No. 10 to Management Agreement dated December 13, 2019, between Navios Partners and Navios ShipManagement relating to the Management Agreement dated November 16, 2007. Please read "Item 7. Major Unitholders and Related Party Transactions" for a summary of certain contract terms.

•Administrative Services Agreement, dated as of November 16, 2007, between Navios Partners and Navios ShipManagement. Please read "Item 7. Major Unitholders and Related Party Transactions" for a summary of certain contract terms.

•Amendment No. 1, dated October 21, 2011, to the Administrative Services Agreement, dated as of November 16, 2007, between Navios Partners and Navios ShipManagement. Please read "Item 7. Major Unitholders and Related Party Transactions" for a summary of certain contract terms.

•Amendment No. 2 to Administrative Services Agreement, dated November 14, 2017, between Navios Maritime Partners and Navios ShipManagement. Please read "Item 7. Major Unitholders and Related Party Transactions" for a summary of certain contract terms.

•Amendment No. 3 to Administrative Services Agreement, dated August 28, 2019, between Navios Maritime Partners and Navios ShipManagement. Please read "Item 7. Major Unitholders and Related Party Transactions" for a summary of certain contract terms.

•Amendment No. 1 to Management Agreement, dated November 23, 2017, between Navios Containers and Navios Shipmanagement Inc. Please read "Item 7. Major Unitholders and Related Party Transactions" for a summary of certain contract terms.

•Amendment No. 2 to Management Agreement, dated April 23, 2018, between Navios Containers and Navios Shipmanagement Inc. Please read "Item 7. Major Unitholders and Related Party Transactions" for a summary of certain contract terms.

•Amendment No. 3 to Management Agreement, dated June 1, 2018, between Navios Containers and Navios Shipmanagement Inc. Please read "Item 7. Major Unitholders and Related Party Transactions" for a summary of certain contract terms.

•Amendment No. 4 to Management Agreement, dated August 28, 2019, between Navios Containers and Navios Shipmanagement Inc. Please read "Item 7. Major Unitholders and Related Party Transactions" for a summary of certain contract terms.

•Management Agreement dated May 28, 2010, between Navios Acquisition and Navios Ship Management Inc. Please read "Item 7. Major Unitholders and Related Party Transactions" for a summary of certain contract terms.

•Amendment to the Management Agreement dated May 4, 2012, between Navios Acquisition and Navios Tankers Manager Inc. Please read "Item 7. Major Unitholders and Related Party Transactions" for a summary of certain contract terms.

•Amendment to the Management Agreement dated May 14, 2014, between Navios Acquisition and Navios Tankers Management Inc. Please read "Item 7. Major Unitholders and Related Party Transactions" for a summary of certain contract terms.

•Fourth Amendment to the Management Agreement, dated May 19, 2016, between Navios Acquisition and Navios Tankers Management Inc. Please read "Item 7. Major Unitholders and Related Party Transactions" for a summary of certain contract terms.

•Fifth Amendment to the Management Agreement, dated May 3, 2018, between Navios Acquisition and Navios Tankers Management Inc. Please read "Item 7. Major Unitholders and Related Party Transactions" for a summary of certain contract terms.

•Sixth Amendment to the Management Agreement, dated as of August 29, 2019, by and between Navios Acquisition and Navios Tankers Management Inc. Please read "Item 7. Major Unitholders and Related Party Transactions" for a summary of certain contract terms.

•Seventh Amendment to the Management Agreement, dated as of December 13, 2019, by and between Navios Acquisition and Navios Tankers Management Inc. Please read "Item 7. Major Unitholders and Related Party Transactions" for a summary of certain contract terms.

•Eighth Amendment to the Management Agreement, dated as of June 26, 2020, by and between Navios Acquisition and Navios Tankers Management Inc. Please read "Item 7. Major Unitholders and Related Party Transactions" for a summary of certain contract terms.

•Facility Agreement dated March 28, 2022, by and among Esmeralda Shipping Corporation, Proteus Shiptrade SA and Triangle Shipping Corporation as borrowers and ABN AMRO Bank N.V. as lender, agent and security trustee.

•Bareboat Charter and Memorandum of Agreement, dated April 5, 2019, among Hinode Kaiun Co., Ltd., Mansei Kaiun Co., Ltd., and Sunmarine Maritime S.A. as buyers and bareboat owners, and Casual Shipholding Co., as seller and bareboat charterer, providing for the sale and leaseback of the Navios Sol.

•Bareboat Charter and Memorandum of Agreement, dated July 2, 2019, between Takanawa Line Inc.as buyers and bareboat owners, and Finian Navigation Co., as seller and bareboat charterer, providing for the sale and leaseback of the Navios Ace.

•Bareboat Charters and Memorandum of Agreements, dated June 18, 2021, between Mi-Das Line S.A. as buyer and bareboat owner and Lavender Shipping Corporation and Nostos Shipmanagement Corp. as sellers and bareboat charterers, providing for the sale and leaseback of the Navios Ray and the Navios Bonavis.

•Bareboat Charter and Memorandum of Agreement, dated August 16, 2021, between Batanagar Shipping Corporation, as buyer and bareboat owner, and Finian Navigation Co., as seller and bareboat charterer, providing for the sale and leaseback of the Navios Pollux.

•Bareboat Charters and Memoranda of Agreement by and between Xiang L44 Hk International Ship Lease Co., Limited, Xiang L45 Hk International Ship Lease Co., Limited, Xiang L46 Hk International Ship Lease Co., Limited and Xiang L47 Hk International Ship Lease Co., Limited wholly owned subsidiaries of Bank of Communications Financial Leasing Company and Vythos Marine Corp., Nefeli Navigation S.A., Fairy Shipping Corporation and Limestone Shipping Corporation dated March 11, 2020, providing for the sale and leaseback of the Navios Constellation, the Navios Unison, the Navios Utmost and the Navios Unite.

•Bareboat charters and Memoranda of Agreement, among Sea 66 Leasing Co. Limited, Sea 67 Leasing Co. Limited, Sea 68 Leasing Co. Limited and Sea 69 Leasing Co. Limited wholly owned subsidiaries of China Merchants Bank Limited, dated March 31, 2018, providing for the sale and leaseback of the Nave Atria, Nave Aquila, Nave Bellatrix and Nave Orion respectively.

•Facility Agreement dated May 9, 2022, by and among Cronus Shipping Corporation, Bole Shipping Corporation, Skopelos Shipping Corporation, Ios Shipping Corporation and Antipaxos Shipping Corporation, as borrowers, and Hellenic Bank Public Company Limited, as lender, arranger, agent, account bank and security trustee

•Facility Agreement dated June 29, 2022, by and among Customized Development S.A., Kohylia Shipmanagement S.A., Floral Marine LTD. and Ianthe Maritime S.A. as borrowers, and Skandinaviska Enskilda Banken AB.

•Bareboat Charter and Memorandum of Agreement, dated July 4, 2022, between Bright Carrier S.A, as buyers and bareboat owners, and Anafi Shipping Corporation, as seller and bareboat charterer, providing for the sale and leaseback of the Navios Sky.

•Amendment No. 11 dated July 25, 2022, to the Management Agreement dated November 16, 2007, between Navios Maritime Partners L.P. and Navios Shipmanagement Inc.

•Facility Agreement dated September 30, 2022, by and among Melpomene Shipping Corporation and Urania Shipping Corporation, as borrowers, and KFW IPEX-Bank GMBH, as lender, mandated lead arranger, facility agent and security agent.

•Form of Bareboat Charter and Memorandum of Agreement, dated October 27, 2022, for the sale and leaseback transaction between Xiang H131 International Ship Lease Co., Limited Xiang H129 International Ship Lease Co., Limited Xiang H130 International Ship Lease Co., Limited, Xiang H104 International Ship Lease Co., Limited, Xiang H119 International Ship Lease Co., Limited, Xiang H132 International Ship Lease Co., Limited, Jiahai International Ship Lease Co., Limited, Jialong International Ship Lease Co., Limited,, Xiang L33 HK International Ship Lease Co., Limited, Xiang T51 HK International Ship Lease Co., Limited, Longshi International Ship Lease Co., Limited, Longli International Ship Lease Co., Limited, being subsidiaries Bank of Communications Financial Leasing Company Limited, and Velour Management Corp., Morven Chartering Inc., Isolde Shipping Inc., Rodman Maritime Corp., Silvanus Marine Company, Enplo Shipping Limited, Olympia II Navigation Limited, Pingel Navigation Limited, Ebba Navigation Limited, Clan Navigation Limited, Evian Shiptrade Ltd, Anthimar Marine Inc. being wholly owned subsidiaries of Navios Maritime Partners L.P., providing for the sale and leaseback of the Navios Vermilion, Matson Oahu, Navios Indigo, Navios Spring, Navios Summer, Navios Verde, Navios Domino, Navios Delight, Navios Destiny, Navios Devotion, Matson Lanai, Navios Amarillo, respectively.

•Bareboat Charter and Memorandum of Agreement (form of), dated February 14, 2023, between Glory Ocean Shipping S.A. and Temm Maritime Co., Ltd., as buyers and bareboat owners, and Koufonisi Shipping Corporation, as seller and bareboat charterer, providing for the sale and leaseback of the Navios Felix.

•Bareboat Charter and Memorandum of Agreement, dated December 13, 2021, between Shikar Ventures S.A. and Batanagar Shipping Corporation, providing for the sale and leaseback of Navios Stellar.

•Bareboat Charter and Memorandum of Agreement, dated December 13, 2021, between Pharos Navigation S.A. and ASL Navigation S.A., providing for the sale and leaseback of the Navios Phoenix.

•Bareboat Charter and Memorandum of Agreement, dated December 13, 2021, between Rumer Holding Ltd. and Juno Maritime Corp., providing for the sale and leaseback of Navios Antares.

•Bareboat Carter and Memorandum of Agreement, dated November 27, 2019, among Anchor Trans Inc., and Vernazza Shiptrade Inc, being a wholly-owned subsidiary of Navios Maritime Holdings Inc., providing for the sale and leaseback of Dream Canary.

•Bareboat Charter and Memorandum of Agreement, dated February 13, 2020, between Lua Line S.A. and Okino Kaiun Co. and Roselite Shipping Corporation, being a wholly-owned subsidiary of Navios Maritime Holdings Inc., providing for the sale and leaseback of Navios Corali.

•Bareboat Charter and Memorandum of Agreement, dated July 4, 2022, between Bright Carrier S.A, as buyers and bareboat owners, and Anafi Shipping Corporation, as seller and bareboat charterer, providing for the sale and leaseback of the Navios Sky.

•Term Loan Facility Agreement dated February 16, 2023, by and among Terpsichore Shipping Corporation, Erato Shipmanagement Corporation, Calliope Shipping Corporation, and Euterpe Shipping Corporation, as borrowers, DNB Bank ASA, as agent, and the Banks and Financial Institutions listed therein.

•Term Loan Facility Agreement dated April 19, 2023, by and among Folegandros Shipping Corporation, Serifos Shipping Corporation, Sifnos Shipping Corporation, Syros Shipping Corporation and Skiathos Shipping Corporation, as borrowers, Skandinaviska Enskilda Banken AB, as agent, bank, and arranger, and the Banks and Financial Institutions listed therein.

•Loan Agreement dated April 25, 2023, between Karpathos Shipping Corporation, and Patmos Shipping Corporation, as borrowers, KFW IPEX-Bank GMBH, as facilitly and security agent, mandated lead arranger, and K-Sure agent, and the Banks and Financial Institutions listed therein.

•Loan Agreement dated May 2, 2023, between Antipsara Shipping Corporation, Kithira Shipping Corporation, and Thasos Shipping Corporation, as borrowers, Eurobank S.A., as agent, arranger, and security agent, Eurobank Cyprus Ltd., as account bank, and the Banks and Financial Institutions listed therein.

•Bareboat Charter and Memorandum of Agreement (Form of) dated May 19, 2023, by and between Xiang H145 International Ship Lease Co., Limited, Xiang H142 International Ship Lease Co., Limited, Xiang H143 International Ship Lease Co., Limited, Xiang H144 International Ship Lease Co., Limited, wholly owned subsidiaries of Bank of Communications Financial Leasing Company as buyers and bareboat owners and Polymnia Shipping Corporation, Kleio Shipping Corporation, Astrovalos Shipping Corporation and Gavdos Shipping Corporation as seller and bareboat charterers, providing for the sale and leaseback of Nave Cosmos, Nave Photon, Zim Seagull and Zim Albatross.

•Bareboat Charter and Memorandum of Agreement dated October 19, 2023, by and between Mitsui & Co., Ltd. as Shipbroker, Atokos Shipping Corporation as seller bareboat charterers and Blue Wave Line Inc. as owners, providing for the sale and leaseback of Navios Horizon I.

•Sample Bareboat Charter and Memorandum of Agreement, dated November 28, 2023, for the sale and leaseback transaction among HAIJIN No.11 (TIANJIN) LEASING CO., LIMITED , HAIJIN No.8 (TIANJIN) LEASING CO., LIMITED, HAIJIN No. 9 (TIANJIN) LEASING CO., LIMITED and HAIJIN No.10 (TIANJIN) LEASING CO., LIMITED being subsidiaries of ICBC Financial Leasing Co., Ltd and Nisyros Shipping Corporation, Makri Shipping Corporation, Meganisi Shipping Corporation, Despotiko Shipping Corporation, Ithaki Shipping Corporation, Thalia Shipping Corporation, Muses Shipping Corporation, Tarak Shipping Corporation all being subsidiaries of Navios Maritime Partners L.P.

•Term Loan Facility Agreement dated January 3, 2024, by and among Oinousses Shipping Corporation, Psara Shipping Corporation, and Tinos Shipping Corporation as borrowers, Nordea Bank ABP, Filial I Norge, as lead arranger, agent, bank, and bookrunner, and the Banks and Financial Institutions listed therein.

•Bareboat Charter and Memorandum of Agreement dated February 22, 2024, by and between Itochu Corporation as Shipbroker, Aramis Navigation Inc. as seller bareboat charterers and Seven Shipping S.A. of Panama as owners, providing for the sale and leaseback of MV Navios Azimuth.

•Term Loan Facility dated 04 December 2024, by and among HAPPINESS SHIPPING CORPORATION. VEGA SHIPPING CORPORATION, GALILEO SHIPPING CORPORATION, RED ROSE SHIPPING CORP. as joint and several Borrowers and HELLENIC BANK PUBLIC COMPANY LIMITED as Arranger, Facility Agent, Security Agent And Account Bank

•Bareboat Charter and Memorandum of Agreement, dated November 26, 2024, between Wealth Line Inc., as buyer and bareboat owner, and Pueblo Holdings LTD, as seller and bareboat charterer, providing for the sale and leaseback of the Navios Lumen.

•Term Loan Facility dated 07 December 2024, by and among Navios Maritime Partners L.P. as Borrower and Hamburg Commercial Bank Agent, Mandated Lead Arranger and Security Trustee and the Banks and Financial Institutions listed therein

•Term Loan Facility dated 18 March 2025, by and among Keros Shipping Corporation and Alatas Shipping Corporation as joint and several Borrowers and the Banks and Financial Institutions Listed therein as Lenders and KFW IPEX-BANL GMBH as Mandated Lead Arranger, Facility Agent, Security Agent and K-Sure Agent.

•Fourth Supplemental Agreement, dated 19 March 2025 to the sale and leaseback transaction between Xiang H131 International Ship Lease Co., Limited Xiang H129 International Ship Lease Co., Limited Xiang H130 International Ship Lease Co., Limited, Xiang H104 International Ship Lease Co., Limited, Xiang H119 International Ship Lease Co., Limited, Xiang H132 International Ship Lease Co., Limited, Jiahai International Ship Lease Co., Limited, Jialong International Ship Lease Co., Limited,, Xiang L33 HK International Ship Lease Co., Limited, Xiang T51 HK International Ship Lease Co., Limited, Longshi International Ship Lease Co., Limited, Longli International Ship Lease Co., Limited, being subsidiaries Bank of Communications Financial Leasing Company Limited, and Velour Management Corp., Morven Chartering Inc., Isolde Shipping Inc., Rodman Maritime Corp., Silvanus Marine Company, Enplo Shipping Limited, Olympia II Navigation Limited, Pingel Navigation Limited, Ebba Navigation Limited, Clan Navigation Limited, Evian Shiptrade Ltd, Anthimar Marine Inc. being wholly owned subsidiaries of Navios Maritime Partners L.P., providing

for the sale and leaseback of the Navios Vermilion, Matson Oahu, Navios Indigo, Navios Spring, Navios Summer, Navios Verde, Navios Domino, Navios Delight, Navios Destiny, Navios Devotion, Matson Lanai, Navios Amarillo, respectively.

• Master Management Agreement, between Navios Maritime Partners L.P. and Navios Shipmanagement Inc.

•Administrative Services Agreement, dated August 16, 2024, between Navios Maritime Partners L.P. and Navios Shipmanagement Inc.

•Facility Agreement, dated June 26, 2024, among Arkoi Shipping Corporation, Joy Shipping Corporation., Avery Shipping Company, Astypalaia Shipping Corporation, Kinaros Shipping Corporation, Venetiko Shipping Corporation as borrowers and ABN AMRO BANK N.V. as arranger, facility and security agent.

•Loan Agreement No 491, dated September 27 2024, by and among Theros Ventures Limited, Samothrace Shipping Corporation, Fantastiks Shipping Corporation, Spetses Marine Shipping Corporation as joint and several Borrowers and Eurobank S.A. as Agent and Security Trustee and the Banks and Financial Institutions as listed therein

•Term Loan Facility Agreement, dated September 19 2024, by and among Samos Shipping Corporation, Shinyo Saowalak Limited, Shinyo Kieran Limited, Lefkada Shipping Corporation, Jaspero Shiptrade S.A., Thetida Marine Co., Elafonisos Shipping Corporation as joint and several Borrowers and National Bank of Greece S.A. as Lende.

**D.Exchange controls**

We are not aware of any governmental laws, decrees or regulations, including foreign exchange controls, in the Marshall Islands, Malta, Hong Kong, Panama, and the countries of incorporation of Navios Partners and its subsidiaries that restrict the export or import of capital, or that affect the remittance of dividends, interest or other payments to non-resident holders of our securities.

We are not aware of any limitations on the right of non-resident or foreign owners to hold or vote our securities imposed by the laws of the Republic of the Marshall Islands or our Certificate of Formation and Limited Partnership Agreement.

**E.Taxation**

**MATERIAL U.S. FEDERAL INCOME TAX CONSIDERATIONS**

The following is a discussion of the material U.S. federal income tax considerations that may be relevant to beneficial owners of our common units and, unless otherwise noted in the following discussion, is the opinion of Thompson Hine LLP, our U.S. counsel, insofar as it relates to matters of U.S. federal income tax law and legal conclusions with respect to those matters. The opinion of our counsel is dependent on the accuracy of representations made by us to them, including descriptions of our operations contained herein.

This discussion is based upon provisions of the Internal Revenue Code of 1986, as amended (the "Code"), U.S. Treasury Regulations, and administrative rulings and court decisions, all as in effect or in existence on the date of this filing and all of which are subject to change or differing interpretations by the Internal Revenue Service ("IRS") or a court, possibly with retroactive effect. Changes in these authorities may cause the tax consequences of ownership of our common units to vary substantially from the consequences described below. For example, the recently-elected U.S. administration may take tax proposals that would, if enacted, make significant changes to U.S. tax laws. The U.S. Congress may consider, and could include, some or all of these proposals in connection with any tax legislation. It is unclear whether any changes will be enacted and, if enacted, how soon any such changes could take effect. Unless the context otherwise requires, references in this section to "we," "our" or "us" are references to Navios Maritime Partners L.P.

The following discussion applies only to beneficial owners of common units that own the common units as "capital assets" (generally, property held for investment purposes). The following discussion does not address all aspects of U.S. federal income taxation that may be important to particular beneficial owners of common units in light of their individual circumstances, such as (i) beneficial owners of common units subject to special tax rules (e.g., banks or other financial institutions, real estate investment trusts, regulated investment companies, insurance companies, broker-dealers, traders that elect to mark-to-market for U.S. federal income tax purposes, tax-exempt organizations and retirement plans, individual retirement accounts and tax-deferred accounts, or former citizens or long-term residents of the United States), beneficial owners that will hold the common units as part of a straddle, hedge, conversion, constructive sale, or other integrated transaction for U.S. federal income tax purposes, or beneficial owners that are accrual method taxpayers for U.S. federal income tax purposes and are required to accelerate the recognition of any item of gross income with respect to the common units as a result of such income being recognized on an applicable financial statement, (ii) partnerships or other entities

classified as partnerships for U.S. federal income tax purposes or their partners, (iii) U.S. Holders (as defined below) that have a functional currency other than the U.S. dollar or (iv) beneficial owners of common units that own 2.0% or more (by vote or value) of our common units (including beneficial owners entitled to a "dividends received deduction" with respect to our common units), all of whom may be subject to tax rules that differ significantly from those summarized below. If a partnership or other entity classified as a partnership for U.S. federal income tax purposes holds our common units, the tax treatment of its partners generally will depend upon the status of the partner, the activities of the partnership and certain determinations made at the partner level. If you are a partner in a partnership holding our common units, you should consult your own tax advisor regarding the tax consequences to you of the partnership's ownership of our common units.

No ruling has been obtained or will be requested from the IRS, regarding any matter affecting us or holders of our common units. The opinions and statements made herein may be challenged by the IRS and, if so challenged, may not be sustained upon review in a court.

This discussion does not contain information regarding any state or local, estate, gift or alternative minimum tax considerations concerning the ownership or disposition of common units.

**Each beneficial owner of our common units should consult its own tax advisor regarding the U.S. federal, state, local, and other tax consequences of the ownership or disposition of common units.**

**Election to Be Treated as a Corporation**

We have elected to be treated as a corporation for U.S. federal income tax purposes. Consequently, among other things, U.S. Holders (as defined below) will not directly be subject to U.S. federal income tax on their shares of our income, but rather will be subject to U.S. federal income tax on distributions received from us and dispositions of common units as described below.

**U.S. Federal Income Taxation of U.S. Holders**

As used herein, the term "U.S. Holder" means a beneficial owner of our common units that:

•is an individual U.S. citizen or resident (as determined for U.S. federal income tax purposes),

•a corporation (or other entity that is classified as a corporation for U.S. federal income tax purposes) organized under the laws of the United States or any of its political subdivisions,

•an estate the income of which is subject to U.S. federal income taxation regardless of its source, or

•a trust if (i) a court within the United States is able to exercise primary supervision over the administration of the trust and one or more "United States persons" (as defined in the Code) have the authority to control all substantial decisions of the trust or (ii) the trust has a valid election in effect under current U.S. Treasury Regulations to be treated as a "United States person".

***Distributions***

Subject to the discussion below of the rules applicable to a PFIC, any distributions to a U.S. Holder made by us with respect to our common units generally will constitute dividends, which will be taxable as ordinary income or "qualified dividend income" as described in more detail below, to the extent of our current and accumulated earnings and profits, as determined under U.S. federal income tax principles. Distributions in excess of our current and accumulated earnings and profits will be treated first as a non-taxable return of capital to the extent of the U.S. Holder's tax basis in its common units on a dollar-for-dollar basis, and thereafter as capital gain, which will be either long-term or short-term capital gain depending upon whether the U.S. Holder held the common units for more than one year.

U.S. Holders that are corporations generally will not be entitled to claim a dividends received deduction with respect to distributions they receive from us. Dividends received with respect to the common units will be treated as foreign source income and generally will be treated as "passive category income" for U.S. foreign tax credit purposes.

Dividends received with respect to our common units by a U.S. Holder who is an individual, trust or estate (a "non-corporate U.S. Holder") generally will be treated as "qualified dividend income" that is taxable to such non-corporate U.S. Holder at preferential capital gain tax rates, provided that: (i) subject to the possibility that our common units may be delisted by a qualifying exchange, our common units are traded on an "established securities market" in the United States (such as the NYSE where our common units are traded) and are "readily tradeable" on such an exchange; (ii) we are not a PFIC for the

taxable year during which the dividend is paid or the immediately preceding taxable year (which we do not believe we are, have been or will be, as discussed below); (iii) the non-corporate U.S. Holder has owned the common units for more than 60 days during the 121-day period beginning 60 days before the date on which the common units become ex-dividend (and has not entered into certain risk limiting transactions with respect to such common units); and (iv) the non-corporate U.S. Holder is not under an obligation to make related payments with respect to positions in substantially similar or related property. Any dividends paid on our common units that are not eligible for these preferential rates will be taxed as ordinary income to a non-corporate U.S. Holder. In addition, a 3.8% tax may apply to certain investment income. See "Medicare Tax" below.

Special rules may apply to any amounts received in respect of our common units that are treated as "extraordinary dividends". In general, an extraordinary dividend is a dividend with respect to a common unit that is equal to or in excess of 10.0% of a U.S. Holder's adjusted tax basis (or fair market value upon the U.S. Holder's election) in such common unit. In addition, extraordinary dividends include dividends received within a one-year period that, in the aggregate, equal or exceed 20.0% of a U.S. Holder's adjusted tax basis (or fair market value) in a common unit. If we pay an "extraordinary dividend" on our common units that is treated as "qualified dividend income," then any loss recognized by a non-corporate U.S. Holder from the sale or exchange of such common units will be treated as long-term capital loss to the extent of the amount of such dividend.

***Sale, Exchange or Other Disposition of Common Units***

Subject to the discussion of PFICs below, a U.S. Holder generally will recognize capital gain or loss upon a sale, exchange or other disposition of our common units in an amount equal to the difference between the amount realized by the U.S. Holder from such sale, exchange or other disposition and the U.S. Holder's adjusted tax basis in such units. The U.S. Holder's initial tax basis in the common units generally will be the U.S. Holder's purchase price for the common units and that tax basis will be reduced (but not below zero) by the amount of any distributions on the common units that are treated as non-taxable returns of capital (as discussed under "Distributions" above). Such gain or loss will be treated as long-term capital gain or loss if the U.S. Holder's holding period is greater than one year at the time of the sale, exchange or other disposition.

A corporate U.S. Holder's capital gains, long-term and short-term, are taxed at ordinary income tax rates. If a corporate U.S. Holder recognizes a loss upon the disposition of our common units, such U.S. Holder is limited to using the loss to offset other capital gain. If a corporate U.S. Holder has no other capital gain in the tax year of the loss, it may carry the capital loss back three years and forward five years.

Long-term capital gains of non-corporate U.S. Holders are subject to the favorable tax rate of a maximum of 20%. In addition, a 3.8% tax may apply to certain investment income. See "Medicare Tax" below. A non-corporate U.S. Holder may deduct a capital loss resulting from a disposition of our common units to the extent of capital gains plus up to $3,000 ($1,500 for married individuals filing separate tax returns) annually and may carry forward a capital loss indefinitely.

***PFIC Status and Significant Tax Consequences***

In general, we will be treated as a PFIC with respect to a U.S. Holder if, for any taxable year in which the holder held our common units, either:

•at least 75.0% of our gross income (including the gross income of our vessel-owning subsidiaries) for such taxable year consists of passive income (e.g., dividends, interest, capital gains and rents derived other than in the active conduct of a rental business), or

•at least 50.0% of the average value of the assets held by us (including the assets of our vessel-owning subsidiaries) (based on an average of the quarterly values of the assets during a taxable year) produce, or are held for the production of, passive income.

Income earned, or deemed earned, by us in connection with the performance of services would not constitute passive income. By contrast, rental income generally would constitute "passive income" unless we were treated as deriving our rental income in the active conduct of a trade or business under the applicable rules.

Based on our current and projected methods of operations, and an opinion of counsel, we believe that we will not be a PFIC with respect to any taxable year. Our U.S. counsel, Thompson Hine LLP, is of the opinion that (1) the income we receive from the time chartering activities and assets engaged in generating such income should not be treated as passive income or assets, respectively, and (2) so long as our income from time charters exceeds 25.0% of our gross income for each taxable year after our initial taxable year and the value of our vessels contracted under time charters exceeds 50.0% of the average value of our assets for each taxable year after our initial taxable year, we should not be a PFIC. This opinion is based on representations and projections provided to our counsel by us regarding our assets, income and charters, and its validity is conditioned on the accuracy of such representations and projections.

Our counsel's opinion is based principally on their conclusion that, for purposes of determining whether we are a PFIC, the gross income we derive or are deemed to derive from the time chartering activities of our wholly-owned subsidiaries should constitute services income, rather than rental income. Correspondingly, such income should not constitute passive income, and the assets that we or our subsidiaries own and operate in connection with the production of such income, in particular, the vessels we or our subsidiaries own that are subject to time charters, should not constitute passive assets for purposes of determining whether we are or have been a PFIC. We expect that all of the vessels in our fleet will be engaged in time chartering activities and intend to treat our income from those activities as non-passive income, and the vessels engaged in those activities as non-passive assets, for PFIC purposes.

Our counsel has advised us that there is a significant amount of legal authority consisting of the Code, legislative history, IRS pronouncements and rulings supporting our position that the income from our time chartering activities constitutes services income (rather than rental income). There is, however, no direct legal authority under the PFIC rules addressing whether income from time chartering activities is services income or rental income. Moreover, in a case not interpreting the PFIC rules, *Tidewater Inc. v. United States*, 565 F.3d 299 (5th Cir. 2009), the Fifth Circuit held that the vessel time charters at issue generated predominantly rental income rather than services income. However, the IRS stated in an Action on Decision (AOD 2010-001) that it disagrees with, and will not acquiesce to, the way that the rental versus services framework was applied to the facts in the *Tidewater* decision, and in its discussion stated that the time charters at issue in Tidewater would be treated as producing services income for PFIC purposes. The IRS's AOD, however, is an administrative action that cannot be relied upon or otherwise cited as precedent by taxpayers.

The opinion of our counsel is not binding on the IRS or any court. Thus, while we have received an opinion of our counsel in support of our position, there is a possibility that the IRS or a court could disagree with this position and the opinion of our counsel. In addition, although we intend to conduct our affairs in a manner to avoid being classified as a PFIC with respect to any taxable year, we cannot assure you that the nature of our operations will not change in the future.

As discussed more fully below, if we were to be treated as a PFIC for any taxable year in which a U.S. Holder owned our common units, the U.S. Holder would be subject to different taxation rules depending on whether the U.S. Holder makes an election to treat us as a "Qualified Electing Fund," which we refer to as a "QEF election". As an alternative to making a QEF election, the U.S. Holder may be able to make a "mark-to-market" election with respect to our common units, as discussed below. In addition, if we were treated as a PFIC for any taxable year in which a U.S. Holder owned our common units, the U.S. Holder would be required to file IRS Form 8621 with the U.S. Holder's U.S. federal income tax return for each year to report the U.S. Holder's ownership of such common units. In the event a U.S. Holder does not file IRS Form 8621, the statute of limitations on the assessment and collection of U.S. federal income taxes of such U.S. Holder for the related tax year will not close before the date that is three years after the date on which such report is filed.

It should also be noted that, if we were treated as a PFIC for any taxable year in which a U.S. Holder owned our common units and any of our non-U.S. subsidiaries were also a PFIC, the U.S. Holder would be treated as owning a proportionate amount (by value) of the shares of the lower-tier PFIC for purposes of the application of these rules.

***Taxation of U.S. Holders Making a Timely QEF Election***

If we were to be treated as a PFIC for any taxable year, and a U.S. Holder makes a timely QEF election (any such U.S. Holder, an "Electing Holder"), the Electing Holder must report for U.S. federal income tax purposes its pro rata share of our ordinary earnings and net capital gain, if any, for our taxable year that ends with or within the Electing Holder's taxable year, regardless of whether or not the Electing Holder received any distributions from us in that year. Such income inclusions would not be eligible for the preferential tax rates applicable to "qualified dividend income". The Electing Holder's adjusted tax basis in our common units will be increased to reflect taxed but undistributed earnings and profits. Distributions to the Electing Holder of our earnings and profits that were previously taxed will result in a corresponding reduction in the Electing Holder's adjusted tax basis in our common units and will not be taxed again once distributed. The Electing Holder would not, however, be entitled to a deduction for its pro rata share of any losses that we incur with respect to any year. An Electing Holder generally will recognize capital gain or loss on the sale, exchange or other disposition of our common units.

Even if a U.S. Holder makes a QEF election for one of our taxable years, if we were a PFIC for a prior taxable year during which the U.S. Holder owned our common units and for which the U.S. Holder did not make a timely QEF election, the U.S. Holder would also be subject to the more adverse rules described below under "Taxation of U.S. Holders Not Making a Timely QEF or Mark-to-Market Election". However, under certain circumstances, a U.S. Holder may be permitted to make a retroactive QEF election with respect to us for any open taxable years in the U.S. Holder's holding period for our common units in which we are treated as a PFIC. Additionally, to the extent that any of our subsidiaries is a PFIC, a U.S. Holder's QEF election with respect to us would not be effective with respect to the U.S. Holder's deemed ownership of the stock of such subsidiary and a separate QEF election with respect to such subsidiary would be required.

A U.S. Holder makes a QEF election with respect to any year that we are a PFIC by filing IRS Form 8621 with the U.S. Holder's U.S. federal income tax return. If, contrary to our expectations, we were to determine that we are treated as a PFIC for any taxable year, we would notify all U.S. Holders and would provide all necessary information to any U.S. Holder that requests such information in order to make the QEF election described above with respect to us and the relevant subsidiaries. A QEF election would not apply to any taxable year for which we are not a PFIC, but would remain in effect with respect to any subsequent taxable year for which we are a PFIC, unless the IRS consents to the revocation of the election.

***Taxation of U.S. Holders Making a "Mark-to-Market" Election***

If we were to be treated as a PFIC for any taxable year and, subject to the possibility that our common units may be delisted by a qualifying exchange, our common units were treated as "marketable stock," then, as an alternative to making a QEF election, a U.S. Holder would be allowed to make a "mark-to-market" election with respect to our common units, provided the U.S. Holder completes and files IRS Form 8621 in accordance with the relevant instructions and related Treasury Regulations. If that election is made, the U.S. Holder generally would include as ordinary income in each taxable year the excess, if any, of the fair market value of the U.S. Holder's common units at the end of the taxable year over the holder's adjusted tax basis in the common units. The U.S. Holder also would be permitted an ordinary loss in respect of the excess, if any, of the U.S. Holder's adjusted tax basis in the common units over the fair market value thereof at the end of the taxable year, but only to the extent of the net amount previously included in income as a result of the mark-to-market election. A U.S. Holder's tax basis in the U.S. Holder's common units would be adjusted to reflect any such income or loss recognized. Gain recognized on the sale, exchange or other disposition of our common units would be treated as ordinary income, and any loss recognized on the sale, exchange or other disposition of the common units would be treated as ordinary loss to the extent that such loss does not exceed the net mark-to-market gains previously included in income by the U.S. Holder. A mark-to-market election would not apply to our common units owned by a U.S. Holder in any taxable year during which we are not a PFIC, but would remain in effect with respect to any subsequent taxable year for which we are a PFIC, unless our common units are no longer treated as "marketable stock" or the IRS consents to the revocation of the election.

Even if a U.S. Holder makes a "mark-to-market" election for one of our taxable years, if we were a PFIC for a prior taxable during which the U.S. Holder owned our common units and for which the U.S. Holder did not make a timely mark-to-market election, the U.S. Holder would also be subject to the more adverse rules described below under "Taxation of U.S. Holders Not Making a Timely QEF or Mark-to-Market Election". Additionally, to the extent that any of our subsidiaries is a PFIC, a "mark-to-market" election with respect to our common units would not apply to the U.S. Holder's deemed ownership of the stock of such subsidiary.

***Taxation of U.S. Holders Not Making a Timely QEF or Mark-to-Market Election***

If we were to be treated as a PFIC for any taxable year, a U.S. Holder who does not make either a timely QEF election or a timely "mark-to-market" election for that year (i.e., the taxable year in which the U.S. Holder's holding period commences), whom we refer to as a "Non-Electing Holder," would be subject to special rules resulting in increased tax liability with respect to (1) any excess distribution (i.e. the portion of any distributions received by the Non-Electing Holder on our common units in a taxable year in excess of 125.0% of the average annual distributions received by the Non-Electing Holder in the three preceding taxable years, or, if shorter, the Non-Electing Holder's holding period for the common units), and (2) any gain realized on the sale, exchange or other disposition of our common units. Under these special rules:

•the excess distribution and any gain would be allocated ratably over the Non-Electing Holder's aggregate holding period for the common units;

•the amount allocated to the current taxable year and any year prior to the year we were first treated as a PFIC with respect to the Non-Electing Holder would be taxed as ordinary income; and

•the amount allocated to each of the other taxable years would be subject to tax at the highest rate of tax in effect for the applicable class of taxpayer for that year, and an interest charge for the deemed deferral benefit would be imposed with respect to the resulting tax attributable to each such other taxable year.

If we were treated as a PFIC for any taxable year and a Non-Electing Holder who is an individual dies while owning our common units, such holder's successor generally would not receive a step-up in tax basis with respect to such common units. Additionally, to the extent that any of our subsidiaries is a PFIC, the foregoing consequences would apply to the U.S. Holder's deemed receipt of any excess distribution on, or gain deemed realized on the disposition of, the stock of such subsidiary deemed owned by the U.S. Holder.

In January 2022, the U.S. Department of Treasury issued proposed regulations concerning PFICs. If the proposed regulations are finalized, they may affect eligibility requirements to make a QEF election or a mark-to-market election.

***Controlled Foreign Corporation***

If a U.S. Holder owns directly, indirectly or constructively (under Section 318 of the Code) at least 10% of the voting power or value of shares of a foreign corporation, such U.S. person is considered a "U.S. Shareholder" with respect to the foreign corporation. If U.S. Shareholders, in the aggregate, own more than 50% of the voting power or value of the shares of such corporation, the foreign corporation will be classified as a CFC. Additionally, even absent U.S. Shareholders with direct or indirect interests in a foreign corporation, a U.S. subsidiary of the Company alone may cause certain related foreign corporations to be treated as CFCs by reason of certain "downward attribution" rules. We believe that Navios Partners was not a CFC as of December 31, 2024 or at any time during 2024, and we do not expect to become a CFC in a subsequent taxable year.

However, given that we are publicly held, the constructive ownership rules under section 318 of the Code may make it difficult to determine whether any U.S. person is a 10% U.S. Shareholder of ours and our non-U.S. subsidiaries and whether we or any of our non-U.S. subsidiaries is a CFC. Moreover, in the event the Company establishes one or more U.S. subsidiaries, the Company's non-U.S. subsidiaries could be treated as CFCs (regardless of whether the Company is treated as a CFC), depending on the structure of the Company group at any given time.

The U.S. federal income tax consequences of U.S. Holders who at all times own less than 10% of our equity, directly, indirectly, and constructively, should not be affected even if we (an our non-U.S. subsidiaries) become a CFC. However, if we (and our non-U.S. subsidiaries) become a CFC, any U.S. Holder who owns 10% or more of our equity (by vote or value), directly or indirectly, should be subject to U.S. federal income tax on a current basis on its pro rata share of our (and our non-U.S. subsidiary's) so-called "subpart F" income, "global intangible low-taxed income" ("GILTI"), and any investment in earnings in U.S. property, regardless of whether we make any distributions, in addition to being subject to U.S. federal income tax reporting requirements. In addition, a gain (or a portion of such gain) realized on CFC shares sold by a U.S. Shareholder (during the period that a corporation is a CFC and thereafter for a five-year period) may be treated as ordinary income depending on certain facts.

Income from our time chartering activities could constitute subpart F income if it were derived from passive rental activities. But, Thompson Hine's opinion that the income we earn from our time chartering activities should not be treated as passive income is based principally on their conclusion that such income should constitute services income, rather than rental income (see U.S. Federal Income Taxation of U.S. Holders - PFIC Status and Significant Tax Consequences). Although we believe that the income we earn from our time chartering activities should not be treated as subpart F income, such U.S. Holder may be subject to U.S. federal income tax on such income under the GILTI rules.

If contrary, to our belief discussed above, the income we earn from our time chartering activities were treated as subpart F income, it is unclear whether such income would nonetheless be exempted from U.S. federal income tax for so long as we qualify for the Section 883 exemption (see "Item 4. Information on the Partnership – B. Business Overview - Taxation of the Partnership - The Section 883 Exemption"). In this regard, the IRS has taken the position in Revenue Ruling 87-15 that the Section 883 exemption does not cause subpart F income to be exempted from U.S. federal income tax.

The Company cannot provide any assurances that it will assist investors in determining whether it or any of its non-U.S. subsidiaries is treated as a CFC or whether any investor is treated as a U.S. Shareholder with respect to any such CFC or furnish to any U.S. Shareholders information that may be necessary to comply with the aforementioned reporting and tax paying obligations Any U.S. Holder of Navios Partners that owns 10% or more (by vote or value), directly or indirectly, of the equity of Navios Partners should consult its own tax advisor regarding the U.S. federal tax consequences that may result from Navios Partners (and its non-U.S. subsidiaries) being treated as a CFC.

***Medicare Tax***

A U.S. Holder that is an individual or estate, or a trust that does not fall into a special class of trusts that is exempt from such tax, will generally be subject to a 3.8% tax on the lesser of (i) the U.S. Holder's "net investment income" for a taxable year and (ii) the excess of the U.S. Holder's modified adjusted gross income for such taxable year over $200,000 ($250,000 in the case of joint filers). For these purposes, "net investment income" will generally include dividends paid with respect to our common units and net gain attributable to the disposition of our common units not held in connection with certain trades or businesses, but will be reduced by any deductions properly allocable to such income or net gain.

**U.S. Federal Income Taxation of Non-U.S. Holders**

A beneficial owner of our common units (other than a partnership or an entity or arrangement treated as a partnership for U.S. federal income tax purposes) that is not a U.S. Holder is a "Non-U.S. Holder".

***Distributions***

Distributions we pay to a Non-U.S. Holder will not be subject to U.S. federal income tax or withholding tax if the Non-U.S. Holder is not engaged in a U.S. trade or business. If the Non-U.S. Holder is engaged in a U.S. trade or business, our distributions will be subject to U.S. federal income tax to the extent they constitute income effectively connected with the Non-U.S. Holder's U.S. trade or business (and a corporate Non-U.S. Holder may also be subject to U.S. federal branch profits tax). However, distributions paid to a Non-U.S. Holder who is engaged in a trade or business may be exempt from taxation under an income tax treaty if the income arising from the distribution is not attributable to a U.S. permanent establishment maintained by the Non-U.S. Holder.

***Disposition of Units***

In general, a Non-U.S. Holder will not be subject to U.S. federal income tax or withholding tax on any gain resulting from the disposition of our common units provided the Non-U.S. Holder is not engaged in a U.S. trade or business. A Non-U.S. Holder that is engaged in a U.S. trade or business will be subject to U.S. federal income tax in the event the gain from the disposition of units is effectively connected with the conduct of such U.S. trade or business (provided, in the case of a Non-U.S. Holder entitled to the benefits of an income tax treaty with the United States, such gain also is attributable to a U.S. permanent establishment). However, even if not engaged in a U.S. trade or business, individual Non-U.S. Holders may be subject to tax on gain resulting from the disposition of our common units if they are present in the United States for 183 days or more during the taxable year in which those units are disposed and meet certain other requirements.

**Backup Withholding and Information Reporting**

In general, payments to a non-corporate U.S. Holder of distributions or the proceeds of a disposition of common units may be subject to information reporting. These payments to a non-corporate U.S. Holder also may be subject to backup withholding (currently at a rate of 24%), if the non-corporate U.S. Holder:

•fails to provide an accurate taxpayer identification number;

•is notified by the IRS that he has failed to report all interest or corporate distributions required to be reported on his U.S. federal income tax returns; or

•in certain circumstances, fails to comply with applicable certification requirements.

A U.S. Holder generally is required to certify its compliance with the backup withholding rules on IRS Form W-9.

Non-U.S. Holders may be required to establish their exemption from information reporting and backup withholding by certifying their status on IRS Form W-8BEN, W-8BEN-E, W-8ECI or W-8IMY, as applicable.

Backup withholding is not an additional tax. Rather, a unitholder generally may obtain a credit for any amount withheld against his liability for U.S. federal income tax (and obtain a refund of any amounts withheld in excess of such liability) by filing a U.S. federal income tax return with the IRS.

Individual U.S. Holders (and to the extent specified in applicable U.S. Treasury Regulations, certain individual Non-U.S. Holders and certain U.S. Holders that are entities) that hold "specified foreign financial assets," including our common units, whose aggregate value exceeds $75,000 at any time during the taxable year or $50,000 on the last day of the taxable year (or such higher amounts as prescribed by applicable U.S. Treasury Regulations) are required to file a report on IRS Form 8938 with information relating to the assets for each such taxable year. Specified foreign financial assets would include, among other things, our common units, unless such common units are held in an account maintained by a U.S. "financial institution" (as defined). Substantial penalties apply for any failure to timely file IRS Form 8938, unless the failure is shown to be due to reasonable cause and not due to willful neglect. Additionally, in the event an individual U.S. Holder (and to the extent specified in applicable U.S. Treasury Regulations, an individual Non-U.S. Holder or a U.S. entity) that is required to file IRS Form 8938 does not file such form, the statute of limitations on the assessment and collection of U.S. federal income taxes of such holder for the related tax year may not close until three years after the date that the required information is filed. U.S. Holders (including U.S. entities) and Non-U.S. Holders should consult their own tax advisors regarding their reporting obligations.

**NON-UNITED STATES TAX CONSIDERATIONS**

**Marshall Islands Tax Consequences**

The following discussion is based upon the opinion of Reeder & Simpson P.C., our counsel as to matters of the laws of the Republic of the Marshall Islands, and the current laws of the Republic of the Marshall Islands applicable to persons who do not reside in, maintain offices in or engage in business in the Republic of the Marshall Islands.

Because we and our subsidiaries do not and do not expect to conduct business or operations in the Republic of the Marshall Islands, under current Marshall Islands law you will not be subject to Marshall Islands taxation or withholding on distributions, including upon distribution treated as a return of capital, we make to you as a unitholder. In addition, you will not be subject to Marshall Islands stamp, capital gains or other taxes on the purchase, ownership or disposition of common units, and you will not be required by the Republic of the Marshall Islands to file a tax return relating to your ownership of common units.

**EACH UNITHOLDER IS URGED TO CONSULT HIS OWN TAX, LEGAL AND OTHER ADVISORS REGARDING THE CONSEQUENCES OF OWNERSHIP OF COMMON UNITS UNDER THE UNITHOLDER'S PAR**

**F.Dividends and paying agents**

Not applicable.

**G.Statements by experts**

Not applicable.

**H.Documents on display**

We file reports and other information with the SEC. These materials, including this annual report and the accompanying exhibits, are available from the SEC's website http://www.sec.gov.

**I.Subsidiary information**

Not applicable.

**J.Annual Report to Security Holders**

Not applicable.

**Item 11. 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. Expenses incurred in foreign currencies against which the U.S. Dollar falls in value can increase such expenses, thereby decreasing our income or vice versa if the U.S. dollar increases in value. For example, as of December 31, 2024, the value of the U.S. dollar as compared to the Euro increased by approximately 6.4% compared with the respective value as of December 31, 2023.

**Interest Rate Risk**

Interest rates had increased significantly in 2022 and 2023 as central banks in Europe, United States and other developed countries had raised interest rates, while in 2024 interest rates remain at a high level. 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 SOFR. Therefore, we are exposed to the risk that our interest expense may increase if interest rates rise. For the years ended December 31, 2024, 2023 and 2022, we paid interest on our outstanding debt at a weighted average interest rate of 6.9%, 7.2% and 5.3%, respectively. A 1% increase in SOFR would have increased our interest expense for the years ended December 31, 2024, 2023 and 2022 by $14.8 million, $14.2 million and $12.6 million, respectively.

**Concentration of Credit Risk**

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

For the year ended December 31, 2024, only one customer accounted for 10.0% or more of our total revenues and represented approximately 11.3% of our total revenues. For the years ended December 31, 2023 and 2022, no customer accounted for 10.0% or more 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.

**Inflation**

Inflation has had a minimal impact on vessel operating expenses, drydocking expenses and general and administrative expenses. Our management does not consider inflation to be a significant risk to direct expenses in the current and foreseeable economic environment.

**Item 12. Description of Securities Other than Equity Securities**

Not applicable.

**PART II**

**Item 13. Defaults, Dividend Arrearages and Delinquencies**

None.

**Item 14. Material Modifications to the Rights of Unitholders and Use of Proceeds**

None.

**Item 15. Controls and Procedures**

**A. Disclosure Controls and Procedures**

The management of Navios Partners, with the participation of the Chief Executive Officer and Chief Financial Officer, conducted an evaluation, pursuant to Rule 13a-15 promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), of the effectiveness of our disclosure controls and procedures as of December 31, 2024. Based on this evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the disclosure controls and procedures were effective as of December 31, 2024.

Disclosure controls and procedures means controls and other procedures that are designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms and that such information required to be disclosed by us in the reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosures.

**B. Management's annual report on internal control over financial reporting**

The management of Navios Partners is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rule 13a-15(f) or 15d-15(f) of the Exchange Act. Navios Partners' internal control system was designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles in the United States ("GAAP").

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Navios Partners' management assessed the effectiveness of Navios Partners' internal control over financial reporting as of December 31, 2024. In making this assessment, it used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control-Integrated Framework (2013). Based on its assessment, management concluded that, as of December 31, 2024, Navios Partners' internal control over financial reporting was effective based on those criteria.

Navios Partners' independent registered public accounting firm has issued an attestation report on Navios Partners' internal control over financial reporting.

**C. Attestation report of the registered public accounting firm**

Navios Partners' independent registered public accounting firm has issued an audit report on Navios Partners' internal control over financial reporting. This report appears on Page F-4 of the consolidated financial statements.

**D. Changes in internal control over financial reporting**

There have been no changes in internal controls over financial reporting (identified in connection with management's evaluation of such internal control over financial reporting) that occurred during the year covered by this annual report that have materially affected, or are reasonably likely to materially affect, Navios Partners' internal controls over financial reporting.

**Item 16A. Audit Committee Financial Expert**

Navios Partners' Audit Committee consists of three independent directors, Vasilios Mouyis, Serafeim Kriempardis and Alexander Kalafatides. The Board of Directors has determined that Serafeim Kriempardis qualifies as "an audit committee financial expert" as defined in the instructions of Item 16A of Form 20-F. Mr. Kriempardis is independent under applicable NYSE and SEC standards.

**Item 16B. Code of Ethics**

Navios Partners has adopted a code of ethics applicable to officers, directors and employees that complies with applicable guidelines issued by the SEC.

The Navios Partners Code of Corporate Conduct and Ethics is available for review on Navios Partners' website at www.navios-mlp.com.

**Item 16C. Principal Accountant Fees and Services**

**Audit Fees**

Our principal Accountants for each of fiscal years 2024 and 2023 were Ernst & Young (Hellas) Certified Auditors Accountants S.A. The audit fees for each of the audit of the years ended December 31, 2024 and 2023 were $0.7 million and $0.7 million, respectively.

**Audit-Related Fees**

There were no audit-related fees in 2024 and 2023.

**Tax Fees**

The tax fees for each of the years ended December 31, 2024 and 2023 were $0.2 million and $0.2 million, respectively.

**Other Fees**

There were no other fees in 2024 and 2023.

**Audit Committee**

The Audit Committee is responsible for the appointment, replacement, compensation, evaluation and oversight of the work of the independent auditors. As part of this responsibility, the Audit Committee pre-approves the audit and non-audit services performed by the independent auditors in order to assure that they do not impair the auditors' independence from Navios Partners. The Audit Committee has adopted a policy which sets forth the procedures and the conditions pursuant to which services proposed to be performed by the independent auditors may be pre-approved.

The Audit Committee separately pre-approved all engagements and fees paid to our principal accountant in 2024.

**Item 16D. Exemptions from the Listing Standards for Audit Committees**

Not applicable.

**Item 16E. Purchases of Units by the Issuer and Affiliated Purchasers**

In July 2022, the Board of Directors of Navios Partners authorized a common unit repurchase program for up to $100.0 million 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 December 31, 2024, Navios Partners had repurchased 489,955 common units, for a total cost of approximately $25.0 million.

| Period | Total number of units purchased | Average price paid per unit (In U.S. dollars) | Total number of units purchased as part of publicly announced plans or programs | Maximum approximate dollar value of units that may yet be purchased under the plans or programs (In thousands of U.S. dollars) |
|---|---|---|---|---|
| January 1, 2024 to January 31, 2024 | — | $ — | — | $ — |
| February 1, 2024 to February 29, 2024 | — | — | — | — |
| March 1, 2024 to March 31, 2024 | — | — | — | — |
| April 1, 2024 to April 30, 2024 | — | — | — | — |
| May 1, 2024 to May 31, 2024 | 21,365 | 48.7 | 21,365 | 98,959 |
| June 1, 2024 to June 30, 2024 | 79,173 | 50.0 | 79,173 | 95,000 |
| July 1, 2024 to July 31, 2024 | 68,510 | 50.1 | 68,510 | 91,566 |
| August 1, 2024 to August 31, 2024 | 71,615 | 47.9 | 71,615 | 88,133 |
| September 1, 2024 to September 30, 2024 | 55,792 | 56.2 | 55,792 | 85,000 |
| October 1, 2024 to October 31, 2024 | 60,490 | 59.3 | 60,490 | 81,411 |
| November 1, 2024 to November 30, 2024 | 60,280 | 51.8 | 60,280 | 78,289 |
| December 1, 2024 to December 31, 2024 | 72,730 | 45.2 | 72,730 | 75,000 |
| **Total** | **489,955** | **$ 51.0** | **489,955** | **$ 75,000** |

All common units repurchased during the period were repurchased through open-market transactions as part of the common unit repurchase program outlined above, pursuant to which the Company may repurchase up to $100.0 million of its common units.

**Item 16F. Change in Registrant's Certifying Accountant**

Not applicable.

**Item 16G. Corporate Governance**

Pursuant to an exception for foreign private issuers, we are not required to comply with the corporate governance practices followed by U.S. companies under the NYSE listing standards. However, we have voluntarily adopted all of the NYSE required practices, except we do not have (i) a nominating/governance committee consisting of independent directors or (ii) a nominating/governance committee charter specifying the purpose and responsibilities of the nominating/governance committee. Instead, all nomination/governance decisions, other than those nominating decisions dictated by our Partnership Agreement, are currently made by a majority of our independent board members.

**Item 16H. Mine Safety Disclosures**

Not applicable.

**Item 16I. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections**

Not applicable.

**Item 16J. Insider Trading Policies**

The Company has adopted insider trading policies which are reasonably designed to promote compliance with applicable insider trading laws, rules and regulations, and any listing standards applicable to the Company.

**Item 16K. Cybersecurity**

**Risk management and strategy**

Our cybersecurity risk management program includes:

i.Implementation of cybersecurity processes, policies, and governance frameworks.

ii.Investment in IT security including third party providers that assist in our cybersecurity needs.

iii.Training sessions to avoid and combat cybersecurity threats.

iv.Board and management oversight of cybersecurity risks and threats.

The program is following recognized best practices and standards as set by the U.S. National Institute of Standards and Technology together with established policies and procedures for all key aspects of our cybersecurity program including policies and plans to combat threats and risks affecting our business.

A third-party consultant has been engaged to help integrate the information security management system to protect the Company's operations risk and vulnerability. Assessments are conducted to identify cybersecurity weaknesses and recommend enhancements. In addition, 24/7 cybersecurity services are provided including continuous monitoring, detecting and providing alerts for any potential threats and attacks, using our security information and event management system.

The Company leverages several third-party tools and technologies as part of its efforts to enhance its cybersecurity functions and performs annual disaster recovery tabletop exercises with its managed disaster recovery site provider to prepare for a cyberattack on the IT infrastructure. As part of its established cybersecurity governance framework, the Company also assesses potential cybersecurity threats related to the third-party providers and counterparties. The Company regularly provides cybersecurity awareness trainings and performs phishing campaigns to assess awareness and readiness.

**Governance**

The board of directors considers cybersecurity risk as part of its risk oversight function and oversees the Company's cybersecurity risk exposures and the steps taken by management to monitor and mitigate cybersecurity risks. The board of directors ensures allocation and prioritization of resources and overall strategic direction for cybersecurity and ensures alignment with the Company's overall strategy.

**Cybersecurity Threats**

For the year ended December 31, 2024 through the date of this annual report, there were no security incidents/breaches in 2024 leading to material risks from cybersecurity threats, that have materially affected or are reasonably likely to materially affect the Company, including its business strategy, results of operations or financial condition. Please also see Item 3. Key Information—D. Risk Factors—"Security breaches and disruptions to our information technology infrastructure could interfere with our operations and expose us to liability which could have a material adverse effect on our business, financial condition, cash flows and results of operations".

**PART III**

**Item 17. Financial Statements**

Not applicable.

**Item 18. Financial Statements**

The financial information required by this Item together with the related report of Ernst & Young (Hellas) Certified Auditors Accountants S.A., Independent Registered Public Accounting Firm, thereon is filed as part of this annual report on Pages F-1 through F-57.

**Item 19. Exhibits**

| | |
|---|---|
| 1.1 | Certificate of Limited Partnership of Navios Maritime Partners L.P.[(1)] |
| 1.2 | Fourth Amended and Restated Agreement of Limited Partnership of Navios Maritime Partners L.P.[(2)] |
| 1.3 | Articles of Incorporation of Olympos Maritime Ltd. [(46)] |
| 1.4 | Bylaws of Olympos Maritime Ltd. [(46)] |
| 2.1 | Description of the rights of each class of securities registered under Section 12 of the Exchange Act[(45)] |
| 4.1 | Omnibus Agreement, among Navios Maritime Holdings Inc., Navios GP L.L.C., Navios Maritime Operating L.L.C. and Navios Maritime Partners L.P.[(1)] |
| 4.1.1 | Amendment to Omnibus Agreement, dated as of June 29, 2009, relating to the Omnibus Agreement[(3)] |
| 4.2 | Acquisition Omnibus Agreement[(4)] |
| 4.3 | Navios Midstream Omnibus Agreement[(5)] |
| 4.4 | Navios Containers Omnibus Agreement[(6)] |
| 4.5 | Management Agreement with Navios ShipManagement Inc.[(1)] |
| 4.5.1 | Amendment to Management Agreement, dated October 29, 2009, between Navios Maritime Partners L.P. and Navios ShipManagement Inc. relating to the Management Agreement[(7)] |
| 4.5.2 | Amendment No. 2 to Management Agreement, dated October 29, 2009, between Navios Maritime Partners L.P. and Navios ShipManagement Inc. relating to the Management Agreement, dated October 21, 2011[(8)] |
| 4.5.3 | Amendment No. 3, dated October 30, 2013, to the Management Agreement, dated November 16, 2007, between Navios Maritime Partners L.P. and Navios ShipManagement Inc.[(9)] |
| 4.5.4 | Amendment No. 4, dated August 29, 2014, to the Management Agreement, dated November 16, 2007, between Navios Maritime Partners L.P. and Navios ShipManagement Inc.[(10)] |
| 4.5.5 | Amendment No. 5, dated February 10, 2015, to the Management Agreement, dated November 16, 2007, between Navios Maritime Partners L.P. and Navios ShipManagement Inc.[(11)] |
| 4.5.6 | Amendment No. 6, dated May 4, 2015, to the Management Agreement, dated November 16, 2007, between Navios Maritime Partners L.P. and Navios ShipManagement Inc.[(12)] |
| 4.5.7 | Amendment No. 7 to Management Agreement dated February 4, 2016, between Navios Partners and Navios ShipManagement relating to the Management Agreement dated November 16, 2007[(13)] |
| 4.5.8 | Amendment No. 8, dated November 14, 2017, to the Management Agreement, dated October 21, 2011, between Navios Maritime Partners L.P. and Navios ShipManagement Inc.[(14)] |

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| 4.5.9 | Amendment No. 9 dated August 28, 2019, to the Management Agreement, dated November 16, 2007 between Navios Maritime Partners L.P. and Navios ShipManagement Inc. [15] |
| 4.5.10 | Amendment No. 10, dated December 13, 2019, to the Management Agreement dated November 16, 2007, between Navios Maritime Partners L.P and Navios ShipManagement Inc.[16] |
| 4.6 | Management Agreement, dated June 7, 2017, between Navios Maritime Containers Inc. and Navios Shipmanagement Inc.[17] |
| 4.6.1 | Amendment No. 1 to Management Agreement, dated November 23, 2017, between Navios Maritime Containers Inc. and Navios Shipmanagement Inc.[17] |
| 4.6.2 | Amendment No. 2 to Management Agreement, dated April 23, 2018, between Navios Maritime Containers Inc. and Navios Shipmanagement Inc.[17] |
| 4.6.3 | Amendment No. 3 to Management Agreement, dated June 1, 2018, between Navios Maritime Containers Inc. and Navios Shipmanagement Inc.[17] |
| 4.6.4 | Amendment No. 4 to Management Agreement, dated August 28, 2019, between Navios Containers and Navios Shipmanagement Inc.[18] |
| 4.7 | Management Agreement dated May 28, 2010, between Navios Maritime Acquisition Corporation and Navios Ship Management Inc.[19] |
| 4.7.1 | Amendment to the Management Agreement dated May 4, 2012, between Navios Maritime Acquisition Corporation and Navios Tankers Manager Inc.[20] |
| 4.7.2 | Amendment to the Management Agreement dated May 14, 2014, between Navios Maritime Acquisition Corporation and Navios Tankers Management Inc.[21] |
| 4.7.3 | Fourth Amendment to the Management Agreement, dated May 19, 2016, between Navios Maritime Acquisition Corporation and Navios Tankers Management Inc.[22] |
| 4.7.4 | Fifth Amendment to the Management Agreement, dated May 3, 2018, between Navios Maritime Acquisition Corporation and Navios Tankers Management Inc.[23] |
| 4.7.5 | Sixth Amendment to the Management Agreement, dated as of August 29, 2019, by and between Navios Maritime Acquisition Corporation and Navios Tankers Management Inc.[24] |
| 4.7.6 | Seventh Amendment to the Management Agreement, dated as of December 13, 2019, by and between Navios Maritime Acquisition Corporation and Navios Tankers Management Inc. [25] |
| 4.7.7 | Eighth Amendment to the Management Agreement, dated as of June 26, 2020, by and between Navios Maritime Acquisition Corporation and Navios Tankers Management Inc.[25] |
| 4.8 | Administrative Services Agreement with Navios Shipmanagement Inc.[1] |
| 4.8.1 | Amendment No. 1 to Administrative Services Agreement with Navios Maritime Holdings Inc., dated October 21, 2011[8] |
| 4.8.2 | Amendment No. 2 to Administrative Services Agreement, dated November 14, 2017, between Navios Maritime Partners L.P. and Navios ShipManagement Inc.[14] |
| 4.8.3 | Amendment No. 3 to Administrative Services Agreement, dated August 28, 2019, between Navios Maritime Partners L.P. and Navios ShipManagement Inc.[15] |
| 4.9 | Facility Agreement dated March 28, 2022, by and among Esmeralda Shipping Corporation, Proteus Shiptrade SA and Triangle Shipping Corporation as borrowers and ABN AMRO BANK N.V. as lender, agent and security trustee.[46] |

| | |
|---|---|
| 4.10 | Bareboat Charter and Memorandum of Agreement, dated April 5, 2019, among Hinode Kaiun Co., Ltd., Mansei Kaiun Co., Ltd., and Sunmarine Maritime S.A., as buyers and bareboat owners, and Casual Shipholding Co., as seller and bareboat charterer, providing for the sale and leaseback of the Navios Sol[40] |
| 4.11 | Bareboat Charter and Memorandum of Agreement, dated July 2, 2019, between Takanawa Line Inc., as buyers and bareboat owners and Finian Navigation Co., as seller and bareboat charterer, providing for the sale and leaseback of the Navios Ace[40] |
| 4.12 | Bareboat Charter and Memorandum of Agreement (form of), dated June 18, 2021, between Mi-Das Line S.A., being a subsidiary of Itochu Corporation, and Lavender Shipping Corporation, being a subsidiary of Navios Maritime Partners L.P., providing for the sale and leaseback of the Navios Ray.[46] |
| 4.13 | Bareboat Charter and Memorandum of Agreement (form of), dated June 18, 2021, between Mi-Das Line S.A., being a subsidiary of Itochu Corporation, and Nostos Ship Management Corp., being a subsidiary of Navios Maritime Partners L.P., providing for the sale and leaseback of the Navios Bonavis.[46] |
| 4.14 | Bareboat Charter and Memorandum of Agreement, dated August 16, 2021, between Batanagar Shipping Corporation and Surf Maritime Co., being a wholly owned subsidiary of Navios Maritime Partners L.P., providing for the sale and leaseback of the Navios Pollux.[38] |
| 4.15 | Bareboat charters and Memoranda of Agreement, among Sea 66 Leasing Co. Limited, Sea 67 Leasing Co. Limited, Sea 68 Leasing Co. Limited and Sea 69 Leasing Co. Limited wholly owned subsidiaries of China Merchants Bank Limited, dated March 31, 2018, providing for the sale and leaseback of the NAVE ATRIA, NAVE AQUILA, NAVE BELLATRIX and NAVE ORION respectively[42] |
| 4.16 | Facility Agreement dated May 9, 2022, by and among Cronus Shipping Corporation, Bole Shipping Corporation, Skopelos Shipping Corporation, Ios Shipping Corporation and Antipaxos Shipping Corporation, as borrowers, and Hellenic Bank Public Company Limited, as lender, arranger, agent, account bank and security trustee [47] |
| 4.17 | Facility Agreement dated June 29, 2022, by and among Customized Development S.A., Kohylia Shipmanagement S.A., Floral Marine LTD. and Ianthe Maritime S.A. as borrowers, and Skandinaviska Enskilda Banken AB[48] |
| 4.18 | Amendment No. 11 dated July 25, 2022, to the Management Agreement dated November 16, 2007, between Navios Maritime Partners L.P. and Navios Shipmanagement Inc. [48] |
| 4.19 | Facility Agreement dated September 30, 2022, by and among Melpomene Shipping Corporation and Urania Shipping Corporation, as borrowers, and KFW IPEX-Bank GMBH, as lender, mandated lead arranger, facility agent and security agent [49] |
| 4.20 | Form of Bareboat Charter and Memorandum of Agreement, dated October 27, 2022, for the sale and leaseback transaction between Xiang H131 International Ship Lease Co., Limited Xiang H129 International Ship Lease Co., Limited Xiang H130 International Ship Lease Co., Limited, Xiang H104 International Ship Lease Co., Limited, Xiang H119 International Ship Lease Co., Limited, Xiang H132 International Ship Lease Co., Limited, Jiahai International Ship Lease Co., Limited, Jialong International Ship Lease Co., Limited,, Xiang L33 HK International Ship Lease Co., Limited, Xiang T51 HK International Ship Lease Co., Limited, Longshi International Ship Lease Co., Limited, Longli International Ship Lease Co., Limited, being subsidiaries Bank of Communications Financial Leasing Company Limited, and Velour Management Corp., Morven Chartering Inc., Isolde Shipping Inc., Rodman Maritime Corp., Silvanus Marine Company, Enplo Shipping Limited, Olympia II Navigation Limited, Pingel Navigation Limited, Ebba Navigation Limited, Clan Navigation Limited, Evian Shiptrade Ltd, Anthimar Marine Inc. being wholly owned subsidiaries of Navios Maritime Partners L.P., providing for the sale and leaseback of the Navios Vermilion, Matson Oahu, Navios Indigo, Navios Spring, Navios Summer, Navios Verde, Navios Domino, Navios Delight, Navios Destiny, Navios Devotion, Matson Lanai, Navios Amarillo, respectively. [49] |
| 4.21 | Bareboat Charter and Memorandum of Agreement (form of), dated February 14, 2023, between Glory Ocean Shipping S.A. and Temm Maritime Co., Ltd., as buyers and bareboat owners, and Koufonisi Shipping Corporation, as seller and bareboat charterer, providing for the sale and leaseback of the Navios Felix.[50] |

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| 4.22 | Supplemental Agreement, dated September 6, 2022, to the Loan Agreement dated December 13, 2021, among Ducale Marine Inc., Kleimar NV, Opal Shipping Corporation, Iris Corporation, Highbird Management Inc. and Corsair Shipping Ltd., and Credit Agricole Corporate and Investment Bank and BNP Paribas.[50] |
| 4.23 | Bareboat Charter and Memorandum of Agreement, dated December 13, 2021, between Shikar Ventures S.A. and Batanagar Shipping Corporation, providing for the sale and leaseback of Navios Stellar.[50] |
| 4.24 | Bareboat Charter and Memorandum of Agreement, dated December 13, 2021, between Pueblo Holdings Ltd. And K.T.M. Corporation S.A., providing for the sale and leaseback of Navios Lumen.[50] |
| 4.25 | Bareboat Charter and Memorandum of Agreement, dated December 13, 2021, between Pharos Navigation S.A. and ASL Navigation S.A., providing for the sale and leaseback of the Navios Phoenix.[50] |
| 4.26 | Bareboat Charter and Memorandum of Agreement, dated December 13, 2021, between Rumer Holding Ltd. and Juno Maritime Corp., providing for the sale and leaseback of Navios Antares.[50] |
| 4.27 | Bareboat Carter and Memorandum of Agreement, dated November 27, 2019, among Anchor Trans Inc., and Vernazza Shiptrade Inc, being a wholly-owned subsidiary of Navios Maritime Holdings Inc., providing for the sale and leaseback of Dream Canary.[50] |
| 4.28 | Bareboat Charter and Memorandum of Agreement, dated February 13, 2020, between Lua Line S.A. and Okino Kaiun Co. and Roselite Shipping Corporation, being a wholly-owned subsidiary of Navios Maritime Holdings Inc., providing for the sale and leaseback of Navios Corali.[50] |
| 4.29 | Bareboat Charter and Memorandum of Agreement, dated July 4, 2022, between Bright Carrier S.A, as buyers and bareboat owners, and Anafi Shipping Corporation, as seller and bareboat charterer, providing for the sale and leaseback of the Navios Sky.[50] |
| 4.30 | Term Loan Facility Agreement dated February 16, 2023, by and among Terpsichore Shipping Corporation, Erato Shipmanagement Corporation, Calliope Shipping Corporation, and Euterpe Shipping Corporation, as borrowers, DNB Bank ASA, as agent, and the Banks and Financial Institutions listed therein.[51] |
| 4.31 | Term Loan Facility Agreement dated April 19, 2023, by and among Folegandros Shipping Corporation, Serifos Shipping Corporation, Sifnos Shipping Corporation, Syros Shipping Corporation and Skiathos Shipping Corporation, as borrowers, Skandinaviska Enskilda Banken AB, as agent, bank, and arranger, and the Banks and Financial Institutions listed therein.[51] |
| 4.32 | Loan Agreement dated April 25, 2023, between Karpathos Shipping Corporation, and Patmos Shipping Corporation, as borrowers, KFW IPEX-Bank GMBH, as facilitly and security agent, mandated lead arranger, and K-Sure agent, and the Banks and Financial Institutions listed therein.[51] |
| 4.33 | Loan Agreement dated May 2, 2023, between Antipsara Shipping Corporation, Kithira Shipping Corporation, and Thasos Shipping Corporation, as borrowers, Eurobank S.A., as agent, arranger, and security agent, Eurobank Cyprus Ltd., as account bank, and the Banks and Financial Institutions listed therein.[51] |
| 4.34 | Bareboat Charter and Memorandum of Agreement (Form of) dated May 19, 2023, by and between Xiang H145 International Ship Lease Co., Limited, Xiang H142 International Ship Lease Co., Limited, Xiang H143 International Ship Lease Co., Limited, Xiang H144 International Ship Lease Co., Limited, wholly owned subsidiaries of Bank of Communications Financial Leasing Company as buyers and bareboat owners and Polymnia Shipping Corporation, Kleio Shipping Corporation, Astrovalos Shipping Corporation and Gavdos Shipping Corporation as seller and bareboat charterers, providing for the sale and leaseback of Nave Cosmos, Nave Photon, Zim Seagull and Zim Albatross.[51] |
| 4.35 | Addendum No.1 to Navios Galaxy II Bareboat Charter, dated June 15, 2023 by and between Thalassa Marine S.A. as the charterer, and Abo Shoten, Ltd. and ASL Ocean Inc. as the owners.[52] |
| 4.36 | Addendum No.1 to MV Navios Uranus Bareboat Charter, dated June 15, 2023 by and between Atlas Marine S.A., as the charterer, and Abo Shoten, Ltd. and ASL Ocean Inc. as the owners.[52] |
| 4.37 | Addendum No.1 to MV Navios Phoenix Bareboat Charter, dated June 19, 2023 by and between Pharos Navigation S.A., as the charterer and ASL Navigation S.A. as the owner.[52] |

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| 4.38 | Addendum No.1 to MV Navios Felicity I Bareboat Charter, dated June 19, 2023 by and between Rider Shipmanagement Inc. as the charterer and Forever Shipping S.A. as the owner.[52] |
| 4.39 | Facility Agreement dated June 20, 2023, among Iraklia Shipping Corporation, Antikithira Shipping Corporation, Limnos Shipping Corporation, Thera Shipping Corporation, Fandango Shipping Corporation, Flavescent Shipping Corporation, Sunstone Shipping Corporation, Coasters Venture Corporation, Velvet Shipping Corporation, and Bertyl Ventures Co. as borrowers and National Bank of Greence S.A.[52] |
| 4.40 | Loan Agreement dated June 21, 2023 among Zakynthos Shipping Corporation, Persephone Shipping Corporation, Kerkyra Shipping Corporation, Chernava Marine Corp., Ducale Marine Inc., Kleimar NV, Oral Shipping Corporation, Iris Shipping Corporation, Highbird Management Inc., as borrowers, BNP Paribas as Mandated Lead Arranger, Agent, and Security Trustee, and the banks and financial institutions listed therein.[52] |
| 4.41 | Addendum No.2 to Nave Pulsar Bareboat Charter, dated June 27, 2023 by and between Samothrace Shipping Corporation as the charterer and World Star Shipping, S.A.. as the owner.[52] |
| 4.42 | Addendum No.1 to Navios Sky Bareboat Charter, dated June 27, 2023 by and between Anafi Shipping Corporation as the charterers and Bright Carrier S.A. as the owner.[52] |
| 4.43 | Addendum No.1 to Navios Antares Bareboat Charter, dated June 27, 2023 by and between Rumer Holding Corp. as the charterer and Juno Marine Corp as the owner.[52] |
| 4.44 | Addendum No.1 to MV Navios Alegria Bareboat Charter, dated June 28, 2023 by and between Vatselo Enterprises Corp. as the charterer and Sealift Maritime S.A. as the owner.[52] |
| 4.45 | Addendum No.2 to MV Navios Astra Bareboat Charter, dated June 28, 2023 by and between Goddess Shiptrade Inc. as the charterer and Bright Carrier S.A. as the owner.[52] |
| 4.46 | Addendum No.1 to MV Navios Canary Bareboat Charter, dated June 28, 2023 by and between Vernazza Shiptrade Inc. as the charterer and Anchor Trans Inc. as the owner.[52] |
| 4.47 | Addendum No.1 to MV Navios Corali Bareboat Charter, dated June 28, 2023 by and between Roselite Shipping Corporation as the charterer, and Lua Line S.A. and Okino Kaiun Co., Ltd. as the owners.[52] |
| 4.48 | Loan Agreement dated June 28, 2023, among Emery Shipping Corporation, Rondine Management Corp., Mandora Shipping Ltd., Solange Shipping Ltd., Chilali Corp., Pandora Marine Inc., Micaela Shipping Corporation as borrowers, Credit Agricole Corporate and Investment Bank as Mandated Lead Arranger, Agent, and Security Trustee, and the banks and financial institutions listed therein.[52] |
| 4.49 | Addendum No.2 to MV Navios Felix Bareboat Charter, dated June 29, 2023 by and between Koufonisi Shipping Corporation as the charterer, and Glory Ocean Shipping S.A. and TEMM Maritime Co., Ltd. as the owners.[52] |
| 4.50 | Addendum No.1 to MV Navios Sagittarius Bareboat Charter, dated July 3, 2023 by and between Sagittarius Shipping Corporation as the charterer and Wealth Line Inc. as the owner.[52] |
| 4.51 | Addendum No.1 to MV Navios Magellan Bareboat Charter, dated July 14, 2023 by and between Talia Shiptrade S.A. as the charterer and Seven Shipping S.A. as the owner.[52] |
| 4.52 | Addendum No.1 to MV Navios Meridian Bareboat Charter, dated August 4, 2023 by and between Morganite Shipping Corporation as the charterer and Million Comets S.A. as the owner.[52] |
| 4.53 | Sample Amendment and Restatement Deed, dated September 6, 2023, in relation to the Bareboat Charters and Memoranda of Agreement, dated March 31, 2018, by and among Sea 66 Leasing Co. Limited, Sea 67 Leasing Co. Limited, Sea 68 Leasing Co. Limited and Sea 69 Leasing Co. Limited wholly owned subsidiaries of China Merchants Bank Limited, providing for the sale and leaseback of the NAVE ATRIA, NAVE AQUILA, NAVE BELLATRIX and NAVE ORION respectively.[53] |
| 4.54 | Bareboat Charter and Memorandum of Agreement dated October 19, 2023, by and between Mitsui & Co., Ltd. as Shipbroker, Atokos Shipping Corporation as seller bareboat charterers and Blue Wave Line Inc. as owners, providing for the sale and leaseback of Navios Horizon I.[54] |

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| 4.55 | Term Loan Facility Agreement dated January 3, 2024, by and among Oinousses Shipping Corporation, Psara Shipping Corporation, and Tinos Shipping Corporation as borrowers, Nordea Bank ABP, Filial I Norge, as lead arranger, agent, bank, and bookrunner, and the Banks and Financial Institutions listed therein[54] . |
| 4.56 | Bareboat Charter and Memorandum of Agreement dated February 22, 2024, by and between Itochu Corporation as Shipbroker, Aramis Navigation Inc. as seller bareboat charterers and Seven Shipping S.A. of Panama as owners, providing for the sale and leaseback of MV Navios Azimuth 9589839[54]. |
| 4.57 | Sample Bareboat Charter and Memorandum of Agreement, dated November 28, 2023, for the sale and leaseback transaction among HAIJIN No.11 (TIANJIN) LEASING CO., LIMITED , HAIJIN No.8 (TIANJIN) LEASING CO., LIMITED, HAIJIN No. 9 (TIANJIN) LEASING CO., LIMITED and HAIJIN No.10 (TIANJIN) LEASING CO., LIMITED being subsidiaries of ICBC Financial Leasing Co., Ltd and Nisyros Shipping Corporation, Makri Shipping Corporation, Meganisi Shipping Corporation, Despotiko Shipping Corporation, Ithaki Shipping Corporation, Thalia Shipping Corporation, Muses Shipping Corporation, Tarak Shipping Corporation all being subsidiaries of Navios Maritime Partners L.P.[54] |
| 4.58 | Amendment No. 12 dated February 20, 2024, to the Management Agreement dated November 16, 2007, between Navios Maritime Partners L.P. and Navios Shipmanagement Inc.[55] |
| 4.59 | Master Management Agreement, between Navios Maritime Partners L.P. and Navios Shipmanagement Inc.[56] |
| 4.60 | Administrative Services Agreement, dated August 16, 2024, between Navios Maritime Partners L.P. and Navios Shipmanagement Inc.[56] |
| 4.61 | Facility Agreement, dated June 26, 2024, among Arkoi Shipping Corporation, Joy Shipping Corporation., Avery Shipping Company, Astypalaia Shipping Corporation, Kinaros Shipping Corporation, Venetiko Shipping Corporation as borrowers and ABN AMRO BANK N.V. as arranger, facility and security agent.[56] |
| 4.62 | Loan Agreement No 491, dated September 27 2024, by and among Theros Ventures Limited, Samothrace Shipping Corporation, Fantastiks Shipping Corporation, Spetses Marine Shipping Corporation as joint and several Borrowers and Eurobank S.A. as Agent and Security Trustee and the Banks and Financial Institutions as listed therein[57] |
| 4.63 | Term Loan Facility Agreement, dated September 19 2024, by and among Samos Shipping Corporation, Shinyo Saowalak Limited, Shinyo Kieran Limited, Lefkada Shipping Corporation, Jaspero Shiptrade S.A., Thetida Marine Co., Elafonisos Shipping Corporation as joint and several Borrowers and National Bank of Greece S.A. as Lender.[57] |
| 4.64 | Bareboat Charters and Memoranda of Agreement by and between Xiang L44 Hk International Ship Lease Co., Limited, Xiang L45 Hk International Ship Lease Co., Limited, Xiang L46 Hk International Ship Lease Co., Limited and Xiang L47 Hk International Ship Lease Co., Limited wholly owned subsidiaries of Bank of Communications Financial Leasing Company and Vythos Marine Corp., Nefeli Navigation S.A., Fairy Shipping Corporation and Limestone Shipping Corporation dated March 11, 2020, providing for the sale and leaseback of the Navios Constellation, the Navios Unison, the Navios Utmost and the Navios Unite[41]. |
| 4.65 | Term Loan Facility dated 04 December 2024, by and among HAPPINESS SHIPPING CORPORATION. VEGA SHIPPING CORPORATION, GALILEO SHIPPING CORPORATION, RED ROSE SHIPPING CORP. as joint and several Borrowers and HELLENIC BANK PUBLIC COMPANY LIMITED as Arranger, Facility Agent, Security Agent And Account Bank* |
| 4.66 | Bareboat Charter, dated November 26, 2024, between Wealth Line Inc., as buyer and bareboat owner, and Pueblo Holdings LTD, as seller and bareboat charterer, providing for the sale and leaseback of the Navios Lumen* |
| 4.67 | Term Loan Facility dated 07 December 2024, by and among Navios Maritime Partners L.P. as Borrower and Hamburg Commercial Bank Agent, Mandated Lead Arranger and Security Trustee and the Banks and Financial Institutions listed therein* |
| 4.68 | Term Loan Facility dated 18 March 2025, by and among Keros Shipping Corporation and Alatas Shipping Corporation as joint and several Borrowers and the Banks and Financial Institutions Listed therein as Lenders and KFW IPEX-BANL GMBH as Mandated Lead Arranger, Facility Agent, Security Agent and K-Sure Agent* |
| 4.69 | Fourth Supplemental Agreement, dated 19 March 2025 to the sale and leaseback transaction between Xiang H131 International Ship Lease Co., Limited Xiang H129 International Ship Lease Co., Limited Xiang H130 International Ship Lease Co., Limited, Xiang H104 International Ship Lease Co., Limited, Xiang H119 International Ship Lease Co., Limited, Xiang H132 International Ship Lease Co., Limited, Jiahai International Ship Lease Co., Limited, Jialong International Ship Lease Co., Limited,, Xiang L33 HK International Ship Lease Co., Limited, Xiang T51 HK International Ship Lease Co., Limited, Longshi International Ship Lease Co., Limited, Longli International Ship Lease Co., Limited, being subsidiaries Bank of Communications |

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| | Financial Leasing Company Limited, and Velour Management Corp., Morven Chartering Inc., Isolde Shipping Inc., Rodman Maritime Corp., Silvanus Marine Company, Enplo Shipping Limited, Olympia II Navigation Limited, Pingel Navigation Limited, Ebba Navigation Limited, Clan Navigation Limited, Evian Shiptrade Ltd, Anthimar Marine Inc. being wholly owned subsidiaries of Navios Maritime Partners L.P., providing for the sale and leaseback of the Navios Vermilion, Matson Oahu, Navios Indigo, Navios Spring, Navios Summer, Navios Verde, Navios Domino, Navios Delight, Navios Destiny, Navios Devotion, Matson Lanai, Navios Amarillo, respectively* |
| 8.1 | List of Subsidiaries of Navios Maritime Partners L.P.* |
| 11.1 | Insider Trading Policy* |
| 12.1 | Section 302 Certification of Chief Executive Officer* |
| 12.2 | Section 302 Certification of Chief Financial Officer* |
| 13.1 | Section 906 Certification of Chief Executive Officer and Chief Financial Officer (furnished herewith)* |
| 15.1 | Consent of Ernst & Young (Hellas) Certified Auditors Accountants S.A.* |
| 97.1 | Navios Maritime Partners L.P. Compensation Recovery Policy(54) |
| 101 | The following materials from the Company's Annual Report on Form 20-F for the fiscal year ended December 31, 2024, formatted in inline eXtensible Business Reporting Language (iXBRL): (i) Consolidated Balance Sheets at December 31, 2024 and 2023; (ii) Consolidated Statements of Operations for each of the years ended December 31, 2024, 2023 and 2022; (iii) Consolidated Statements of Cash Flows for each of the years ended December 31, 2024, 2023 and 2022; (iv) Consolidated Statements of Changes in Partners' Capital for each of the years ended December 31, 2024, 2023 and 2022; and (v) the Notes to the Consolidated Financial Statements |
| 104 | Cover page formatted as Inline XBRL and contained in exhibit 101 |

(1) Previously filed as an exhibit to the Company's Registration Statement on Form F-1, as amended (File No. 333-146972) as filed with the SEC and hereby incorporated by reference to the Annual Report.
(2) Previously filed as an exhibit to a the Company's Annual Report on Form 20-F for the year ended December 31, 2018 filed on April 9, 2019 and hereby incorporated by reference
(3) Previously filed as an exhibit to a Report on Form 6-K filed on July 14, 2009 and hereby incorporated by reference.
(4) Previously filed as an exhibit to the Company's Annual Report on Form 20-F for the year ended December 31, 2012 filed on March 15, 2013 and hereby incorporated by reference.
(5) Previously filed as an exhibit to a Report on Form F-1/A for Navios Maritime Midstream Partners L.P. filed on October 27, 2014 and hereby incorporated by reference.
(6) Previously filed as an exhibit to a Report on Form 6-K filed on August 1, 2017 and hereby incorporated by reference.
(7) Previously filed as an exhibit to a Report on Form 6-K filed on October 30, 2009 and hereby incorporated by reference.
(8) Previously filed as an exhibit to a Report on Form 6-K filed on October 24, 2011 and hereby incorporated by reference.
(9) Previously filed as an exhibit to a Report on Form 6-K filed on November 7, 2013 and hereby incorporated by reference.
(10) Previously filed as an exhibit to a Report on Form 6-K filed on October 30, 2014 and hereby incorporated by reference.
(11) Previously filed as an exhibit to a Report on Form 6-K filed on February 17, 2015 and hereby incorporated by reference.
(12) Previously filed as an exhibit to a Report on Form 6-K filed on May 5, 2015 and hereby incorporated by reference.
(13) Previously filed as an exhibit to the Company's Annual Report on Form 20-F for the year ended December 31, 2015 filed on March 29, 2016 and hereby incorporated by reference.
(14) Previously filed as an exhibit to a Report on Form 6-K filed on February 5, 2018 and hereby incorporated by reference.
(15) Previously filed as an exhibit to a Report on Form 6-K filed on September 11, 2019 and hereby incorporated by reference.
(16) Previously filed as an exhibit to the Company's Annual Report on Form 20-F for the year ended December 31, 2019 filed on April 1, 2020 and hereby incorporated by reference.
(17) Previously filed as an exhibit to the Navios Maritime Containers L.P.'s Registration Statement on Form F-1, as amended (File No. 333-225677), as filed with the SEC and hereby incorporated by reference to the Annual Report.

(18) Previously filed as an exhibit to Navios Maritime Containers L.P.'s report on Form 6-K/A filed with the SEC on September 19, 2019 and hereby incorporated by reference to the Annual Report.
(19) Previously filed as an exhibit to a Report on Form 6-K filed by Navios Acquisition on June 4, 2010, and hereby incorporated by reference
(20) Previously filed as an exhibit to a Report on Form 6-K filed by Navios Acquisition on May 15, 2012, and hereby incorporated by reference
(21) Previously filed as an exhibit to a Report on Form 6-K filed by Navios Acquisition on May 22, 2014, and hereby incorporated by reference
(22) Previously filed as an exhibit to a Report on Form 6-K filed by Navios Acquisition on June 9, 2016 and hereby incorporated by reference
(23) Previously filed as an exhibit to a Report on Form 6-K filed by Navios Acquisition on August 23, 2018 and hereby incorporated by reference
(24) Previously filed as an exhibit to a Report on Form 6-K filed by Navios Acquisition on September 11, 2019, and hereby incorporated by reference
(25) Previously filed as an exhibit to a Report on Form 6-K filed by Navios Acquisition on August 6, 2020 and hereby incorporated by reference
(26) Previously filed as an exhibit to a Report on Form 6-K filed on November 23, 2016 and hereby incorporated by reference.
(27) Previously filed as an exhibit to a Report on Form 6-K filed on June 14, 2017 and hereby incorporated by reference.
(28) Previously filed as an exhibit to a Report on Form 6-K filed on August 5, 2020 and hereby incorporated by reference.
(29) Previously filed as an exhibit to a Report on Form 6-K filed on April 9, 2021 and hereby incorporated by reference.
(30) Previously filed as an exhibit to a Report on Form 6-K filed on May 21, 2021 and hereby incorporated by reference.
(31) Previously filed as an exhibit to a Report on Form 6-K filed on May 25, 2017 and hereby incorporated by reference.
(32) - (37) [Reserved]
(38) Previously filed as an exhibit to a Report on Form 6-K filed on August 26, 2021 and hereby incorporated by reference.
(39) [Reserved]
(40) Previously filed as an exhibit to a Report on Form 6-K filed on November 29, 2019 and hereby incorporated by reference.
(41) Previously filed as an exhibit to Navios Containers' Annual Report on Form 20-F for the year ended December 31, 2019 filed on March 18, 2020 and hereby incorporated by reference.
(42) Previously filed as an exhibit to a Report on Form 20-F filed by Navios Acquisition on April 5, 2018, and hereby incorporated by reference
(43) Previously filed as an exhibit to a Report on Form 6-K filed by Navios Acquisition on November 29, 2019, and hereby incorporated by reference)
(44) Previously filed as an exhibit to a Report on Form 6-K filed on January 4, 2021 and hereby incorporated by reference.
(45) Previously filed as an exhibit to the Company's Annual Report on Form 20-F for the year ended December 31, 2020 filed on March 31, 2021 and hereby incorporated by reference.
(46) Previously filed as an exhibit to the Company's Annual Report on Form 20-F for the year ended December 31, 2021 filed on April 12, 2022 and hereby incorporated by reference.
(47) Previously filed as an exhibit to a Report on Form 6-K filed on May 23, 2022 and hereby incorporated by reference.
(48) Previously filed as an exhibit to a Report on Form 6-K filed on September 13, 2022 and hereby incorporated by reference.
(49) Previously filed as an exhibit to a Report on Form 6-K filed on December 7, 2022 and hereby incorporated by reference.
(50) Previously filed as an exhibit to the Company's Annual Report on Form 20-F for the year ended December 31, 2022 filed on March 24, 2023 and hereby incorporated by reference.
(51) Previously filed as an exhibit to a Report on Form 6-K filed on June 1, 2023 and hereby incorporated by reference.
(52) Previously filed as an exhibit to a Report on Form 6-K filed on August 31, 2023 and hereby incorporated by reference.
(53) Previously filed as an exhibit to a Report on Form 6-K filed on November 22, 2023 and hereby incorporated by reference.
(54) Previously filed as an exhibit to the Company's Annual Report on Form 20-F for the year ended December 31, 2023 filed on April 3, 2024 and hereby incorporated by reference.
(55) Previously filed as an exhibit to a Report on Form 6-K filed on May 22, 2024 and hereby incorporated by reference.
(56) Previously filed as an exhibit to a Report on Form 6-K filed on September 12, 2024 and hereby incorporated by reference.
(57) Previously filed as an exhibit to a Report on Form 6-K filed on November 13, 2024 and hereby incorporated by reference.

* Filed herewith

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**Report of Independent Registered Public Accounting Firm**

To the Partners and the Board of Directors of Navios Maritime Partners L.P.

**Opinion on the Financial Statements**

We have audited the accompanying consolidated balance sheets of Navios Maritime Partners L.P. (the "Company") as of December 31, 2024 and 2023, the related consolidated statements of operations, changes in partners' capital and cash flows for each of the three years in the period ended December 31, 2024, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2024, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2024, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated March 28, 2025 expressed an unqualified opinion thereon.

**Basis for Opinion**

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

**Critical Audit Matter**

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

***Recoverability assessment of vessels***

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|---|---|
| *Description of the matter* | As of December 31, 2024, the carrying value of the Company's vessels, plus any unamortized portion of deferred drydock and special survey costs and intangible assets of favorable lease terms was $4,480 million. As discussed in Notes 2(m) and 6 to the consolidated financial statements, the Company evaluates each vessel for impairment whenever events or changes in circumstances indicate that the carrying value of a vessel, including any unamortized portion of deferred drydock and special survey costs and intangible assets of favorable lease terms (collectively the "asset group") may not be fully recoverable in accordance with the guidance in ASC 360 – Property, Plant and Equipment ("ASC 360"). If indicators of impairment exist, management compares the future undiscounted net operating cash flows of the asset group expected to be generated throughout the remaining useful life of each vessel to the carrying value of the asset group. Where an asset group's carrying value exceeds the undiscounted net operating cash flows, management will recognize an impairment loss equal to the excess of an asset group's carrying value over the fair value of the vessel.<br><br>Auditing management's recoverability assessment was complex given the judgement and estimation uncertainty involved in determining certain assumptions in the undiscounted net operating cash flows, specifically the charter rates for non-contracted revenue days. These charter rates are subjective as they involve the development and use of assumptions about the shipping markets through the end of the useful lives of the vessels. These assumptions are forward looking, and subject to the inherent unpredictability of future global economic and market conditions. |

| | |
|---|---|
| *How we addressed the matter in our audit* | We obtained an understanding of the Company's impairment process, evaluated the design, and tested the operating effectiveness of the controls over management's process to test recoverability of the asset groups, including determination of charter rates for non-contracted revenue days.<br><br>We analyzed management's recoverability assessment by comparing the methodology and model used to evaluate impairment of each asset group against the accounting guidance in ASC 360. To test management's undiscounted net operating cash flow forecasts, our procedures included, among others, comparing the asset group's forecasted charter rates for non-contracted revenue days with external market and industry data. In addition, we performed sensitivity analyses to assess the impact of changes to charter rates for non-contracted revenue days in the determination of the undiscounted net operating cash flows. We assessed the Company's disclosures in Notes 2(m) and 6. |

/s/ Ernst & Young (Hellas) Certified Auditors Accountants S.A.

We have served as the Company's auditor since 2021.

Athens, Greece
March 28, 2025

## Report of Independent Registered Public Accounting Firm

**To the Partners and the Board of Directors of Navios Maritime Partners L.P.**

**Opinion on Internal Control over Financial Reporting**

We have audited Navios Maritime Partners L.P.'s internal control over financial reporting as of December 31, 2024, based on criteria established in Internal Control — Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Navios Maritime Partners L.P. (the "Company") maintained, in all material respects, effective internal control over financial reporting as of December 31, 2024 based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the accompanying consolidated balance sheets of the Company as of December 31, 2024 and 2023, the related consolidated statements of operations, changes in partners' capital and cash flows for each of the three years in the period ended December 31, 2024, and the related notes and our report dated March 28, 2025 expressed an unqualified opinion thereon.

**Basis for Opinion**

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Annual Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

**Definition and Limitations of Internal Control Over Financial Reporting**

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young (Hellas) Certified Auditors Accountants S.A.

Athens, Greece
March 28, 2025

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

| | Notes | December 31, 2024 | December 31, 2023 |
|---|---|---|---|
| **ASSETS** | | | |
| **Current assets** | | | |
| Cash and cash equivalents | 3 | $ 270,166 | $ 240,378 |
| Restricted cash | 3 | 29,623 | 8,797 |
| Other investments | 2 | 12,289 | 47,000 |
| Accounts receivable, net | 4 | 33,399 | 42,237 |
| Prepaid expenses and other current assets | 5 | 60,894 | 61,336 |
| Amounts due from related parties | 17 | 36,620 | — |
| **Total current assets** | | **442,991** | **399,748** |
| Vessels, net | 6 | 4,241,292 | 3,734,671 |
| Deposits for vessels acquisitions | 2, 15, 17 | 444,897 | 434,134 |
| Other long-term assets | 15, 20 | 61,749 | 62,111 |
| Deferred drydock and special survey costs, net | 17 | 196,194 | 145,932 |
| Amounts due from related parties | 17 | — | 39,570 |
| Intangible assets | 2, 7 | 42,311 | 60,431 |
| Operating lease assets | 20 | 243,806 | 270,969 |
| **Total non-current assets** | | **5,230,249** | **4,747,818** |
| **Total assets** | | **$ 5,673,240** | **$ 5,147,566** |
| **LIABILITIES AND PARTNERS' CAPITAL** | | | |
| **Current liabilities** | | | |
| Accounts payable | 8 | $ 17,763 | $ 25,488 |
| Accrued expenses | 9 | 33,865 | 23,608 |
| Deferred revenue | 2 | 66,209 | 63,306 |
| Operating lease liabilities, current portion | 20 | 25,607 | 30,136 |
| Amounts due to related parties | 17 | — | 32,026 |
| Current portion of financial liabilities, net | 10 | 102,996 | 138,696 |
| Current portion of long-term debt, net | 10 | 163,226 | 146,340 |
| **Total current liabilities** | | **409,666** | **459,600** |
| Operating lease liabilities, net | 20 | 214,995 | 240,602 |
| Unfavorable lease terms | 7 | 15,266 | 27,984 |
| Long-term financial liabilities, net | 10 | 945,613 | 824,646 |
| Long-term debt, net | 10 | 917,102 | 751,781 |
| Deferred revenue | 2 | 55,534 | 63,915 |
| Other long-term liabilities | | 8,436 | 8,586 |
| **Total non-current liabilities** | | **2,156,946** | **1,917,514** |
| **Total liabilities** | | **$ 2,566,612** | **$ 2,377,114** |
| **Commitments and contingencies** | 15 | — | — |
| **Partners' capital:** | | | |
| Common Unitholders (29,694,433 and 30,184,388 common units outstanding as of December 31, 2024 and December 31, 2023, respectively) | 1, 13 | 3,053,295 | 2,724,436 |
| General Partner (622,296 general partnership units outstanding at each of December 31, 2024 and December 31, 2023) | 1, 13 | 53,333 | 46,016 |
| **Total partners' capital** | | **3,106,628** | **2,770,452** |
| **Total liabilities and partners' capital** | | **$ 5,673,240** | **$ 5,147,566** |

See notes to the consolidated financial statements

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

| | Notes | Year Ended December 31, 2024 | Year Ended December 31, 2023 | Year Ended December 31, 2022 |
|---|---|---|---|---|
| Time charter and voyage revenues | 2, 16, 20 | $ 1,334,066 | $ 1,306,889 | $ 1,210,528 |
| Time charter and voyage expenses | 2, 20 | (146,429) | (160,231) | (122,630) |
| Direct vessel expenses | 17 | (77,169) | (69,449) | (56,754) |
| Vessel operating expenses (entirely through related parties transactions) | 17 | (349,160) | (331,653) | (312,022) |
| General and administrative expenses | 9, 17 | (85,165) | (80,559) | (67,180) |
| Depreciation and amortization of intangible assets | 6, 7 | (228,472) | (217,823) | (201,820) |
| Amortization of unfavorable lease terms | 7 | 12,718 | 19,922 | 74,963 |
| Gain on sale of vessels, net | 6, 20 | 25,760 | 50,248 | 149,352 |
| Interest expense and finance cost, net | 11 | (124,529) | (133,642) | (83,091) |
| Interest income | 2 | 13,803 | 10,699 | 856 |
| Other income | 19 | 582 | 53,682 | 1,065 |
| Other expense | 17 | (8,697) | (14,438) | (14,020) |
| **Net income** | | **$ 367,308** | **$ 433,645** | **$ 579,247** |

| **Net income** | Year Ended December 31, 2024 | Year Ended December 31, 2023 | Year Ended December 31, 2022 |
|---|---|---|---|
| Common Unitholders | $ 359,867 | $ 424,974 | $ 567,662 |
| General Partner | 7,441 | 8,671 | 11,585 |
| **Net income** | **$ 367,308** | **$ 433,645** | **$ 579,247** |

| **Earnings per common unit (see Note 18)** | Year Ended December 31, 2024 | Year Ended December 31, 2023 | Year Ended December 31, 2022 |
|---|---|---|---|
| Earnings per common unit, basic | $ 11.98 | $ 14.08 | $ 18.82 |
| Earnings per common unit, diluted | $ 11.98 | $ 14.08 | $ 18.82 |

See notes to the consolidated financial statements

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

| | Notes | Year Ended December 31, 2024 | Year Ended December 31, 2023 | Year Ended December 31, 2022 |
|---|---|---|---|---|
| **OPERATING ACTIVITIES:** | | | | |
| Net income | | $ 367,308 | $ 433,645 | $ 579,247 |
| **Adjustments to reconcile net income to net cash provided by operating activities:** | | | | |
| Depreciation and amortization of intangible assets | 6, 7 | 228,472 | 217,823 | 201,820 |
| Amortization of unfavorable lease terms | 7 | (12,718) | (19,922) | (74,963) |
| Non-cash amortization of deferred revenue and straight line | | (7,006) | 54,396 | 51,048 |
| Amortization of operating lease assets/ liabilities | 20 | (2,973) | 8,918 | 3,912 |
| Amortization and write-off of deferred finance costs and discount | 2 | 7,841 | 7,188 | 5,349 |
| Amortization of deferred drydock and special survey costs | 2 | 63,605 | 43,321 | 28,917 |
| Gain on sale of vessels, net | 6, 20 | (25,760) | (50,248) | (149,352) |
| Stock-based compensation | 13 | — | 4 | 154 |
| **Changes in operating assets and liabilities:** | | | | |
| Decrease/ (increase) in accounts receivable | 4 | 8,838 | 32,793 | (46,559) |
| Decrease/ (increase) in prepaid expenses and other current assets | 5 | 8,992 | 7,609 | (20,952) |
| Decrease/ (increase) in amounts due from related parties (including current and non-current portion) | 17 | 3,627 | 1,156 | (6,158) |
| (Decrease)/ increase in accounts payable | 8 | (7,728) | (1,629) | 3,401 |
| Increase/ (decrease) in accrued expenses | 9 | 1,199 | 7,559 | (1,719) |
| Decrease in amounts due to related parties | 17 | (32,006) | (72,725) | (13,429) |
| Increase/ (decrease) in deferred revenue | | 929 | (8,284) | 11,492 |
| Payments for drydock and special survey costs | | (119,142) | (101,287) | (65,868) |
| **Net cash provided by operating activities** | | **483,478** | **560,317** | **506,340** |
| **INVESTING ACTIVITIES:** | | | | |
| Net cash proceeds from sale of vessels | 2, 6 | 190,293 | 259,004 | 284,476 |
| Acquisition of/ additions to vessels | 2, 6 | (747,023) | (182,898) | (433,777) |
| Deposits for acquisition/ option to acquire vessel | 2, 15 | (260,108) | (282,121) | (176,802) |
| Cash acquired from acquisitions | 2 | — | — | 9,862 |
| Other investments | 2 | 34,712 | (47,000) | — |
| **Net cash used in investing activities** | | **(782,126)** | **(253,015)** | **(316,241)** |
| **FINANCING ACTIVITIES:** | | | | |
| Cash distributions paid | 2, 18 | (6,132) | (6,160) | (6,163) |
| Proceeds from long-term debt and financial liabilities | 10 | 966,141 | 609,723 | 479,735 |
| Repayment of long-term debt and financial liabilities | 10 | (574,991) | (822,743) | (651,875) |
| Payments of deferred finance costs | | (10,756) | (14,045) | (6,144) |
| Acquisition of treasury units | 13 | (25,000) | — | — |
| **Net cash provided by/ (used in) financing activities** | | **349,262** | **(233,225)** | **(184,447)** |
| **Increase in cash, cash equivalents and restricted cash** | | **50,614** | **74,077** | **5,652** |
| **Cash, cash equivalents and restricted cash, beginning of period** | | **249,175** | **175,098** | **169,446** |
| **Cash, cash equivalents and restricted cash, end of period** | | **$ 299,789** | **$ 249,175** | **$ 175,098** |

| | Notes | Year Ended December 31, 2024 | Year Ended December 31, 2023 | Year Ended December 31, 2022 |
|---|---|---|---|---|
| **Supplemental disclosures of cash flow information** | | | | |
| Cash interest paid | | $ 139,261 | $ 144,388 | $ 80,626 |
| **Non cash financing activities** | | | | |
| Stock-based compensation | 13 | $ — | $ 4 | $ 154 |
| Financial and finance lease liabilities | 10 | $ 27,463 | $ 202,373 | $ 756,673 |
| **Non cash investing activities** | | | | |
| Deposits for acquisition/ option to acquire vessel | 2, 15 | $ 245,665 | $ 20,188 | $ (6,860) |
| Acquisition of vessels | 6 | $ (318,926) | $ (249,875) | $ (782,334) |

See notes to the consolidated financial statements

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

| | Limited Partners | | | | Total |
|---|---|---|---|---|---|
| | General Partner | | Common Unitholders | | Partners' |
| | Units | Amount | Units | Amount | Capital |
| **Balance December 31, 2021** | **622,555** | **$ 26,008** | **30,197,087** | **$ 1,743,717** | **$ 1,769,725** |
| Cash distribution paid ($0.20 per unit—see Note 18) | — | (124) | — | (6,039) | (6,163) |
| Units cancelled/ forfeited (see Note 13) | (259) | — | (12,699) | — | — |
| Stock-based compensation (see Note 13) | — | — | — | 154 | 154 |
| Net income | — | 11,585 | — | 567,662 | 579,247 |
| **Balance December 31, 2022** | **622,296** | **$ 37,469** | **30,184,388** | **$ 2,305,494** | **$ 2,342,963** |
| Cash distribution paid ($0.20 per unit—see Note 18) | — | (124) | — | (6,036) | (6,160) |
| Stock-based compensation (see Note 13) | — | — | — | 4 | 4 |
| Net income | — | 8,671 | — | 424,974 | 433,645 |
| **Balance December 31, 2023** | **622,296** | **$ 46,016** | **30,184,388** | **$ 2,724,436** | **$ 2,770,452** |
| Cash distribution paid ($0.20 per unit—see Note 18) | — | (124) | — | (6,008) | (6,132) |
| Acquisition of treasury units (see Note 13) | — | — | (489,955) | (25,000) | (25,000) |
| Net income | — | 7,441 | — | 359,867 | 367,308 |
| **Balance December 31, 2024** | **622,296** | **$ 53,333** | **29,694,433** | **$ 3,053,295** | **$ 3,106,628** |

See notes to the consolidated financial statements

**NAVIOS MARITIME PARTNERS L.P.**
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(Expressed in thousands of U.S. Dollars except unit and per unit data)

## NOTE 1 – DESCRIPTION OF BUSINESS

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

Navios Partners is engaged in the seaborne transportation services of a wide range of liquid and dry cargo commodities including crude oil, refined petroleum, chemicals, iron ore, coal, grain, fertilizer and also containers, chartering its vessels under short, medium and longer-term charters. The operations of Navios Partners are managed by Navios Shipmanagement Inc. and its affiliates (the "Manager"), which are entities affiliated with the Company's Chairwoman and Chief Executive Officer (see Note 17 – Transactions with related parties and affiliates).

As of December 31, 2024, there were 29,694,433 outstanding common units and 622,296 general partnership units. Angeliki Frangou, our Chief Executive Officer and Chairwoman beneficially owns an approximately 17.0% common interest of the total outstanding common units including 4,672,314 common units held through four entities affiliated with her. An entity affiliated with Angeliki Frangou beneficially owns 622,296 general partnership units, representing an approximately 2.1% ownership interest in Navios Partners based on all outstanding common units and general partnership units (see Note 17 – Transactions with related parties and affiliates).

## NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

***(a)Basis of presentation:*** The accompanying consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

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 6 – Vessels, net and Note 21 – 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 consolidated financial statements. Accordingly, the Company continues to adopt the going concern basis in preparing its financial statements.

Interest rates had increased significantly in 2022 and 2023 as central banks in Europe, United States and other developed countries had raised interest rates, while in 2024 interest rates remain at a high level. The tighter monetary policy and higher long-term interest rates result in a higher cost of capital for the Company.

***(b)Principles of consolidation:*** The accompanying consolidated financial statements include Navios Partners' wholly owned subsidiaries incorporated under the laws of the Republic of Marshall Islands, Liberia, Malta, Delaware, Cayman Islands, Hong Kong, British Virgin Islands, Luxemburg, Panama and Belgium 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' consolidated financial statements.

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

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

**NAVIOS MARITIME PARTNERS L.P.**
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(Expressed in thousands of U.S. Dollars except unit and per unit data)

The accompanying consolidated financial statements include the following entities:

| Company name | Vessel name | Country of incorporation | 2024 | 2023 | 2022 |
|---|---|---|---|---|---|
| Aegean Sea Maritime Holdings Inc. | Sub-Holding Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Afros Maritime Inc. | Operating Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Agistri Shipping Limited | Operating Subsidiary | Malta | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Agron Navigation Company[3] | Navios Azalea | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Alatas Shipping Corporation[9] | TBN XX | Marshall Is. | 5/20–12/31 | — | — |
| Aldebaran Shipping Corporation | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Alegria Shipping Corporation[6] | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Alimia Shipping Corporation[10] | TBN XVI | Marshall Is. | 5/30–12/31 | — | — |
| Alkmene Shipping Corporation[5] | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Alonnisos Shipping Corporation | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Amaryllis Shipping Inc.[5] | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Ambracia Navigation Company[3] | Navios Primavera | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Amindra Navigation Co. | Holding Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Ammos Shipping Corp.[5] | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Amorgos Shipping Corporation[5] | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Anafi Shipping Corporation | Navios Sky | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 9/08–12/31 |
| Andromeda Shiptrade Limited[4] | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Andros Shipping Corporation[5] | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Anthimar Marine Inc. | Navios Amarillo | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Antikithira Shipping Corporation[4] | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Antiparos Shipping Corporation | Nave Atria | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Antipaxos Shipping Corporation[5] | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Antipsara Shipping Corporation | Nave Velocity | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Aramis Navigation Inc. | Navios Azimuth | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Arkoi Shipping Corporation[1] | Navios Coral | Marshall Is. | 3/14–12/31 | — | — |
| Artala Shipping Co.[2] | Navios Sakura | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Asteroid Shipping S.A. | Navios Herakles I | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 7/29–12/31 |
| Astrovalos Shipping Corporation[1] | Nave Cosmos | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 4/26–12/31 |

**NAVIOS MARITIME PARTNERS L.P.**
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(Expressed in thousands of U.S. Dollars except unit and per unit data)

| | | | | | |
|---|---|---|---|---|---|
| Astypalaia Shipping Corporation[1] | Navios Amber | Marshall Is. | 3/14–12/31 | — | — |
| Atokos Shipping Corporation[2] | Navios Horizon I | Marshall Is. | 1/01–12/31 | 7/18–12/31 | — |
| Aurora Shipping Enterprises Ltd. | Navios Hope | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Avery Shipping Company | Navios Symphony | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Azalea Shipping Inc. | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Balder Maritime Ltd | Navios Koyo | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Bato Marine Corp.[3] | Navios Armonia | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Bertyl Ventures Co. | Navios Azure | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Beryl Shipping Corporation | Hyundai Tokyo | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Boheme Navigation Company | Sub-Holding Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Bole Shipping Corporation | Spectrum N | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Boysenberry Shipping Corporation | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Brandeis Shipping Corporation | Ete N | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Buff Shipping Corporation | Fleur N | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Cadmium Shipping Corporation | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Calliope Shipping Corporation[1] | Zim Condor | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Camelia Shipping Inc.[6] | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Casual Shipholding Co. | Navios Sol | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Cavalli Navigation Inc.[18] | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Cavos Navigation Co. | Navios Libra | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Celadon Shipping Corporation | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Cerulean Shipping Corporation | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Chalki Shipping Corporation[9] | TBN VI | Marshall Is. | 1/01–12/31 | 5/31–12/31 | — |
| Chernava Marine Corp. | Navios Bahamas | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Cheryl Shipping Corporation | Hyundai Shanghai | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Chilali Corp. | Navios Aurora II | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Christal Shipping Corporation | Hyundai Busan | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Citrine Shipping Corporation[12] | Former Vessel-Owning Company | Marshall Is. | — | 1/01–2/21 | 1/01–12/31 |
| Clan Navigation Limited | Navios Devotion | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Cloud Atlas Marine S.A. | Navios Uranus | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 7/29–12/31 |
| Coasters Ventures Ltd | Navios Christine B | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |

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(Expressed in thousands of U.S. Dollars except unit and per unit data)

| | | | | | |
|---|---|---|---|---|---|
| Corsair Shipping Ltd.[6] | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 9/08-12/31 |
| Crayon Shipping Ltd | Navios Miami | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Crete Shipping Corporation | Nave Cetus | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Cronus Shipping Corporation[14] | Protostar N | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Customized Development S.A.[19] | Navios Fulvia | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Cyrus Investments Corp. | Baghdad | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Delos Shipping Corporation[5] | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Despotiko Shipping Corporation[1] | Nave Polaris | Marshall Is. | 1/01–12/31 | 9/05–12/31 | — |
| Dione Shipping Corporation[5] | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Dionysus Shipping Corporation | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Donoussa Shipping Corporation | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Doxa International Corp. | Nave Electron | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Ducale Marine Inc. | Navios Etoile | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 9/08–12/31 |
| Dune Shipping Corp.[12] | Former Vessel-Owning Company | Marshall Is. | — | 1/01–2/21 | 1/01–12/31 |
| Ebba Navigation Limited | Navios Destiny | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Elafonisos Shipping Corporation[8] | TBN II | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 10/19–12/31 |
| Emery Shipping Corporation | Navios Gem | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Enplo Shipping Limited | Navios Verde | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Erato Shipmanagement Corporation[1] | Zim Pelican | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Ereikousa Shipping Corporation[9] | TBN XI | Marshall Is. | 1/01–12/31 | 5/24–12/31 | — |
| Esmeralda Shipping Corporation | Navios Sphera | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Euterpe Shipping Corporation[1] | Hawk I (ex Zim Hawk) | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Evian Shiptrade Ltd | Matson Lanai | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Fairy Shipping Corporation[6] | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Faith Marine Ltd.[19] | Navios Altamira | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 9/08-12/31 |
| Fandango Shipping Corporation | Unity N | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Fantastiks Shipping Corporation | Navios Fantastiks | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Felicity Shipping Corporation | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Finian Navigation Co. | Navios Ace | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Flavescent Shipping Corporation | Odysseus N | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Floral Marine Ltd. | Navios Buena Ventura | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |

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(Expressed in thousands of U.S. Dollars except unit and per unit data)

| | | | | | |
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| Folegandros Shipping Corporation | Nave Andromeda | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Galaxy Shipping Corporation | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Galera Management Company[2] | Navios Amethyst | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 6/24–12/31 |
| Galileo Shipping Corporation[14] | Navios Galileo | Marshall Is. | 9/17–12/31 | — | — |
| Gatsby Maritime Company[9] | TBN IV | Marshall Is. | 1/01–12/31 | 1/03–12/31 | — |
| Gavdos Shipping Corporation[1] | Nave Photon | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 4/26–12/31 |
| Gemini Shipping Corporation[12] | Former Vessel-Owning Company | Marshall Is. | — | 1/01–2/07 | 1/01–12/31 |
| Goddess Shiptrade Inc.[3] | Navios Astra | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Goldie Services Company[6] | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Golem Navigation Limited | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Happiness Shipping Corporation | Navios Happiness | Marshall Is. | 9/17–12/31 | — | — |
| Highbird Management Inc. | Navios Celestial | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 9/08-12/31 |
| Hyperion Enterprises Inc.[5] | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Ianthe Maritime S.A. | Navios Aster | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Ikaria Shipping Corporation | Nave Aquila | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Iliada Shipping S.A. | Operating Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Inastros Maritime Corp. | Navios Chrysalis | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Ios Marine Corporation[20] | Nave Cielo | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Iraklia Shipping Corporation | Bougainville | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Iris Shipping Corporation | N Amalthia | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 9/08-12/31 |
| Isolde Shipping Inc. | Navios Indigo | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Ithaki Shipping Corporation | Sub-Holding Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 4/26–12/31 |
| Jasmer Shipholding Ltd | Navios Nerine | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Jasmine Shipping Corporation[4] | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 9/08–12/31 |
| Jaspero Shiptrade S.A. | Navios Jasmine | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Joy Shipping Corporation | Navios Joy | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| JTC Shipping and Trading Ltd[13] | Operating Company | Malta | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Karpathos Shipping Corporation[7] | HMM Ocean | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 6/22–12/31 |
| Kastelorizo Shipping Corporation[8] | TBN I | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 10/19–12/31 |
| Kastos Shipping Corporation[9] | TBN XII | Marshall Is. | 1/01–12/31 | 5/24–12/31 | — |
| Kerkyra Shipping Corporation | Nave Galactic | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(Expressed in thousands of U.S. Dollars except unit and per unit data)

| | | | | | |
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| Keros Shipping Corporation[9] | TBN XIX | Marshall Is. | 5/20–12/31 | — | — |
| Kimolos Shipping Corporation | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Kinaros Shipping Corporation[1] | Navios Citrine | Marshall Is. | 3/14–12/31 | — | — |
| Kithira Shipping Corporation[4] | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Kleio Shipping Corporation[1] | Zim Seagull | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Kohylia Shipmanagement S.A. | Navios Luz | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Kos Shipping Corporation | Nave Bellatrix | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Koufonisi Shipping Corporation[2] | Navios Felix | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 11/11–12/31 |
| Kymata Shipping Co. | Navios Helios | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Lavender Shipping Corporation | Navios Ray | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Lefkada Shipping Corporation | Nave Buena Suerte | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Legato Shipholding Inc. | Navios Tempo | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Leros Shipping Corporation | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Letil Navigation Ltd | Sub-Holding Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Leto Shipping Corporation | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Levitha Shipping Corporation[10] | TBN XV | Marshall Is. | 5/30–12/31 | — | — |
| Libra Shipping Enterprises Corporation | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Limestone Shipping Corporation[6] | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Limnos Shipping Corporation | Nave Pyxis | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Makri Shipping Corporation[1] | Navios Utmost | Marshall Is. | 1/01–12/31 | 9/05–12/31 | — |
| Makronisos Shipping Corporation | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Mandora Shipping Ltd | Navios Centaurus | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Mathraki Shipping Corporation[9] | TBN X | Marshall Is. | 1/01–12/31 | 7/18–12/31 | — |
| Meganisi Shipping Corporation[1] | Navios Unite | Marshall Is. | 1/01–12/31 | 9/05–12/31 | — |
| Melpomene Shipping Corporation[2] | Sparrow | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Mesta Shipping Corporation[10] | TBN XXII | Marshall Is. | 8/26–12/31 | — | — |
| Micaela Shipping Corporation[4] | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Migen Shipmanagement Ltd | Sub-Holding Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Moonstone Shipping Corporation[5] | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 9/08–12/31 |
| Morganite Shipping Corporation[2] | Navios Meridian | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Morven Chartering Inc. | Navios Verano | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |

**NAVIOS MARITIME PARTNERS L.P.**
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(Expressed in thousands of U.S. Dollars except unit and per unit data)

| | | | | | |
|---|---|---|---|---|---|
| Muses Shipping Corporation | Sub-Holding Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Mytilene Shipping Corporation | Nave Orion | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| NAV Holdings Limited | Sub-Holding Company | Malta | 1/01–12/31 | 1/01–12/31 | 9/08–12/31 |
| Navios Acquisition Europe Finance Inc. | Sub-Holding Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Navios Acquisition Finance (US) Inc.[15] | Co-Issuer of Ship Mortgage Notes | Delaware | 1/01–10/07 | 1/01–12/31 | 1/01–12/31 |
| Navios International Inc. | Operating Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 7/29–12/31 |
| Navios Maritime Acquisition Corporation | Sub-Holding Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Navios Maritime Containers Sub LP | Sub-Holding Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Navios Maritime Midstream Operating LLC | Sub-Holding Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Navios Maritime Midstream Partners Finance (US) Inc.[15] | Sub-Holding Company | Delaware | 1/01–10/07 | 1/01–12/31 | 1/01–12/31 |
| Navios Maritime Midstream Partners GP LLC | Sub-Holding Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Navios Maritime Midstream Partners L.P. | Sub-Holding Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Navios Maritime Operating L.L.C. | Sub-Holding Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Navios Maritime Partners L.P. | N/A | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Navios Partners Containers Finance Inc. | Sub-Holding Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Navios Partners Containers Inc. | Sub-Holding Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Navios Partners Europe Finance Inc. | Holding Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Navios Partners Finance (US) Inc.[15] | Co-Borrower | Delaware | 1/01–10/07 | 1/01–12/31 | 1/01–12/31 |
| Nefeli Navigation S.A. | Navios Unison | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Nisyros Shipping Corporation[7] | Nave Neutrino | Marshall Is. | 1/01–12/31 | 9/05–12/31 | — |
| Nostos Shipmanagement Corp. | Navios Bonavis | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Oceanus Shipping Corporation | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Oinousses Shipping Corporation | Nave Jupiter | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Olivia Enterprises Corp. | Erbil | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Olympia II Navigation Limited | Navios Domino | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Opal Shipping Corporation | Rainbow N | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 9/08-12/31 |
| Orbiter Shipping Corp.[4] | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Othonoi Shipping Corporation[9] | TBN IX | Marshall Is. | 1/01–12/31 | 7/18–12/31 | — |
| Palermo Shipping S.A.[12] | Former Vessel-Owning Company | Marshall Is. | — | 1/01–2/07 | 1/01–12/31 |
| Pandora Marine Inc. | Navios Melodia | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Patmos Shipping Corporation[7] | HMM Sky | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 6/22–12/31 |

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| | | | | | |
|---|---|---|---|---|---|
| Paxos Shipping Corporation | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Pearl Shipping Corporation | Navios Sun | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Peran Maritime Inc. | Zim Baltimore | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Perigiali Navigation Limited[5] | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Perivoia Shipmanagement Co. | Navios Amitie | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Persephone Shipping Corporation | Hector N | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Pharos Navigation S.A. | Navios Phoenix | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 9/08–12/31 |
| Pingel Navigation Limited | Matson Oahu (ex 'Navios Delight) | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Pleione Management Limited | Navios Star | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Polyaigos Shipping Corporation[10] | TBN VII | Marshall Is. | 1/01–12/31 | 7/04–12/31 | — |
| Polymnia Shipping Corporation[1] | Zim Albatross | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Poros Marine Shipping Corporation[10] | TBN XVII | Marshall Is. | 6/20–12/31 | — | — |
| Prometheus Shipping Corporation | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Prosperity Shipping Corporation | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Proteus Shiptrade S.A. | Carmel I | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Psara Shipping Corporation | Nave Luminosity | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Pserimos Shipping Corporation[9] | TBN V | Marshall Is. | 1/01–12/31 | 5/31–12/31 | — |
| Pueblo Holdings Ltd | Navios Lumen | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 9/08-12/31 |
| Pyrgi Shipping Corporation[9] | TBN XXI | Marshall Is. | 8/26–12/31 | — | — |
| Red Rose Shipping Corp. | Navios Bonheur | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 9/08–12/31 |
| Rhea Shipping Corporation[6] | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Rhodes Shipping Corporation | Nave Cassiopeia | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Rider Shipmanagement Inc. | Navios Felicity I | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 7/29–12/31 |
| Rineia Shipping Corporation[11] | TBN XVIII | Marshall Is. | 6/20–12/31 | — | — |
| Rodman Maritime Corp.[4] | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Rondine Management Corp. | Navios Victory | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Roselite Shipping Corporation | Navios Corali | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 9/08-12/31 |
| Rubina Shipping Corporation | Hyundai Hongkong | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Rumer Holding Ltd. | Navios Antares | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 9/08-12/31 |
| Sagittarius Shipping Corporation[4] | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Samos Shipping Corporation | Nave Synergy | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |

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| Samothrace Shipping Corporation | Nave Pulsar | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Santorini Shipping Corporation[10] | TBN XIII | Marshall Is. | 2/20–12/31 | — | — |
| Schinousa Shipping Corporation | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Serifos Shipping Corporation | Nave Estella | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Seymour Trading Limited | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Shikhar Ventures S.A.[17] | Navios Stellar | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 9/08–12/31 |
| Shinyo Dream Limited | Former Vessel-Owning Company | Hong Kong | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Shinyo Kannika Limited | Former Vessel-Owning Company | Hong Kong | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Shinyo Kieran Limited[21] | Nave Universe | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Shinyo Loyalty Limited | Former Vessel-Owning Company | Hong Kong | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Shinyo Navigator Limited | Former Vessel-Owning Company | Hong Kong | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Shinyo Ocean Limited | Former Vessel-Owning Company | Hong Kong | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Shinyo Saowalak Limited[21] | Nave Constellation | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Sifnos Shipping Corporation | Nave Titan | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Sikinos Shipping Corporation | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Silvanus Marine Company | Navios Summer | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Skiathos Shipping Corporation | Nave Capella | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Skopelos Shipping Corporation[20] | Nave Ariadne | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Skyros Shipping Corporation | Nave Sextans | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Solange Shipping Ltd. | Navios Avior | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Spetses Marine Shipping Corporation[1] | Navios Venus | Marshall Is. | 6/26–12/31 | — | — |
| Sui An Navigation Limited | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Sunstone Shipping Corporation | Copernicus N | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Surf Maritime Co. | Navios Pollux | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Syros Shipping Corporation | Nave Alderamin | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Talia Shiptrade S.A. | Navios Magellan II | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 7/29–12/31 |
| Tarak Shipping Corporation | Sub-Holding Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 4/26–12/31 |
| Taurus Marine Corporation[4] | Former Vessel-Owning Company | Marshall Is. | 9/26–12/31 | — | — |
| Terpsichore Shipping Corporation[1] | Zim Falcon | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Teuta Maritime S.A.[2] | Navios Altair | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Thalassa Marine S.A. | Navios Galaxy II | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 7/29-12/31 |

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(Expressed in thousands of U.S. Dollars except unit and per unit data)

| | | | | | |
|---|---|---|---|---|---|
| Thalia Shipping Corporation | Sub-Holding Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Thasos Shipping Corporation | Nave Equinox | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Thera Shipping Corporation | Nave Atropos | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Theros Ventures Limited | Navios Lapis | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Thetida Marine Co. | Navios Magnolia | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Thirasia Shipping Corporation[10] | TBN XIV | Marshall Is. | 2/20–12/31 | — | — |
| Tilos Shipping Corporation[4] | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Tinos Shipping Corporation | Nave Rigel | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Topaz Shipping Corporation | Hyundai Singapore | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Triangle Shipping Corporation | Navios Mars | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Trikeri Shipping Corporation[10] | TBN VIII | Marshall Is. | 1/01–12/31 | 7/04–12/31 | — |
| Tzia Shipping Corporation[3] | Nave Celeste | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Urania Shipping Corporation[1] | Zim Eagle | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Vatselo Enterprises Corp.[3] | Navios Alegria | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 6/24–12/31 |
| Vega Shipping Corporation | Navios Vega | Marshall Is. | 9/17–12/31 | — | — |
| Veja Navigation Company | Sub-Holding Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 9/08-12/31 |
| Velour Management Corp. | Navios Vermilion | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Velvet Shipping Corporation | Navios La Paix | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Venetiko Shipping Corporation[1] | Navios Dolphin | Marshall Is. | 3/14–12/31 | — | — |
| Vernazza Shiptrade Inc. | Navios Canary | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 9/08–12/31 |
| Vinetree Marine Company | Operating Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Vythos Marine Corp. | Navios Constellation | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Wenge Shipping Corporation | Former Vessel-Owning Company | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| White Narcissus Marine S.A.[14], [16] | Navios Asteriks | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 9/08-12/31 |
| Zakynthos Shipping Corporation | Nave Quasar | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |
| Ziggy Shipping Limited [8] | TBN III | Marshall Is. | 1/01–12/31 | 1/03–12/31 | — |
| Zoner Shiptrade S.A. | Navios Dorado | Marshall Is. | 1/01–12/31 | 1/01–12/31 | 1/01–12/31 |

(1) The vessel was delivered/ acquired in 2024.
(2) The vessel was delivered/ acquired in 2023.
(3) The vessel was delivered/ acquired in 2022.
(4) The vessel was sold in 2024.
(5) The vessel was sold in 2023.
(6) The vessel was sold in 2022.
(7) The vessel was delivered/ acquired in 2025.
(8) Expected to be delivered in 2025.

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(9) Expected to be delivered in 2026.
(10) Expected to be delivered in 2027.
(11) Expected to be delivered in 2028.
(12) The company was dissolved in 2023.
(13) Not a vessel-owning subsidiary and only holds right to charter-in contracts.
(14) The vessel is agreed to be sold in 2025.
(15) The company was dissolved in 2024.
(16) The entity was redomiciled from Panama to the Marshall Islands on November 5, 2024.
(17) The entity was redomiciled from Liberia to the Marshall Islands on November 6, 2024.
(18) The entity was redomiciled from Liberia to the Marshall Islands on November 8, 2024.
(19) The entity was redomiciled from Liberia to the Marshall Islands on November 12, 2024.
(20) The entity was redomiciled from Cayman Islands to the Marshall Islands on November 18, 2024.
(21) The entity was redomiciled from British Virgin Islands to the Marshall Islands on November 22, 2024.

In December 2024, the Company completed the sale of Kleimar N.V. and its subsidiary, Bulkinvest S.A.. The two entities were included in the consolidated financial statements of 2022, 2023 and 2024.

During the fourth quarter of 2023, the Company completed the sale of Aphrodite Shipping Corporation, Zaffre Shipping Corporation, Anthos Shipping Inc. and Wave Shipping Corp.. The four entities were included in the consolidated financial statements of 2022 and 2023 (see Note 17 – Transactions with related parties and affiliates).

***Investments in Affiliates:*** Affiliates are entities over which the Company generally has between 20% and 50% of the voting rights, or over which the Company has significant influence, but it does not exercise control. Investments in these entities are accounted for under the equity method of accounting. Under this method, the Company records an investment in the stock of an affiliate at cost, and adjusts the carrying amount for its share of the earnings or losses of the affiliate subsequent to the date of investment and reports the recognized earnings or losses in income. Dividends received from an affiliate reduce the carrying amount of the investment. The Company recognizes gains and losses in earnings for the issuance of shares by its affiliates, provided that the issuance of such shares qualifies as a sale of such shares. When the Company's share of losses in an affiliate equals or exceeds its interest in the affiliate, the Company does not recognize further losses, unless the Company has incurred obligations or made payments on behalf of the affiliate.

***(c)Use of Estimates:*** The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of the dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods. On an on-going basis, management evaluates the estimates and judgments, including those related to expected future cash flows from long-lived assets to support impairment tests. Management bases its estimates and judgments on historical experience and on various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results could differ from those estimates under different assumptions and/or conditions.

***(d)Cash and Cash Equivalents:*** Cash and cash equivalents consist of cash on hand, deposits held on call with banks, and other short-term liquid investments with original maturities of three months or less.

***(e)Restricted Cash*:** Restricted cash consists of amounts held in retention accounts in order to service debt and interest payments and cash collaterals, as required by certain of Navios Partners' credit facilities and financial liabilities.

***(f)Other investments:*** Other investments consist of time deposits with original maturities of greater than three months and less than 12 months. As of December 31, 2024 and December 31, 2023, other investments amounted to $12,289 and $47,000, respectively.

***(g)Accounts Receivable, Net*:** Accounts receivable, net at each balance sheet date includes estimated recoveries from charterers for hire, freight and demurrage, net of any allowance for receivables deemed uncollectible. Accounts receivable are recorded when the right to consideration becomes unconditional. The Company assessed that any impairment of accounts receivable arising from operating leases, i.e. time charters, should be accounted in accordance with ASC 842, and not in accordance with Topic 326, as discussed below. Impairment of accounts receivable arising from voyage charters, which are accounted in accordance with ASC 606, are within the scope of Subtopic 326 and must therefore, be assessed for expected credit losses. With regards to operating lease receivables, ASC 842 requires lessors to evaluate the collectability of all lease payments. If collection of all operating lease payments, plus any amount necessary to satisfy a residual value guarantee, is not probable (either at lease commencement or after the commencement date), lease income is constrained to the lesser of cash collected or lease income reflected on a straight-line or another systematic basis, plus variable rent when it becomes accruable. During the years ended December 31, 2024, 2023 and 2022, the Company had no write offs of accounts receivable arising from operating leases deemed uncollectible.

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***Credit Losses Accounting***

Under ASC 326, an entity recognizes as an allowance its estimate of lifetime expected credit losses which will result in more timely recognition of such losses. The Company maintains an allowance for credit losses for expected uncollectable accounts receivable, which is recorded as an offset to trade accounts receivable and changes in such, if any, are classified as allowance for credit losses in the Consolidated Statements of Operations.

The Company assesses collectability by reviewing accounts receivable on a collective basis where similar characteristics exist and on an individual basis when the Company identifies specific customers with known disputes or collectability issues. In determining the amount of the allowance for credit losses, the Company considers historical collectability based on past due status. The Company also considers customer-specific information, current market conditions and reasonable and supportable forecasts of future economic conditions to determine adjustments to historical loss data.

The allowance for credit losses was $0, $0 and $2,990 as of each of December 31, 2024, 2023 and 2022, respectively.

As of each of December 31, 2024, 2023 and 2022, no allowance was recorded for cash equivalents as the majority of cash balances as of the balance sheet date were held in time deposits with highly reputable credit institutions, for which periodic evaluations of the relative credit standing of those financial institutions are performed. No allowance was recorded on insurance claims as of each of December 31, 2024, 2023 and 2022.

***Concentration of Credit Risk***

Financial instruments, which potentially subject the Company to significant concentrations of credit risk, consist principally of cash and trade accounts receivable. The Company places its temporary cash investments, consisting mostly of deposits, with various qualified financial institutions and performs periodic evaluations of the relative credit standing of those financial institutions that are considered in the Company's investment strategy. The Company limits its credit risk with accounts receivable by performing ongoing credit evaluations of its customers' financial condition and generally does not require collateral for its accounts receivable and does not have any agreements to mitigate credit risk. For credit losses accounting on the Company's financial assets please refer above.

***(h)Inventories:*** Inventories comprised of (i) bunkers (when applicable) and (ii) lubricants and stock provisions on board of the vessels as of the balance sheet date, and are stated at the lower of cost or net realizable value. The cost is determined primarily by the first-in, first-out method. Net realizable value is defined as estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal and transportation. When evidence exists that the net realizable value of inventory is lower than its cost, the difference is recognized as a loss in earnings in the period in which it occurs.

***(i)Vessels, Net:*** Vessels are stated at historical cost, which consists of the contract price and pre-delivery costs incurred during the construction and delivery of newbuildings, including capitalized interest, and any material expenses incurred upon acquisition (improvements and delivery expenses) of second hand vessels. Vessels acquired in an asset acquisition or in a business combination are recorded at fair value. The fair value of the vessels is determined based on vessels' valuation, from independent third party shipbrokers. Subsequent expenditures for major improvements and upgrades are capitalized, provided they appreciably extend the life, increase the earnings capacity or improve the efficiency or safety of the vessels. The cost and related accumulated depreciation of assets retired or sold are removed from the accounts at the time of sale or retirement and any gain or loss is included in the accompanying Consolidated Statements of Operations. Expenditures for routine maintenance and repairs are expensed as incurred.

Depreciation is computed using the straight line method over the useful life of the vessels, after considering the estimated residual value. Management estimates the residual values of the Company's drybulk, containerships and tankers based on a scrap value cost of steel times the weight of the ship noted in lightweight ton ("LWT"). Residual values are periodically reviewed and revised to recognize changes in conditions, new regulations or other reasons. Revisions of residual values affect the depreciable amount of the vessels and affect depreciation expense in the period of the revision and future periods. The estimated scrap rate used to calculate the vessel's scrap value is $340 per LWT as of each of December 31, 2024 and 2023.

Management estimates the useful life of the Company's vessels to be 25 years for drybulk and tanker vessels and 30 years for the containerships, respectively from the original construction. However, when regulations place limitations over the ability of a vessel to trade on a worldwide basis, its useful life is re-estimated to end at the date such regulations become effective. An increase in the useful life of a vessel or in its residual value would have the effect of decreasing the annual depreciation charge and extending it into later periods. A decrease in the useful life of a vessel or in its residual value would have the effect of increasing the annual depreciation charge.

***(j)Deposits for vessels acquisitions:*** Deposits for vessels acquisitions include (i) amounts paid by the Company in accordance with the terms of the purchase agreements for the construction of vessels (See Note 15 – Commitments and

contingencies); (ii) pre-delivery expenses and related costs provided under the Company's existing agreements with the Manager (See Note 17 – Transactions with related parties and affiliates) and (iii) capitalized interest costs incurred during the construction (until the asset is substantially complete and ready for its intended use). Pre-delivery expenses represent any direct costs to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

***(k)Assets Held for Sale:*** The Company's policy is to dispose vessels and other fixed assets when suitable opportunities occur and not necessarily to retain them until the end of their useful life. The Company classifies assets and disposal groups as being held for sale when the following criteria are met: management has committed to a plan to sell the vessel (disposal group); the asset (disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of vessels; an active program to locate a buyer and other actions required to complete the plan to sell the asset (disposal group) have been initiated; the sale of the asset (disposal group) is probable and transfer of the asset (disposal group) is expected to qualify for recognition as a completed sale within one year; the asset (disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value; and actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn. Long-lived assets or disposal groups classified as held for sale are measured at the lower of their carrying amount or fair value less cost to sell. These vessels are not depreciated once they meet the criteria to be held for sale. On October 14, 2022, Navios Partners completed the sale of a 2007-built Ultra-Handymax vessel of 55,728 dwt, classified as held for sale upon her acquisition by Navios Holdings (see Note 2(l) – Summary of significant accounting policies), to an unrelated third party, for a net sales price of $13,965. No assets were classified as held for sale as of each of December 31, 2024 and 2023.

***(l)Asset Acquisitions:*** When the Company enters into an acquisition transaction, it determines whether the acquisition transaction is a purchase of an asset or a business based on the facts and circumstances of the transaction. In accordance with Topic 805, Business Combinations, the Company first evaluates whether substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets (Step one). If that threshold is met, the set of assets and activities is not a business. If the threshold is not met, the Company evaluates whether the set meets the definition of a business (Step two). To be considered a business, a set must include an input and a substantive process that together significantly contributes to the ability to create an output. All assets acquired and liabilities assumed in a business combination are measured at their acquisition date fair values. For asset acquisitions, the net assets acquired should be measured following a cost accumulation and allocation model under which the cost of the acquisition is allocated on a relative fair value basis to the qualifying assets acquired. Transaction costs associated with asset acquisitions are capitalized.

On July 26, 2022, the Company entered into a share purchase agreement to acquire a 36-vessel drybulk fleet for a purchase price of $835,000 including the assumption of bank liabilities, bareboat obligations and finance leasing obligations, subject to debt and working capital adjustments, from Navios Holdings. The fleet consisted of: (i) 30 vessels (including eight vessels under sale and leaseback and ten vessels under finance leases), (ii) five operating leases and (iii) one vessel that has been classified as held for sale. On July 29, 2022, 15 of the 36 vessels were delivered to Navios Partners. On September 8, 2022, the remaining 21 vessels were delivered to Navios Partners.

The Company performed an assessment, as defined under ASC 805, Business Combinations, and concluded that the acquisition of the 36-vessel drybulk fleet is an asset acquisition. The consideration paid amounted to $370,638 and is presented under the caption "Acquisition of/ additions to vessels" in the Consolidated Statements of Cash Flows including working capital balances of $(37,016) in accordance with the share purchase agreement of which an amount of $9,862 related to cash and cash equivalents and restricted cash and is presented under the caption "Cash acquired from acquisitions" in the Consolidated Statements of Cash Flows. The fair value of net assets acquired compared to the cost of consideration resulted in an excess value of $217,161 that was allocated to qualifying assets on a relative fair value basis. The qualifying assets were the vessels held and used, leases (finance and operating lease assets) and intangible assets.

Vessels held and used acquired as part of an asset acquisition are recorded at fair value, which is determined based on vessel valuations, obtained from independent third party shipbrokers which are, among other things, based on recent sales and purchase transactions of similar vessels.

When a vessel along with the current charter contract is acquired where the Company acts as a lessor as part of asset acquisition, intangible assets and unfavorable lease terms are recorded at fair value. The fair value of the favorable and unfavorable lease terms (intangible assets and liabilities) is determined by reference to market data and the discounted amount of expected future cash flows. The key assumptions that were used in the discounted cash flow analysis for the assets acquired from Navios Holdings were as follows: (i) the contracted charter rate of the acquired charter over the remaining lease term compared to the current market charter rates for a similar contract and (ii) discounted using the Company's relevant discount factor of 11.32%.

For acquired leases as part of an asset acquisition, where the Company is a lessee, the Company has elected to reassess classification. The Company recognizes the right-of-use assets for operating and finance leases acquired at the same amount as the lease liability, adjusted to reflect favorable and unfavorable terms of the lease when compared with market terms.

***(m)Impairment of Long Lived Assets:*** Vessels, other fixed assets and other long lived assets held and used by Navios Partners are reviewed periodically for potential impairment whenever events or changes in circumstances indicate that the

carrying amount of a particular asset may not be fully recoverable. Navios Partners' management evaluates the carrying amounts and periods over which long-lived assets are depreciated to determine if events or changes in circumstances have occurred that would require modification to their carrying values or useful lives. Measurement of the impairment loss is based on the fair value of the asset. Navios Partners determines the fair value of its assets on the basis of management estimates and assumptions by making use of available market data and taking into consideration third party valuations performed on an individual vessel basis. In evaluating the carrying values of long-lived assets, certain indicators of potential impairment, are reviewed such as obsolesce or significant damages to the vessel, vessel sales and purchases, business plans, overall market conditions and market economic outlook.

Undiscounted projected net operating cash flows are determined for each asset group, for which impairment indicators are present, and compared to the carrying value of the vessel, the unamortized portion of deferred drydock and special survey costs, ballast water treatment system costs, exhaust gas cleaning system costs and other capitalized items, if any, related to the vessel and the related carrying value of the intangible assets with respect to the time charter agreement attached to that vessel or the carrying value of deposits for newbuildings. Within the shipping industry, vessels are customarily bought and sold with a charter attached. The value of the charter may be favorable or unfavorable when comparing the charter rate to the current market rates. The loss recognized either on impairment or on disposition will reflect the excess of carrying value over fair value (selling price) for the vessel asset group.

Undiscounted projected net operating cash flow analysis is performed by considering various assumptions and covers the remaining economic life of each vessel. These assumptions include revenue from existing time charters for fixed fleet days based on rates under Navios Partners' remaining charter agreements and an estimated daily time charter equivalent rate for unfixed days. The latter is determined by using the one-year average historical time charter rates for the first year and the ten-year average historical one-year time charter rates for the remaining period. Revenue is included in the analysis net of brokerage and address commissions and commercial management fee, and excludes days associated with scheduled dry-dockings or special surveys. The analysis also incorporates estimates of scrap values and considers the probability of sale of each vessel. Planned expenditures for dry-dockings or special surveys are based on Navios Partners' budget. Vessel operating expenses are based on industry data, assuming a 3.0% increase every second year starting in 2025. The utilization rate is based on the fleet's historical performance.

***(n)Deferred Drydock and Special Survey Costs:*** Navios Partners' vessels are subject to regularly scheduled drydocking and special surveys which are generally carried out every 30 or 60 months, depending on the assets' ages to coincide with the renewal of the related certificates issued by the classification societies, unless a further extension is obtained in rare cases and under certain conditions. The cost of drydocking and special surveys are deferred and amortized over the above periods or to the next drydocking or special survey date if such date has been determined.

Costs capitalized as part of the drydocking or special survey consist principally of the actual costs incurred at the yard, and expenses relating to spare parts, paints, lubricants and services incurred solely during the drydocking or special survey period. For the years ended December 31, 2024, 2023 and 2022, the amortization expense was $63,605, $43,321 and $28,917, respectively, and is presented under the caption of "Direct vessel expenses" in the Consolidated Statements of Operations.

***(o)Deferred Finance Costs:*** Deferred finance costs include: (i) fees paid associated with obtaining credit facilities and financial liabilities or refinancing existing ones accounted for as loan modification, which are deferred and are presented as a deduction from the corresponding liability in the Consolidated Balance Sheets. These costs are amortized over the life of the related credit facility and financial liability using the effective interest rate method, and are presented under the caption "Interest expense and finance cost, net" in the Consolidated Statements of Operations and (ii) fees paid associated with obtaining credit facilities and financial liabilities to finance the acquisition of newbuilding vessels, remained undrawn at the balance sheet date, which are deferred and are presented under the caption "Other long-term assets" in the Consolidated Balance Sheets. The amortization of such costs, calculated using the straight-line method until the end of vessel's construction period, is capitalized to the vessel's cost. Unamortized fees relating to credit facilities and financial liabilities repaid or refinanced and accounted for as debt extinguishment are written off in the period the repayment, prepayment or extinguishment is made and included in the determination of gain or loss on debt extinguishment. Amortization and write-off of deferred finance costs, including amortization of debt discount, for each of the years ended December 31, 2024, 2023 and 2022 were $7,841, $7,188 and $5,349, respectively and are presented under the caption "Amortization and write-off of deferred finance costs and discount" in the Consolidated Statements of Cash Flows.

***(p)Intangible Assets and Unfavorable Lease Terms:*** Navios Partners' intangible assets and liabilities consist of favorable and unfavorable lease terms. When an asset along with the current charter contract are acquired as part of a business combination and/or asset acquisition, intangible assets and unfavorable lease terms are recorded at fair value. Fair value is determined by reference to market data and the discounted amount of expected future cash flows. Where charter rates are higher than market charter rates, an asset is recorded, being the difference between the acquired charter rate and the market charter rate for an equivalent vessel. Where charter rates are less than market charter rates, a liability is recorded, being the difference between the assumed charter rate and the market charter rate for an equivalent vessel. The determination of the fair value of acquired assets and assumed liabilities requires Navios Partners to make significant assumptions and estimates of many variables including market charter rates, contracted charter rates, remaining duration of the charter agreements, the level of utilization of its vessels and its relevant discount rate.

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The amortizable value of favorable and unfavorable leases is amortized over the remaining life of the lease term and the amortization expense/ income is included under the captions “Depreciation and amortization of intangible assets” and “Amortization of unfavorable lease terms”, respectively in the Consolidated Statements of Operations.

The amortizable value of favorable leases would be considered impaired if their carrying values could not be recovered from the future undiscounted cash flows associated with the assets. As of December 31, 2024 and 2023, the management of the Company, has considered various indicators and concluded that events and circumstances did not trigger the existence of potential impairment of its intangible assets and that a recoverability test, as described in paragraph (m) above, was not required. As of December 31, 2022, the management of the Company, after considering various indicators, performed an impairment test, as described in paragraph (m) above, which included intangible assets. As of December 31, 2024, 2023 and 2022, there was no impairment of intangible assets.

***(q)Foreign Currency Translation:*** Navios Partners' functional and reporting currency is the U.S. Dollar. Navios Partners engages in worldwide commerce with a variety of entities. Although, its operations may expose it to certain levels of foreign currency risk, its transactions are predominantly U.S. dollar denominated. Additionally, Navios Partners’ wholly-owned vessel subsidiaries transacted a nominal amount of their operations in Euros; however, all of the subsidiaries’ primary cash flows are U.S. dollar denominated. Transactions in currencies other than the functional currency 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 in the Statements of Operations. The foreign currency gains/ (losses) recognized in the accompanying Consolidated Statements of Operations under the captions “Other income” or “Other expense”, for each of the years ended December 31, 2024, 2023 and 2022 were not material for any of these periods.

***(r)Provisions:*** Navios Partners, in the ordinary course of its business, is subject to various claims, suits and complaints. Management, in consultation with internal and external advisors, will provide for a contingent loss in the financial statements if the contingency had been incurred as of the balance sheet date and the likelihood of loss was probable and the amount of the loss can be reasonably estimated. If Navios Partners has determined that the reasonable estimate of the loss is a range and there is no best estimate within the range, Navios Partners will accrue the lower amount of the range.

Navios Partners, through the Management Agreements (as defined herein), participates in Protection and Indemnity (P&I) insurance coverage plans provided by mutual insurance societies known as P&I clubs. Under the terms of these plans, participants may be required to pay additional premiums (supplementary calls) to fund operating deficits incurred by the clubs (“back calls”). Obligations for back calls are accrued annually based on information provided by the P&I clubs.

***(s)Segment Reporting:*** In accordance with ASC 280, the Company uses the “management approach” in determining reportable operating segments. The management approach is based on the internal organization and reporting used by the Company’s chief operating decision maker (the "CODM"), who is the Company’s Chairwoman and Chief Executive Officer, for making operating decisions and assessing performance. Navios Partners reports financial information and evaluates its operations primarily based on charter revenues, without differentiating by vessel type or the length of ship employment for its customers. The CODM does not use discrete financial information related to specific types of charters or vessels when evaluating operating results, allocating resources, or making decisions regarding the operations of the Company. The CODM evaluates performance, including monitoring budget versus actual results, using consolidated net income, which encompasses all expense categories as presented in the Consolidated Statements of Operations. As a result, Navios Partners has determined that it operates under one reportable segment and the assets of such segment are presented under the caption "Total assets" in the Consolidated Balance Sheets. For further details regarding the Company’s business, please refer to Note 1 – Description of business.

***(t)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 $1,207,066, $1,149,240 and $1,064,642 for the years ended December 31, 2024, 2023 and 2022, respectively.

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*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 $91,844, $107,412 and $69,075 for the years ended December 31, 2024, 2023 and 2022, 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 $35,156, $50,161 and $74,344 for the years ended December 31, 2024, 2023 and 2022, respectively.

*Revenue from profit-sharing*

Profit-sharing revenues are calculated at an agreed percentage of the excess of the charterer's average daily income (calculated on a quarterly or semi-annual basis) over an agreed amount and accounted for on an accrual basis based on provisional amounts and for those contracts that provisional accruals cannot be made due to the nature of the profit sharing elements, these are accounted for on the actual cash settlement or when such revenue becomes determinable. Profit sharing revenue amounted to $0, $76 and $2,467 for the years ended December 31, 2024, 2023 and 2022, respectively.

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

***Deferred Revenue and Cash Received in Advance:*** Deferred revenue primarily relates to cash received from charterers prior to it being earned and the straight-line amortization of the containerships and tankers charters with de-escalating rates. These amounts are recognized as revenue over the voyage or charter period.

***Time Charter and Voyage Expenses:*** Time charter and voyage expenses comprise all expenses related to each particular voyage, including time charter hire paid and voyage freight paid, bunkers, port charges, canal tolls, cargo handling, agency fees and brokerage commissions. Also included in time charter and voyage expenses are provisions for losses on time charters and voyages in progress at year-end, direct port terminal expenses and other miscellaneous expenses. Time charter expenses are expensed over the period of the time charter and voyage expenses are recognized as incurred.

***Direct Vessel Expenses:*** Direct vessel expenses comprise the amortization related to drydocking and special survey costs of certain vessels of Navios Partners' fleet and certain extraordinary fees and costs, pursuant to the terms of the Management Agreements (as defined herein).

***Prepaid Voyage Costs:*** Prepaid voyage costs relate to cash paid in advance for expenses associated with voyages. These amounts are recognized as expenses over the voyage or charter period.

***Vessel operating expenses:*** Pursuant to the management agreement effective until January 1, 2025 (the "Management Agreement"), the Manager, provided commercial and technical management services to Navios Partners' vessels. For a detailed discussion of vessel operating expenses please see Note 17 – Transactions with related parties and affiliates.

***General and administrative expenses:*** Pursuant to the administrative services agreement effective until January 1, 2025, the Manager also provides administrative services to Navios Partners, which include bookkeeping, audit and accounting services, legal and insurance services, administrative and clerical services, banking and financial services, advisory services, client and investor relations and other. Under the terms of the agreement, which provide for allocable general and administrative costs, the Manager is reimbursed for reasonable costs and expenses incurred in connection with the provision of these services. For a detailed discussion of general and administrative expenses please see Note 17 – Transactions with related parties and affiliates.

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***(u)Financial Instruments:*** Financial instruments carried on the balance sheet include cash and cash equivalents, restricted cash, other investments, trade receivables and payables, amounts due from/(to) related parties, other receivables and other liabilities, credit facilities and financial liabilities. The particular recognition methods applicable to each class of financial instrument are disclosed in the applicable significant policy description of each item, or included below as applicable.

***Financial Risk Management:*** Navios Partners' activities expose it to a variety of financial risks including fluctuations in future freight rates, time charter hire rates, fuel prices, credit and interest rates risk. Risk management is carried out under policies approved by executive management. Guidelines are established for overall risk management, as well as specific areas of operations.

***Credit Risk:*** Navios Partners closely monitors its credit exposure to customers and counter-parties for credit risk. Navios Partners has entered into the Management Agreements (as defined herein) with the Manager, pursuant to which the Manager agreed to provide commercial and technical management services to Navios Partners. When negotiating on behalf of Navios Partners' various vessel employment contracts, the Manager has policies in place to ensure that they trade with customers and counterparties with an appropriate credit history.

Financial instruments that potentially subject Navios Partners to concentrations of credit risk are accounts receivable and cash and cash equivalents. Navios Partners does not believe its exposure to credit risk is likely to have a material adverse effect on its financial position, results of operations or cash flows. See Note 4 – Accounts receivable, net.

***Liquidity Risk:*** Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and financial liabilities and the ability to close out market positions. Navios Partners monitors cash balances appropriately to meet working capital needs.

***Foreign Exchange Risk:*** Foreign currency transactions are translated into the measurement currency rates prevailing at the dates of transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the Consolidated Statements of Operations.

***(v)Cash Distribution:*** As per the partnership agreement, within 45 days following the end of each quarter, to the extent and as may be declared by the Board, an amount equal to 100% of available cash, as defined therein, with respect to such quarter shall be distributed to the partners as of the record date selected by the Board of Directors.

Cash distributions are recorded in the Company's financial statements in the period in which they are declared. Navios Partners paid $6,132, $6,160 and $6,163 to its unitholders of common and general partnership units during the years ended December 31, 2024, 2023 and 2022, respectively.

***(w)Stock-based compensation:*** In February 2019, December 2019 and December 2018, Navios Partners granted restricted common units to its directors and officers, which are based solely on service conditions and vest over four years each, respectively. Following the completion of the merger with Navios Maritime Acquisition Corporation ("Navios Acquisition"), Navios Partners assumed 8,116, after exchange on a 1 to 0.1275 basis, restricted common units granted in December 2018 to directors and officers of Navios Acquisition, which were based solely on service conditions and vested over four years. Compensation expense, net of estimated forfeitures, is recognized based on a graded expense model over the vesting period.

Navios Partners vested 0, 1,001 and 29,216 restricted common units during the years ended December 31, 2024, 2023 and 2022, respectively. See Note 13 – Repurchases and issuance of units.

***(x)Income Taxes:*** The Company is a Marshall Islands Corporation. Pursuant to various treaties and the United States Internal Revenue Code, the Company believes that substantially all its operations are exempt from income taxes in the Marshall Islands and the United States of America. Under the laws of the Marshall Islands, Liberia, Cayman Islands, Hong Kong, British Virgin Islands, Panama and Belgium, 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 presented under the caption "Other expense" in the Consolidated Statements of Operations.

***(y)Earnings/(Losses) Per Unit:*** Basic earnings/(losses) per unit is computed by dividing net income/(loss) attributable to Navios Partners' common unitholders by the weighted average number of common units outstanding during the periods presented. Diluted earnings per unit reflect the potential dilution that would occur if securities or other contracts to issue common units were exercised or converted. 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.

***(z)Guarantees:*** An asset for the fair value of a right undertaken in issuing the guarantee is recognized. The recognition of fair value is not required for certain guarantees such as the parent's guarantee of a subsidiary's debt to a third party or

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guarantees on product warranties. For those guarantees excluded from the above guidance requiring the fair value recognition of the asset, financial statement disclosures of their terms are made.

***(aa)Leases for Lessors:*** Vessel leases where Navios Partners is regarded as the lessor are classified as either operating leases or sales type/ direct financing leases, based on an assessment of the terms of the lease. All Company's leases, for which the Company acts as lessor, are classified as operating leases.

For charters classified as operating leases where Navios Partners is regarded as the lessor, see Note 2(t) – Summary of significant accounting policies.

***(bb)Leases for Lessees:*** Vessel leases, where Navios Partners is regarded as the lessee, are classified as either operating leases or finance leases, based on an assessment of the terms of the lease. According to the provisions of ASC 842-20-30-1, at the commencement date, the Company shall measure both of the following: a) The lease liability at the present value of the lease payments not yet paid, discounted using the discount rate for the lease at lease commencement and b) The right-of-use asset, which shall consist of all of the following: (i) the amount of the initial measurement of the lease liability; (ii) any lease payments made to the lessor at or before the commencement date, minus any lease incentives received; and (iii) any initial direct costs incurred by the lessee.

After lease commencement, the Company measures the lease liability for operating leases at the present value of the remaining lease payments using the discount rate determined at lease commencement. The right-of-use asset is subsequently measured at the amount of the remeasured lease liability, adjusted for the remaining balance of any lease incentives received, any cumulative prepaid or accrued rent if the lease payments are uneven throughout the lease term and any unamortized initial direct costs. Any changes made to leased assets to customize it for a particular use or need of the lessee are capitalized as leasehold improvements. Amounts attributable to leasehold improvements are presented separately from the related right-of-use asset. In cases of operating lease agreements that meet the definition of ASC 842 for a short-term lease (the lease has a lease term of 12 months or less) and does not include an option to purchase the underlying asset that the lessee is reasonably certain to exercise, the Company makes the short-term lease election at the commencement date and does not recognize a lease liability or right-of-use asset on its balance sheet but, recognizes lease payments on a straight-line basis over the lease term. For charters classified as operating leases, lease expense is recognized on a straight line basis over the rental periods of such charter agreements and is included under the caption "Time charter and voyage expenses" in the Consolidated Statements of Operations.

After lease commencement, the Company measures the lease liability for finance leases by increasing the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made during the period. The right-of-use asset is amortized from the lease commencement date to the remaining useful life of the underlying asset since the Company has either the obligation or is reasonably certain to exercise its option to purchase the underlying asset. For finance leases, interest expense is determined using the effective interest method and is included under the caption "Interest expense and finance cost, net" in the Consolidated Statements of Operations, whereas amortization on the right-of-use asset is recognized on a straight line basis over the useful life of such asset and is included under the caption "Depreciation and amortization of intangible assets" in the Consolidated Statements of Operations.

In cases of the termination of a lease that results from the purchase of an underlying asset during the lease term, the Company recognizes any difference between the purchase price and the carrying amount of the lease liability immediately before the purchase as an adjustment of the carrying amount of the asset.

In cases of sale and leaseback transactions, if the transfer of the asset to the lessor does not qualify as a sale, then the transaction constitutes a failed sale and leaseback and is accounted for as a financing transaction. For a sale to have occurred, the control of the asset would need to be transferred to the buyer, and the buyer would need to obtain substantially all the benefits from the use of the asset.

Lease assets used by Navios Partners are reviewed periodically for potential impairment whenever events or changes in circumstances indicate that the carrying amount may not be fully recoverable. Measurement of the impairment loss is based on the fair value of the lease asset, which is determined: (a) by calculating the operating lease asset's discounted projected net operating cash flows based on management estimates and assumptions by making use of available market and company data and (b) on the basis of management estimates and assumptions by making use of available market data and taking into consideration third party valuations performed on an individual vessel basis of the finance lease asset. In evaluating carrying values of operating and finance lease assets, certain indicators of potential impairment are reviewed, such as obsolesce or significant damage to the asset, business plans, overall market conditions and market economic outlook.

When the impairment indicators are present for any bareboat/time chartered-in vessel, the Company calculates the sum of the undiscounted projected net operating cash flows for such vessel and compares it to its carrying value (the "recoverability test"). Undiscounted projected net operating cash flow analysis is performed by considering various assumptions and covers the remaining lease term/ economic life of right-of-use assets under operating and finance leases, respectively. These assumptions include revenue from existing time charters for fixed fleet days based on rates under the Company's remaining charter-out agreements and an estimated daily time charter equivalent rate for unfixed days. The latter is determined by using an average of

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historical time charter-out rates. Revenue is included in the analysis net of brokerage and address commissions and commercial management fee, and excludes days associated with scheduled off-hires (for the bareboat/time chartered-in vessels), scheduled dry-dockings or special surveys. The analysis also incorporates estimates of scrap values. Planned expenditures for dry-dockings or special surveys are based on Navios Partners' budget. Vessel operating expenses are based on industry data, assuming a 3.0% increase every second year for the bareboat/time chartered-in vessels starting in 2025. The utilization rate is based on the fleet's historical performance. If the recoverability test indicates that impairment loss should be recognized, the determination of the lease asset's fair value using discounted projected net operating cash flows requires the determination of the Company's relevant discount factor.

***(cc)Financial Instruments and Fair Value:*** Guidance on fair value measurements provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level I measurements) and the lowest priority to unobservable inputs (Level III measurements). A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. In determining the appropriate levels, the Company performs a detailed analysis of the assets and liabilities that are subject to guidance on fair value measurements.

***(dd)Other Comprehensive Income:*** The Company follows the provisions of ASC 220, "Comprehensive Income", which requires separate presentation of certain transactions, which are recorded directly as components of equity. The Partnership has no such transactions affecting other comprehensive income and accordingly, for the years ended December 31, 2024, 2023 and 2022, comprehensive income equaled net income.

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

***(ff) Recent Accounting Pronouncements - Adopted:*** In November 2023, the Financial Standards Accounting Board (FASB) issued Accounting Standards Update (ASU) No. 2023-07 - Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures. This ASU updates the annual and interim disclosure requirements for reportable segments, primarily through enhanced disclosures about significant segment expenses. ASU 2023-07 is effective for annual periods beginning after December 15, 2023, and for interim periods beginning after December 15, 2024. Early adoption is also permitted. The Company adopted this ASU during the year ended December 31, 2024. The adoption of this guidance modified the Company's segment disclosures but had no impact on results of operations, cash flows or financial condition.

***(gg)Recent Accounting Pronouncements - Not yet adopted:*** In November 2024, the FASB issued ASU 2024-03, "Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses". The standard is intended to require more detailed disclosure about specified categories of expenses (including employee compensation, depreciation, and amortization) included in certain expense captions presented on the face of the income statement. This ASU is effective for fiscal years beginning after December 15, 2026, and for interim periods within fiscal years beginning after December 15, 2027. Early adoption is permitted. The amendments may be applied either prospectively to financial statements issued for reporting periods after the effective date of this ASU or retrospectively to all prior periods presented in the financial statements. The Company is currently assessing the impact this standard will have on its consolidated financial statements.

## NOTE 3 – CASH AND CASH EQUIVALENTS AND RESTRICTED CASH

Cash and cash equivalents and restricted cash consist of the following:

| | December 31, 2024 | December 31, 2023 |
|---|---|---|
| Cash and cash equivalents | $ 270,166 | $ 240,378 |
| Restricted cash | 29,623 | 8,797 |
| **Total cash and cash equivalents and restricted cash** | **$ 299,789** | **$ 249,175** |

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

**NOTE 4 – ACCOUNTS RECEIVABLE, NET**

Accounts receivable, net consist of the following:

| | December 31, 2024 | December 31, 2023 |
|---|---|---|
| Accounts receivable | $ 33,399 | $ 42,237 |
| Less: Allowance for credit losses | — | — |
| **Accounts receivable, net** | **$ 33,399** | **$ 42,237** |

Charges to provisions for credit losses are summarized as follows:

| Allowance for credit losses | Balance at beginning of period | Charges to costs and expenses | Amount utilized | Balance at end of period |
|---|---|---|---|---|
| Year ended December 31, 2024 | $ — | $ — | $ — | $ — |
| Year ended December 31, 2023 | $ (2,990) | $ — | $ 2,990 | $ — |
| Year ended December 31, 2022 | $ (2,990) | $ — | $ — | $ (2,990) |

Concentration of credit risk with respect to accounts receivable is limited due to the Company's large number of customers, who are internationally dispersed and have a variety of end markets in which they sell. Due to these factors, management believes that no additional credit risk beyond amounts provided for collection losses is inherent in the Company's trade receivables. For the year ended December 31, 2024, only one customer accounted for 10.0% or more of the Company's total revenues and represented approximately 11.3% of the Company's total revenues. For the years ended December 31, 2023 and 2022, no customer accounted for 10.0% or more of the Company's total revenues.

**NOTE 5 – PREPAID EXPENSES AND OTHER CURRENT ASSETS**

Prepaid expenses and other current assets consist of the following:

| | December 31, 2024 | December 31, 2023 |
|---|---|---|
| Prepaid voyage costs | $ 5,574 | $ 7,350 |
| Inventories | 32,793 | 37,566 |
| Claims receivable | 5,719 | 8,507 |
| Other | 16,808 | 7,913 |
| **Total prepaid expenses and other current assets** | **$ 60,894** | **$ 61,336** |

Inventories are comprised of bunkers, lubricants and stores remaining on board as of December 31, 2024 and 2023.

Claims receivable mainly represent claims against vessels' insurance underwriters in respect of damages arising from accidents or other insured risks, as well as claims under charter contracts.

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**NOTE 6 – VESSELS, NET**

| Total Vessels | Cost | Accumulated Depreciation | Net Book Value |
|---|---|---|---|
| **Balance December 31, 2021** | **$ 3,220,627** | **$ (368,057)** | **$ 2,852,570** |
| Additions/ (Depreciation) | 1,202,206 | (163,941) | 1,038,265 |
| Disposals | (130,683) | 17,177 | (113,506) |
| **Balance December 31, 2022** | **$ 4,292,150** | **$ (514,821)** | **$ 3,777,329** |
| Additions/ (Depreciation) | 432,773 | (199,135) | 233,638 |
| Disposals | (301,462) | 25,166 | (276,296) |
| **Balance December 31, 2023** | **$ 4,423,461** | **$ (688,790)** | **$ 3,734,671** |
| Additions/ Remeasurement of finance lease liability/ (Depreciation) | 1,065,949 | (209,950) | 855,999 |
| Disposals/ Impairment/ Transfers to owned vessels | (438,644) | 89,266 | (349,378) |
| **Balance December 31, 2024** | **$ 5,050,766** | **$ (809,474)** | **$ 4,241,292** |

The above balances as of December 31, 2024 are analyzed in the following tables:

| Owned Vessels | Cost | Accumulated Depreciation | Net Book Value |
|---|---|---|---|
| **Balance December 31, 2023** | **$ 3,782,032** | **$ (656,531)** | **$ 3,125,501** |
| Additions/ (Depreciation) | 1,040,523 | (188,059) | **852,464** |
| Disposals/ Impairment | (228,261) | 69,112 | **(159,149)** |
| **Balance December 31, 2024** | **$ 4,594,294** | **$ (775,478)** | **$ 3,818,816** |

| Right-of-use assets under finance lease | Cost | Accumulated Depreciation | Net Book Value |
|---|---|---|---|
| **Balance December 31, 2023** | **$ 641,429** | **$ (32,259)** | **$ 609,170** |
| Remeasurement of finance lease liability/ (Depreciation) | 25,426 | (21,891) | **3,535** |
| Transfers to owned vessels | (210,383) | 20,154 | **(190,229)** |
| **Balance December 31, 2024** | **$ 456,472** | **$ (33,996)** | **$ 422,476** |

During the years ended December 31, 2024, 2023 and 2022, the Company capitalized certain extraordinary fees and costs related to vessels' regulatory requirements, including ballast water treatment system installation, exhaust gas cleaning system installation and other improvements that amounted to $32,013, $58,766 and $18,901, respectively, and are presented under the caption “Acquisition of/ additions to vessels” in the Consolidated Statements of Cash Flows (see Note 17 – Transactions with related parties and affiliates).

***Acquisition of Vessels***

***2024***

During the year ended December 31, 2024, Navios Partners took delivery of 12 2024-built vessels (nine 5,300 TEU Containerships and three Aframax/LR2 tanker vessels), from various unrelated third parties, for an aggregate acquisition cost of $816,167 (including $68,893 capitalized expenses).

During the year ended December 31, 2024, Navios Partners paid an aggregate amount of $117,825 (including $1,166 capitalized expenses) to acquire from various 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 lease classification, the Company has classified the above transaction as a finance lease, as of the effective date of the modification. Following the reassessment performed, the Company recognized a right-of-use asset at $27,463, being an amount equal to the finance lease liability (see Note 10 – Borrowings). On December 27, 2024, Navios Partners acquired from an unrelated third party, the Navios Venus, for an acquisition cost of $26,683 (including $1,333 capitalized expenses), which was previously accounted for as a right-of-use asset under a finance lease. On the same date, the Company derecognized the right-of-use asset under finance lease and recognized the vessel at an aggregate cost of $27,954.

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***2023***

On November 9, 2023, Navios Partners took delivery of a 2023-built 5,300 TEU Containership, from an unrelated third party, for an acquisition cost of $66,733.

In August 2023, Navios Partners agreed to acquire from an unrelated third party a 2019-built Kamsarmax vessel of 81,692 dwt, which was previously chartered-in and accounted for as a right-of-use asset under operating lease. In accordance with the provisions of ASC 842, the Company accounted the transaction as a lease modification and upon reassessment of the classification of the lease, the Company has classified the above transaction as finance lease, as of the effective date of the modification. Following the reassessment performed, the Company recognized a right-of-use asset at $27,561, being an amount equal to the finance lease liability (see Note 10 – Borrowings). On October 16, 2023, Navios Partners acquired from an unrelated third party, the Navios Horizon I, for an acquisition cost of $28,127, which was previously accounted for as a right-of-use asset under a finance lease. At the same date, the Company derecognized the right-of-use asset under finance lease and recognized the vessel at an aggregate cost of $27,555.

On June 21, 2023, Navios Partners took delivery of a 2023-built Capesize vessel of 182,212 dwt, from an unrelated third party, by entering into a 15-year bareboat charter-in agreement, which provides for purchase options with de-escalating purchase prices. Navios Partners accounted for the bareboat charter-in agreement as a finance lease, and recognized a right-of-use asset at $64,600, being an amount equal to the initial measurement of the finance lease liability, including capitalized expenses, (see Note 10 - Borrowings), increased by the amount of $2,574, which was prepaid before the lease commencement.

On April 27, 2023, Navios Partners took delivery of a 2023-built Capesize vessel of 182,169 dwt , from an unrelated third party by entering into a 15-year bareboat charter-in agreement, which provides for purchase options with de-escalating purchase prices. Navios Partners accounted for the bareboat charter-in agreement as a finance lease, and recognized a right-of-use asset at $50,890, being an amount equal to the initial measurement of the finance lease liability, including capitalized expenses, (see Note 10- Borrowings), increased by the amount of $2,579, which was prepaid before the lease commencement.

On March 29, 2023, Navios Partners took delivery of a 2023-built Capesize vessel of 182,115 dwt, from an unrelated third party, by entering into a 15-year bareboat charter-in agreement, which provides for purchase options with de-escalating purchase prices. Navios Partners accounted for the bareboat charter-in agreement, as a finance lease, and recognized a right-of-use asset at $46,146 being an amount equal to the initial measurement of the finance lease liability, including capitalized expenses, (see Note 10– Borrowings), increased by the amount of $3,028, which was prepaid before the lease commencement.

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

On February 5, 2023, Navios Partners took delivery of a 2023-built Kamsarmax vessel of 82,010 dwt, from an unrelated third party, for an acquisition cost of $35,605 (including $1,305 capitalized expenses).

***2022***

On December 14, 2022, Navios Partners took delivery of a 2016-built Kamsarmax vessel of 84,852 dwt, from an unrelated third party, for an acquisition cost of $27,493 (including $243 capitalized expenses).

On November 17, 2022, Navios Partners took delivery of a 2022-built Capesize vessel of 182,064 dwt, from an unrelated third party, by entering into a 15-year bareboat charter-in agreement. The bareboat charter-in provides for purchase options with de-escalating purchase prices. Navios Partners accounted for the vessel as finance lease for an acquisition cost of $44,753, including capitalized expenses, and recorded a right-of-use asset at an amount equal to the finance lease liability (see Note 10 – Borrowings), increased by initial direct costs adjusted for the carrying amount of the straight-line effect of the liability.

On September 21, 2022, Navios Partners took delivery of a 2022-built Capesize vessel of 182,079 dwt, from an unrelated third party, by entering into a 15-year bareboat charter-in agreement. The bareboat charter-in provides for purchase options with de-escalating purchase prices. Navios Partners accounted for the vessel as finance lease for an acquisition cost of $44,254, including capitalized expenses, and recorded a right-of-use asset at an amount equal to the finance lease liability (see Note 10 – Borrowings), increased by initial direct costs adjusted for the carrying amount of the straight-line effect of the liability.

On September 13, 2022, Navios Partners took delivery of a 2022-built Capesize vessel of 182,393 dwt, from an unrelated third party, by entering into a ten-year bareboat charter-in agreement. The bareboat charter-in provides for purchase options with de-escalating purchase prices. Navios Partners declared its option to purchase the vessel at the end of the tenth year of the bareboat charter-in agreement, preserving the right to exercise the purchase option earlier during the option period. Navios Partners accounted for the vessel as finance lease for an acquisition cost of $55,804, including capitalized expenses, and recorded a

right-of-use asset at an amount equal to the finance lease liability (see Note 10 – Borrowings), increased by initial direct costs adjusted for the carrying amount of the straight-line effect of the liability.

On July 27, 2022, Navios Partners took delivery of a 2022-built Kamsarmax vessel of 82,003 dwt, from an unrelated third party, for an acquisition cost of $32,566 (including $986 capitalized expenses).

As of December 31, 2022, the Company's capitalized expenses and deposits for the option to acquire vessels amounted to $16,745 that related to the acquisition of the three vessels.

Following the acquisition of 36-vessel drybulk fleet from Navios Holdings, on July 29, 2022, the Company took delivery of ten vessels accounted for as finance leases for an acquisition cost of $389,436 and recorded a right-of-use asset at an amount equal to the finance lease liability (see Note 10 – Borrowings), increased with the allocated excess value and adjusted for the carrying amount of the straight-line effect of the liability as well as the favorable and unfavorable lease terms derived from charter-in agreements. On September 8, 2022, the Company took delivery of 20 vessels held and used, accounted for as owned, for an acquisition cost of $588,939 (see Note 2(l) – Summary of significant accounting policies).

***Sale of Vessels***

***2024***

During the year ended December 31, 2024, Navios Partners sold ten vessels to various unrelated third parties for an aggregate net sales price of $190,293. Following the sale of such vessels, the aggregate amount of $42,859 (including the remaining carrying balance of drydock and special survey cost of $5,275) is presented under the caption "Gain on sale of vessels, net" in the Consolidated Statements of Operations and the Consolidated Statements of Cash Flows.

***2023***

During the year ended December 31, 2023, Navios Partners sold 15 vessels to various unrelated third parties for an aggregate net sales price of $259,004. Following the sale of such vessels, the aggregate amount of $53,032 (including the aggregate remaining carrying balance of dry-dock and special survey cost of $12,033) is presented under the caption "Gain on sale of vessels, net" in the Consolidated Statements of Operations.

***2022***

During the year ended December 31, 2022, Navios Partners sold six vessels (excluding one vessel classified as held for sale) to various unrelated third parties for an aggregate net sales price of $270,511. The aggregate net carrying amount of the vessels, including the remaining carrying balance of dry-dock and special survey cost of $7,653, amounted to $113,246 as of the date of the sales.

***Vessels "agreed to be sold"***

***2022***

During the year ended December 31, 2022, Navios Partners agreed to sell seven vessels to various unrelated third parties for an aggregate sales price of $107,250. Following the sale of the above-mentioned six vessels and the sales agreed to during the year ended December 31, 2022, the aggregate amount of $149,352, including an impairment loss of $7,913 in connection with the committed sales of four vessels, was presented under the caption "Gain on sale of vessels, net" in the Consolidated Statements of Operations.

***Vessels impairment loss***

***2024***

As at December 31, 2024, Navios Partners assessed whether impairment indicators for any of its long-lived assets existed and concluded that events occurred and circumstances had changed, which indicated that potential impairment of certain of Navios Partners' long-lived assets might exist and a recoverability test of certain of long-lived assets was performed. These indicators included volatility in the charter market as well as the potential impact the current marketplace may have on the Company's future operations.

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 certain of its dry bulk vessels, mainly due to Company's intention to sell these

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vessels.

During the year ended December 31, 2024, the undiscounted projected net operating cash flows for four vessels did not exceed the carrying value of each asset group and an impairment loss was recognized and calculated as the difference between the fair value of the vessel (see Note 12 – Fair value of financial instruments) and the carrying value of the asset group. As a result, an impairment loss of $17,099 was recognized and is presented under the caption "Gain on sale of vessels, net" in the Consolidated Statements of Operations for the year ended December 31, 2024.

***2023***

As of December 31, 2023, the Company concluded that events occurred and circumstances had changed, which indicated that potential impairment of certain of Navios Partners' long-lived assets might exist and a recoverability test of certain of long-lived assets was performed. These indicators included volatility in the charter market as well as the potential impact the current marketplace may have on the Company's future operations. As of December 31, 2023, the Company's recoverability test concluded that no impairment loss was identified and recognized, as the undiscounted projected net operating cash flows of each asset group exceeded the carrying value.

***2022***

As of December 31, 2022, the Company concluded that events occurred and circumstances had changed, which indicated that potential impairment of certain of Navios Partners' long-lived assets might exist. These indicators included volatility in the charter market as well as the potential impact the current marketplace may have on the Company's future operations. As a result, a recoverability test of certain of long-lived assets was performed. During the year ended December 31, 2022, an impairment loss of $7,913, which was presented under the caption "Gain on sale of vessels, net" in the Consolidated Statements of Operations, was recognized in connection with the committed sales of four vessels in January and February 2023, as the carrying amount of each asset group was not recoverable and exceeded its fair value less costs to sell.

**NOTE 7 – INTANGIBLE ASSETS AND LIABILITIES**

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

| | Cost | Accumulated Amortization | Net Book Value |
|---|---|---|---|
| **Favorable lease terms December 31, 2021** | **$ 195,854** | **$ (95,432 )** | **$ 100,422** |
| Additions/ (Amortization) | 15,790 | (37,496 ) | (21,706 ) |
| **Favorable lease terms December 31, 2022** | **$ 211,644** | **$ (132,928)** | **$ 78,716** |
| Amortization | — | (18,285 ) | (18,285 ) |
| **Favorable lease terms December 31, 2023** | **$ 211,644** | **$ (151,213)** | **$ 60,431** |
| Amortization | — | (18,120 ) | (18,120 ) |
| **Favorable lease terms December 31, 2024** | **$ 211,644** | **$ (169,333)** | **$ 42,311** |

The aggregate amortization of the intangible assets for the years ending December 31 is estimated to be as follows:

| Period | Amount |
|---|---|
| 2025 | $ 14,251 |
| 2026 | 8,215 |
| 2027 | 4,982 |
| 2028 | 4,982 |
| 2029 | 4,982 |
| 2030 and thereafter | 4,899 |
| **Total** | **$ 42,311** |

Intangible assets subject to amortization are amortized using straight line method over their estimated useful lives to their estimated residual value of zero. As of December 31, 2024, the weighted average useful life of the remaining favorable lease terms was 4.6 years.

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

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| | Cost | Accumulated Amortization | Net Book Value |
|---|---|---|---|
| **Unfavorable lease terms December 31, 2021** | **$ 231,019** | **$ (108,538)** | **$ 122,481** |
| Additions/ (Amortization) | 388 | (74,963) | (74,575) |
| **Unfavorable lease terms December 31, 2022** | **$ 231,407** | **$ (183,501)** | **$ 47,906** |
| Amortization | — | (19,922) | (19,922) |
| **Unfavorable lease terms December 31, 2023** | **$ 231,407** | **$ (203,423)** | **$ 27,984** |
| Amortization | — | (12,718) | (12,718) |
| **Unfavorable lease terms December 31, 2024** | **$ 231,407** | **$ (216,141)** | **$ 15,266** |

The aggregate amortization of the intangible liabilities for the years ending December 31 is estimated to be as follows:

| Period | Amount |
|---|---|
| 2025 | $ 11,680 |
| 2026 | 3,586 |
| 2027 | — |
| 2028 | — |
| 2029 | — |
| 2030 and thereafter | — |
| **Total** | **$ 15,266** |

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 December 31, 2024, the weighted average useful life of the remaining unfavorable lease terms was 1.3 years.

**NOTE 8 – ACCOUNTS PAYABLE**

Accounts payable as of December 31, 2024 and 2023 consisted of the following:

| | December 31, 2024 | December 31, 2023 |
|---|---|---|
| Creditors | $ 9,635 | $ 17,097 |
| Brokers | 7,323 | 6,918 |
| Professional and legal fees | 805 | 1,473 |
| **Total accounts payable** | **$ 17,763** | **$ 25,488** |

**NOTE 9 – ACCRUED EXPENSES**

Accrued expenses as of December 31, 2024 and 2023 consisted of the following:

| | December 31, 2024 | December 31, 2023 |
|---|---|---|
| Accrued voyage expenses | $ 17,731 | $ 10,641 |
| Accrued loan interest | 7,944 | 7,420 |
| Accrued legal and professional fees | 8,190 | 5,547 |
| **Total accrued expenses** | **$ 33,865** | **$ 23,608** |

As of December 31, 2024 and December 31, 2023, the amount of $5,893 and $4,016, respectively, was included in accrued legal and professional fees that was authorized and approved by the Compensation Committee of Navios Partners in December 2024 and 2023, respectively, to the directors and officers of the Company, subject to fulfillment of certain service conditions that were provided and completed as of December 31, 2024, and as of December 31, 2023, respectively. The total amount of $11,400, $9,855 and $7,605 was presented under the caption “General and administrative expenses” in the Consolidated Statements of Operations for the years ended December 31, 2024, 2023 and 2022, respectively, and comprised of compensation authorized to the directors and officers of the Company.

**NOTE 10 – BORROWINGS**

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

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| | December 31, 2024 | December 31, 2023 |
|---|---|---|
| Credit facilities | $ 1,096,178 | $ 908,288 |
| Financial liabilities | 731,206 | 502,275 |
| Finance lease liabilities | 325,784 | 468,414 |
| **Total borrowings** | **$ 2,153,168** | **$ 1,878,977** |
| Less: Current portion of long-term borrowings, net | (266,222) | (285,036) |
| Less: Deferred finance costs, net | (24,231) | (17,514) |
| **Long-term borrowings, net** | **$ 1,862,715** | **$ 1,576,427** |

As of December 31, 2024, the total borrowings, net of deferred finance costs were $2,128,937.

**Credit Facilities**

**HAMBURG COMMERCIAL BANK AG:** On December 17, 2024, Navios Partners entered into a credit facility with Hamburg Commercial Bank AG ("HCOB") for a total amount up to $90,000 in order to refinance the existing indebtedness of seven of its vessels. On December 18, 2024, the full amount was drawn. As of December 31, 2024, the total outstanding balance was $90,000. The facility matures in the fourth quarter of 2028 and bears interest at Compounded Secured Overnight Financing Rate ("Compounded SOFR") plus 180 bps per annum.

On September 5, 2022, Navios Partners entered into a credit facility with HCOB for a total amount up to $210,000 in order to refinance the existing indebtedness of 20 of its vessels and for working capital purposes. On September 9, 2022, the full amount was drawn. During the year ended December 31, 2022, following the sale of two vessels, the aggregate amount of $10,239 was prepaid. During the year ended December 31, 2023, following the sale of two vessels, the aggregate amount of $14,182 was prepaid. During the year ended December 31, 2024, following the sale of three vessels, the aggregate amount of $13,349 was prepaid. During the year ended December 31, 2024, Navios Partners prepaid the amount of $16,032 relating to three drybulk vessels that were released from the facility. On December 18, 2024, the outstanding balance of $91,136 was fully prepaid and refinanced.

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

**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 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. As of December 31, 2024, the total outstanding balance was $30,000. The facility matures in the fourth quarter of 2029 and bears interest at Term Secured Overnight Financing Rate ("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 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 one 2005-built MR2 Product Tanker vessel of 47,999 dwt, the amount of $3,700 was prepaid. As of December 31, 2024, the total outstanding balance was $11,965. The facility matures in the second quarter of 2027 and bears interest at Term SOFR plus a credit adjustment spread plus 250 bps per annum.

**EUROBANK S.A:** On September 27, 2024, Navios Partners entered into a credit facility with Eurobank S.A for a total amount up to $48,000 (divided into two advances) in order to refinance the existing indebtedness of three of its vessels (advance A) and to finance part of the acquisition cost of one Ultra-Handymax vessel (advance B). During the year ended December 31, 2024, the full amount was drawn. As of December 31, 2024, the total outstanding balance was $46,950. The credit facility matures in the third quarter of 2028 in relation to 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.

On May 2, 2023, Navios Partners entered into a credit facility with Eurobank S.A for a total amount up to $30,000 to refinance the existing indebtedness of three of its tanker vessels and for general corporate purposes. On May 3, 2023, the full amount was drawn. During the year ended December 31, 2024, in relation to the sale of a 2009-built MR2 Product Tanker vessel of 50,470 dwt, the amount of $7,300 was prepaid. As of December 31, 2024, the total outstanding balance was $17,555. The facility matures in the second quarter of 2028 and bears interest at Term SOFR plus 100 bps per annum for any part of the loan (up to 70%) secured by cash collateral and 225 bps per annum for the remaining amount.

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**NATIONAL BANK OF GREECE S.A:** On September 19, 2024, Navios Partners entered into a credit facility with National Bank of Greece S.A for a total amount up to $130,000 (divided into two tranches) in order to refinance the existing indebtedness of six of its vessels (tranche A) and to finance part of the acquisition cost of one Aframax/ LR2 newbuilding tanker vessel, currently under construction (tranche B). On September 20, 2024, the amount of $81,218 in relation to tranche A was drawn and tranche B remains to be drawn. As of December 31, 2024, the total outstanding balance was $77,873. 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 National Bank of Greece S.A for a total amount 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 December 31, 2024, the total outstanding balance was $56,211. The credit facility matures in the second quarter of 2028 and bears interest at Term SOFR (with option to switch to Compounded SOFR) plus 215 bps per annum.

**ABN AMRO BANK N.V:** On June 26, 2024, Navios Partners entered into a reducing revolving credit facility with ABN Amro Bank N.V ("ABN") for a total amount up to $95,000 (divided into two tranches) in order to refinance the existing indebtedness of two of its vessels and to finance part of the acquisition cost of four dry bulk vessels. Following the deliveries of the four vessels, during the year ended December 31, 2024, the full amount was drawn. As of December 31, 2024, the total outstanding balance was $90,750. The credit facility matures five years after each drawdown date and bears interest at Compounded SOFR (with option to switch to Term SOFR) plus 175 bps per annum.

On March 28, 2022, Navios Partners entered into a credit facility with ABN for a total amount 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 December 31, 2024, the total outstanding balance was $36,300. The facility matures in the first quarter of 2027 and bears interest at Compounded SOFR plus 225 bps per annum.

**NORDEA BANK ABP:** On January 3, 2024, Navios Partners entered into a credit facility with Nordea Bank ABP for a total amount up to $40,000 in order to refinance three tankers. On March 26, 2024, the full amount was drawn. As of December 31, 2024, the total outstanding balance was $36,275. The credit facility matures in the first quarter of 2029 and bears interest at Compounded SOFR plus 195 bps per annum.

**CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK:** On June 28, 2023, Navios Partners entered into a credit facility with Credit Agricole Corporate and Investment Bank for a total amount 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, in relation to the sale of a 2006-built Kamsarmax vessel of 82,790 dwt, the amount of $3,818 was prepaid. As of December 31, 2024, the total outstanding balance was $42,298. The facility matures in the second quarter of 2026 and bears interest at Term SOFR plus 250 bps per annum.

**BNP PARIBAS:** On June 21, 2023, Navios Partners entered into a credit facility with BNP Paribas, Credit Agricole Corporate and Investment Bank and First-Citizens Bank & Trust Company for a total amount 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. As of December 31, 2024, the total outstanding balance was $55,853. The facility matures in the second quarter of 2026 and bears interest at Compounded SOFR plus 250 bps per annum.

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On June 12, 2023, Navios Partners entered into a credit facility with BNP Paribas for a total amount up to $40,000 in order to refinance the existing indebtedness of nine of its containerships. On June 16, 2023, the full amount was drawn. On April 29, 2024, Navios Partners prepaid the amount of $3,990 relating to one containership that was released from the facility. As of December 31, 2024, the total outstanding balance was $24,250. The credit facility matures in the second quarter of 2026 and bears interest at Compounded SOFR plus 250 bps per annum.

**KFW IPEX-BANK GMBH:** On April 25, 2023, Navios Partners entered into an export agency-backed facility with KFW IPEX-BANK GMBH ("KFW") for a total amount up to $165,638 in order to finance the acquisition cost of two 7,700 TEU newbuilding containerships. As of December 31, 2024, the Company has drawn a total amount of $119,434 and $46,204 remains to be drawn. As of December 31, 2024, the total outstanding balance was $119,434. The credit facility is scheduled to mature 12 years after the delivery of each vessel and bears interest at Compounded SOFR plus 150 bps per annum.

On September 30, 2022, Navios Partners entered into a credit facility with KFW for a total amount up to $86,240 in order to finance part of the acquisition cost of two newbuilding containerships. Following the delivery of the two 5,300 TEU newbuilding containerships in November 2023 and January 2024, the full amount was drawn. As of December 31, 2024, the total outstanding balance was $81,524. The credit facility matures in the fourth quarter of 2030 and the first quarter of 2031 and bears interest at Compounded SOFR plus 200 bps per annum.

**SKANDINAVISKA ENSKILDA BANKEN AB:** On April 19, 2023, Navios Partners entered into a credit facility with Skandinaviska Enskilda Banken AB ("Skandinaviska Enskilda") for a total amount 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 December 31, 2024, the total outstanding balance was $53,300. The facility matures in the second quarter of 2028 and bears interest at Compounded SOFR plus 200 bps per annum.

On June 29, 2022, Navios Partners entered into a credit facility with Skandinaviska Enskilda for a total amount 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 December 31, 2024, the total outstanding balance was $35,400. The facility matures in the second quarter of 2027 and bears interest at Compounded SOFR plus 225 bps per annum.

**DNB (UK) LIMITED AND THE EXPORT-IMPORT BANK OF CHINA:** On February 16, 2023, Navios Partners entered into a credit facility with DNB (UK) Limited and The Export-Import Bank of China for a total amount up to $161,600 in order to finance part of the contract price of four newbuilding containerships. Following the deliveries of the four 5,300 TEU newbuilding containerships, during the year ended December 31, 2024, the full amount was drawn. As of December 31, 2024, the total outstanding balance was $156,540. The credit facility matures ten years after each drawdown date upon the delivery of the respective vessel and bears interest at Compounded SOFR plus 170 bps per annum.

**FIRST-CITIZENS BANK & TRUST COMPANY:** On December 21, 2022, Navios Partners entered into a credit facility with First-Citizens Bank & Trust Company for a total amount up to $44,200 in order to refinance the existing indebtedness of three of its tanker vessels and for general corporate purposes. On January 9, 2023, the full amount was drawn. As of December 31, 2024, the total outstanding balance was $33,700. The facility matures in the first quarter of 2028 and bears interest at Term SOFR plus 195 bps per annum.

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

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

**Financial Liabilities**

In November 2024, Navios Partners entered into a sale and leaseback agreement of $16,000 with an unrelated third party for the Navios Lumen, a 2009-built Capesize of 180,493 dwt. The bareboat charter-in has a duration of four years and provides for purchase options with fixed de-escalating purchase prices starting on the end of the second year. Since the purchase price is not equal to the expected fair value of the asset at the time the purchase option is exercised, the transaction was determined to be a failed sale. In accordance with ASC 842-40, the Company did not derecognize the respective vessel from its balance sheet and accounted for the amount received under the sale and leaseback agreement as a financial liability. On December 19, 2024, the full amount was drawn. As of December 31, 2024, the outstanding balance under the sale and leaseback agreement was $15,754. The sale and leaseback transaction matures in the fourth quarter of 2028 and bears interest at Term SOFR plus 241 bps per annum.

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In February 2024, Navios Partners entered into a sale and leaseback agreement of $16,800 with an unrelated third party for the Navios Azimuth, a 2011-built Capesize vessel of 179,169 dwt. The bareboat charter-in provides for purchase options with de-escalating purchase prices starting on the end of the fourth year. In February 2024, Navios Partners declared its option to purchase the vessel at the end of the sixth year of the bareboat charter-in agreement, preserving the right to exercise the purchase option earlier during the option period. Under ASC 842-40, the transfer of the vessel was determined to be a failed sale. In accordance with ASC 842-40, the Company did not derecognize the respective vessel from its balance sheet and accounted for the amount received under the sale and leaseback agreement as a financial liability. On March 15, 2024, the full amount was drawn. As of December 31, 2024, the outstanding balance under the sale and leaseback agreement was $15,439. The sale and leaseback transaction matures in the first quarter of 2030 and bears interest at Term SOFR plus 225 bps per annum.

In January 2024, Navios Partners entered into a sale and leaseback agreement for a total amount up to $45,260 with an unrelated third party, in order to finance the acquisition of one 115,000 dwt Aframax/LR2 newbuilding tanker vessel. As of December 31, 2024, the total amount remained undrawn. The sale and leaseback agreement matures seven years after the drawdown date and bears interest at Term SOFR plus 190 bps per annum.

In November 2023, Navios Partners entered into sale and leaseback agreements of $175,600 with unrelated third parties, in order to finance the acquisition of two 5,300 TEU newbuilding containerships and two Aframax/LR2 newbuilding tanker vessels. During the year ended December 31, 2024, in relation to the deliveries of the Nave Polaris, a 2024-built Aframax/LR2 tanker vessel of 115,698 dwt, the Navios Utmost, a 2024-built 5,300 TEU containership and the Navios Unite, a 2024-built 5,300 TEU containership, the amount of $131,750 was drawn and $43,850 remains to be drawn. Navios Partners has a purchase obligation to acquire the vessels at the end of the lease term and under ASC 842-40, the transfer of the vessels was determined to be a failed sale. In accordance with ASC 842-40, Navios Partners did not derecognize the respective vessels from its balance sheet and accounted for the amounts received under the sale and leaseback transaction as a financial liability. As of December 31, 2024, the outstanding balance under the sale and leaseback agreement was $131,098. The sale and leaseback transaction matures ten years after each drawdown date and bears interest at Term SOFR plus 200 bps per annum.

In October 2023, the Company entered into a sale and leaseback agreement of $22,800 with an unrelated third party in order to finance the acquisition of the Navios Horizon I. The bareboat charter-in has a duration of 12 years and provides for purchase options with fixed de-escalating prices starting on the end of the fourth year. Since the purchase price is not equal to the expected fair value of the asset at the time the purchase option is exercised, the transaction was determined to be a failed sale. In accordance with ASC 842-40, the Company did not derecognize the respective vessel from its balance sheet and accounted for the amount received under the sale and leaseback agreement as financial liability. On November 16, 2023, the full amount was drawn. The sale and leaseback transaction matures in the fourth quarter of 2035 and bears interest at Term SOFR plus 220 bps per annum. As of December 31, 2024, the outstanding balance under the sale and leaseback agreement was $20,778.

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. As of December 31, 2024, the outstanding balance under the sale and leaseback agreement was $172,415. The sale and leaseback transaction matures ten years after each drawdown date and bears interest at Term SOFR plus 210 bps per annum.

In February 2023, the Company entered into a sale and leaseback agreement of $32,000 with an unrelated third party, in order to finance the Navios Felix, a 2016-built Capesize vessel of 181,221 dwt. The bareboat charter-in has a duration of ten years and provides for purchase options with de-escalating purchase prices starting on the end of the fourth year. Since the purchase price is not equal to the expected fair value of the asset at the time the purchase option is exercised, the transaction was determined to be a failed sale. In accordance with ASC 842-40, the Company did not derecognize the respective vessel from its balance sheet and accounted for the amount received under the sale and leaseback agreement as a financial liability. On March 9, 2023, the full amount was drawn. The sale and leaseback transaction matures in the first quarter of 2033 and following the amendment dated June 29, 2023 bears interest at Term SOFR plus 211 bps per annum. As of December 31, 2024, the outstanding balance under the sale and leaseback agreement was $26,271.

On December 5, 2022, the Company entered into a sale and leaseback agreement of $10,500 with an unrelated third party for the Navios Sagittarius, a 2006-built Panamax vessel of 75,756 dwt. The bareboat charter-in provides for purchase options with de-escalating purchase prices starting on the end of the third year. In December 2022, Navios Partners declared its option to purchase the vessel at the end of the fourth year of the bareboat charter-in agreement, preserving the right to exercise the purchase option earlier during the option period. Under ASC 842-40, the transfer of the vessel was determined to be a failed sale. In accordance with ASC 842-40, the Company did not derecognize the respective vessel from its balance sheet and accounted for the amount received under the sale and leaseback agreement as a financial liability. On December 15, 2022, the full amount was drawn. In December 2024, following the sale of the Navios Sagittarius, the outstanding balance under the sale and leaseback agreement of $6,750 was fully prepaid.

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On November 15, 2022, the Company entered into a sale and leaseback agreement of $24,000 with an unrelated third party for the Navios Alegria, a 2016-built Kamsarmax vessel of 84,852 dwt. Navios Partners has a purchase option to acquire the vessel at the end of the lease term and given the fact that such exercise price is not equal to the expected fair value of the asset at the end of the lease term, the transaction was determined to be a failed sale. In accordance with ASC 842-40, the Company did not derecognize the respective vessel from its balance sheet and accounted for the amount received under the sale and leaseback agreement as a financial liability. On December 7, 2022, the full amount was drawn. The agreement matures in the fourth quarter of 2032 and following the amendment dated August 13, 2023 bears interest at Term SOFR plus 211 bps per annum. As of December 31, 2024, the outstanding balance under the sale and leaseback agreement of the Navios Alegria was $19,078.

In October 2022, Navios Partners completed a $100,000 sale and leaseback transaction with unrelated third parties to refinance the existing sale and leaseback transaction of 12 containerships. Navios Partners has a purchase obligation to acquire the vessels at the end of the lease term and under ASC 842-40, the transfer of the vessels was determined to be a failed sale. In accordance with ASC 842-40, Navios Partners did not derecognize the respective vessels from its balance sheet and accounted for the amounts received under the sale and leaseback transaction as a financial liability. Navios Partners drew the entire amount on October 31, 2022, net of discount of $800. In May 2024, in relation to the sale of one 2007-built 3,450 TEU containership, the amount of $4,411 was prepaid. As of December 31, 2024, the outstanding balance under the sale and leaseback agreement was $47,771. The sale and leaseback agreement matures in the first quarter of 2026 and bears interest at Term SOFR plus 210 bps per annum.

Pursuant to a novation agreement dated January 28, 2022, the Company agreed to novate the shipbuilding contract and to simultaneously enter into a bareboat charter agreement to bareboat charter-in a newbuilding Kamsarmax vessel of 82,010 dwt, under a ten-year bareboat contract, from an unrelated third party, the Navios Meridian. The bareboat charter-in provides for purchase options with de-escalating purchase prices starting on the end of the fourth year. In January 2022, Navios Partners declared its option to purchase the vessel at the end of the tenth year of the bareboat charter-in agreement, preserving the right to exercise the purchase option earlier during the option period. The Company-lessee has performed an assessment based on provisions of ASC 842 and concluded that it controls the underlying asset that is under construction before the commencement date of the lease and as such, a sale and leaseback of the asset occurs at the commencement date of the lease (upon the completion of construction). Under ASC 842-40, the transfer of the vessel was determined to be a failed sale. In February 2023, Navios Partners took delivery of the Navios Meridian and recognized an amount of $27,440 as financial liability in accordance with ASC 842-40. The sale and leaseback transaction matures in the first quarter of 2033 and following the amendment dated August 4, 2023 bears interest at Term SOFR plus 191 bps per annum. As of December 31, 2024, the outstanding balance under the sale and leaseback agreement was $23,934.

Pursuant to a novation agreement dated December 20, 2021, the Company agreed to novate the shipbuilding contract and to simultaneously enter into a bareboat charter agreement to bareboat charter-in a newbuilding Kamsarmax vessel of 82,003 dwt, under a ten-year bareboat contract, from an unrelated third party, the Navios Primavera. The Company-lessee has performed an assessment based on provisions of ASC 842 and concluded that it controls the underlying asset that is under construction before the commencement date of the lease and as such, a sale and leaseback of the asset occurs at the commencement date of the lease (upon the completion of construction). In July 2022, Navios Partners took delivery of the Navios Primavera, and entered into sale and leaseback agreement with an unrelated third party for $25,264. Navios Partners has a purchase obligation to acquire the vessel at the end of the lease term and under ASC 842-40, the transaction was determined to be a failed sale. The agreement matures in the third quarter of 2032. As of December 31, 2024, the outstanding balance under the sale and leaseback agreement was $21,940.

On August 16, 2021, the Company entered into a sale and leaseback agreement of $15,000 with an unrelated third party for the Navios Pollux, a 2009-built Capesize vessel of 180,727 dwt. 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, the Company did not derecognize the respective vessel from its balance sheet and accounted for the amount received under the sale and leaseback agreement as a financial liability. On August 25, 2021, the full amount was drawn. The agreement matures in the third quarter of 2027. As of December 31, 2024, the outstanding balance under the sale and leaseback agreement of the Navios Pollux was $9,611.

In June 2021, the Company entered into a sale and leaseback agreement of $15,000, with unrelated third parties for the Navios Bonavis, a 2009- built Capesize vessel of 180,022 dwt. 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, the Company did not derecognize the respective vessel from its balance sheet and accounted for the amount received under the sale and leaseback agreement as a financial liability. On June 28, 2021, the full amount was drawn. The agreement matures in the second quarter of 2027. As of December 31, 2024, the outstanding balance under the sale and leaseback agreement of the Navios Bonavis was $9,334.

In June 2021, the Company entered into a sale and leaseback agreement of $18,500, with unrelated third parties for the Navios Ray, a 2012-built Capesize vessel of 179,515 dwt. 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, the Company did not derecognize the respective vessel from its balance sheet and accounted for the amount received under

the sale and leaseback agreement as a financial liability. On June 28, 2021, the full amount was drawn. The agreement matures in the second quarter of 2030. As of December 31, 2024, the outstanding balance under the sale and leaseback agreement of the Navios Ray was $13,748.

On July 2, 2019, the Company entered into a sale and leaseback agreement of $22,000, with unrelated third parties for the Navios Ace, a 2011-built Capesize vessel of 178,929 dwt. 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, the Company did not derecognize the respective vessel from its balance sheet and accounted for the amount received under the sale and leaseback agreement as a financial liability. On July 24, 2019, the full amount was drawn. As of December 31, 2024, the outstanding balance under the sale and leaseback agreement of the Navios Ace was $15,138. The agreement matures in the third quarter of 2030.

On April 5, 2019, the Company entered into a sale and leaseback agreement of $20,000, with unrelated third parties for the Navios Sol, a 2009-built Capesize vessel of 180,274 dwt. 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, the Company did not derecognize the respective vessel from its balance sheet and accounted for the amount received under the sale and leaseback agreement as a financial liability. On April 11, 2019, the full amount was drawn. As of December 31, 2024, the outstanding balance under the sale and leaseback agreement of the Navios Sol was $12,957. The agreement matures in the second quarter of 2029.

In December 2018, the Company entered into two sale and leaseback agreements of $25,000 in total, with unrelated third parties for the Navios Fantastiks and the Navios Beaufiks. 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, the Company did not derecognize the respective vessels from its balance sheet and accounted for the amounts received under the sale and leaseback agreements as a financial liability. In October 2023, following the sale of the Navios Beaufiks a purchase obligation of $6,528 was fully prepaid. The sale and leaseback agreement of the Navios Fantastiks matured in the third quarter of 2024 and was fully repaid.

Upon completion of the merger with Navios Maritime Containers L.P. (“Navios Containers”), Navios Partners assumed the following financial liability:

On March 11, 2020, Navios Containers completed a $119,060 sale and leaseback transaction with unrelated third parties to refinance the existing credit facilities of two 8,204 TEU containerships and two 10,000 TEU containerships. Navios Containers 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 Containers did not derecognize the respective vessels from its balance sheet and accounted for the amounts received under the sale and leaseback transaction as a financial liability. Navios Containers drew the entire amount on March 13, 2020, net of discount of $1,191. In September 2022, following the sale of two 2006-built container vessels of 8,204 TEU each, the amount of $24,642 was prepaid. Following the prepayment the sale and leaseback agreement matures in March 2027 for the two 10,000 TEU containerships. In August 2023, the Company amended the sale and leaseback agreements to bear interest at Term SOFR plus 225 bps per annum. As of December 31, 2024, the outstanding balance under this sale and leaseback transaction was $43,594.

Upon acquisition of the majority of outstanding stock of Navios Acquisition, Navios Partners assumed the following financial liabilities:

In August 2019, Navios Acquisition entered into a sale and leaseback agreement of $15,000, with unrelated third parties in order to refinance one product tanker. Navios Acquisition 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. Pursuant to and an amendment dated July 2023, the agreement bore interest at Term SOFR plus an implied margin of 400 bps per annum. The sale and leaseback agreement matured in August 2024 and was fully repaid.

On March 31, 2018, 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 lease back 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 December 31, 2024, the outstanding balance under this agreement was $31,281.

Following the acquisition of 36-vessel drybulk fleet from Navios Holdings, Navios Partners assumed the following financial liabilities:

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In July 2022, Navios Holdings entered into sale and leaseback agreement with an unrelated third party for $22,000 in order to finance a Panamax vessel. Navios Partners has a purchase obligation to acquire the vessel at the end of the lease term and 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. The agreement matures in the third quarter of 2032. Pursuant to the amendment dated June 27, 2023, the agreement bears interest at Term SOFR plus 166 bps per annum. As of December 31, 2024, the outstanding balance under the sale and leaseback agreement was $17,250.

In February 2022, Navios Holdings entered into sale and leaseback agreement with an unrelated third party for $12,000 in order to finance a Panamax vessel. Navios Partners has a purchase option to acquire the vessel at the end of the lease term and given the fact that such exercise price is 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. The agreement matures in the first quarter of 2027. As of December 31, 2024, the outstanding balance under the sale and leaseback agreement was $6,502.

In December 2021, Navios Holdings entered into sale and leaseback agreement with an unrelated third party for $19,000 in order to finance a Capesize vessel. Navios Partners has a purchase obligation to acquire the vessel at the end of the lease term and 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. The agreement matures in the first quarter of 2029. Following the amendment dated June 27, 2023, the agreement bears interest at Term SOFR plus margin of 211 bps per annum. As of December 31, 2024, the outstanding balance under the sale and leaseback agreement was $11,286.

In December 2021, Navios Holdings entered into sale and leaseback agreement with an unrelated third party for $19,000 in order to finance a Capesize vessel. Navios Partners has a purchase obligation to acquire the vessel at the end of the lease term and 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. The agreement matures in the fourth quarter of 2029. As of December 31, 2024, the outstanding balance under the sale and leaseback agreement was $13,738.

In December 2021, Navios Holdings entered into sale and leaseback agreement with an unrelated third party for $20,000 in order to finance a Capesize vessel. Navios Partners has a purchase obligation to acquire the vessel at the end of the lease term and 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. The agreement matures in the fourth quarter of 2027. Pursuant to the amendment dated June 19, 2023, the agreement and bears interest at Term SOFR plus 311 bps per annum. As of December 31, 2024, the outstanding balance under the sale and leaseback agreement was $11,521.

In November 2021, Navios Holdings entered into sale and leaseback agreement with an unrelated third party for $19,000 in order to finance a Capesize vessel. Navios Partners had a purchase obligation to acquire the vessel at the end of the lease term and 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. The agreement matured in the fourth quarter of 2029. In December 2024, the outstanding balance under the sale and leaseback agreement of $13,849 was prepaid.

In February 2020, Navios Holdings entered into a sale and leaseback agreement with an unrelated third party for $35,000 in order to finance a Capesize vessel. Navios Partners has a purchase option to acquire the vessel at the end of the lease term and given the fact that such exercise price is 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. The agreement matures in the first quarter of 2032 and following the amendment dated June 28, 2023 bears interest at Term SOFR plus 211 bps per annum. As of December 31, 2024, the outstanding balance under the sale and leaseback agreement was $21,205.

In November 2019, Navios Holdings entered into sale and leaseback agreement with an unrelated third party for $33,000 in order to finance a Capesize vessel. Navios Partners has a purchase option to acquire the vessel at the end of the lease term and given the fact that such exercise price is 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. The agreement matures in the first quarter of 2032. Pursuant to the amendment dated June 28, 2023 the agreement bears interest at Term SOFR plus 211 bps per annum. As of December 31, 2024, the outstanding balance under the sale and leaseback agreement was $19,563.

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**Finance Lease Liabilities**

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

On June 21, 2023, Navios Partners took delivery of the Navios Amethyst, a 2023-built Capesize vessel of 182,212 dwt, under a 15-year bareboat charter-in agreement. The bareboat charter-in provides for purchase options with de-escalating purchase prices starting on 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 5.4%. As of December 31, 2024, the outstanding balance was $56,735 and is repayable in 14 years.

On April 27, 2023, Navios Partners took delivery of the Navios Sakura, a 2023-built Capesize vessel of 182,169 dwt, under a 15-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 5.5%. As of December 31, 2024, the outstanding balance was $43,077 and is repayable in 14 years.

On March 29, 2023, Navios Partners took delivery of the Navios Altair, a 2023-built Capesize vessel of 182,115 dwt under a 15-year bareboat charter-in agreement. The bareboat charter-in provides for purchase options with de-escalating purchase prices starting on 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 6.5%. As of December 31, 2024, the outstanding balance was $38,704 and is repayable in 14 years.

On November 17, 2022, Navios Partners took delivery of the Navios Azalea, a 2022-built Capesize vessel of 182,064 dwt, for a 15-year bareboat charter-in agreement. The bareboat charter-in provides for purchase options with de-escalating purchase prices starting on the end of the fourth year. The Company has performed an assessment considering the lease classification criteria under ASC 842 and concluded that the arrangement is a finance lease. Consequently, the Company has recognized a finance lease liability based on the net present value of the remaining charter-in payments including the purchase option to acquire the vessel at the end of the lease period, discounted by the Company's incremental borrowing rate of approximately 7%. As of December 31, 2024, the outstanding balance was $37,147 and is repayable in 13 years.

On September 21, 2022, Navios Partners took delivery of the Navios Armonia, a 2022-built Capesize vessel of 182,079 dwt, for a 15-year bareboat charter-in agreement. The bareboat charter-in provides for purchase options with de-escalating purchase prices starting on the end of the fourth year. The Company has performed an assessment considering the lease classification criteria under ASC 842 and concluded that the arrangement is a finance lease. Consequently, the Company has recognized a finance lease liability based on the net present value discounted by the Company's incremental borrowing rate of approximately 7% of the remaining charter-in payments including the purchase option to acquire the vessel at the end of the lease period. As of December 31, 2024, the outstanding balance was $36,893 and is repayable in 13 years.

On September 13, 2022, Navios Partners took delivery of the Navios Astra, a 2022-built Capesize vessel of 182,393 dwt, for a 10-year bareboat charter-in agreement. The bareboat charter-in provides for purchase options with de-escalating purchase prices starting on the end of the fourth year. In December 2021, Navios Partners declared its option to purchase the vessel at the end of the tenth year of the bareboat charter-in agreement, preserving the right to exercise the purchase option earlier during the option period. The Company has performed an assessment considering the lease classification criteria under ASC 842 and concluded that the arrangement is a finance lease. Consequently, the Company has recognized a finance lease liability amounting to $42,781, based on the net present value of the remaining charter-in payments including the purchase obligation to acquire the vessel at the end of the lease period, discounted by the Company's incremental borrowing rate of approximately 7%. As of December 31, 2024, the outstanding balance was $37,134 and is repayable in eight years.

Following the acquisition of 36-vessel drybulk fleet from Navios Holdings, Navios Partners, upon reassessing the classification of the following leases in accordance with the criteria in ASC 842 Leases, recognized the following finance lease liabilities:

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On July 29, 2022, Navios Partners took delivery of the Navios Magellan II, a 2020-built Kamsarmax vessel of 82,037 dwt, for a remaining eight-year bareboat charter-in agreement. The bareboat charter-in provides for purchase options with de-escalating purchase prices. The Company has performed an assessment considering the lease classification criteria under ASC 842 and concluded that the arrangement is a finance lease. Consequently, the Company has recognized a finance lease liability amounting to $19,385 based on the net present value of the remaining charter-in payments including the purchase option to acquire the vessel at the end of the lease period, discounted by the Company's incremental borrowing rate of approximately 6%. As of December 31, 2024, the outstanding balance was $16,709 and is repayable in six years.

On July 29, 2022, Navios Partners took delivery of the Navios Galaxy II, a 2020-built Kamsarmax vessel of 81,789 dwt, for a remaining eight-year bareboat charter-in agreement. The bareboat charter-in provides for purchase options with de-escalating purchase prices. The Company has performed an assessment considering the lease classification criteria under ASC 842 and concluded that the arrangement is a finance lease. Consequently, the Company has recognized a finance lease liability amounting to $17,702 based on the net present value of the remaining charter-in payments including the purchase option to acquire the vessel at the end of the lease period, discounted by the Company's incremental borrowing rate of approximately 6%. As of December 31, 2024, the outstanding balance was $14,568 and is repayable in six years.

On July 29, 2022, Navios Partners took delivery of the Navios Uranus, a 2019-built Kamsarmax vessel of 81,821 dwt, for a remaining seven-year bareboat charter-in agreement. The bareboat charter-in provides for purchase options with de-escalating purchase prices. The Company has performed an assessment considering the lease classification criteria under ASC 842 and concluded that the arrangement is a finance lease. Consequently, the Company has recognized a finance lease liability amounting to $17,607, based on the net present value of the remaining charter-in payments including the purchase option to acquire the vessel at the end of the lease period, discounted by the Company's incremental borrowing rate of approximately 6%. As of December 31, 2024, the outstanding balance was $14,503 and is repayable in five years.

On July 29, 2022, Navios Partners took delivery of the Navios Felicity I, a 2020-built Kamsarmax vessel of 81,962 dwt, for a remaining seven-year bareboat charter-in agreement. The bareboat charter-in provides for purchase options with de-escalating purchase prices. The Company has performed an assessment considering the lease classification criteria under ASC 842 and concluded that the arrangement is a finance lease. Consequently, the Company has recognized a finance lease liability amounting to $17,473, based on the net present value of the remaining charter-in payments including the purchase option to acquire the vessel at the end of the lease period, discounted by the Company's incremental borrowing rate of approximately 6%. As of December 31, 2024, the outstanding balance was $15,103 and is repayable in five years.

On July 29, 2022, Navios Partners took delivery of the Navios Herakles I, a 2019-built Kamsarmax vessel of 82,036 dwt, for a remaining seven-year bareboat charter-in agreement. The bareboat charter-in provides for purchase options with de-escalating purchase prices. The Company has performed an assessment considering the lease classification criteria under ASC 842 and concluded that the arrangement is a finance lease. Consequently, the Company has recognized a finance lease liability amounting to $17,791 based on the net present value of the remaining charter-in payments including the purchase option to acquire the vessel at the end of the lease period, discounted by the Company's incremental borrowing rate of approximately 6%. As of December 31, 2024, the outstanding balance was $15,211 and is repayable in five years.

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

On July 29, 2022, Navios Partners took delivery of the Navios Amber, a 2015-built Kamsarmax vessel of 80,909 dwt, for a remaining one-year charter-in agreement. The charter-in provides for purchase options with de-escalating purchase prices. The Company has performed an assessment considering the lease classification criteria under ASC 842 and concluded that the arrangement is a finance lease. Consequently, the Company has recognized a finance lease liability based on the net present value of the remaining charter-in payments including the purchase option to acquire the vessel at the end of the lease period, discounted by the Company's incremental borrowing rate of approximately 6%. During the first quarter of 2024, the Company declared its option to extend the charter period for one year and declared its option to acquire the vessel. Under the ASC 842, the extension of the charter period is considered as a lease modification. Consequently, the Company reallocated the remaining consideration in the contract and remeasured the finance lease liability by using the updated Company's incremental borrowing rate of approximately 6%. The finance lease liability recognized at the date of modification was increased by $592. The corresponding right-of-use asset under finance lease was adjusted upon remeasurement of the finance lease liability (see Note 6 – Vessels, net). In September 2024, the Company acquired the Navios Amber and repaid in full the outstanding balance of the finance lease liability as of that date.

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

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

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 years ended December 31, 2024, 2023 and 2022, payments related to the finance lease liabilities amounted to $25,672, $26,172 and $10,389, respectively, and are presented under the caption "Repayment of long-term debt and financial liabilities" in the Consolidated Statements of Cash Flows.

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**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 their affiliates' ownership in Navios Partners of at least 5.0%; and subordinating the obligations under the credit facilities to any general and administrative costs related to the vessels and the payables under the Management Agreements (defined herein).

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

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

As of December 31, 2024, Navios Partners was in compliance with the financial covenants and/or the prepayments and/or the cure provisions, as applicable, in each of its credit facilities and certain financial liabilities.

The annualized weighted average interest rates of the Company's total borrowings were 6.9%, 7.2% and 5.3% for the years ended December 31, 2024, 2023 and 2022, respectively.

The maturity table below reflects the principal payments for the next five years and thereafter of all borrowings of Navios Partners outstanding as of December 31, 2024, based on the repayment schedules of the respective credit facilities, financial liabilities and finance lease liabilities (as described above).

| Period | Amount |
|---|---|
| 2025 | $ 272,035 |
| 2026 | 345,207 |
| 2027 | 283,352 |
| 2028 | 293,736 |
| 2029 | 241,480 |
| 2030 and thereafter | 717,358 |
| **Total** | **$ 2,153,168** |

**NOTE 11 – INTEREST EXPENSE AND FINANCE COST, NET**

Interest expense and finance cost, net for the years ended December 31, 2024, 2023 and 2022 consisted of the following:

| | Year Ended December 31, 2024 | Year Ended December 31, 2023 | Year Ended December 31, 2022 |
|---|---|---|---|
| Interest expense incurred on credit facilities and financial liabilities | $ 110,830 | $ 110,818 | $ 71,508 |
| Interest expense incurred on finance lease liabilities | 28,602 | 30,313 | 12,243 |
| Interest expense capitalized related to deposits for vessel acquisitions | (23,209 ) | (19,457 ) | (6,537 ) |
| Amortization of finance charges | 7,841 | 7,188 | 5,349 |
| Discount effect of long-term assets and other finance costs | 465 | 4,780 | 528 |
| **Total interest expense and finance cost, net** | **$ 124,529** | **$ 133,642** | **$ 83,091** |

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

**NOTE 12 – 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.

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**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 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 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 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 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 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 Consolidated Balance Sheets approximates its fair value due to the short-term nature of these payables.

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

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

| | December 31, 2024 | | December 31, 2023 | |
|---|---|---|---|---|
| | Book Value | Fair Value | Book Value | Fair Value |
| Cash and cash equivalents | $ 270,166 | $ 270,166 | $ 240,378 | $ 240,378 |
| Restricted cash | $ 29,623 | $ 29,623 | $ 8,797 | $ 8,797 |
| Other investments | $ 12,289 | $ 12,289 | $ 47,000 | $ 47,000 |
| Amounts due from related parties, short-term | $ 36,620 | $ 36,620 | $ — | $ — |
| Amounts due from related parties, long-term | $ — | $ — | $ 39,570 | $ 39,570 |
| Amounts due to related parties, short-term | $ — | $ — | $ (32,026) | $ (32,026) |
| Credit facilities and financial liabilities, including current portion, net | $ (1,803,153) | $ (1,827,384) | $ (1,393,049) | $ (1,410,563) |

**Fair Value Measurements**

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

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

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

Level III: Inputs that are unobservable. The Company did not use any Level III inputs as of December 31, 2024.

| | 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) | $ — |

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

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

As 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 | $ — |

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

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

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

**NOTE 13 – 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 December 31, 2024, the Company had repurchased 489,955 common units, for a total cost of approximately $25,000. As of March 20, 2025, the Company had repurchased 696,945 common units, for a total cost of approximately $33,825.

In December 2019, Navios Partners authorized the granting of 4,000 restricted common units, which were issued on December 18, 2019, to its directors and officers, which are based solely on service conditions and vest over four years. The effect of compensation expense arising from the restricted common units described above amounted to $0, $4, and $10 for the years ended December 31, 2024, 2023 and 2022, and was presented under the caption "General and administrative expenses" in the Consolidated Statements of Operations. There were no restricted common units exercised, forfeited or expired during the years ended December 31, 2024, 2023 and 2022.

In February 2019, Navios Partners authorized the granting of 25,396 restricted common units, which were issued on February 1, 2019, to its directors and officers, which are based solely on service conditions and vest over four years. The fair value of restricted common units was determined by reference to the quoted stock price on the date of grant. Compensation expense, net of estimated forfeitures, is recognized based on a graded expense model over the vesting period. Navios Partners also issued 518 general partnership units to its general partner for net proceeds of $8. The effect of compensation expense arising from the restricted common units described above for the years ended December 31, 2024, 2023 and 2022, amounted to $0, $0, and $23, respectively, and was presented under the caption "General and administrative expenses" in the Consolidated Statements of

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Operations. There were no restricted common units exercised, forfeited or expired during the years ended December 31, 2024 and 2023. During the year ended December 31, 2022, the Company forfeited 12,699 unvested restricted common units and cancelled 259 general partnership units.

In December 2018, Navios Partners authorized the granting of 97,633 restricted common units, which were issued on December 24, 2018, to its directors and officers, which are based solely on service conditions and vest over four years. Navios Partners also issued 1,993 general partnership units to its general partner for net proceeds of $27. The effect of compensation expense arising from the restricted common units described above amounted to $0, $0, and $79 for the years ended December 31, 2024, 2023 and 2022 respectively, and was presented under the caption “General and administrative expenses” in the Consolidated Statements of Operations. There were no restricted common units exercised, forfeited or expired during each of the years ended December 31, 2024, 2023 and 2022.

In December 2018, Navios Acquisition authorized and issued in the aggregate 129,269 restricted shares of common stock to its directors and officers. These awards of restricted common stock are based on service conditions only and vest over four years. The fair value of restricted common units was determined by reference to the quoted stock price on the date of grant or the date that the grants were exchanged upon completion of the merger with Navios Acquisition. Compensation expense, net of estimated forfeitures, is recognized based on a graded expense model over the vesting period. Upon the completion of the merger with Navios Acquisition, the unvested restricted common units were 8,116 after exchange on a 1 to 0.1275 basis. The effect of compensation expense arising from the restricted common units described above amounted to $0, $0 and $42 for the years ended December 31, 2024, 2023 and 2022, respectively, and was presented under the caption “General and administrative expenses” in the Consolidated Statements of Operations. There were no restricted common units exercised, forfeited or expired during each of the years ended December 31, 2024, 2023 and 2022.

As of each of December 31, 2024 and 2023, there were no restricted common units outstanding that remained unvested.

Common unitholders have limited voting rights and the Company’s partnership agreement restricts the voting rights of common unitholders owning more than 4.9% of the Company’s common units.

**NOTE 14 – INCOME TAXES**

The Republic of the Marshall Islands does not impose a tax on international shipping income. Under the laws of the Marshall Islands, Liberia, Cayman Islands, Hong Kong, Panama, British Virgin Islands and Belgium, 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 Consolidated Statements of Operations.

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

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

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

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

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

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**NOTE 15 – 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 April 2022, Navios Partners agreed to purchase four 115,000 dwt Aframax/LR2 newbuilding tanker vessels, from an unrelated third party, for a purchase price of $58,500 each (plus $4,158 per vessel in additional features). On May 13, 2024, August 12, 2024, October 21, 2024 and January 14, 2025, Navios Partners took delivery of the Nave Cosmos, the Nave Polaris, the Nave Photon and the Nave Neutrino, respectively. Navios Partners agreed to pay in total $23,400 plus extras in four installments for each vessel and the remaining amount of $35,100 plus extras for each vessel will be paid upon delivery of each vessel. During the year ended December 31, 2022, the first installment of each vessel of $6,266, or $25,063 accumulated for the four vessels was paid. During the year ended December 31, 2023, the aggregate amount of $31,329 in relation to the second installment for the four vessels and the third installment for one of the vessels was paid. During the year ended December 31, 2024, the aggregate amount of $156,645 in relation to the third installment for the other three vessels, the fourth installment for the four vessels and the last installment for three of the vessels was paid. As of December 31, 2024, the total amount of $25,063 is presented under the caption "Deposits for vessels acquisitions" in the Consolidated Balance Sheets.

In June 2022, Navios Partners agreed to purchase two liquefied natural gas (LNG) dual fuel 7,700 TEU newbuilding containerships, from an unrelated third party, for an amended purchase price of $115,510 each (original price of $120,610 each). On January 20, 2025 and February 17, 2025, Navios Partners took delivery of the HMM Ocean and HMM Sky, respectively. Navios Partners agreed to pay in total $92,408 in four installments for each vessel and the remaining amount of $23,102 for each vessel will be paid upon delivery of the vessel. During the year ended December 31, 2022, the first installment of each vessel of $23,102, or $46,204 accumulated for the two vessels, was paid. During the year ended December 31, 2023, the aggregate amount of $103,959 in relation to the second and third installment for the two vessels, was paid. During the year ended December 31, 2024, the aggregate amount of $34,653 in relation to the fourth installment for the two vessels was paid. As of December 31, 2024, the total amount of $184,816 is presented under the caption "Deposits for vessels acquisitions" in the Consolidated Balance Sheets.

In November 2022, Navios Partners agreed to acquire two 115,000 dwt Aframax/LR2 newbuilding tanker vessels, from an unrelated third party, for a purchase price of $60,500 each (plus $4,158 per vessel in additional features). The vessels are expected to be delivered into Navios Partners' fleet during the first half of 2025. Navios Partners agreed to pay in total $24,200, plus extras in four installments for each vessel and the remaining amount of $36,300 plus extras for each vessel will be paid upon delivery of each vessel. During the year ended December 31, 2023, the aggregate amount of $12,100 in relation to the first installment for the two vessels, was paid. During the year ended December 31, 2024, the aggregate amount of $30,250 in relation to the second installment for the two vessels, the third installment for the two vessels and the fourth installment for one of the vessels, was paid. As of December 31, 2024, the total amount of $42,350 is presented under the caption "Deposits for vessels acquisitions" in the Consolidated Balance Sheets.

In December 2022, Navios Partners agreed to acquire two newbuilding Japanese MR2 Product Tanker vessels, from an unrelated third party, under bareboat contracts. Each vessel is being bareboat-in for ten years. Navios Partners has the option to acquire the vessels starting at the end of year four until the end of the charter period. Navios Partners agreed to pay in total $18,000, representing a deposit for the option to acquire the vessels after the end of the fourth year. The vessels are expected to be delivered into Navios Partners' fleet during the second half of 2025 and the first half of 2026. During the year ended December 31, 2023, the aggregate amount of $9,000 in relation to the deposit for the option to acquire the two vessels, was paid. As of December 31, 2024, the total amount of $11,810, including capitalized expenses, is presented under the caption "Other long-term assets" in the Consolidated Balance Sheets.

During the second quarter of 2023, Navios Partners agreed to acquire two newbuilding Japanese MR2 Product Tanker vessels, from an unrelated third party, under bareboat contracts. Each vessel is being bareboat-in for ten years. Navios Partners has the option to acquire the vessels starting at the end of year four until the end of the charter period. Navios Partners agreed to pay in total $18,000, representing a deposit for the option to acquire the vessels after the end of the fourth year. The vessels are expected to be delivered into Navios Partners' fleet during the second half of 2026. During the year ended December 31, 2023, the aggregate amount of $9,000 in relation to the deposit for the option to acquire the two vessels, was paid. As of December 31, 2024, the total amount of $11,650, including capitalized expenses, is presented under the caption "Other long-term assets" in the 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 December 31, 2024, the total amount of $12,739, including capitalized expenses, is presented under the caption "Other long-term assets" in the 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 in relation to the first installment for the four vessels and the second installment for three of the vessels, was paid. As of December 31, 2024, the total amount of $55,125 is presented under the caption "Deposits for vessels acquisitions" in the Consolidated Balance Sheets.

During the first quarter of 2024, Navios Partners agreed to acquire two 115,000 dwt Aframax/LR2 newbuilding scrubber-fitted tanker vessels from an unrelated third party, for a purchase price of $61,250 each (plus $3,300 per vessel in additional features). The vessels are expected to be delivered into Navios Partners' fleet during 2027. Navios Partners agreed to pay in total $27,562, plus extras in four installments for each vessel and the remaining amount of $33,688 plus extras for each vessel will be paid upon delivery of each vessel. During the year ended December 31, 2024, the aggregate amount of $18,375 in relation to the first installment for the two vessels was paid. As of December 31, 2024, the total amount of $18,375 is presented under the caption "Deposits for vessels acquisitions" in the 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 second quarter of 2024, Navios Partners agreed to acquire four 115,000 dwt Aframax/LR2 newbuilding scrubber-fitted tanker vessels from an unrelated third party, for a purchase price of $62,250 (plus $3,300 per vessel in additional features) for each of the first two vessels and a purchase price of $63,000 (plus $3,300 per vessel in additional features) for each of the other two vessels. The vessels are expected to be delivered into Navios Partners' fleet during the second half of 2027 and the first half of 2028. For the first two vessels, Navios Partners agreed to pay in total $34,238, plus extras in four installments for each vessel and the remaining amount of $28,012, plus extras for each vessel will be paid upon delivery of each vessel. For the other two vessels, Navios Partners agreed to pay in total $34,650, plus extras in four installments for each vessel and the remaining amount of $28,350, plus extras for each vessel will be paid upon delivery of each vessel. During the year ended December 31, 2024, the aggregate amount of $62,625 in relation to the first installment for each of the vessels was paid. As of December 31, 2024, the total amount of $62,625 is presented under the caption "Deposits for vessels acquisitions" in the 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.

As of December 31, 2024, an amount of $56,543 related to capitalized costs is presented under the caption "Deposits for vessels acquisitions" in the Consolidated Balance Sheets.

As of December 31, 2024, the Company's future minimum lease commitments under the Company's bareboat-in contracts for undelivered vessels, are as follows:

| **Period** | | **Amount** |
|---|---|---|
| 2025 | $ | 1,025 |
| 2026 | | 6,932 |
| 2027 | | 17,574 |
| 2028 | | 18,666 |
| 2029 | | 18,615 |
| 2030 and thereafter | | 123,483 |
| **Total** | **$** | **186,295** |

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## NOTE 16 – FUTURE MINIMUM CONTRACTUAL REVENUE

As of December 31, 2024, the Company's future minimum non-cancellable contractual lease income (charter-out rates, net of commissions and commercial management fee and assuming no off-hires days), excluding contracted revenue from vessels under construction and vessels operated under index-linked contracts, is as follows:

| Period | | Amount |
|---|---|---|
| 2025 | $ | 768,697 |
| 2026 | | 515,166 |
| 2027 | | 340,070 |
| 2028 | | 247,171 |
| 2029 | | 136,906 |
| 2030 and thereafter | | 29,843 |
| **Total** | **$** | **2,037,853** |

## NOTE 17 – TRANSACTIONS WITH RELATED PARTIES AND AFFILIATES

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

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

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

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

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

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

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

Drydocking expenses are reimbursed at cost for all vessels.

In August 2024, Navios Partners renewed its Management Agreements with the Manager commencing January 1, 2025, for a term of ten years, renewing annually (the "Master Management Agreement"), At the same time, Navios Partners renewed for a term of ten years its administrative services agreement (the "Administrative Services Agreement" 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 Watson Farley & Williams LLP as legal advisor and KPMG Advisors Single Member S.A. (a member firm of the KPMG global organization of independent member firms) as financial advisor.

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

During the years ended December 31, 2024, 2023 and 2022, certain extraordinary fees and costs related to vessels' regulatory requirements, including ballast water treatment system installation, exhaust gas cleaning system installation and other improvements under the Management Agreements, amounted to $31,995, $57,166 and $18,901, respectively, and are presented under the caption "Acquisition of/ additions to vessels" in the Consolidated Statements of Cash Flows.

During the years ended December 31, 2024, 2023 and 2022, additional remuneration in accordance with the Management Agreements amounted to $4,141, $4,730 and $3,479, respectively, related to superintendent attendances and claims preparation and are presented under the captions of "Direct vessel expenses" in the Consolidated Statements of Operations, "Vessels, net", "Deferred dry dock and special survey costs, net" and "Prepaid expenses and other current assets" in the Consolidated Balance Sheets.

During the years ended December 31, 2024, 2023 and 2022, certain extraordinary crewing fees and costs amounted to $322, $3,047 and $11,262, respectively, and are presented under the caption of "Direct vessel expenses" in the Consolidated Statements of Operations.

Total vessel operating expenses for each of the years ended December 31, 2024, 2023 and 2022 amounted to $349,160, $331,653 and $312,022, respectively.

**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 provides for payment of a termination fee, which is 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.

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 Conflicts Committee of the Board of Directors, consisting of independent directors, negotiated and approved the Agreement with the advice of Watson Farley & Williams LLP as legal advisor and KPMG Advisors Single Member S.A. (a member firm of the KPMG global organization of independent member firms) as financial advisor. The 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.

During the years ended December 31, 2024 and 2023, allocable general and administrative costs recorded under the captions "Deposits for vessels acquisitions" and "Other long-term assets" in the Consolidated Balance Sheets, amounted to $9,925 and $7,425, respectively, (see Note 2(j) – Summary of significant accounting policies).

Total general and administrative expenses charged by the Manager for each of the years ended December 31, 2024, 2023 and 2022 amounted to $63,776, $59,946 and $50,190, respectively.

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**Balance due from/ (to) related parties:** Balance due from/ (to) Manager, short-term as of December 31, 2024 and December 31, 2023 amounted to $34,089 and $(32,026), respectively. Balance due from Manager, long-term as of December 31, 2024 and December 31, 2023 amounted to $0 and $39,570, respectively. The balances mainly consisted of administrative expenses, drydocking, extraordinary fees and costs related to regulatory requirements including ballast water treatment system, other expenses, as well as fixed vessel operating expenses, in accordance with the Management Agreements and are presented under the captions “Amounts due from related parties” and “Amounts due to related parties” in the Consolidated Balance Sheets.

In October 2023, Navios Partners entered into a time charter agreement with a subsidiary of its affiliate Navios South American Logistics Inc. for the Navios Vega, a 2009-built transhipper vessel. The vessel was delivered during the first quarter of 2024. The term of this time charter agreement is approximately five years, at a rate of $25.8 per day and for the year ended December 31, 2024, the amount of $8,067 is presented under the caption “Time charter and voyage revenues” in the Consolidated Statements of Operations. 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. As of December 31, 2024, balance due from the above mentioned related party company amounted to $2,531, is presented under the caption “Amounts due from related parties” in the Consolidated Balance Sheets and has been received in March 2025.

**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 drybulk carriers. Pursuant to the Partners Omnibus Agreement, Navios Holdings generally agreed not to acquire or own Panamax or Capesize drybulk carriers under time charters of three or more years without consent as required under such agreement. The Omnibus Agreement, however, contains significant exceptions that allow Navios Holdings or any of its affiliates to acquire or own these drybulk carriers.

In December 2024, the Company completed the sale of two entities to an entity affiliated with the Company’s Chairwoman and Chief Executive Officer, Angeliki Frangou, for a nominal consideration.

During the fourth quarter of 2023, the Company completed the sale of four entities to an entity affiliated with the Company’s Chairwoman and Chief Executive Officer, Angeliki Frangou, in consideration of nominal par value for the outstanding stock.

**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.

**Acquisition of vessels**:

**2022**

On July 26, 2022, the Company entered into a share purchase agreement to acquire a 36-vessel drybulk fleet for a purchase price of $835,000 including the assumption of bank liabilities, bareboat obligations and finance lease obligations, subject to debt and working capital adjustments, from Navios Holdings. On July 29, 2022, 15 of the 36 vessels were delivered to Navios Partners. On September 8, 2022, the remaining 21 vessels were delivered to Navios Partners.

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**NOTE 18 – 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:

| | | Marginal Percentage Interest in Distributions | | |
|---|---|---|---|---|
| | Total Quarterly Distribution Target Amount | 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 for all quarters during the years ended December 31, 2024, 2023 and 2022, 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 |
|---|---|---|---|---|---|
| January 2022 | December 31,2021 | February 9, 2022 | February 11, 2022 | $ 0.05 | $ 1,541 |
| April 2022 | March 31, 2022 | May 9, 2022 | May 12, 2022 | $ 0.05 | $ 1,541 |
| July 2022 | June 30, 2022 | August 9, 2022 | August 12, 2022 | $ 0.05 | $ 1,541 |
| October 2022 | September 30, 2022 | November 8, 2022 | November 10, 2022 | $ 0.05 | $ 1,540 |
| January 2023 | December 31, 2022 | February 10, 2023 | February 14, 2023 | $ 0.05 | $ 1,540 |
| April 2023 | March 31, 2023 | May 9, 2023 | May 12, 2023 | $ 0.05 | $ 1,540 |
| July 2023 | June 30, 2023 | August 8, 2023 | August 11, 2023 | $ 0.05 | $ 1,540 |
| October 2023 | September 30, 2023 | November 7, 2023 | November 13, 2023 | $ 0.05 | $ 1,540 |
| 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 |
| October 2024 | September 30, 2024 | November 12, 2024 | November 15, 2024 | $ 0.05 | $ 1,521 |
| January 2025 | December 31, 2024 | February 10, 2025 | February 13, 2025 | $ 0.05 | $ 1,511 |

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 (or losses). Basic earnings/(losses) per common unit is determined by dividing net income/(loss) 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 years ended December 31, 2024, 2023 and 2022.

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

| | Year Ended December 31, 2024 | Year Ended December 31, 2023 | Year Ended December 31, 2022 |
|---|---|---|---|
| Net income | $ 367,308 | $ 433,645 | $ 579,247 |
| Income attributable to: | | | |
| Common unitholders | $ 359,867 | $ 424,974 | $ 567,662 |
| Weighted average units outstanding basic | | | |
| Common unitholders | 30,029,279 | 30,183,428 | 30,155,148 |
| Earnings per unit basic: | | | |
| Common unitholders | $ 11.98 | $ 14.08 | $ 18.82 |
| Weighted average units outstanding diluted | | | |
| Common unitholders | 30,029,279 | 30,184,388 | 30,156,149 |
| Earnings per unit diluted: | | | |
| Common unitholders | $ 11.98 | $ 14.08 | $ 18.82 |
| Earnings per unit distributed basic: | | | |
| Common unitholders | $ 0.20 | $ 0.20 | $ 0.20 |
| Earnings per unit distributed diluted: | | | |
| Common unitholders | $ 0.20 | $ 0.20 | $ 0.20 |
| Earnings per unit undistributed basic: | | | |
| Common unitholders | $ 11.78 | $ 13.88 | $ 18.62 |
| Earnings per unit undistributed diluted: | | | |
| Common unitholders | $ 11.78 | $ 13.88 | $ 18.62 |

Potential common units of 0, 0 and 1,001 for the years ended December 31, 2024, 2023 and 2022, respectively are included in the calculation of earnings per unit diluted.

**NOTE 19 – OTHER INCOME**

In October 2023, Navios Partners agreed to terminate the charter parties of the Protostar N, a 2007-built 2,741 TEU containership, and the Navios Spring, a 2007-built 3,450 TEU containership, with a minimum charter period until October 2025 and April 2025, respectively, against a compensation of $52,463 for the early termination, which was presented under the caption “Other income” in the Consolidated Statements of Operations.

**NOTE 20 – 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**

In November 2017, Navios Partners agreed to bareboat charter-in, under a ten-year bareboat contract, from an unrelated third party, the Navios Libra, a newbuilding Kamsarmax vessel of 82,011 dwt, delivered on July 24, 2019. The bareboat charter-in provides for purchase options with de-escalating purchase prices starting on the end of the fourth year. The Company has performed an assessment considering the lease classification criteria under ASC 842 and concluded that the arrangement is an operating lease. Consequently, the Company has recognized an operating lease liability based on the net present value of the remaining charter-in payments and an operating lease right-of-use asset at an amount equal to the operating liability adjusted for the carrying amount of the straight-line liability. Navios Partners agreed to pay in total $5,540, representing a deposit for the option to acquire the vessel after the end of the fourth year, of which the first half of $2,770 was paid during the year ended December 31, 2017 and the second half of $2,770 was paid during the year ended December 31, 2018. As of December 31, 2024, the total amount of $6,161, including expenses, is presented under the caption “Other long-term assets” in the Consolidated Balance Sheets.

On October 18, 2019, Navios Partners agreed to bareboat charter-in, under a ten-year bareboat contract each, from an unrelated third party, the Navios Amitie and the Navios Star, two newbuilding Kamsarmax vessels of 82,002 dwt and 81,994 dwt, respectively. The vessels were delivered in Navios Partner’s fleet on May 28, 2021 and June 10, 2021, respectively. The bareboat charter-in provides for purchase options with de-escalating purchase prices starting on the end of the fourth year. The Company has performed assessments considering the lease classification criteria under ASC 842 and concluded that the arrangements are operating leases. Consequently, the Company has recognized an operating lease liability based on the net present value of the

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remaining charter-in payments and a right-of-use asset at an amount equal to the operating liability adjusted for the carrying amount of the straight-line liability. Navios Partners had agreed to pay in total $12,328, representing a deposit for the option to acquire the vessels after the end of the fourth year, of which $1,434 was paid during the year ended December 31, 2019, $10,034 was paid during the year ended December 31, 2020, and the remaining amount of $860 was paid upon the delivery of the vessels. As of December 31, 2024, the total amount of $13,040, including expenses, is presented under the caption "Other long-term assets" in the Consolidated Balance Sheets.

Upon acquisition of the majority of outstanding stock of Navios Acquisition, Navios Partners took delivery of two 12-year bareboat charter-in vessels, with de-escalating purchase options, the Baghdad, a 2020-built Japanese VLCC of 313,433 dwt and the Erbil, a 2021-built Japanese VLCC of 313,486 dwt. The Company has performed an assessment considering the lease classification criteria under ASC 842 and concluded that the arrangement is an operating lease. Consequently, the Company has recognized an operating lease liability based on the net present value of the remaining charter-in payments and a right-of-use asset at an amount equal to the operating liability adjusted for the carrying amount of the straight-line liability. As of December 31, 2024, the total amount of $1,775 is presented under the caption "Other long-term assets" in the Consolidated Balance Sheets.

In the first quarter of 2019, Navios Acquisition exercised its option to a 12-year bareboat charter-in agreement with de-escalating purchase options for the Nave Electron, a newbuilding Japanese VLCC of 313,239 dwt. On August 30, 2021, Navios Partners took delivery of the Nave Electron. The bareboat charter-in provides for purchase options with de-escalating purchase prices starting on the end of the fourth year. The Company has performed assessments considering the lease classification criteria under ASC 842 and concluded that the arrangements are operating leases. The Company has recognized an operating lease liability based on the net present value of the remaining charter-in payments and a right-of-use asset at an amount equal to the operating liability adjusted for the carrying amount of the straight-line liability. As of December 31, 2024, the total amount of $1,505 is presented under the caption "Other long-term assets" in the Consolidated Balance Sheets.

In the second quarter of 2020, Navios Acquisition exercised its option for the Nave Celeste, a newbuilding Japanese VLCC of 313,418 dwt under a 12-year bareboat charter agreement with de-escalating purchase options. On July 5, 2022, Navios Partners took delivery of the Nave Celeste. The bareboat charter-in provides for purchase options with de-escalating purchase prices starting on the end of the fourth year. The Company has performed an assessment considering the lease classification criteria under ASC 842 and concluded that the arrangement is an operating lease. Consequently, the Company has recognized an operating lease liability based on the net present value of the remaining charter-in payments and an operating lease right-of-use asset at an amount equal to the operating liability adjusted for the carrying amount of the straight-line liability. As of December 31, 2024, the total amount of $1,050 is presented under the caption "Other long-term assets" in the Consolidated Balance Sheets.

On July 29, 2022, Navios Partners took delivery of the Navios Venus, a 2015-built Handymax vessel of 61,339 dwt for a remaining two-year charter-in agreement, with de-escalating purchase options. The Company had performed assessment considering the lease classification criteria under ASC 842 and concluded that the arrangement was operating lease. Consequently, the Company had recognized for the vessel an operating lease liability based on the net present value of the remaining charter-in payments and a right-of-use asset at an amount equal to the operating liability, increased with the allocated excess value, adjusted for (i) the carrying amount of the straight-line effect of the liability (if any) and (ii) the favorable and unfavorable lease terms derived from the charter-in agreement.

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

As at December 31, 2024 and December 31, 2023 the outstanding balance of the operating lease liability amounted $240,602 and $270,738, respectively, and is presented under the captions "Operating lease liabilities, current portion" and "Operating lease liabilities, net" in the Consolidated Balance Sheets. Right-of-use assets amounted $243,806 and $270,969 as at December 31, 2024 and December 31, 2023, respectively, and are presented under the caption "Operating lease assets" in the Consolidated Balance Sheets.

**NAVIOS MARITIME PARTNERS L.P.**
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(Expressed in thousands of U.S. Dollars except unit and per unit data)

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 years ended December 31, 2024, 2023 and 2022 amounted to $45,623, $66,733, and $50,972, respectively, and is presented under the caption "Time charter and voyage expenses" in the Consolidated Statements of Operations.

For the years ended December 31, 2024, 2023 and 2022, the sublease income (net of commissions, if any) for vessels where the Company is a lessee amounted to $75,346, $82,642 and $86,580, respectively. Sublease income is presented under the caption "Time charter and voyage revenues" in the Consolidated Statements of Operations.

As of December 31, 2024, the management of the Company has considered various indicators, and concluded that events and circumstances did not trigger the existence of potential impairment of its operating lease assets and that recoverability test was not required. As a result, there was no impairment charge for the year ended December 31, 2024.

As of December 31, 2023, the management of the Company concluded that events occurred and circumstances had changed, which indicated that potential impairment of one of Navios Partners' operating lease assets might exist. These indicators included volatility in the charter market as well as the potential impact the current marketplace may have on the Company's future operations. As a result, a recoverability test of operating lease assets was performed.

During the year ended December 31, 2023, an impairment loss of $2,784, measured based on the fair value of the lease asset (See Note 12 – Fair value of financial instruments), was recognized in connection with the Navios Venus, as her carrying amount was not recoverable and exceeded her undiscounted projected net operating cash flows, as described above, and is presented under the caption "Gain on sale of vessels, net" in the Consolidated Statements of Operations.

As of December 31, 2022, the management of the Company has considered various indicators, and concluded that events and circumstances did not trigger the existence of potential impairment of its operating lease assets and that recoverability test was not required. As a result, there was no impairment charge for the year ended December 31, 2022.

As of December 31, 2024, the weighted average useful life of the remaining operating lease terms was 8.2 years.

The table below provides the total amount of lease payments on an undiscounted basis on the Company's chartered-in contracts as of December 31, 2024:

| **Period** | | **Amount** |
|---|---|---|
| 2025 | $ | 38,362 |
| 2026 | | 38,251 |
| 2027 | | 37,463 |
| 2028 | | 36,981 |
| 2029 | | 35,756 |
| 2030 and thereafter | | 113,679 |
| **Total** | **$** | **300,492** |
| **Operating lease liabilities, including current portion** | **$** | **240,602** |
| **Discount based on incremental borrowing rate** | **$** | **59,890** |

**Finance Leases**

For a detailed description of the finance lease liabilities and right-of-use assets for vessels under finance leases, refer to Note 10 – Borrowings and Note 6 – Vessels, net, respectively.

For the years ended December 31, 2024, 2023 and 2022, the sublease income (net of commissions, if any) for vessels where the Company is a lessee amounted to $87,179, $87,356 and $40,936, respectively. Sublease income is presented under the caption "Time charter and voyage revenues" in the Consolidated Statements of Operations.

As of December 31, 2024 and December 31, 2023, the management of the Company has considered various indicators, and concluded that events and circumstances did not trigger the existence of potential impairment of its finance lease assets and that recoverability test was not required. As a result, there was no impairment charge for each of the years ended December 31, 2024 and December 31, 2023.

As of December 31, 2022, the management concluded that events occurred and circumstances had changed, which indicated that potential impairment of Navios Partners' finance lease assets might exist. These indicators included volatility in the charter market as well as the potential impact the current marketplace may have on the Company's future operations. As a result, a recoverability test of finance lease assets was performed. No impairment loss was recognized as of December 31, 2022.

**NAVIOS MARITIME PARTNERS L.P.**
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(Expressed in thousands of U.S. Dollars except unit and per unit data)

As of December 31, 2024, the weighted average useful life of the remaining finance lease terms was 10.5 years.

The table below provides the total amount of lease payments and options to acquire vessels on an undiscounted basis under the Company's finance leases as of December 31, 2024:

| **Period** | | **Amount** |
|---|---|---|
| 2025 | $ | 36,936 |
| 2026 | | 36,535 |
| 2027 | | 36,108 |
| 2028 | | 35,812 |
| 2029 | | 51,727 |
| 2030 and thereafter | | 277,431 |
| **Total** | **$** | **474,549** |
| **Finance lease liabilities, including current portion (see Note 10 – Borrowings)** | **$** | **325,784** |
| **Discount based on incremental borrowing rate** | **$** | **148,765** |

**Bareboat charter-out contract**

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

The Company recognizes in relation to the operating leases for the bareboat charter-out agreements the bareboat charter-out hire income in the Consolidated Statements of Operations on a straight-line basis. For the years ended December 31, 2024, 2023 and 2022, the charter hire income (net of commissions, if any) amounted to $33,130, $32,018 and $26,419, respectively, and is presented under the caption "Time charter and voyage revenues" in the Consolidated Statements of Operations.

**NOTE 21 – SUBSEQUENT EVENTS**

In January and February 2025, Navios Partners took delivery of the Nave Neutrino, a 2025-built Aframax/LR2 of 115,807 dwt, the HMM Ocean and the HMM Sky, two 2025-built 7,700 TEU containerships (See Note 15 – Commitments and contingencies).

In February 2025 and March 2025, Navios Partners agreed to sell a 2006-built Panamax of 76,596 dwt, a 2005-built Panamax of 76,801 dwt and a 2007-built 2,741 TEU Containership, to unrelated third parties. The aggregate gross sale proceeds of the above vessels amounted to $34,650 and the aggregate gain on sale is expected to be approximately $2,692. The sale of the 2005-built Panamax of 76,801 dwt was completed on March 17, 2025 and the sales of the remaining two vessels are expected to be completed during the second quarter of 2025.

In March 2025, Navios Partners entered into an export credit agency-backed facility for a total amount 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. The facility matures 12 years after the delivery date of each vessel and bears interest at Compounded SOFR plus 124 bps per annum.

**SIGNATURES**

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this annual report on its behalf.

NAVIOS MARITIME PARTNERS L.P.

By: /s/ Angeliki Frangou
Angeliki Frangou

Chief Executive Officer

Date: March 28, 2025

EXHIBIT 4.65

**Dated 17 December 2024**

**$30,000,000**

**TERM LOAN FACILITY**

**HAPPINESS SHIPPING CORPORATION**
**VEGA SHIPPING CORPORATION**
**GALILEO SHIPPING CORPORATION**
**RED ROSE SHIPPING CORP.**
as joint and several Borrowers

**HELLENIC BANK PUBLIC COMPANY LIMITED**
as Arranger

**HELLENIC BANK PUBLIC COMPANY LIMITED**
as Facility Agent

**HELLENIC BANK PUBLIC COMPANY LIMITED**
as Security Agent

and

**HELLENIC BANK PUBLIC COMPANY LIMITED**
as Account Bank

**FACILITY AGREEMENT**

relating to a term loan facility of up to US$30,000,000
secured on four bulk carrier vessels

WATSON FARLEY
&
WILLIAMS

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**THIS AGREEMENT** is made on 17 December 2024

**PARTIES**

(1) **HAPPINESS SHIPPING CORPORATION**, a corporation incorporated in the Marshall Islands whose registered address is at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960 as a borrower ("**Borrower A**")

(2) **VEGA SHIPPING CORPORATION**, a corporation incorporated in the Marshall Islands whose registered address is at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960 as a borrower ("**Borrower B**")

(3) **GALILEO SHIPPING CORPORATION**, a corporation incorporated in the Marshall Islands whose registered address is at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960 as a borrower ("**Borrower C**")

(4) **RED ROSE SHIPPING CORP.**, a corporation incorporated in the Marshall Islands whose registered address is at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960 as a borrower ("**Borrower D**")

(5) **HELLENIC BANK PUBLIC COMPANY LIMITED** as arranger (the "**Arranger**")

(6) **THE BANKS AND FINANCIAL INSTITUTIONS** listed in Part B of Schedule 1 (*The Parties*) as lenders (the "**Original Lenders**")

(7) **HELLENIC BANK PUBLIC COMPANY LIMITED** as agent of the other Finance Parties (the "**Facility Agent**")

(8) **HELLENIC BANK PUBLIC COMPANY LIMITED** as security agent for the Secured Parties (the "**Security Agent**")

(9) **HELLENIC BANK PUBLIC COMPANY LIMITED** as account bank (the "**Account Bank**")

**BACKGROUND**

The Lenders have agreed to make available to the Borrowers a term loan facility of up to the lower of (i) $30,000,000 and (ii) 40 per cent. of the aggregate Initial Market Value of the Ships, in four Tranches to be drawn in a single advance, for the purpose of providing working capital to the Borrowers, as follows:

(i) Tranche A in a principal amount not exceeding $9,000,000;

(ii) Tranche B in a principal amount not exceeding $8,000,000;

(iii) Tranche C in a principal amount not exceeding $4,000,000; and

(iv) Tranche D in a principal amount not exceeding $9,000,000.

**OPERATIVE PROVISIONS**

**SECTION 1**

**INTERPRETATION**

## 1 DEFINITIONS AND INTERPRETATION

### 1.1 Definitions

In this Agreement:

"**Accounts**" means the Earnings Accounts and the Retention Account.

"**Account Security**" means a document creating Security over any Account in agreed form.

"**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 (as subsequently amended from time to time) to amend the International Convention for the Prevention of Pollution from Ships 1973 (Marpol), as modified by the Protocol of 1978 relating thereto.

"**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 6 (*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 6 (*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, as at the date of this Agreement, the flag in relation to that Ship specified in Schedule 6 (*Details of the Ships and Other Definitions*) or such other flag and, if applicable port of registry, approved in writing by the Facility Agent acting with the authorisation of the Majority Lenders, and which approval shall not be withheld in the case of the Panamanian, Cypriot, Liberian, Maltese, Portuguese or Marshall Islands flags and a reference to "the Approved Flag" in respect of a Ship shall be a reference to the flag and, if applicable port of registry, under which that Ship is then flagged with the agreement of the Facility Agent acting with the authorisation of the Majority Lenders.

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

(a) Navios Shipmanagement Inc., a corporation domesticated under the laws 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 of that Ship; and/or

(b) any Affiliate of Navios Shipmanagement Holdings Corporation, a corporation incorporated under the laws of the Marshall Islands having its registered address at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands

MH96960, 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, as the commercial and/or technical manager of that Ship.

"**Approved Valuer**" means Allied Shipbroking, Arrow Shipbrokers, Braemar ACM Shipbroking, BRS Shipbrokers, Clarkson Valuations Limited, Fearnleys, Ifchor Galbraiths, Howe Robinson, Intermodal Shipbrokers, MB Shipbrokers (formerly known as Maersk Brokers), Maritime Strategies International (MSI), Seaborne Shipbrokers SA, Simpson Spence & Young 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.

"**Assignable Charter**" means any Charter the duration of which exceeds or is capable of exceeding, by virtue of any optional extensions or otherwise, 13 Months.

"**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 31 December 2024.

"**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 the Loan 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 it in Clause 6.1 (*Repayment of Loan*).

"**Borrower**" means Borrower A, Borrower B, Borrower C or Borrower D.

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

(a) the interest (excluding the Margin) 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.

"**Business Day**" means a day (other than a Saturday or Sunday) on which banks are open for general business in New York (in relation only to any date for payment or purchase of dollars), Nicosia, Piraeus and Athens, and (in relation to the fixing of an interest rate) which is a US Government Securities Business Day.

"**Change of Control**" has the meaning given to it in Clause 25.10 (*Change of Control*).

"**Charter**" means, in relation to a Ship, any charter relating to that Ship, or other contract for its employment, whether or not already in existence.

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

"**Charterparty Assignment**" means an assignment of the Assignable Charter and any related Charter Guarantee in favour of the Security Agent in form and substance satisfactory to the Security Agent.

"**CII Rating**" means the operational carbon intensity rating of the Ships, expressed as a rating from A-E, calculated in accordance with Annex VI.

"**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.

"**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 US Securities and Exchange Commission 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.

"**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 and creating Security over that 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.

"**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 as required under the Facility Agreement, pooled or shared with any other person:

(i) all freight, hire and passage moneys including, without limitation, all moneys payable under, arising out of or in connection with a Charter or a Charter Guarantee;

(ii) the proceeds of the exercise of any lien on sub-freights;

(iii) compensation payable to a Borrower or the 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, in relation to a Borrower:

(a) an account in the name of that Borrower with the Account Bank designated "Earnings Account";

(b) any other account in the name of that Borrower with the Account Bank which may, with the prior written consent of the 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) or (b) above.

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

"**EEXI**" means the Energy Efficiency Existing Ships Index as set out in Annex VI.

"**Environmental Approval**" means any present or future permit, ruling, variance or other Authorisation required under Environmental Law.

"**Environmental Claim**" means any claim by any governmental, judicial or regulatory authority or any other person which arises out of an Environmental Incident or an alleged Environmental Incident or which relates to any Environmental Law and, for this purpose, "**claim**" includes a claim for damages, compensation, contribution, injury, fines, losses and penalties or any other payment of any kind, including in relation to clean-up and removal, whether or not similar to the foregoing; an order or direction to take, or not to take, certain action or to desist from or suspend certain action; and any form of enforcement or regulatory action, including the arrest or attachment of any asset.

"**Environmental Incident**" means:

(a) any release, emission, spill or discharge of Environmentally Sensitive Material whether within a Ship or from a Ship into any other vessel or into or upon the air, water, land or soils (including the seabed) or surface water; or

(b) any incident in which Environmentally Sensitive Material is released, emitted, spilled or discharged into or upon the air, water, land or soils (including the seabed) or surface water from a vessel other than any Ship and which involves a collision between any Ship and such other vessel or some other incident of navigation or operation, in either case, in connection with which a Ship is actually or potentially liable to be arrested, attached, detained or injuncted and/or a Ship and/or any Transaction Obligor and/or

any operator or manager of a Ship is at fault or allegedly at fault or otherwise liable to any legal or administrative action; or

(c) any other incident in which Environmentally Sensitive Material is released, emitted, spilled or discharged into or upon the air, water, land or soils (including the seabed) or surface water otherwise than from a Ship and in connection with which a Ship is actually or potentially liable to be arrested and/or where any Transaction Obligor and/or any operator or manager of a Ship is at fault or allegedly at fault or otherwise liable to any legal or administrative action, other than in accordance with an Environmental Approval.

"**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*).

"**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 Arranger, the Facility Agent and the Security Agent and any Borrower setting out any of the fees referred to in Clause 11 (*Fees*).

"**Finance Document**" means:

(a) this Agreement;

(b) any Fee Letter;

(c) a Utilisation Request;

(d) any Security Document;

(e) any Manager's Undertaking;

(f) the Guarantee;

(g) any other document which is executed for the purpose of establishing any priority or subordination arrangement in relation to the Secured Liabilities; or

(h) any other document designated as such by the Facility Agent and the Borrowers.

"**Finance Party**" means the Facility Agent, the Security Agent, the Arranger, a Lender or the Account Bank.

"**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 that Ship's Earnings, its Insurances and any Requisition Compensation 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/or whose financial statements are not consolidated into the financial statements of the Group).

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

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

"**Historic Term SOFR**" means, in relation to 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.

"**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 Ships and Other Definitions*).

"**Initial Charterer**" has the meaning given to that term in Schedule 6 (*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 relating to it referred to in paragraph 2.5 of Part B of Schedule 2 (*Conditions Precedent*).

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

(a) all policies and contracts of insurance, including entries of that Ship in any protection and indemnity or war risks association, effected in relation to that Ship, 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 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*).

"**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, SOFR for a day which is no more (and no less than three US Government Securities Business Days) before the Quotation Day; and

(b) the most recent applicable Term SOFR (as of a day which is not more than three US Government Securities Business Days before the Quotation Day) for the shortest period (for which Term SOFR is available) which exceeds the Interest Period of 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 three US Government Securities Business Days before the Quotation Day; and

(b) the applicable Term SOFR (as of the Specified Time) for the shortest period (for which Term SOFR is available) which exceeds the Interest Period of the Loan or that part of the Loan.

"**Inventory of Hazardous Materials**" means, in relation to a Ship, an inventory certificate or statement of compliance (as applicable) issued by the relevant classification society or shipyard authority which is supplemented by a list of any and all materials known to be potentially hazardous utilised in the construction of, or otherwise installed on, that Ship, pursuant to the requirements of the EU Ship Recycling Regulation.

"**ISM Code**" means the International Safety Management Code for the Safe Operation of Ships and for Pollution Prevention (including the guidelines on its implementation), adopted by the International Maritime Organisation, as the same may be amended or supplemented from time to time.

"**ISPS Code**" means the International Ship and Port Facility Security (ISPS) Code as adopted by the International Maritime Organization's (IMO) Diplomatic Conference of December 2002, as the same may be amended or supplemented from time to time.

"**ISSC**" means an International Ship Security Certificate issued under the ISPS Code.

"**Lender**" means:

(a) 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 as such 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 a Tranche, a part of a Tranche 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 relation to which the claim or the aggregate of the claims against all insurers, before adjustment for any relevant franchise or deductible, exceeds $500,000 in relation to Ship B and Ship C and $1,000,000 in relation to Ship A and Ship D or the equivalent in any other currency.

"**Majority Lenders**" means:

(a) if the Loan has not 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/or 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 to the rights of the Finance Parties in agreed form.

"**Margin**" means 1.75 per cent. per annum.

"**Market Value**" means, in relation to a Ship or any other vessel, at any date, an amount determined by the Facility Agent as being an amount equal to the market value of that Ship or vessel prepared:

(a) as at a date not more than 14 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), the Guarantor and 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.

"**Minimum Liquidity**" has the meaning given to that term in Clause 24.6 (*Minimum Liquidity*).

"**Month**" means a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month, except that:

(a) (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.

"**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 laws of an Approved Flag in agreed form.

"**Original Financial Statements**" means the annual audited consolidated financial statements of the Group for its financial year ended 31 December 2023.

"**Original Jurisdiction**" means, in relation to a Transaction Obligor, the jurisdiction under whose laws that Transaction 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) the 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, 13 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, which authorisation shall not be unreasonably withheld.

"**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 Borrowers (or any of them) in the normal course of its business of trading and operating any 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) 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 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.*),

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 and for the payment of which adequate reserves are held and provided further that such proceedings do not give rise to a material risk of the relevant Ship or any interest in it being seized, sold, forfeited or lost).

"**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.

"**Prohibited Person**" means any person who is the subject of Sanctions (whether designated by name or by reason of being included in a class of persons to whom the applicable Sanctions apply in accordance with their terms) provided that, in the case of a person:

(a) who is not themselves a Transaction Obligor, a Subsidiary of a Transaction Obligor or one of their respective directors, officers or employees or an agent of any of them; and

(b) who is targeted only by "sectoral sanctions," or other Sanctions that do not generally prohibit transactions with such person,

such person shall be a Prohibited Person with respect to a transaction only to the extent that:

(i) Transaction Obligor, a Finance Party or any other person organised or resident in the US, UK or EU would be prohibited by the law of such jurisdiction from entering into, directly or indirectly, such transaction with such person; or

(ii) the transaction involving such person would require a specific Authorisation by an applicable Sanctions authority.

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

"**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 Facility 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).

"**Receiver**" means a receiver or receiver and manager or administrative receiver of the whole or any part of the Security Assets.

"**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 10.1 (*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.

"**Relevant Date**" has the meaning given to it in Clause 7.4 (*Mandatory prepayment on sale or Total Loss*).

"**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 for overnight cash borrowing collateralised by US Government Securities.

"**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.

"**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 a Ship in the exercise or purported exercise of any lien or claim.

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

"**Retention Account**" means, in relation to the Borrowers:

(a) an account in the name of the Borrowers with the Account Bank designated "[*Name of Borrowers*] – Retention Account";

(b) any other account in the name of the Borrowers with the Account Bank which may, with the prior written consent of the 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) or (b) above.

"**Safety Management Certificate**" has the meaning given to it in the ISM Code.

"**Safety Management System**" has the meaning given to it in the ISM Code.

"**Sanctioned Country**" means a country or territory whose government is the target of Sanctions or that is subject to comprehensive country-wide or territory-wide Sanctions (including, without limitation, as regards United States Sanctions, Syria, Iran, North Korea, Crimea and Venezuela).

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

"**Sanctions**" means any sanctions (including US "secondary sanctions" and always taking into account cases of exemptions/licenses which render a trade being lawful and non-sanctionable), embargoes, freezing provisions, prohibitions or other restrictions relating to trading, doing business, investment, exporting, financing or making assets available (or other activities similar to or connected with any of the foregoing):

(a) imposed by law or regulation of the United Kingdom, the Council of the European Union, the United Nations or its Security Council or the United States of America; or

(b) otherwise imposed by any law or regulation binding on a Transaction Obligor or to which a Transaction Obligor is subject.

"**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 Deed of Covenant;

(e) any Charterparty Assignment;

(f) any Account Security;

(g) any other document (whether or not it creates Security) which is executed as security for the Secured Liabilities; or

(h) 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:

(a) Navios Maritime Operating L.L.C., a limited liability company formed in the Marshall Islands whose registered address is at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960; and

(b) Veja Navigation Company, a corporation incorporated in 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 has the meaning given to that term in Schedule 6 (*Details of the Ships and Other Definitions*).

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

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

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

"**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 7 (*Timetables*).

"**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*).

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

"**Termination Date**" means the date falling on the earlier of (i) 60 Months after the Utilisation Date and (ii) 31 December 2029.

"**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 $30,000,000 at the date of this Agreement.

"**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 90 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 or, provided that in the event of piracy the relevant underwriters confirm to the Facility Agent in writing (in customary terms) that prior to the end of the 90-day period that the relevant Ship is subject to an approved piracy or war risks insurance cover, within a period ending on the earlier of (i) 12 Months after the date on which that Ship is captured and (ii) the date on which the piracy or war risks 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 made or to be made available to the Borrowers to provide working capital to the Borrowers, in a principal amount not exceeding $9,000,000.

"**Tranche B**" means that part of the Loan made or to be made available to the Borrowers to provide working capital to the Borrowers, in a principal amount not exceeding $8,000,000.

"**Tranche C**" means that part of the Loan made or to be made available to the Borrowers to provide working capital to the Borrowers, in a principal amount not exceeding $4,000,000.

"**Tranche D**" means that part of the Loan made or to be made available to the Borrowers to provide working capital to the Borrowers, in a principal amount not exceeding $9,000,000.

"**Transaction Document**" means:

(a) a Finance Document;

(b) any Assignable Charter;

(c) the Initial Charter;

(d) any Charter Guarantee relating to an Assignable Charter; or

(e) any other document designated as such by the Facility Agent and a Borrower.

"**Transaction Obligor**" means a Borrower, the Guarantor, a 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 on which the Loan 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 "**Arranger**", the "**Facility Agent**", any "**Finance Party**", any "**Lender**", 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 a "**Ship**", its name, its flag and, if applicable, its port of registry shall include any replacement name, flag and, if applicable, replacement port of registry, in each case, as may be approved in writing from time to time by the 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 Nicosia 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) The determination of the extent to which a rate is "**for a period equal in length**" to an Interest Period shall disregard any inconsistency arising from the last day of that Interest Period being determined pursuant to the terms of this Agreement.

(c) Section, Clause and Schedule headings are for ease of reference only and are not to be used for the purposes of construction or interpretation of the Finance Documents.

(d) Unless a contrary indication appears, a term used in any other Finance Document or in any notice given under, or in connection with, any Finance Document has the same meaning in that Finance Document or notice as in this Agreement.

(e) A 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 provision.

**1.4 Agreed forms of Finance Documents**

References in Clause 1.1 (*Definitions*) to any Finance Document being in "agreed form" are to that Finance Document:

(a) in a form attached to a certificate dated the same date as this Agreement (and signed by each Borrower and the 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 Affiliate, Receiver, Delegate 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 to be drawn in a single advance 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 purposes 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 the 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 Loan is made available:

(i) no Default is continuing or would result from the proposed Loan;

(ii) the Repeating Representations to be made by each Transaction Obligor are true; and

(iii) each Ship has neither been sold nor become a Total Loss; and

(b) the Facility Agent has received on or before the Utilisation Date, or is satisfied it will receive when the Loan 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.

**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*) 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.

**4.4 Waiver of conditions precedent**

If the Majority Lenders, at their discretion, permit the Loan 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 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 the Utilisation Request**

The Borrowers may make one Utilisation only under the Facility by delivery to the Facility Agent of a duly completed Utilisation Request not later than the Specified Time.

**5.2 Completion of the Utilisation Request**

(a) A 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 Utilisation may be requested in the Utilisation Request.

**5.3 Currency and amount**

(a) The currency specified in the Utilisation Request must be dollars.

(b) The amount of the proposed Loan must be an amount which is the lower of (i) $30,000,000 and (ii) 40 per cent. of the aggregate Initial Market Value of the Ships.

(c) The amount of the proposed Loan must be an amount which is not more than the Available Facility.

**5.4 Lenders' participation**

(a) If the conditions set out in this Agreement have been met, each Lender shall make its participation in the Loan available by the Utilisation Date through its Facility Office.

(b) The amount of each Lender's participation in the Loan will be equal to the proportion borne by its Available Commitment to the Available Facility immediately before making the Loan.

(c) The Facility Agent shall notify each Lender of the amount of the Loan and the amount of its participation in the Loan 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.

**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 $350,000 (each a "**Repayment Instalment A**"), the first of which shall be repaid on the date falling three Months after the Utilisation Date and the last on the Termination Date together with a balloon instalment in an amount of $2,000,000 ("**Balloon Instalment A**");

(b) Tranche B shall be repaid by 20 equal consecutive quarterly instalments, each in an amount of $300,000 (each a "**Repayment Instalment B**"), the first of which shall be repaid on the date falling three Months after the Utilisation Date and the last on the Termination Date together with a balloon instalment in an amount of $2,000,000 ("**Balloon Instalment B**");

(c) Tranche C shall be repaid by 16 equal consecutive quarterly instalments, each in an amount of $250,000 (each a "**Repayment Instalment C**"), the first of which shall be repaid on the date falling three Months after the Utilisation Date and the last on the Termination Date;

(d) Tranche D shall be repaid by 20 equal consecutive quarterly instalments, each in an amount of $350,000 (each a "**Repayment Instalment D**" and together with Repayment Instalments A, Repayment Instalments B and Repayment Instalments C, the "**Repayment Instalments**"), the first of which shall be repaid on the date falling three Months after the Utilisation Date and the last on the Termination Date together with a balloon instalment in an amount of $2,000,000 ("**Balloon Instalment C**" and together with Balloon Instalment A and Balloon Instalment B, the "**Balloon Instalments**").

**6.2 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 7.5 (*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 and the Balloon Instalments falling after that cancellation will reduce *pro rata* by the amount of the Available Commitments so cancelled.

(b) If the whole or part of any Commitment is cancelled pursuant to Clause 5.5 (*Cancellation of Commitments*) or Clause 7.2 (*Voluntary and automatic cancellation*), the Repayment Instalments and the Balloon Instalments for each Repayment Date falling after that cancellation will reduce *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 7.5 (*Right of repayment and cancellation in relation to a single Lender*) or Clause 7.1 (*Illegality and Sanctions affecting a Lender*) then such prepayment shall be applied *pro rata* against each Tranche and the Repayment Instalments and the Balloon Instalments for each Repayment Date falling after that repayment or prepayment will reduce *pro rata* by the amount of the Loan repaid or prepaid.

(d) If any part of the Loan is prepaid in accordance with Clause 7.3 (*Voluntary prepayment of Loan*), then any such prepayment shall be applied *pro rata* against each Tranche and the amount of

the Repayment Instalments and the Balloon Instalments for each Repayment Date falling after that repayment or prepayment will reduce in chronological order of maturity or in inverse order of maturity or *pro rata*, at the Borrowers' option, by the amount of the Loan repaid or prepaid.

(e) If any part of the Loan is prepaid in accordance with Clause 7.4 (*Mandatory prepayment on sale or Total Loss*) then such prepayment shall be applied against the full amount of the relevant Tranche and any balance thereafter shall reduce *pro rata* the amount of the remaining Repayment Instalments and the remaining Balloon Instalments.

**6.3 Termination Date**

On the 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.

**6.4 Reborrowing**

No Borrower may 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 all or any part of the Loan or to determine or charge interest rates based upon Term SOFR or it becomes unlawful for any Affiliate of a Lender for that Lender to do so; or

(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 for that Lender under the Finance Documents shall be immediately due and payable.

**7.2 Voluntary and automatic cancellation**

(a) The Borrowers may, if they give the 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 of the Available Facility. Any cancellation under this Clause 7.2 (*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.

**7.3 Voluntary prepayment of Loan**

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, prepay the whole or any part of the Loan.

**7.4 Mandatory prepayment on sale or Total Loss**

(a) If a Ship is sold (without prejudice to paragraph (a) of Clause 20.12 (*Disposals*)) or becomes a Total Loss, the Borrowers shall on the Relevant Date prepay the Tranche applicable to that Ship.

(b) On the Relevant Date, the Borrowers shall also prepay such part of the Loan to ensure that the ratio set out in Clause 23 (*Security Cover*) following such prepayment is at least equal to the minimum required ratio set out in Clause 23 (*Security Cover*).

(c) Provided that no Event of Default has occurred and is continuing, any remaining proceeds of the sale or Total Loss of a Ship after the prepayments referred to in paragraph (a) and paragraph (b) above have been made together with all other amounts that are payable on any such prepayment pursuant to the Finance Documents shall be paid to the Borrower that owned the relevant Ship.

(d) In this Clause 7.4 (*Mandatory prepayment on sale or Total Loss*):

"**Relevant Date**" means:

(i) in the case of a sale of a Ship, on or before the date on which the sale is completed by delivery of that Ship to the buyer of that Ship; and

(ii) in the case of a Total Loss of a Ship, on the earlier of:

(A) the date falling 90 days after the Total Loss Date; and

(B) the date of receipt by the Security Agent of the proceeds of insurance relating to such Total Loss.

**7.5 Right of repayment and cancellation in relation to a single Lender**

(a) If:

(i) any sum payable to any Lender by a Transaction Obligor 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 13.1 (*Increased costs*); or

the Borrowers may, whilst the circumstance giving rise to the requirement for that increase or indemnification 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.

(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.

**7.6 Restrictions**

(a) Any notice of cancellation or prepayment given by any Party under this Clause 7 (*Prepayment and Cancellation*) shall be irrevocable and, unless a contrary indication appears in this Agreement, shall specify the date or dates upon which the relevant cancellation or prepayment is to be made, 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, subject to any Break Costs, without premium or penalty.

(c) No Borrower may reborrow any part of the Facility which is prepaid.

(d) No Borrower shall repay or prepay all or any part of the Loan or cancel all or any part of the 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.

(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.

**7.7 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 7.5 (*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**

The rate of interest on the Loan or any part of the Loan for an Interest Period is the percentage rate per annum which is the aggregate of:

(a) the Margin; and

(b) the applicable Reference Rate.

**8.2 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.

**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, 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 Facility Agent. Any interest accruing under this Clause 8.3 (*Default interest*) shall be immediately payable by the Transaction Obligors on demand by the Facility 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.

**8.4 Notifications**

(a) The Facility Agent shall promptly notify the Lenders and the Borrowers of the determination of a rate of interest under this Agreement.

(b) The Facility Agent shall promptly notify the Borrowers of each Funding Rate relating to the Loan or any part of the Loan.

**9 INTEREST PERIODS**

**9.1 Selection of Interest Periods**

(a) The Borrowers may select the Interest Period for each Tranche in the Utilisation Request. Subject to paragraph (f) 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 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 paragraph (f) below and Clause 9.2 (*Changes to Interest Periods*), be three Months.

(d) Subject to this Clause 9 (*Interest Periods*), the Borrowers may select an Interest Period of one or three Months or any other period acceptable to the Facility Agent in its sole discretion.

(e) An Interest Period in respect of a Tranche or any part of a Tranche shall not extend beyond the Termination Date.

(f) In respect of a Repayment Instalment, the Borrowers may request in the relevant Selection Notice that an Interest Period for a part of the relevant Tranche equal to such Repayment Instalment shall end on the Repayment Date relating to it and, subject to paragraph (d) above, select a longer Interest Period for the remaining part of that Tranche.

(g) The first Interest Period for each Tranche shall start on the Utilisation Date 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.

**9.2 Changes to Interest Periods**

(a) In respect of a Repayment Instalment, prior to determining the interest rate 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 (c) 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 Borrowers and the Lenders.

**9.3 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).

**10 CHANGES TO THE CALCULATION OF INTEREST**

**10.1 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 10.3 (*Cost of funds*) shall apply to the Loan or that part of the Loan for that Interest Period.

**10.2 Market disruption**

If before close of business in Nicosia on the Quotation Day for the relevant Interest Period the Facility Agent receives notification from a Lender or Lenders (whose participations in the Loan or the relevant part of the Loan exceed 66⅔ per cent. of the Loan or that 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 the Reference 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, the rate of interest on each Lender's share of 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 Facility Agent by that Lender as soon as practicable and in any event before interest is due to be paid in respect of that Interest Period to be that which expresses as a percentage rate per annum its cost of funds relating to its participation in the Loan or that 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:

(i) a Lender's Funding Rate is less than the Reference Rate; or

(ii) a Lender does not notify a rate by the time specified in sub-paragraph (ii) of paragraph (a) above,

that Lender's cost of funds relating to its participation in the Loan or the relevant part of the Loan for that Interest Period shall be deemed, for the purposes of paragraph (a) above, to be the Reference Rate.

(f) The Borrowers may, if they do not agree with the rate of interest applied by the Facility Agent under this Clause 10.3 (*Cost of funds*) and give the Facility Agent not less than 5 Business Days' prior notice, prepay the whole of the Loan in accordance with the relevant provisions of Clause 7 (*Prepayment and Cancellation*).

(g) If this Clause 10.3 (*Cost of funds*) applies, the Facility Agent shall, as soon as is practicable, notify the Borrowers.

**10.4 Break Costs**

(a) The Borrowers shall, within three Business Days of demand by a Finance Party, pay to that Finance 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 Facility 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.

**11 FEES**

**11.1 Arrangement fee**

The Borrowers shall pay to the 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 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.

**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);

(d) compensated for by any payment made pursuant to Clause 14.3 (*Mandatory Cost*); or

(e) 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 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 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; 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 Mandatory Cost**

Each Borrower shall, on demand by the Facility Agent, pay to the Facility Agent for the account of the relevant Lender, such amount which any Lender certifies in a notice to the Facility Agent to be its good faith determination of the amount necessary to compensate it for complying with:

(a) in the case of a Lender lending from a Facility Office in a Participating Member State, the minimum reserve requirements (or other requirements having the same or similar purpose) of the European Central Bank (or any other authority or agency which replaces all or any of its functions) in respect of loans made from that Facility Office; and

(b) in the case of any Lender lending from a Facility Office in the United Kingdom, any reserve asset, special deposit or liquidity requirements (or other requirements having the same or similar purpose) of the Bank of England (or any other governmental authority or agency) and/or paying any fees to the Financial Conduct Authority and/or the Prudential Regulation Authority (or any other governmental authority or agency which replaces all or any of their functions),

which, in each case, is referable to that Lender's participation in the Loan.

**14.4 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 (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.

**14.5 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 14.5 (*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 affecting a Lender*), Clause 12 (*Tax Gross Up and Indemnities*), Clause 13 (*Increased*

*Costs*) or paragraph (a) of Clause 14.3 (*Mandatory Cost*), 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 and the 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 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) 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) 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 costs and expenses (including legal fees) reasonably incurred by each Secured Party in connection with any amendment, waiver or consent relating to 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 Original Jurisdiction.

(b) It and each Transaction Obligor has the power to own its assets and carry on its business as it is being conducted.

#### 18.3 Share capital and ownership

(a) Each of Borrower A, Borrower B and Borrower C is authorised to issue 500 registered shares with a par value of one dollar per share, all of which shares have been issued fully paid and non-assessable.

(b) Borrower D is authorised to issue 500 registered and/or bearer shares without par value, all of which shares have been issued fully paid and non-assessable and on the date of this Agreement it has issued 500 registered shares.

(c) The legal title to and beneficial interest in the issued shares in each Borrower is held by the relevant Shareholder free of any Security (other than Permitted Security) or any other claim.

(d) None of the shares in any Borrower is subject to any option to purchase, pre-emption rights or similar rights.

#### 18.4 Binding obligations

The obligations expressed to be assumed by it in each Transaction Document to which it is a party are legal, valid, binding and enforceable obligations.

#### 18.5 Validity, effectiveness and ranking of Security

(a) Each Finance Document to which it is a party does now or, as the case may be, will upon execution and delivery 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 a Borrower, its registration of the Ship owned by it under the applicable 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 permanent registration of Mortgage relating to Ship D at the registry of the Approved Flag of Ship D, which registration will be made promptly after the date of the relevant Finance 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 the Utilisation Date, no Default is continuing or might reasonably be expected to result from the making of any Utilisation or the entry into, the performance of, or any transaction contemplated by, any Transaction Document.

(b) No other event or circumstance is outstanding which constitutes a default or a termination event (however described) under any other agreement or instrument which is binding on it or to which its assets are subject, which may have a Material Adverse Effect.

**18.14 No misleading information**

(a) Any factual information provided by a Transaction Obligor and any Approved Manager for the purposes of this Agreement was true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated.

(b) The financial projections contained in any such information have been prepared on the basis of recent historical information and on the basis of reasonable assumptions.

(c) Nothing has occurred or been omitted from any such information and no information has been given or withheld that results in any such information being untrue or misleading in any material respect.

**18.15 Financial Statements**

(a) The Original Financial Statements were prepared in accordance with GAAP consistently applied.

(b) The Original Financial Statements give a true and fair view of the Guarantor's consolidated financial condition as at the end of the relevant financial year and the Guarantor's results of operations during the relevant financial year.

(c) There has been no material adverse change in the Guarantor's assets, business or consolidated financial condition since the date of the Guarantor's most recent financial statements delivered pursuant to Clause 18.15 (*Financial statements*) (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) the Guarantor's consolidated financial condition as at the end of the relevant financial year and operations during the relevant financial year.

(e) Since the date of the most recent financial statements delivered pursuant to Clause 19.2 (*Financial statements*) there has been no material adverse change in the Guarantor's business, assets or consolidated financial condition.

**18.16 Pari passu ranking**

Its payment obligations under the Finance Documents to which it is a party rank at least *pari passu* with the claims of all its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally.

**18.17 No proceedings pending or threatened**

(a) No litigation, arbitration or administrative proceedings or investigations (including proceedings or investigations relating to any alleged or actual breach of the ISM Code or of the ISPS Code) of or before any court, arbitral body or agency which, if adversely determined, might reasonably be expected to have a Material Adverse Effect have (to the best of its knowledge and belief (having made due and careful enquiry)) been started or threatened against it or any other Transaction Obligor 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 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.

**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, that may have a Material Adverse Effect, has occurred and no person has claimed that such 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, an 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 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 Transaction Obligor 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) Each Borrower is the sole legal and beneficial owner of the Ship owned by it, its Earnings and its Insurances.

(b) Each Shareholder is the sole legal and beneficial owner of all the issued shares in each Borrower.

(c) The Guarantor is the sole legal and beneficial owner of all the limited liability interests or, as the case may be, all the issued shares in the relevant 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 and each Shareholder do not and could not restrict or inhibit any transfer of the shares of the Borrowers on creation or enforcement of the security conferred by the Security Documents.

**18.30 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 in the US or the United Kingdom and it has no "establishment" (as that term is used in Article 2(10) of the Regulation) in the US or the United Kingdom.

**18.31 Place of business**

No Borrower has a place of business in the US or the United Kingdom.

**18.32 No employee or pension arrangements**

No Borrower has any employees or any liabilities under any pension scheme.

**18.33 Sanctions**

(a) No Transaction Obligor, and none of its Subsidiaries and none of their respective directors, officers or employees or, to the best of the knowledge of each such Transaction Obligor, its agents:

(i) is a Prohibited Person or is otherwise owned or controlled by or acting directly or indirectly on behalf of or for the benefit of, a Prohibited Person;

(ii) owns or controls or is an Affiliate of a Prohibited Person; or

(iii) has received notice of or is aware of any claim, action, suit, proceedings or investigation against it with respect to Sanctions.

(b) Each Transaction Obligor, its Subsidiaries and their respective directors, officers and employees and, to the best of the knowledge of each such Transaction Obligor its agents, are in compliance with Sanctions in all material respects and are not knowingly engaged in any activity that would reasonably be expected to result in such Transaction Obligor being designated as a Prohibited Person.

(c) None of the Ships is a Sanctioned Ship.

**18.34 US Tax Obligor**

No Transaction Obligor is a US Tax Obligor.

**18.35 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 the 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 (ending 31 December), commencing with the financial year ended on 31 December 2024, the annual audited consolidated financial statements of the Guarantor for that financial year; and

(b) as soon as the same become available, but in any event within 90 days after the end of the quarter of each of the Guarantor's financial years (ending 30 June), commencing with the

financial quarter ending on 30 June 2025 the unaudited consolidated semi-annual financial statements of the Guarantor for that financial period.

**19.3 Requirements as to financial statements**

(a) Each set of financial statements delivered by the Guarantor pursuant to Clause 19.2 (*Financial statements*) shall be certified by an officer of the Guarantor as giving a true and fair view (if audited) or fairly representing (if unaudited) of the Guarantor's financial condition and operations as at the date as at which those financial statements were drawn up if these have not been filed with the US Securities and Exchange Commission.

(b) The Borrowers shall procure that each set of financial statements of the Group delivered pursuant to Clause 19.2 (*Financial statements*) is prepared using GAAP, accounting practices and financial reference periods consistent with those applied in the preparation of the Original Financial Statements for the Group unless, in relation to any set of financial statements, it notifies the Facility Agent that there has been a change in GAAP, the accounting practices or reference periods or such change is described in the filings made with the US Securities and Exchange Commission, and its auditors (or, if appropriate, the auditors of the Group) deliver to the 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 Guarantor's 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.

**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 under The International Tax Enforcement (Disclosable

Arrangements) Regulations 2023 or any law or regulation which implements DAC6 and any unique identification number issued by any governmental or taxation authority to which any such report has been made (if available).

**19.5 Information: miscellaneous**

Each 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 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 $5,000,000 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;

(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, operations and Financial Indebtedness (unless such Financial Indebtedness has already been disclosed in the filings made with the US Securities and Exchange Commission) of any member of the Group and the employment of any ships owned by the members of the Group and managed by an Approved Manager; and

(v) all information necessary in order for the Facility Agent to assess the then current status of each Ship regarding EEXI and of CII Rating,

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 Borrower is aware that a notification has already been provided by another Borrower).

(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) 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;

(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;

(iii) own and operate each Ship (in the case of the Borrowers); and

(c) without prejudice to the generality of the above, ensure that if, but for the obtaining of an Authorisation, a Borrower would be in breach of any of the provisions of this Agreement which relate to Sanctions or, by reason of Sanctions, would be prohibited from performing any provision of this Agreement, such an Authorisation is obtained so as to avoid such breach or to enable such performance.

**20.3 Compliance with laws**

Each Borrower shall, and shall procure that each other Transaction Obligor will, comply in all respects with all laws and regulations to which it may be subject, if failure so to comply has or is reasonably likely to have a Material Adverse Effect.

**20.4 Environmental compliance**

Each Borrower shall, and shall procure that each other Transaction Obligor will:

(a) comply with all Environmental Laws;

(b) obtain, maintain and ensure compliance with all requisite Environmental Approvals;

(c) implement procedures to monitor compliance with and to prevent liability under any Environmental Law,

where failure to do so has or is reasonably likely to have a Material Adverse Effect.

**20.5 Environmental Claims**

Each Borrower shall, and shall procure that each other Transaction Obligor will, promptly upon becoming aware of the same, inform the 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.

**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.

(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 the US or the United Kingdom.

**20.9 *Pari passu* ranking**

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

**20.10 Title**

(a) Each Borrower shall hold the legal title to, and own the entire beneficial interest in the Ship owned by it, its Earnings and its Insurances.

(b) With effect on and from its creation or intended creation, each Borrower shall hold the legal title to, and own the entire beneficial interest in any other assets the subject of any Transaction Security created or intended to be created by such Borrower.

(c) 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 or permit to subsist any Security over any of its assets which are, in the case of the Transaction Obligors other than the Borrowers, the subject of the Security created or intended to be created by the Finance Documents.

(b) No Borrower shall:

(i) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by a Transaction Obligor or any other member of the Group;

(ii) sell, transfer or otherwise dispose of any of its receivables on recourse terms;

(iii) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or

(iv) enter into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset.

(c) Paragraphs (a) and (b) above do not apply to any Permitted Security.

**20.12 Disposals**

(a) No Borrower shall enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer or otherwise dispose of any asset (including without limitation any Ship, 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 enter into any amalgamation, demerger, merger, consolidation or corporate reconstruction.

**20.14 Change of business**

(a) Each Borrower shall procure that no substantial change is made to the general nature of the business of the Guarantor or the Group from that carried on at the date of this Agreement.

(b) No Borrower shall engage in any business other than the ownership and operation of its Ship.

**20.15 Financial Indebtedness**

No Borrower shall incur or permit to be outstanding any Financial Indebtedness except Permitted Financial Indebtedness.

**20.16 Expenditure**

No Borrower shall incur any expenditure, except for expenditure reasonably incurred in the ordinary course of owning, operating, maintaining and repairing its Ship.

**20.17 Share capital**

No Borrower shall:

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

(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 its 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; and

(d) appoint any further director or officer 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 will 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.

**20.19 Other transactions**

No Borrower shall:

(a) be the creditor in respect of any loan or any form of credit to any person other than another Transaction Obligor and where such loan or form of credit is in the ordinary course of its business;

(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 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 Sanctions undertakings**

(a) No proceeds of the Loan or any part of the Loan shall be made available, directly or indirectly, to or for the benefit of a Prohibited Person nor shall they be otherwise, directly or indirectly, applied in a manner or for a purpose prohibited by Sanctions, or to fund any activity in a Sanctioned Country or in any manner which would cause any Finance Party to be in breach of or made subject to Sanctions, or at risk of being in breach of or made subject to Sanctions.

(b) No Borrower shall fund all or any part of any payment or repayment under the Loan out of proceeds directly or indirectly derived from any activity in a Sanctioned Country or any transaction with a Prohibited Person, or out of proceeds directly or indirectly derived from any other transactions which would be prohibited by Sanctions or in any other manner which would cause any Finance Party to be in breach of or made subject to Sanctions, or at risk of being in breach of or made subject to Sanctions and no such proceeds shall be paid into any Account.

(c) Each of the Borrowers has implemented and shall maintain in effect a Sanctions compliance policy which is designed to ensure compliance by each such Borrower, its Subsidiaries and their respective directors, officers, employees and agents with Sanctions.

**20.22 Further assurance**

(a) Each Borrower shall, and shall procure that each other Transaction Obligor will, promptly, and in any event within the time period specified by the 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 20.22 (*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 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 and is valid under that Borrower's or Transaction Obligor's articles of incorporation, by-laws, or other constitutional documents.

**21 INSURANCE UNDERTAKINGS**

**21.1 General**

The undertakings in this Clause 21 (*Insurance Undertakings*) remain in force on and from the date of the Utilisation 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.

**21.2 Maintenance of obligatory insurances**

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

(a) fire and usual marine risks (including hull and machinery plus freight interest and hull interest and excess risks);

(b) war risks (including terrorism and piracy);

(c) protection and indemnity risks; and

(d) any other risks against which the 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, in an aggregate amount on an agreed value basis at least the greater of:

(i) an amount which (when aggregated with the amounts for which any other vessels providing first priority security for the Secured Liabilities are insured for such risks) equals 120 per cent. of the Loan; and

(ii) the Market Value of the Ships subject to a Mortgage;

(c) in the case of oil pollution liability risks, for an aggregate amount equal to the highest level of cover from time to time available under basic protection and indemnity club entry and in the international marine insurance market;

(d) in the case of protection and indemnity risks, in respect of the full tonnage of its Ship;

(e) on approved terms; and

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

**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 an Approved Manager as the named assured or co-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;

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 21 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 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 (i) a mortgagee's interest marine insurance in an amount of no less than 120 per cent. of the Loan and (ii) a mortgagee's interest additional perils insurance in an amount of no less than 110 per cent. of the Loan, in each case 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 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 date of the Utilisation 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 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 relevant 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 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**

(a) Each Borrower shall permit the Security Agent (acting through surveyors or other persons appointed by it for that purpose), upon receipt of at least 15 days' written notice, to board the Ship owned by it once per annum, provided that the Security Agent shall use reasonable endeavours to ensure that such inspection or survey shall not interfere with the operation and trading of that Ship, to inspect its condition or to satisfy itself about proposed or executed repairs and shall afford all proper facilities for such inspections, unless an Event of Default has occurred and is continuing in which case the Security Agent shall be entitled to carry out such inspection whether or not it interferes with the operation and trading of that Ship.

(b) The cost of the inspection referred to in paragraph (a) of Clause 22.8 (*Inspection*) shall be borne by the Borrowers, 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;

(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.

**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 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 Prohibited Person or in trading to or from a Sanctioned Country;

(b) that the Ship owned by it shall not otherwise be used in any manner contrary to Sanctions, or in a manner that creates a risk that a Transaction Obligor will become a Prohibited Person or in any manner which would cause any Finance Party to be in breach of or made subject to Sanctions, or at risk of being in breach of or made subject to Sanctions;

(c) that the Ship owned by it shall not be used in trading in any manner that creates a risk that such Ship will become a Sanctioned Ship;

(d) that the Ship owned by it shall not be traded in any manner which would trigger the operation of any sanctions limitation or exclusion clause (or similar) in the Insurances; and

(e) without prejudice to the above provisions of this Clause 22.12 (*Sanctions and Ship trading*), that each time charterparty in respect of the Ship owned by it shall contain, for the benefit of that Borrower, language which gives effect to the provisions of paragraph (a) of Clause 22.10 (*Compliance with laws etc.*) as regards Sanctions and paragraph (b) and (c) of this Clause 22.12 (*Sanctions and Ship trading*) and which charterparty permits refusal of employment or voyage orders if such employment or compliance with such orders either results, or risks resulting in non-compliance with such provisions or breaches, or risks breaching (in the opinion of that Borrower) Sanctions.

**22.13 Trading in war zones or excluded areas**

No Borrower shall cause or permit any Ship to enter or trade to any zone which is declared a war zone by any government or by that Ship's war risks insurers or which is otherwise excluded from the scope of coverage of the obligatory insurances unless that Borrower has (at its expense) effected any special, additional or modified insurance cover which the insurers require to ensure that that Ship remains properly insured in accordance with the Finance Documents (including, without limitation, any requirement for the payment of additional or extra insurance premia).

**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, the 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 or recommendation made in relation to that Ship by any insurer or classification society or by any competent authority which is not complied with by its due date, including any extensions granted by the relevant stakeholder;

(e) any arrest or detention of that Ship or any exercise or purported exercise of any lien on that Ship or the Earnings;

(f) any intended dry docking of that Ship unless as per periodical class cycle;

(g) any Environmental Claim made against that Borrower or in connection with that Ship, or any Environmental Incident which is likely to have a Material Adverse Effect;

(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; or

(k) any circumstances which could give rise to a breach of any representation or undertaking in this Agreement, or any Event of Default, relating to Sanctions,

and each Borrower shall keep the 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, supplement in a way that would lead to an Event of Default or terminate a Management Agreement;

(d) appoint a manager of that Ship other than an Approved Manager;

(e) de activate or lay up that Ship; or

(f) put that Ship into the possession of any person for the purpose of work being done upon it in an amount exceeding or likely to exceed $500,000 (or the equivalent in any other currency) unless that person has first given to the 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 relevant Mortgage registered against the Ship owned by it as a valid first preferred or, as the case may be, priority mortgage, carry on board that Ship a certified copy of the relevant Mortgage and place and maintain in a conspicuous place in the navigation room and the master's cabin of that Ship a framed printed notice stating that that Ship is mortgaged by that Borrower to the Security Agent.

**22.18 Sharing of Earnings**

No Borrower shall enter into any agreement or arrangement for the sharing of any Earnings other than profit-sharing arrangements on arm's length terms.

**22.19 Inventory of Hazardous Materials**

Each Borrower shall maintain an Inventory of Hazardous Materials in respect of the Ship owned by it.

**22.20 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 at paragraphs 1.2, 1.3, 1.4, 1.5 of Part A of Schedule 2 (*Conditions Precedent*) and paragraphs 2.1 and 3 of Part B Schedule 2 (*Conditions Precedent*) as the Facility Agent may require.

**22.21 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:

(i) the aggregate Market Value of the Ships subject to a Mortgage; plus

(ii) the net realisable value of additional Security previously provided under this Clause 23 (*Security Cover*),

is below 140 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 one Month after the date (the "**Prepayment Date**") on which the Facility Agent's notice is served, prepay such part of the Loan as shall eliminate the shortfall.

(b) A Borrower may, instead of making a prepayment as described in paragraph (a) above, provide, or ensure that a third party has provided, additional security which, in the opinion of the Facility Agent acting on the instructions of the Majority Lenders:

(i) has a net realisable value at least equal to the shortfall; and

(ii) 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*) 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 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 shall be treated as a voluntary prepayment pursuant to Clause 7.3 (*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 each Ship shall be determined by reference to two valuations of that Ship as given by Approved Valuers 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 and 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 more than 15 per cent., then a third valuation for that Ship shall be obtained from a third Approved Valuer selected and appointed by the 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 valuations.

(c) 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 any Ship by providing one valuation per Ship twice per year (June and December of each year) during the Security Period and from time to time as the Facility Agent may reasonably request.

(d) Each of the valuations referred to at paragraphs (a) and (b) of Clause 23.7 (*Provision of valuations*) shall be provided not more than 14 days before the Utilisation Date, while the valuations referred to in paragraph (c) of Clause 23.7 (*Provision of valuations*) shall be provided together with the financial statements of the Guarantor delivered pursuant to Clause 19.2 (*Financial statements*).

(e) 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.

(f) The valuations referred to in paragraphs (a), (b) and (c) of Clause 23.7 (*Provision of valuations*) 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, 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.

**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 its Earnings Account.

**24.2 Account Bank**

(a) Subject to paragraphs (b) and (c) below, each Account must be held with the Account Bank.

(b) An Account must be replaced with a bank account at the same or another bank at any time if the Facility Agent so requests (acting reasonably).

(c) The replacement of an Account only becomes effective when the relevant bank agrees with the Facility Agent and the Borrowers, in a manner satisfactory to the Facility Agent, acting with the authorisation of the Lenders, to fulfil the role of the bank holding that Account.

**24.3 Payment of Earnings**

Each Borrower shall ensure that subject only to the provisions of a 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.

**24.4 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 the Retention 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 Accounts and the Retention Account.

**24.5 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.

**24.6 Minimum Liquidity**

The Borrowers shall maintain in their Earnings Accounts on and from the Utilisation Date and at all times thereafter during the Security Period, a credit balance of not less than $250,000 for each Ship subject to a Mortgage (the "**Minimum Liquidity**").

**24.7 Monthly retentions**

Each Borrower shall ensure that, on the date falling thirty (30) days after the Utilisation Date and on Monthly intervals thereafter, there is transferred to the Retention Account out of the aggregate Earnings received by the Borrowers in their respective Earnings Accounts during the preceding calendar month:

(a) one-third of the amount of any Repayment Instalment falling due under Clause 6.1 (*Repayment of Loan*) on the next Repayment Date; and

(b) the relevant fraction of the aggregate amount of interest on the Loan which is payable under this Agreement in respect of any Interest Period then current.

The "**relevant fraction**" is a fraction of which:

(i) the numerator is one; and

(ii) the denominator is:

(A) the number of months comprised in the relevant then current Interest Period; or

(B) if the period is shorter, the number of months from the later of the commencement of the relevant current Interest Period or the last due date for payment of interest on the Loan or the relevant part of the Loan to the next due date for payment of interest on the Loan or the relevant part of the Loan under this Agreement.

**24.8 Shortfall in Earnings**

(a) If the aggregate of the credit balance on each Earnings Account is insufficient in any calendar month for the required amount to be transferred to the Retention Account under Clause 24.7 (*Monthly retentions*), the Borrowers shall make up the amount of the insufficiency on demand from the Facility Agent.

(b) Without prejudicing the Facility Agent's right to make such demand at any time, the Facility Agent may, if so authorised by the Majority Lenders, permit the Borrowers to make up all or part of the insufficiency by increasing the amount of any transfer under Clause 24.7 (*Monthly retentions*) from the Earnings received in the next or subsequent calendar months.

**24.9 Application of retentions**

(a) The Security Agent has sole signing rights in relation to the Retention Account.

(b) Until an Event of Default occurs, the Facility Agent shall instruct the Security Agent to release to it, on each Repayment Date and on each Interest Payment Date, for distribution to the Finance Parties in accordance with Clause 32.2 (*Distributions by the Facility Agent*) so much of the then balance on the Retention Account as equals:

(i) the Repayment Instalment due on that Repayment Date; and

(ii) the amount of interest payable on that Interest Payment Date,

in discharge of the Borrowers' liability for that Repayment Instalment or that interest as the case may be.

**24.10 Interest accrued on Retention Account**

Any credit balance on the Retention Account shall bear interest at the rate from time to time offered by the Account Bank to its customers for dollar deposits of similar amounts and for periods similar to those for which such balances appear to the Account Bank likely to remain on the Retention Account.

**24.11 Release of accrued interest**

Interest accruing under Clause 24.10 (*Interest accrued on Retention Account*) shall be credited to the Retention Account and, to the extent not applied previously pursuant to Clause 24.9 (*Application of retentions*), shall be released to the Borrowers at the end of the Security Period.

**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 18.33 (*Sanctions*), Clause 20.10 (*Title*), Clause 20.11 (*Negative pledge*), Clause 20.20 (*Unlawfulness, invalidity and ranking; Security imperilled*), Clause 20.21 (*Sanctions undertakings*), 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 and Ship trading*) 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 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).

(c) 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).

(d) No Event of Default will occur under this Clause 25.6 (*Cross default*) in respect of a person other than a Borrower 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;

(ii) is deemed to, or is declared to, be unable to pay its debts under applicable law; or

(iii) suspends making payments on, any of its debts.

(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 14 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 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 40 days.

**25.10 Change of Control**

(a) A Change of Control occurs.

(b) In this Clause 25.10 (*Change of Control*).

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

(a) Mrs. Angeliki Frangou and her direct descendants (either directly or indirectly) (through entities owned and controlled by her or trusts or foundations of which she is a beneficiary) or any of their Affiliates ceasing to be the owner of, or having ultimate control of the voting rights attaching to more than five per cent. of all the units (including for the avoidance of doubt both general partner units and common units) in the Guarantor; or

(b) Mrs. Angeliki Frangou and her direct descendants (either directly or indirectly) (through entities owned and controlled by her or trusts or foundations of which she is a beneficiary) or any of their Affiliates, ceasing to be the owner of, or having ultimate control of the voting rights attaching to all the issued shares in the general partner of the Guarantor, which is currently Olympos Maritime Ltd; or

(c) Mrs. Angeliki Frangou ceasing to act as chairwoman or chief executive officer of the Guarantor and Olympos Maritime Ltd ceasing to be the general partner of the Guarantor; or

(d) the Guarantor ceasing to be the owner of, directly or indirectly, the issued shares in each Borrower.

**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 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 Transaction Obligor 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 Transaction Obligor 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 Sanctions**

(a) Any Transaction Obligor or any of their respective Subsidiaries, directors, officers, employees or agents is designated a Prohibited Person or a Ship is designated a Sanctioned Ship.

(b) This Clause 25.18 (*Sanctions*) is without prejudice to any other Event of Default which may occur by reason of breach of, or non-compliance with, any of the other provisions of this Agreement which relate to Sanctions.

**25.19 Material adverse change**

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

**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 shipping loans, securities or other financial assets (the "**New Lender**") after obtaining the Borrowers' prior written consent.

#### 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 27.1 (*Assignments and transfers by Transaction Obligors*), unless the assignment or transfer is:

(i) to another Lender or an Affiliate of a Lender for which notification to the Borrowers is required;

(ii) if the Existing Lender is a fund, to a fund which is a Related Fund for which notification to the Borrowers is required; or

(iii) made at a time when an Event of Default is continuing, in which case the Existing Lender may assign any of its rights or transfer by novation any of its rights and obligations without the consultation of the Borrowers to any 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.

(b) The consent of the Borrowers to an assignment or transfer must not be unreasonably withheld. 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 the Borrowers or any other Transaction Obligor had against the Existing Lender.

(e) A transfer will only be effective if the procedure set out in Clause 26.4 (*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 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.

**26.4 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 26.8 (*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 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 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".

**26.5 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 26.8 (*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 26.5 (*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 26.4 (*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*).

**26.6 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.

**26.7 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.

**26.8 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 26.4 (*Procedure for transfer*) or any assignment pursuant to Clause 26.5 (*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 three Months, on the next of the dates which falls at three 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 26.8 (*Pro rata interest settlement*), have been payable to it on that date, but after deduction of the Accrued Amounts.

(b) In this Clause 26.8 (*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 26.8 (*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) the Majority 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 AND THE ARRANGER

#### 28.1 Appointment of the Facility Agent

(a) Each of the Lenders and the Arranger appoints the Facility Agent to act as its agent under and in connection with the Finance Documents.

(b) Each of the Lenders and the Arranger 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 26.6 (*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 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 Arranger**

Except as specifically provided in the Finance Documents, the 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 Arranger as a trustee or fiduciary of any other person.

(b) Neither the Facility Agent nor the 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 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 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 the 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, neither the Facility Agent nor the 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 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 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 (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 or the Arranger 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 Facility Agent and the 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 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 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 a Borrower.

**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 and the 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 and those amendments will bind the Parties.

(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 14.4 (*Indemnity to the Facility Agent*) and this Clause 28 (*The Facility Agent and the 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 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, neither the Facility Agent nor the 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 26.8 (*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 and the 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 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.

**28.18 Reliance and engagement letters**

Each Secured Party confirms that each of the 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 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.

**28.19 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.

**28.20 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 28.20 (*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 28.20 (*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 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 29.27 (*Application of receipts*);

(B) Clause 29.28 (*Permitted Deductions*); and

(C) Clause 29.29 (*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 the 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 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; or

(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 or Receiver 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 29.24 (*Winding up of trust*) and paragraph (d) above) but shall remain entitled to the benefit of Clause 14.5 (*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 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.

**29.17 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.

**29.18 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,

(iv) 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.

**29.19 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.

**29.20 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.

**29.21 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.

**29.22 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.

**29.23 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.

**29.24 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.

**29.25 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.

**29.26 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.

**29.27 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.

**29.28 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).

**29.29 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 29.27 (*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.

**29.30 Investment of proceeds**

Prior to the payment of the proceeds of the Recoveries to the Facility Agent for application in accordance with Clause 29.27 (*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 29.27 (*Application of receipts*).

**29.31 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.

**29.32 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.

**29.33 Amounts received by Borrowers**

If any of the Borrowers receives or recovers any amount which, under the terms of any of the Finance Documents, should have been paid to the Security Agent, that Borrower will hold the amount received or recovered 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.

**29.34 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*).

**29.35 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 Nicosia, 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 Nicosia), as specified by that Party or, in the case of the Loan, to such account of such person as may be specified by the Borrowers 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 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 to be paid to the Borrowers or to any other person 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 Schedule 1 (*The Parties*); and

(d) in the case of the Security Agent, that specified in 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 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.

(b) The aggregate amount of any accrued interest, commission or fee which is, or becomes, payable by a Borrower under a Finance Document shall be rounded to 2 decimal places.

**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 26.8 (*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 definition of "Majority Lenders" 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 6.2 (*Effect of cancellation and prepayment on scheduled repayments*), Clause 7.4 (*Mandatory prepayment on sale or Total Loss*), Clause 8 (*Interest*), Clause 22.10 (*Compliance with laws etc*.), Clause 22.12 (*Sanctions and Ship trading*), 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 clause 2.1 (*guarantee and indemnity*) 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 or the Arranger (each in their capacity as such) may not be effected without the consent of that Servicing Party or the Arranger, as the case may be.

(b) The Borrowers and the Facility Agent, the Arranger 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*) any amendment or waiver which relates to:

(i) providing for the use of a Replacement Reference Rate in place of that Published Rate; and

(ii)

(A) aligning any provision of any Finance Document to the use of that Replacement Reference Rate;

(B) enabling that Replacement Reference Rate to be used for the calculation of interest under this Agreement (including, without limitation, any consequential changes required to enable that Replacement Reference Rate to be used for the purposes of this Agreement);

(C) implementing market conventions applicable to that Replacement Reference Rate;

(D) providing for appropriate fallback (and market disruption) provisions for that Replacement Reference Rate; or

(E) adjusting the pricing to reduce or eliminate, to the extent reasonably practicable, any transfer of economic value from one Party to another as a result of the application of that Replacement Reference Rate (and if any adjustment or method for calculating any adjustment has been formally designated, nominated or recommended by the Relevant Nominating Body, the adjustment shall be determined on the basis of that designation, nomination or recommendation),

may be made with the consent of the Facility 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 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.

(c) In this Clause 42.4 (*Changes to reference rates*):

"**Published Rate**" means:

(a) SOFR; or

(b) Term SOFR for any Quoted Tenor.

"**Quoted Tenor**" means, in relation to Term SOFR, any period for which that rate is customarily displayed on the relevant page or screen of an information service.

"**Relevant Nominating Body**" means any applicable central bank, regulator or other supervisory authority or a group of them, or any working group or committee sponsored or chaired by, or constituted at the request of, any of them or the Financial Stability Board.

"**Replacement Reference Rate**" means a reference rate which is:

(a) formally designated, nominated or recommended as the replacement for a Published Rate by:

(i) the administrator of that Published Rate (provided that the market or economic reality that such reference rate measures is the same as that measured by that Published Rate); or

(ii) any Relevant Nominating Body,

and if replacements have, at the relevant time, been formally designated, nominated or recommended under both paragraphs, the "**Replacement Reference Rate**" will be the replacement under 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 a Published Rate; or

(c) in the opinion of the Majority Lenders and the Borrowers, an appropriate successor or alternative to a Published Rate.

**42.5 Borrower Intent**

Without prejudice to the generality of Clauses 1.2 (*Construction*) and 17.2 (*Waiver of defences*), each Borrower expressly confirms that it intends that any guarantee contained in 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, insurers, insurance advisors, insurance brokers, partners 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 26.7 (*Security over Lenders' rights*);

(viii) who is a Party, a member of the Group or any related entity of a Transaction Obligor;

(ix) as a result of the registration of any Finance Document as contemplated by any Finance Document or any legal opinion obtained in connection with any Finance Document; or

(x) with the consent of the Guarantor;

in each case, such Confidential Information as 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 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 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 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 Borrower 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*).

**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. 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 a Borrower incorporated in England and Wales):

(i) irrevocably appoints Hill Dickinson Services (London) Limited at its current registered office address at The Broadgate Tower 7th Floor, 20 Primrose Street, London EC2A 2EW, England as its agent for service of process in relation to any proceedings before the English courts in connection with any Finance Document; and

(ii) agrees that failure by a process agent to notify the relevant Borrower of the process will not invalidate the proceedings concerned.

(b) If any person appointed as an agent for service of process is unable for any reason to act as agent for service of process, the Borrowers (on behalf of all the Transaction Obligors) must immediately (and in any event within five 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 PAGES**

**BORROWERS**

**SIGNED** by ) /s/ Maria Trivela
)
as attorney-in-fact )
for and on behalf of )
**HAPPINESS SHIPPING CORPORATION**)
in the presence of: )

Witness' signature: ) /s/ Ioli Petroula Vasalaki
Witness' name: )
Witness' address: )

**SIGNED** by ) /s/ Maria Trivela
)
as attorney-in-fact )
for and on behalf of )
**VEGA SHIPPING CORPORATION** )
in the presence of: )

Witness' signature: ) /s/ Ioli Petroula Vasalaki
Witness' name: )
Witness' address: )

**SIGNED** by ) /s/ Maria Trivela
)
as attorney-in-fact )
for and on behalf of )

**GALILEO SHIPPING CORPORATION** )
in the presence of: )

Witness' signature: ) /s/ Ioli Petroula Vasalaki
Witness' name: )
Witness' address: )

**SIGNED** by ) /s/ Maria Trivela
)
as attorney-in-fact )
for and on behalf of )

**RED ROSE SHIPPING CORP.**
in the presence of: )

Witness' signature: ) /s/ Ioli Petroula Vasalaki
Witness' name: )
Witness' address: )

**ORIGINAL LENDER**

**SIGNED** by )
) /s/ Katerina Dimitriou
duly authorised )
for and on behalf of )
**HELLENIC BANK PUBLIC** )
**COMPANY LIMITED** ) /s/ Ioli Petroula Vasalaki
in the presence of: )

Witness' signature: )
Witness' name: )
Witness' address: )

**ARRANGER**

**SIGNED** by )
) /s/ Katerina Dimitriou
duly authorised )
for and on behalf of )
**HELLENIC BANK PUBLIC** )
**COMPANY LIMITED** )
in the presence of: )

Witness' signature: ) /s/ Ioli Petroula Vasalaki
Witness' name: )
Witness' address: )

**FACILITY AGENT**

**SIGNED** by ) /s/ Katerina Dimitriou
)
duly authorised )
for and on behalf of )
**HELLENIC BANK PUBLIC**
**COMPANY LIMITED** )
in the presence of: )

Witness' signature: ) /s/ Ioli Petroula Vasalaki
Witness' name: )
Witness' address: )

**SECURITY AGENT**

**SIGNED** by )
) /s/ Katerina DImitriou
duly authorised )
for and on behalf of )
**HELLENIC BANK PUBLIC** )
**COMPANY LIMITED** )
in the presence of: )

Witness' signature: ) /s/ Ioli Petroula Vasalaki
Witness' name: )
Witness' address: )

**ACCOUNT BANK**

**SIGNED** by )
) /s/ Katerina Dimitriou
duly authorised )
for and on behalf of )
**HELLENIC BANK PUBLIC** )
**COMPANY LIMITED** )
in the presence of: )

Witness' signature: ) /s/ Ioli Petroula Vasalaki
Witness' name: )
Witness' address: )

| 1. Shipbroker | **BIMCO STANDARD BAREBOAT CHARTER CODE NAME : "BARECON 2001"** |
|---|---|
| **ITOCHU CORPORATION**<br>**TOKBR Section, 5-1, Kita-Aoyama 2-chome,**<br>**Minato-ku, Tokyo, 107-8077, Japan** | PART I<br>2. Place and date<br>**In New York, U.S.**<br>**26 November, 2024** |
| 3. Owners / Place of business (Cl. 1)<br>**Wealth Line Inc. guaranteed by Fukujin Kisen Co., Ltd.** | 4. Bareboat Charterers / Place of business (Cl. 1)<br>**Pueblo Holdings Ltd of Marshall Islands** |

5. Vessel's name, call sign, flag and IMO number (Cl. 1 and 3)
**M/V NAVIOS LUMEN, 3EZS3, Panama, 9500637**

| 6. Type of Vessel | 7. GT / NT |
|---|---|
| **Bulk Carrier** | **95,036/58,778** |
| 8. When / Where built | 9. Total DWT (abt.) in metric tons on ~~summer freeboard~~ |
| **2009, STX Offshore & Shipbuilding Co., Ltd.** | **180,660 MT** |
| 10. Classification Society (Cl. 3) | 11. Date of last special survey by the Vessel's classification society |
| **Bureau Veritas (BV)** | **18/07/2024** |

12. ~~Further particulars of Vessel (also indicate minimum number of months' validity of class certificates agreed acc. to Cl. 3)~~
**Cargoes to be carried; All lawful cargoes within the Vessel's capabilities/Class, IMO, flag, her insurance**

| 13. Port or Place of delivery (Cl.3) | 14. Time for delivery (Cl.4) | 15. Cancelling date (Cl.5) |
|---|---|---|
| **.As per Clause 5 of the MOA (as defined in Clause 1 hereof)** | **As per Clause 5 of the MOA See Also Clause 32.** | **As per Clause 5 of the MOA** |
| 16. Port or Place of redelivery (Cl. 3) | 17. No. of months' validity of trading and class certificates upon redelivery (Cl. 15) | |
| **safety afloat at an accessible safe berth of anchorage at a safe port or place within IWL in charterers option** | **Minimum 3 months** | |
| 18. Running days' notice if other than stated in Cl.4 | 19. Frequency of dry-docking Cl. 10(g) | |
| **N/A** | **As per Classification Society and flag state requirements** | |

20. Trading Limits (Cl.6)
**Trading Limits: always safely afloat world-wide within International Navigation Conditions with the Charterer's option to break same paying extra insurance, but always in accordance with Clause 13, 40, 58.**
**Any other country designated pursuant to any international including U.N. / U.S. / EU or supranational law or regulation imposing trade and economic sanctions, prohibitions or restrictions (which may be amended from time to time during the Charter Period) to be excluded where trade to such country is unlawful.**

| 21. Charter Period (Cl. 2) | 22. Charter hire (Cl. 11) |
|---|---|
| **Firm Four (4) years plus/minus One (1) month more or less in Charterers' option**<br>**(See Clause 34)** | **See Clause 35** |

23. New class and other statutory requirements (state percentage of Vessel's insurance value acc. to Box 29 (Cl. 10(a)(ii))
**N/A**

| 24. Rate of interest payable acc. to Cl.11(f) and, if applicable, acc. to PART IV | 25. Currency and method of payment (Cl.11) |
|---|---|
| **N/A** | **United States Dollars payable calendar monthly in advance** |
| 26. Place of payment; also state beneficiary and bank account (Cl. 11) | 27. Bank guarantee / bond (sum and place) (Cl. 24 (optional) |
| **To be advised** | **N/A** |
| 28. Mortgage(s), if any (state whether Cl. 12(a) or (b) applies; if 12(b) applies, state date of Financial Instrument and name of Mortgagee(s)/Place of business) (Cl. 12) | 29. Insurance (hull and machinery and war risks) (state value acc. to Cl.13(f) or, if applicable, acc. to Cl. 14(k)) (also state if Cl.14 applies) |

| | |
|---|---|
| **See Clause 44** | **See Clause 40** |
| 30. Additional insurance cover, if any, for Owners' account limited to (Cl. 13(b) or, if applicable, Cl. 14(g))<br>**N/A** | 31. Additional insurance cover, if any, for Charterers' account limited to (Cl. 13(b) or, if applicable, Cl. 14(g))<br>**See Clause 40 (c)** |
| 32. Latent defects (only to be filled in if period other than stated in Cl.3)<br>**N/A** | 33. Brokerage commission and to whom payable (Cl.27)<br>**N/A** |
| 34. Grace period (state number of clear banking days) (Cl. 28)<br>**See Clause 41** | 35. Dispute Resolution (state 30(a), 30(b) or 30(c); if 30(c) agreed, Place of Arbitration must be stated (Cl. 30)<br>**London** |

36. War cancellation (indicate countries agreed) (Cl. 26(f))
**N/A**

| | |
|---|---|
| 37. Newbuilding Vessel (indicate with 'yes' or 'no' whether PART III applies) (optional)<br>**No** | 38. Name and place of Builders (only to be filled in if PART III applies)<br>**N/A** |
| 39. Vessel's Yard Building No. (only to be filled in if PART III applies)<br>**No** | 40. Date of ~~Building~~ Shipbuilding Contract (only to be filled in if PART III applies)<br>**N/A** |

41. Liquidated damages and costs shall accrue to (state party acc. to Cl. 1)
**a)N/A**
**b)N/A**
**c)N/A**

| | |
|---|---|
| 42. Hire/Purchase agreement (indicate with 'yes' or 'no' whether PART IV applies) (optional)<br>**N/A** | 43. Bareboat Charter Registry (indicate with 'yes' or 'no' whether PART IV applies) (optional)<br>**Yes in Charterers' option** |
| 44. Flag and Country of the Bareboat Charter Registry (only to be filled in if PART V applies)<br>**See Clause 37** | 45. Country of the Underlying Registry (only to be filled in if PART V applies) |

46. Number of additional clauses covering special provisions, if agreed
**Clause 32 to 58 inclusive**

PREAMBLE - It is mutually agreed that this Contract shall be performed subject to the conditions contained in this Charter which shall include PART I and PART II. In the event of a conflict of conditions, the provisions of PART I shall prevail over those of PART II to the extent of such conflict but no further. It is further mutually agreed that PART III and/or PART IV and/or PART V shall only apply and shall only form part of this Charter if expressly agreed and stated in Boxes 37, 42 and 43. If PART III and/or PART IV and/or PART V apply, it is further agreed that in the event of a conflict of conditions, the provisions of PART I and PART II shall prevail over those of PART III and/or PART IV and/or PART V to the extent of such conflict but no further.

| | |
|---|---|
| Signature (Owners)<br>**Wealth Line Inc.**<br>**/S/ NAOTO SENO**<br>**By:**<br>**Title: Attorney-in-fact** | Signature (Charterers)<br>**Pueblo Holdings Ltd**<br>**/S/ ALEXANDRA KONTAXI**<br>**By:**<br>**Title: Attorney-in-fact** |

**1. Definitions**

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

*"The Owners"* shall mean the party identified in Box 3;

*"The Charterers"* shall mean the party identified in Box 4;

*"The Vessel"* shall mean the vessel named in Box 5 and with particulars as stated in Boxes 6 to 12;

*"Financial Instrument"* means the mortgage, deed of covenant or other such financial security instrument as annexed to this Charter and stated in Box 28.

**"MOA" means the Memorandum of Agreement entered into between the Owners as buyers and the Charterers as Sellers dated November 2024 in respect of the Vessel.**

**"Banking Days" shall mean the days identified in Cl.36 (b)**

**"Total Loss" shall mean the situation identified in Cl.40 (a)**

**Charter Period**

**2.** In consideration of the hire detailed in Box 22, the Owners have agreed to let and the Charterers have agreed to hire the Vessel for the period stated in Box 21 (the "Charter Period").

**Delivery Also See Clause 32**

**The Vessel shall be delivered and taken over by the Charterers as per Clause 32.**

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

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

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

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

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

**Time for Delivery See Clause 32**

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

**4.**

**5.**

~~hours after the cancelling date stated in Box 15, failing which this Charter shall remain in full force and effect.~~

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

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

**Trading Restrictions**

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

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

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

Notwithstanding any other provisions contained in this Charter it is agreed that nuclear fuels or radioactive products or waste are specifically excluded from the cargo permitted to be loaded or carried under this Charter. This exclusion does not apply to radio-isotopes used or intended to be used for any industrial, commercial, agricultural, medical or scientific purposes provided the Owners' prior approval has been obtained to loading thereof.

**Surveys on Delivery and Redelivery**

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

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

**7. Inspection**

The Owners shall have the right **maximum twice per year**~~at any time~~ after giving

**8.**

~~The Vessel shall not be delivered before the date indicated in Box 14 without the Charterers' consent and the Owners shall exercise due diligence to deliver the Vessel not later than the date indicated in Box 15.~~
~~Unless otherwise agreed in Box 18, the Owners shall give the Charterers not less than thirty (30) running days' preliminary and not less than fourteen (14) running days' definite notice of the date on which the Vessel is expected to be ready for delivery.~~
~~The Owners shall keep the Charterers closely advised of possible changes in the Vessel's position.~~

**Cancelling**

~~*(not applicable when PART III applies, as indicated in Box 37)*~~
~~(a) Should the Vessel not be delivered latest by the cancelling date indicated in Box 15, the Charterers shall have the option of cancelling this Charter by giving the Owners notice of cancellation within thirty-six (36) running~~

reasonable notice to the Charterers to inspect or survey the Vessel or instruct a duly authorised surveyor to carry out such survey on their behalf:- **provided it does not interfere with the operation of the Vessel and/or crew**
(a) to ascertain the condition of the Vessel and satisfy themselves that the Vessel is being properly repaired and maintained. The costs and fees for such inspection or survey shall be paid by the Owners.~~ unless the Vessel is found to require repairs or maintenance in order to achieve the condition so provided;~~
~~(b) in dry-dock if the Charterers have not dry-docked her in accordance with Clause 10(g). The costs and fees for such inspection or survey shall be paid by the Charterers; and~~

~~(c) for any other commercial reason they consider necessary (provided it does not unduly interferer with the commercial operation of the Vessel). The costs and fees for such inspection and survey shall be paid by the Owners.~~ The Charterers shall also permit the Owners to inspect the Vessel's log books **maximum twice per year** whenever **reasonably** requested and shall whenever required by the Owners furnish them with full information regarding any casualties or other accidents or damage to the Vessel.

**Inventories, Oil and Stores SEE CLAUSE 54**

**9.** ~~A complete inventory of the Vessel's entire equipment, outfit including spare parts, appliances and of all consumable stores on board the Vessel shall be made by the Charterers in conjunction with the Owners on delivery and again on redelivery of the Vessel. The Charterers and the Owners, respectively, shall at the time of delivery and redelivery take over and pay for all bunkers, lubricating oil, unbroached provisions, paints, ropes and other consumable stores (excluding spare parts) in the said Vessel at the then current market prices at the ports of delivery and redelivery, respectively. The Charterers shall ensure that all spare parts listed in the inventory and used during the Charter Period are replaced at their expense prior to redelivery of the Vessel.~~ **SEE ALSO CLAUSE 32, AND CLAUSE 46**

**Maintenance and Operation**

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

(ii) New Class and Other Safety Requirements

~~In the event of any improvement, structural changes or new equipment becoming necessary for the continued operation of the Vessel by reason of new class requirements or by compulsory legislation costing (excluding the Charterers' loss of time) more than the percentage stated in Box 23, or if Box 23 is left blank, 5 per cent. of the Vessel's insurance value as stated in Box 29, then the extent, if any, to which the rate of hire shall be varied and the ratio in which the cost of compliance shall be shared between the parties concerned in order to achieve a reasonable distribution thereof as between the Owners and the Charterers having regard, inter alia, to the length of the period remaining under this Charter, shall in the absence of agreement, be referred to the dispute resolution method agreed in Clause 30.~~ **SEE CLAUSE 38**

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

(b) Operation of the Vessel - The Charterers shall at their own expense and by their own procurement man, victual, navigate, operate, supply, fuel and, whenever required, repair the Vessel during the Charter Period and they shall pay all charges and expenses of every kind and nature whatsoever incidental to their use and operation of the Vessel under this Charter, including annual flag state fees and any foreign general municipality and/or state taxes. The Master, officers and crew of the Vessel shall be the servants of the Charterers for all purposes whatsoever, ~~even if for any reason appointed by the Owners.~~ Charterers shall comply with the regulations regarding officers and crew in force in the country of the Vessel's flag or any other applicable law.

(c) The Charterers shall keep the Owners ~~and the mortgagee(s)~~ advised of the intended employment, planned dry-docking and major repairs of the Vessel, as reasonably required.

(d) Flag and Name of Vessel

~~During the Charter Period, the Charterers shall have the liberty to paint the Vessel in their own colours, install and display their funnel insignia and fly their own house flag. The Charterers shall also have the liberty, with the Owners' consent, which shall not be unreasonably withheld, to change the flag and/or the name of the Vessel during the Charter Period. Painting and re-painting, instalment and re-instalment, registration and de-registration, if required by the Owners, shall be at the Charterers' expense and time.~~ **SEE CLAUSE 37 & 43**

(e) Changes to the Vessel ~~Subject to Clause 10(a)(ii), the Charterers shall make no structural changes in the Vessel or changes in the machinery, boilers, appurtenances or spare parts thereof without in each instance first securing the Owners' approval thereof. If the Owners so agree, the Charterers shall, if the Owners so require, restore the Vessel to its former condition before the termination of this Charter.~~ **SEE CLAUSE 38**

(f) Use of the Vessel's Outfit, Equipment and Appliances - The Charterers shall have the use of all outfit, equipment, and appliances on board the Vessel at the time of delivery, provided the same or their substantial equivalent shall be returned to the Owners on redelivery in **substantially** the same ~~good order and~~ condition as when received, ordinary wear and tear excepted. The Charterers shall from time to time during the Charter period replace such items of equipment as shall be so damaged or worn as to be unfit for use. The Charterers are to procure that all repairs to or replacement of any damaged, worn or lost parts or equipment be effected in such manner (both as regards workmanship and quality of materials) as not to diminish the value of the Vessel. The Charterers have the right to fit additional equipment at their expense and risk but the Charterers shall remove such equipment at the end of the period **unless agreed otherwise by the Owners and the Charterers.** ~~if~~

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

~~requested by the Owners.~~ Any equipment including radio equipment on hire on the Vessel at time of delivery shall be kept and maintained by the Charterers and the Charterers shall assume the obligations and liabilities of the Owners under any lease contracts in connection therewith and shall reimburse the Owners for all expenses incurred in connection therewith, also for any new equipment required in order to comply with radio regulations.

(g) Periodical Dry-Docking - The Charterers shall dry-dock the Vessel and clean and paint her underwater parts whenever the same may be necessary, but not division or authority thereof

less than once during the period stated in Box 19 or, if Box 19 has been left blank, every sixty (60) calendar months after delivery or such other period as may be required by the Classification Society or flag state.

**Hire SEE CLAUSE 35**

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

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

(c) Payment of hire shall be made in cash without discount in the currency and in the manner indicated in Box 25 and at the place mentioned in Box 26.

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

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

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

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

**Mortgage SEE CLAUSE 44**

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

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

~~(b) The Vessel chartered under this Charter is financed by a mortgage according to the Financial Instrument. The Charterers undertake to comply, and provide such information and documents to enable the Owners to comply, with all such instructions or directions in regard to the employment,~~

**12.** ~~insurances, operation, repairs and maintenance of the Vessel as laid down in the Financial Instrument or as may be directed from time to time during~~

***)** ~~the currency of the Charter by the mortgagee(s) in conformity with the Financial Instrument. The Charterers confirm that, for this purpose, they have acquainted themselves with all relevant terms, conditions and provisions of the Financial Instrument and agree to acknowledge this in~~

***)** ~~writing in any form that may be required by the mortgagee(s). The Owners warrant that they have not effected any mortgage(s) other than stated in Box 28 and that they shall not agree to any amendment of the mortgage(s) referred to in Box 28 or effect any other mortgage(s) without the prior consent of the Charterers, which shall not be unreasonably withheld.~~

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

**Insurance and Repairs SEE CLAUSE 40**

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

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

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

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

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

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

~~(d) Subject to the provisions of the Financial Instrument, if any, should the Vessel become an actual, constructive, compromised or agreed total loss under the insurances required under sub-clause 13(a), all insurance payments for such loss shall be paid to the Owners who shall distribute the moneys between the Owners and the Charterers according to their respective interests. The Charterers undertake to notify the Owners and the mortgagee(s), if any, of any occurrences in consequence of which the Vessel is likely to become a total loss as defined in this clause.~~ **SEE CLAUSE 40**

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

~~(f) For the purpose of insurance coverage against hull and machinery and war risks under the provisions of sub-clause 13(a), the value of the Vessel is the sum indicated in Box 29.~~ **SEE CLAUSE 40**

**Insurance, Repairs and Classification N/A**

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

~~(a) During the Charter Period the Vessel shall be kept insured by the Owners at their expenses against hull and machinery and war risks under the form of policy or~~

**13.**

**14.**

***)**

~~policies attached hereto. The Owners and/or insurers shall not have any right of recovery or subrogation against the Charterers on account of loss of or any damage to the Vessel or her machinery or appurtenances covered by such insurance, or on account of payments made to discharge claims against or liabilities of the Vessel or the Owners covered by such insurance. Insurance policies shall cover the Owners and the Charterers according to their respective interests.~~

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

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

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

~~The Charterers to be secured reimbursement through the Owners' Underwriters for such expenditures upon presentation of accounts.~~

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

~~(f) All time used for repairs under the provisions of sub-clause 14(d) and 14(e) and for repairs of latent defects according to Clause 3 above, including any deviation, shall be for the Charterers' account and shall form part of the Charter Period.~~

~~The Owners shall not be responsible for any expenses as are incident to the use and operation of the Vessel for such time as may be required to make such repairs.~~

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

~~(h) Should the Vessel become an actual, constructive, compromised or agreed total loss under the insurances required under sub-clause 14 (a), all insurance payments for such loss shall be paid to the Owners, who shall distribute the moneys between themselves and the Charterers according to their respective interests.~~

~~(i) If the Vessel becomes an actual, constructive, compromised or agreed total loss under the insurances arranged by the Owners in accordance with sub-clause 14(a), this Charter shall terminate as of the date of such loss.~~

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

~~(k) For the purpose of insurance coverage against hull and machinery and war risks under the provisions of sub-clause 14(a), the value of the Vessel is the sum~~ ~~indicated in Box 29.~~

~~(l) Notwithstanding anything contained in sub-clause 10(a), it is agreed that under the provisions of Clause 14, if applicable, the Owners shall keep the Vessel's Class fully up to date with the Classification Society indicated in Box 10 and maintain all other necessary certificates in force at all times.~~

**Redelivery ALSO SEE CLAUSE 46**

**15.** ~~At the expiration of the Charter Period the Vessel shall be redelivered by the Charterers to the Owners at a safe~~ **~~berth or anchorage at a safe~~** ~~and ice-free port or place as indicated in Box 16, in such ready safe berth as the Owners may direct. The Charterers shall give the Owners not less than thirty (30) running days' preliminary notice of expected date, range of ports of redelivery or port or place of redelivery and not less than fourteen (14) running days' definite notice of expected date and port or place of redelivery. Any changes thereafter in Vessel's position shall be notified immediately to the Owners. The Charterers warrant that they will not permit the Vessel to commence a voyage (including any preceding ballast voyage) which cannot reasonably be expected to be completed in time to allow redelivery of the Vessel within the Charter Period. Notwithstanding the above, should the Charterers fail to redeliver the Vessel within the Charter Period, the Charterers shall pay the daily equivalent to the rate of hire stated in Box 22 plus~~ **~~5~~** ~~per cent or to the market rate, whichever is the higher, for the number of days by which the Charter Period is exceeded. All other terms, conditions and provisions of the Charter shall continue to apply.~~

Subject to the provisions of Clause 10, the Vessel shall be redelivered to the Owners in **substantially** the same or as good structure, state, condition and class as that in which she was delivered, fair wear and tear not affecting class excepted.

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

**Non-Lien ALSO SEE CLAUSE 47**

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

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

**Indemnity ALSO SEE CLAUSE 55**

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

Without prejudice to the generality of the foregoing, the Charterers agree to

**17.** indemnify the Owners against all consequences or liabilities arising from the Master, officers or agents signing Bills of Lading or other documents.

(b) If the Vessel be arrested or otherwise detained by reason of a claims or claims against the Owners, the Owners shall at their own expense take all reasonable steps to secure that within a reasonable time the Vessel is released, including the provision of bail.
In such circumstances the Owners shall indemnify the Charterers against any loss, damage or expense
incurred by the Charterers (including hire paid under this Charter) as a direct consequence of such arrest or detention.

**Lien**

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

**Salvage**

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

**19.**

**Wreck Removal**

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

**General Average**

The Owners shall not contribute to General Average.

**Assignment, Sub-Charter and Sale**

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

**22.** ~~(b) The Owners shall not sell the Vessel during he currency of this Charter except with the prior written consent of the Charterers, which shall not be unreasonably withheld, and subject to the buyer accepting an assignment of this Charter.~~ **SEE CLAUSE48**

**Contracts of Carriage**

(a) The Charterers are to procure that all documents issued during the Charter Period evidencing the terms and conditions agreed in respect of carriage of goods shall contain a paramount clause incorporating any legislation relating to carrier's liability for cargo compulsorily applicable in the trade; if no such legislation exists, the documents shall incorporate the Hague-Visby Rules. The documents shall also contain the New Jason
**23.** Clause and the Both-to-Blame Collision Clause.
***)** ~~(b) The Charterers are to procure that all passenger tickets issued during the Charter Period for the carriage of passengers and their luggage under this Charter shall contain a paramount clause incorporating any legislation relating to carrier's liability for passengers and their luggage compulsorily applicable in the trade; if no such legislation exists, the passenger tickets shall incorporate the Athens Convention Relating the Carriage of Passengers and their Luggage by Sea, 1974, and any protocol thereto.~~
*Delete as applicable.*

~~*)~~ **Bank Guarantee**

*(Optional, only to apply if Box 27 filled in)*
~~The Charterers undertake to furnish, before delivery of the Vessel, a first class bank guarantee or bond in the sum and at the place as indicated in Box 27 as guarantee for full performance of their obligations under this Charter.~~

***)**

**24.**

**25.** **Requisition/Acquisition ALSO SEE CLAUSE 40 (a)/(b)**
(a) In the event of the requisition for Hire of the Vessel by any governmental or other competent authority (hereinafter referred to a "Requisition for Hire")
irrespective of the date during the Charter Period when "Requisition for Hire" may occur and irrespective of the length thereof and whether or not it be for an indefinite
or a limited period of time, and irrespective of whether it may or will remain in force for the remainder of the
Charter Period, this Charter shall not be deemed
thereby or thereupon to be frustrated or otherwise terminated and the Charterers shall continue to pay the stipulated hire in the manner provided by this Charter until the time when the Charter would have terminated pursuant to any of the provisions hereof always provided however that in the event of "Requisition for Hire" any Requisition Hire or compensation received or receivable by the Owners shall be payable to the Charterers during the remainder of the Charter Period or the period of the 'Requisition for Hire' whichever be the shorter.
(b) Notwithstanding the provisions of clause 25 (a), in the event of the Owners being deprived of their ownership in the Vessel by any Compulsory Acquisition of the Vessel or requisition for title by any governmental or other competent authority**, which for the avoidance of any doubt, shall exclude requisition for use or hire not involving requisition of title** (hereinafter referred to as 'Compulsory Acquisition'), then, ~~irrespective of the date during the Charter Period when "Compulsory Acquisition" may occur,~~ this Charter shall be deemed
terminated as of the date of such "Compulsory Acquisition". In such event charter hire to be considered as earned and to be paid up to the date and time of such "Compulsory Acquisition"**, but not thenafter**.

**War**

(a) For the purpose of this Clause, the words 'War Risks' shall include any war (whether actual or threatened), act of war, civil war, hostilities, revolution, rebellion, civil commotion, warlike operations, the laying of mines (whether actual or reported), acts of piracy, acts of terrorists, acts of
**26.** hostility or malicious damage, blockades (whether imposed against all vessels or imposed selectively against vessels of certain flags or ownership, or against certain cargoes or crews or otherwise howsoever), by any person, body, terrorist or political group, or the Government of any state whatsoever, which may be dangerous or are likely to be or to become dangerous to the Vessel, her cargo, crew or other persons on board the Vessel.
~~(b) The Vessel, unless the written consent of the Owners be first obtained, shall not continue to or go through any port, place, area or zone (whether of land or sea), or any waterway or canal, where it reasonably appears that the Vessel, her cargo, crew or other persons on board the Vessel, in the reasonable judgement of the Owners, may be, or are likely to be, exposed to War Risks. Should the Vessel be within any such place as aforesaid, which only becomes dangerous or is likely to be or to become dangerous, after the entry into it, the Owners shall have the right to require the Vessel to leave such area.~~
(c) The Vessel shall not load contraband cargo, or to pass through any blockade, whether such blockade be imposed on all vessels, or is imposed selectively in any way whatsoever against vessels of certain flags or ownership, or against certain cargoes or crews or otherwise howsoever, or to proceed to an area where she shall be subject, or is likely to be subject to a belligerent's right of search and/or confiscation.
~~(d) If the insurers of the war risk insurance, when Clause 14 is applicable, should require payment of premiums and/or calls because, pursuant to the Charterers' orders, the Vessel is within, or is due to enter and remain within, any area or areas which are specified by such insurers as being subject to additional premiums because of War Risks, then such premiums and/or calls~~

~~shall be reimbursed by the Charterers to the Owners at the same time as the next payment of hire is due.~~

(e) The Charterers shall have the liberty:

(i) to comply with all orders, directions, recommendations or advice as to departure, arrival, routes, sailing in convoy, ports of call, stoppages, destinations, discharge of cargo, delivery, or in any other way whatsoever which are given by the government of the nation under whose flag the vessel sails, or any other government, body or group whatsoever acting with the power to compel compliance with their orders or directions'

(ii) to comply with the orders, directions or recommendations of any war risks underwriters who have the authority to give the same under the terms of the war risks insurance;

(iii) to comply with the terms of any resolution of the Security Council of the United Nations, any directives of the European Community, the effective orders of any other supranational body which has the right to issue and give the same, and with national laws aimed at enforcing the same to which the Owners are subject, and to obey the orders and directions of those who are charged with their enforcement.

~~(f) In the event of outbreak of war (whether there be a declaration of war or not ) (i) between any two or more of the following countries: the United States of America; Russia; the United Kingdom; France; and the People's Republic of China, (ii) between any two or more of the countries stated in Box 36, both the Owners and the Charterers shall have the right to cancel this Charter, whereupon the Charterers shall redeliver the Vessel to the Owners in accordance with Clause 15, if the Vessel has cargo on board after discharge thereof at destination, or if debarred under this Clause from reaching and entering it at a near open and safe port as directed by the Owners, or if the Vessel has no cargo on board, at the port at which the Vessel then is or if at sea at a near, open and safe port as directed by the Owners. In all cases hire shall continue to be paid in accordance with Clause 11 and except as aforesaid all other provisions of this Charter shall apply until redelivery.~~

**Commission**

~~The Owners to pay a commission at the rate indicated in Box 33 to the Brokers named in Box 33 on any hire paid under the Charter. If no rate is indicated in Box 33, the commission to be paid by the Owners shall cover the actual expenses of the Brokers and a reasonable fee for their work. If the full hire is not paid owing to breach of the Charter by either of the parties, the party liable therefore shall indemnify the Brokers against their loss of commission.~~ Should the parties agree to cancel the Charter, the

**27.** Owners shall indemnify the Brokers against any loss of commission but in such case the commission shall not exceed the brokerage on one year's hire.

**Termination**

(a) Charterer's Default

~~The Owners shall be entitled to withdraw the Vessel from the service of the Charterers and terminate the Charter with immediate effect by written notice to the Charterers if:~~

~~(i) the Charterers fail to pay hire in accordance with Clause 11. However, where there is a failure to make punctual payment of hire due to oversight, negligence, errors or omissions on the part of the Charterers or their bankers, the Owners shall give the Charterers written notice of the number of clear banking days stated in Box 34 (as recognised at the agreed place of payment) in which to rectify the failure, and when so rectified within such number of days following the Owners' notice, the payment shall stand as regular and punctual. Failure by the Charterers to pay hire within the number of days stated in Box 34 of their receiving the Owners' notice as provided herein, shall entitle the Owners to withdraw the Vessel from the service of the Charterers and terminate the Charter without further notice;~~

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

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

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

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

~~(iii) the Charterers fail to rectify any failure to comply with the requirements of sub-clause 10(a)(i) (Maintenance and Repairs) as soon as practically possible after the Owners have requested them in writing so to do and in any event so that the Vessel's insurance cover is not prejudiced.~~ **SEE CLAUSE 41 & 42**

(b) Owners' Default

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

(c) Loss of Vessel

~~This Charter shall be deemed to be terminated if the Vessel becomes a total loss or is declared as a constructive or compromised or arranged total loss. For the purpose of this sub-clause, the Vessel shall not be deemed to be lost unless she has either become an actual total loss or agreement has been reached with her underwriters in respect of her constructive, compromised or arranged total loss or if such agreement with her underwriters is not reached it is adjudged by a competent tribunal that a constructive loss of the Vessel has occurred.~~ **SEE CLAUSE 40 (d)/(e)**

(d) Either party shall be entitled to terminate this Charter with immediate effect by written notice to the other party in the event of an order being made or resolution passed for the winding up, dissolution, liquidation or bankruptcy of the other party (otherwise than for the purpose of reconstruction or amalgamation) or if a receiver is appointed, ~~or if it suspends payment,~~ ceases to carry on business or makes any special arrangements or composition with its creditors.

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

**Repossession**

In the event of the termination of this Charter in accordance with the applicable provisions of Clause 28, the Owners shall have the right to repossess the Vessel from the Charterers at her current or next port of call, or at a port or place convenient to them without hindrance or interference by the Charterers, courts or local authorities. Pending physical repossession of the Vessel in accordance with this Clause 29, the Charterers shall

**29.**

hold the Vessel as gratuitous bailee only to the Owners. The Owners shall arrange for an authorised represent-ative to board the Vessel as soon as reasonably practicable following the termination of the Charter. The Vessel shall be deemed to be repossessed by the Owners from the Charterers upon the boarding of the Vessel by the Owners' representative. All arrangements and expenses relating to the settling of wages, disembarkation and repatriation of the Charterers' Master, officers and crew shall be the sole responsibility of the Charterers.

**Dispute Resolution**

**30. *)** (a) This Contract shall be governed by and construed in accordance with English law and any dispute arising out of or in connection with this Contract shall be referred to arbitration in London in accordance with the Arbitration Act 1996 or any statutory modification or re-enactment thereof save to the extent necessary to give effect to the provisions of this Clause.
The arbitration shall be conducted in accordance with the London Maritime Arbitrators Association (LMAA) Terms current at the time when the arbitration proceedings are commenced.
The reference shall be to three arbitrators. A party wishing to refer a dispute to arbitration shall appoint its arbitrator and send notice of such appointment in writing to the other party requiring the other party to appoint its own arbitrator within 14 calendar days of that notice and stating that it will appoint its arbitrator as sole arbitrator unless the other party appoints its own arbitrator and
gives notice that it has done so within the 14 days
specified. If the other party does not appoint its own arbitrator and give notice that it has done so within the
14 days specified, the party referring a dispute to arbitration may, without the requirement of any further prior notice to the other party, appoint its arbitrator as
sole arbitrator and shall advise the other party
accordingly. The award of a sole arbitrator shall be binding on both parties as if he had been appointed by agreement.
Nothing herein shall prevent the parties agreeing in writing to vary these provisions to provide for the appointment of a sole arbitrator.
In cases where neither the claim nor any counterclaim exceeds the sum of US$50,000 (or such other sum as the parties may agree) the arbitration shall be conducted in accordance with the LMAA Small Claims Procedure current at the time when the arbitration proceedings are commenced.
~~(b) This Contract shall be governed by and construed in accordance with Title 9 of the United States Code and the Maritime Law of the United States and any dispute arising out of or in connection with this Contract shall be referred to three persons at New York, one to be appointed by each of the parties hereto, and the third by the two so chosen; their decision or that of any two of them shall be final, and for the purposes of enforcing any award, judgment may be entered on an award by any court of competent jurisdiction. The proceedings shall be conducted in accordance with the rules of the Society of Maritime Arbitrators, Inc.~~
~~In cases where neither the claim nor any counterclaim~~
~~*)~~ ~~exceeds the sum of US$50,000 (or such other sum as the parties may agree) the arbitration shall be conduced in accordance with the Shortened Arbitration Procedure of the Society of Maritime Arbitrators, Inc. current at the time when the arbitration proceedings are commenced.~~
~~(c) This Contract shall be governed by and construed in accordance with the laws of the place mutually agreed by the parties and any dispute arising out of or in connection with this Contract shall be referred to arbitration at a mutually agreed place, subject to the procedures applicable there.~~
~~(d) Notwithstanding (a), (b) or (c) above, the parties may agree at any time to refer to mediation any difference and/or dispute arising out of or in connection with this Contract.~~
~~In the case of a dispute in respect of which arbitration has been commenced under (a), (b) or (c) above, the following shall apply:-~~
~~(i) Either party may at any time and from time to time elect to refer the dispute or part of the dispute to mediation by service on the other party of a written notice (the "Mediation Notice") (calling on the other party to agree to mediation.~~
~~(ii) The other party shall thereupon within 14 calendar days of receipt of the Mediation Notice confirm that they agree to mediation, in which case the parties shall thereafter agree a mediator within a further 14 calendar days, failing which on the application of either party a mediator will be appointed promptly by the Arbitration Tribunal (the "Tribunal") or such person as the Tribunal may designate for that purpose. The mediation shall be conducted in such place and in accordance with such procedure and on such terms as the parties may agree or, in the event of disagreement, as may be set by the mediator.~~
~~(iii) If the other party does not agree to mediate, that fact may be brought to the attention of the Tribunal and may be taken into account by the Tribunal when allocating the costs of the arbitration as between the parties.~~
~~(iv) The mediation shall not affect the right of either party to seek such relief or take such steps as it considers necessary to protect its interest.~~
~~(v) Either party may advise the Tribunal that they have agreed to mediation. The arbitration procedures shall continue during the conduct of the mediation by the Tribunal may take the mediation timetable into account when settling the timetable for steps in the arbitration.~~
~~(vi) Unless otherwise agreed or specified in the mediation terms, each party shall bear its own costs incurred in the mediation and the parties shall share equally the mediator's costs and expenses.~~
~~(vii) The mediation process shall be without prejudice and confidential and no information or documents disclosed during it shall be revealed to the Tribunal except to the extent that they are disclosable under the law and procedure governing the arbitration.~~
~~*(Note: the parties should be aware that the mediation process may not necessarily interrupt time limits.)*~~
~~(e) If Box 35 in Part I is not appropriately filled in, sub-clause 30(a) of this Clause shall apply. Sub-clause 30(d) shall apply in all cases.~~
*Sub-clauses 30(a), 30(b) and 30(c) are alternatives; indicate alternative agreed in Box 35.*

**Notices SEE CLAUSE 52**

~~(a) Any notice to be given by either party to the other party shall be in writing and may be sent by fax, telex, registered or recorded mail or by personal service.~~
~~(b) The address of the Parties for service of such communication shall be as stated in Boxes 3 and 4 respectively.~~

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**31.**

**PART III**
**PROVISIONS TO APPLY FOR NEWBUILDING VESSELS ONLY**
*(Optional, only to apply if expressly agreed and stated in Box 37)*

**PART III**
**PROVISIONS TO APPLY FOR NEWBUILDING VESSELS ONLY**
*(Optional, only to apply if expressly agreed and stated in Box 37)*

**1. Specifications and Shipbuilding Contract**

(a) The Vessel shall be constructed in accordance with the Building Shipbuilding Contract (hereafter called "the 'Shipbuilding Building Contract') as annexed to this Charter, made between the Builders and the Sellers Owners and in accordance with the specifications and plans annexed thereto, such Building Contract, specifications and plans having been countersigned as approved by the Charterers.

(b) No change shall be made in the Shipbuilding Building Contract or in the specifications or plans of the Vessel as approved by the Charterers as aforesaid without the Charterers' consent.

(c) The Charterers shall have the right to send their representative to the Builders' Yard to inspect the Vessel during the course of her construction to satisfy themselves that construction is in accordance with such approved specifications and plans as referred to under sub-clause (a) of this Clause.

(d) The Vessel shall be built in accordance with the Building Contract and shall be of the description set out therein. Subject to the provisions of sub-clause 2(c)(ii) hereunder, the Charterers shall be bound to accept the Vessel from the Owners, completed and constructed in accordance with the Building Contract, on the date of delivery by the Builders. The Charterers undertake that having accepted the Vessel they will not thereafter raise any claims against the Owners in respect of the Vessel's performance or specification or defects, if any. Nevertheless, in respect of any repairs, replacements or defects which appear within the first 12 months from delivery by the Builders, the Owners shall endeavour to compel the Builders to repair, replace or remedy any defects or to recover from the Builders any expenditure incurred in carrying out such repairs, replacements or remedies. However, the Owners' liability to the Charterers shall be limited to the extent the Owners have a valid claim against the Builders under the guarantee clause of the Building Contract (a copy whereof has been supplied to the Charterers). The Charterers shall be bound to accept such sums as the Owners are reasonably able to recover under this Clause and shall make no further claim on the Owners for the difference between the amount(s) so recovered and the actual expenditure on repairs, replacement or remedying defects or for any loss of time incurred.

Any liquidated damages for physical defects or deficiencies shall accrue to the account of the party stated in Box 41(a) or if not filled in shall be shared equally between the parties.

The costs of pursuing a claim or claims against the Builders under this Clause (including any liability to the Builders) shall be borne by the party stated in Box 41(b) or if not filled in shall be shared equally between the parties.

**Time and Place of Delivery – SEE CLAUSE 33**

(a) Subject to the Vessel having completed her acceptance trials including trials of cargo equipment in accordance with the Building Contract and specifications to the satisfaction of the Charterers, the Owners shall give and the Charterers shall take delivery of the Vessel afloat when ready for delivery and properly documented at the Builders' Yard or some other safe and readily accessible dock, wharf or place as may be agreed between the parties hereto and the Builders. Under the Building Contract, the Builders have estimated that the Vessel will be ready for delivery to the Owners as therein provided but the delivery date for the purpose of the Charter shall be the date when the Vessel is in fact ready for delivery by the Builders after completion of trials whether that be before or after as

**2.**

and upon and after such acceptance, subject to Clause 1(d), the Charterers shall not be entitled to make any claim against the Owners in respect of any conditions, representations or warranties, whether express or implied, as to the seaworthiness of the Vessel or in respect of delay in delivery.

(b) If for any reason other than a default by the Sellers Owners under the Shipbuilding Contract, the Builders become entitled under that Contract not to deliver the Vessel to the Sellers, the Owners shall upon giving to the Charterers written notice of Builders becoming so entitled, be excused from giving delivery of the Vessel to the Charterers and upon receipt of such notice by the Charterers this Charter shall cease to have effect.

(c) If for any reason the Owners become entitled under the Building Contract to reject the Vessel the Owners shall, before exercising such right of rejection, consult the Charterers and thereupon

(i) if the Charterers do not wish to take delivery of the Vessel they shall inform the Owners within seven (7) running days by notice in writing and upon receipt by the Owners of such notice this Charter shall cease to have effect; or

(ii) if the Charterers wish to take delivery of the Vessel they may by notice in writing within seven (7) running days require the Owners to negotiate with the Builders as to the terms on which delivery should be taken and/or refrain from exercising their right of rejection and upon receipt of such notice the Owners shall commence such negotiations and/or take delivery of the Vessel from the Builders and deliver her to the Charterers;

(iii) in no circumstances shall the Charterers be entitled to reject the Vessel unless the Owners are able to reject the Vessel from the Builders; **SEE CLAUSE 33**

(iv) if this Charter terminates under sub-clause (b) of this Clause, the Owners shall thereafter not be liable to the Charterers for any claim under or arising out of this Charter or its termination.

(d) Any liquidated damages for delay in delivery under the Building Contract and any costs incurred in pursuing a claim therefor shall accrue to the account of the party stated in Box 41(c) or if not filled in shall be shared equally between the parties.

**Guarantee Works – SEE CLAUSE 32**

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

**Name of Vessel – SEE CLAUSE 44**

The name of the Vessel shall be mutually agreed between the Owners and

**3.** the Charterers and the Vessel shall be painted in the colours, display the funnel insignia and fly the house flag as required by the Charterers.

**Survey on Redelivery – SEE CLAUSE 46**

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

Without prejudice to Clause 15 (PART II), the Charterers shall bear all survey expenses and all other costs, if any, including the cost of docking and undocking, if required, as well as all repair costs incurred. The

**4.** Charterers shall also bear all loss of time spent in connection with any

**5.**

**PART III**
**PROVISIONS TO APPLY FOR NEWBUILDING VESSELS ONLY**
*(Optional, only to apply if expressly agreed and stated in Box 37)*

~~indicated in the Building Contract. The Charterers shall not be entitled to refuse acceptance of delivery of the Vessel~~

~~docking and undocking as well as repairs, which shall be paid at the rate of hire per day or pro rata.~~

**PART III**
**PROVISIONS TO APPLY FOR NEWBUILDING VESSELS ONLY**
*(Optional, only to apply if expressly agreed and stated in Box 37)*

## PART IV
## HIRE/PURCHASE AGREEMENT

*(Optional, only to apply if expressly agreed and stated in Box 42)*

## PART IV
## HIRE/PURCHASE AGREEMENT

*(Optional, only to apply if expressly agreed and stated in Box 42)*

~~On expiration of this Charter and provided the Charterers have fulfilled their obligations according to PART I and II as well as PART III, if applicable, it is agreed that on payment of the final payment of hire as per Clause 11 the Charterers have purchased the Vessel with everything belonging to her and the Vessel is fully paid for.~~

~~*In the following paragraphs the Owners are referred to as the Sellers and the Charterers as the Buyers.*~~

~~The Vessel shall be delivered by the Sellers and taken over by the Buyers on expiration of the Charter.~~

~~The Sellers guarantee that the Vessel, at the time of delivery, is free from all encumbrances and maritime liens or any debts whatsoever other than those arising from anything done or not done by the Buyers or any existing mortgage agreed not to be paid off by the time of delivery. Should any claims, which have been incurred prior to the time of delivery, be made against the Vessel, the Sellers hereby undertake to indemnify the Buyers against all consequences of such claims to the extent it can be proved that the Sellers are responsible for such claims. Any taxes, notarial, consular and other charges and expense connected with the purchase and registration under Buyers' flag shall be for Buyers' account. Any taxes, consular and other charges and expenses connected with closing of the Sellers' register shall be for Sellers' account.~~

~~In exchange for payment of the last month's hire instalment the Sellers shall furnish the Buyers with a Bill of Sale duly attested and legalised, together with a certificate setting out the registered encumbrances, if any. On delivery of the Vessel the Sellers shall provide for deletion of the Vessel from the Ship's Register and deliver a certificate of deletion to the Buyers.~~

~~The Sellers shall, at the time of delivery, hand to the Buyers all classification certificates (for hull, engines, anchors, chains, etc) as well as all plans which may be in Sellers' possession.~~

~~The wireless installation and nautical instruments, unless on hire, shall be included in the sale without any extra payment.~~

~~The Vessel with everything belonging to her shall be at Sellers' risk and expense until she is delivered to the Buyers, subject to the conditions of this Contract, and the Vessel with everything belonging to her shall be delivered and taken over as she is at the time of delivery, after which the Sellers shall have no responsibility for possible faults or deficiencies of any description.~~

~~The Buyers undertake to pay for the repatriation of the Maser, officers, and other personnel if appointed by the Sellers to the port where the Vessel entered the Bareboat Charter as per Clause 3 (PART II) or to pay the equivalent cost of their journey to any other place.~~

**1. ~~Definitions~~**

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

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

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

**~~Mortgage – See Clause 44~~**

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

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

~~If the Vessel chartered under this Charter is registered in a Bareboat Charter Registry as stated in Box 44, and if the Owners shall default in the payment of any amounts due under the mortgage(s) specified in Box 28, the Charterers shall, if so required by the mortgagee, direct the Owners to re-register the Vessel in the Underlying Registry as shown in Box 45. In the event of the Vessel being deleted from the Bareboat Charter Registry as stated in Box 44, due to a default by the Owners in the payment of any amounts due under the mortgage(s), the Charterers shall have the right to terminate this Charter forthwith and without prejudice to any other claim they may have against the Owners under this Charter.~~

Additional Clauses
to
the Bareboat Charter Party dated XXXX November, 2024 (this “Charter”) by
Wealth Line Inc. as owner (the “Owners”) and
Sagittarius Shipping Corporation (the “Charterers”)
in respect of MV “Navios Lumen” (the “Vessel”)

**32. DELIVERY**

(a) The Charterers shall take delivery of the Vessel under this Charter simultaneously with delivery by Charterers as sellers to the Owners as buyers under the MOA, and the Owners shall be obliged to deliver the Vessel to the Charterers hereunder in the same moment as the Owners is taking delivery of the Vessel under the MOA.

(b) The Owners warrant that the Vessel, at time of delivery, is free from all charters, encumbrances, mortgages and maritime liens or any other debts whatsoever, other than (i) those incurred prior to the delivery of the Vessel hereunder, (ii) this Charter and (iii) the mortgage over the Vessel, assignment of insurance in respect of the Vessel and the assignment of the charter hires in respect hereof in favour of the Mortgagee.

(c) The Vessel shall be delivered under this Charter in the same condition and with the same equipment, inventory and spare parts as she is delivered to the Owners under the MOA. The Charterers know the Vessel’s condition at the time of delivery, and expressly agree that the Vessel's condition as delivered under the MOA is acceptable and in accordance with the provisions of this Charter. The Vessel shall be delivered to the Charterers under this Charter strictly "as is/where is", and the Charterers shall waive any and all claims against the Owners under this Charter on account of any conditions, seaworthiness, representations, warranties expressed or implied in respect of the Vessel (including but not limited to any bunkers, oils, spare parts and other items whatsoever) on delivery.

**33. ISM CODE**

During the currency of this Charter the Charterers shall procure at the costs and expenses and time of the Charterers that the Vessel and the “company” (as defined by the ISM code) shall comply with the requirements of the ISM code. Upon request the Charterers shall provide a copy of relevant documents of compliance (DOC) and safety management certificate (SMC) to the Owners. For the avoidance of any doubt any loss, damage, expense or delay caused by the failure on the part of the “Company” to comply with the ISM code shall be for the Charterers’ account.

**34. CHARTER PERIOD**

(a) The Owners shall let to the Charterers and the Charterers shall take the Vessel on charter for the period and upon the terms and conditions contained herein.

(b) Subject always to the provisions hereto, the period of the chartering of the Vessel hereunder (hereinafter referred to as the “**Charter Period**") shall comprise (unless

terminated at an earlier date in accordance with the terms hereof) a charter period of firm Four (4) years from the date of the delivery of the Vessel by the Owners to the Charterers under this Charter (the “Delivery Date”) with up to one (1) month more or less in the Charterers’ option, provided always that the chartering of the Vessel hereunder may be terminated by the Owners pursuant to Clause 41 or shall terminate in the event of the Total Loss or Compulsory Acquisition of the Vessel subject to, and in accordance with provisions of Clause 40.

**35. CHARTER HIRE**

(1)Monthly Hire

After delivery of the Vessel, the Charterers shall pay the hire monthly in advance as remuneration of letting of the Vessel for the charter period, which consist of (i) Monthly Fixed Hire and (ii) Variable Hire as follows.

I. Monthly Fixed Hire : USD250,000 / month

II. Monthly Variable hire is calculated from the number of the days in any relevant month and daily variable hire in accordance with the following formula:

Monthly Variable Hire = Outstanding Balance (the table of Outstanding Balance shall be attached to this contract as appendix) x (241.448bb+ one (1) month CME Term SOFR as applicable for the month in respect of which such Monthly Variable Hire is to be calculated） x (the number of the days in the relevant month) / 360

Applicable One (1) month CME Term SOFR to be confirmed 3 Banking days prior to the end of every month falling immediately the due date for Charter Hire of the calendar month. The Owners shall notify the Charterers in writing of the Monthly Variable Hire due on any due date for hire by sending to the Charterers a duly issued invoice for that Monthly Variable Hire and Monthly Fixed Hire at least three (3) Banking Days before that due date.

Outstanding Balance means USD 16,000,000 less the aggregate Monthly Fixed Hire as has at any relevant time been paid to the Owners.

Should the One (1) month CME Term SOFR falls to negative interest rate, zero (0) is to be applied as One (1) month CME Term SOFR.

“Term SOFR 1 Month” means the term SOFR reference rate administered by (or any other person which takes over the administration of that rate)

No address commission to the Charterers.

(2) Absolute Obligations and Meaning of Day

(a)Except in case of the Owners’ default hereunder which actually prevents the Charterers’ quiet use of the Vessel for the purpose of this Charter, the Charterers’ obligations to pay the Hires shall be absolute, and no-off hire shall be claimed by the Charterers for any reason whatsoever and the Charterers shall continuously and always be liable to pay the Hires unless and until:-

(i)the Total Loss Compensation Date in the case of the occurrence of a Total Loss

(ii)the redelivery of the Vessel to the Owners or to the Owners’ nominee

(b)The Date of delivery, the Total Loss Compensation Date and the date of redelivery shall be treated as an entire one day regardless of the time of delivery, the time occurrence of a Total Loss and the time of redelivery.

(c)”Day” shall be construed as Japan time

**36. PAYMENTS**

(a) Notwithstanding anything to the contrary contained in this Charter, all payments by the Charterers hereunder (whether by way of hire or otherwise) shall be made as follows:-

(i) not later than 11:00 a.m. (New York time) on one Banking Day prior to the date on which the relevant payment is due under the terms of this Charter: and

(ii) in United States Dollars to THE HIROSHIMA BANK, LTD. (or such other bank or banks as may from time to time be notified by the Owners to the Charterers by not less than fourteen (14) days' prior written notice) for the account of the Owners .

(b) If any day for the making of any payment hereunder shall not be a Banking Day (being, for all purposes of this Charter, a day on which banks are open for transaction of business of the nature required by this Charter in Japan, Piraeus/Greece, Germany, London and New York) the due date for payment of the same shall be the next following Banking Day.

(c) Subject to the terms of this Charter, the Charterers' obligation to pay hire in accordance

with the requirements of Clause 35 and this Clause 36 and to pay certain amount of insurance benefit pursuant to Clause 40 (e) and to pay the Termination Compensation pursuant to Clause 42 shall be absolute irrespective of any contingency whatsoever, including (but not limited to) (i) any failure or delay on the part of any party hereto or thereto, whether with or without fault on its part, other than the Owners, in performing or complying with any of the terms or covenants hereunder, (ii) any insolvency, bankruptcy, reorganization, arrangement, readjustment of debt, dissolution, liquidation or similar proceedings by or against the Owners or the Charterers or any change in the constitution of the Owners or the Charterers or any other person, (iii) any invalidity or unenforceability or lack of due authorization of or other defect in this Charter, or (iv) any other cause which would or might but for this provision have the effect of terminating or in any way affecting any obligation of the Charterers under this Charter.

(d) In the event of failure by the Charterers to pay within ten (10) Banking Days after the due date for payment thereof, or in the case of a sum payable on demand, the date of demand therefor, any hire or other amount payable by them under this Charter, the Charterers will pay to the Owners on demand interest on such hire or other amount from the date of such failure to the date of actual payment (both before and after any relevant judgment or winding up of the Charterers) at the rate determined by the Owners and certified by them to the Charterers (such certification to be conclusive in the absence of manifest error) to be the aggregate of (i) two & one-half per centum (2½ %) and (ii) the London Interbank Offered Rate for US Dollar deposits of not more than one month's duration (as selected by the Owners or their funders in the light of the likely duration of the default in question) (as such rate is from time to time quoted by leading banks in the London Interbank Market). Interest payable by the Charterers as aforesaid shall be compounded at such intervals as the Owners shall determine and shall be payable on demand.

(e) Any interest payable under this Charter shall accrue from day to day and shall be calculated on the actual number of days elapsed and a three hundred and sixty (360) day year.

(f) In this Charter, unless the context otherwise requires, "month" means a period beginning in one calendar month (and, in the case of the first month, on the date of delivery hereunder) and ending in the succeeding calendar month on the day numerically corresponding to the day of the calendar month in which such period started provided that if there is no such numerically corresponding day, such period shall end on the last day in the relevant calendar month and "monthly" shall be construed accordingly.

**37. FLAG AND CLASS**

(a) The Vessel shall upon the Delivery Date be registered in the name of the Owners under the Panamanian flag.

(b) The Owners shall have no right either to transfer the flag of Vessel from Panama to any other registry or to require the Charterers to transfer the Vessel's classification society. The Charterers shall, at any time after the Delivery Date and at the Charterers' expense, have the right to transfer the Vessel's classification society from Bureau Veritas (BV) to

any other classification society at least equivalent to ABS.

(c) Further, in the event that the Charterers need to change the flag of the Vessel, the Charterers can change the flag with the Owner's consent, which should not be unreasonably withheld, provided however that any expenses and time (including but not limited to legal charges for finance documents for the Mortgagee) shall be for the Charterers'account.

(d) Subject to the Charterers' supplying the standard de-registration agreement reasonably satisfactory to the Mortgagee the Charterers are entitled to establish the standard bareboat registration on the Vessel at the costs, expense and time of the Charterers.

(e) If during the Charter Period there are any modifications, improvements, structural changes or new equipment made to the Vessel which are compulsory for the Vessel to comply with change to rules and regulations and/or new requirements (including but not limited to IMO or international port or environmental regulation) to which operation of the Vessel is required to conform, the cost relating to such modifications shall be for the account of the Charterers.

(f) All operational cost including required cost in relation to Vessel's flag (such as tonnage tax, registration to the flag, discharging the mortgage, insurance and crew certs etc) would be for Charterers account. However, all other cost (such as financing cost, registration of mortgage etc.) would be for Owners account. For the bareboat charter and the sale of the vessel, each party should bear its own costs.

**38. IMPROVEMENT AND ADDITIONS**

The Charterers shall have the right to fit additional equipment and to make severable improvements and additions at their expense and risk. Such additional equipment, improvements and additions shall be removed from the Vessel without causing any material damage to the Vessel (any such damage being made good by the Charterers at their time and expense) provided however that the Charterers shall redeliver the Vessel without removing such additional equipment, improvements and additions if the Owners consent to such non-removal before the redelivery.

The Charterers shall also have the right to make structural or non-severable improvements and additions to the Vessel at their own time, costs and expense and risk provided that such improvements and additions do not diminish the market value of the Vessel and are not likely to diminish the market value of the Vessel during or at the end of the Charter Period and do not in any way affect or prejudice the marketability or the useful life of the Vessel and are not likely to affect or prejudice the marketability or the useful life of the Vessel during or at the end of the Charter Period.

**39. UNDERTAKING**

The Charterers undertake and agree that throughout the Charter period they will:-

-notify the Owners in writing of any Termination Event (or event of which they are aware which, with the giving of notice and/or lapse of time or other applicable condition, would constitute a Termination Event);

**40. INSURANCE, TOTAL LOSS AND COMPULSORY ACQUISITION**

(a) For the purposes of this Charter, the term “Total Loss" shall include actual or constructive or compromised or agreed or arranged total loss of the Vessel including any such total loss as may arise during a requisition for hire. "Compulsory Acquisition” shall have the meaning assigned thereto in Clause 25(b) hereof.

(b) The Charterers undertake with the Owners that throughout the Charter Period:-

(i)they will keep the Vessel insured in underwriter’s standard form as the Owners shall in writing approve, which approval shall not be unreasonably withheld, with such insurers (including P&I and war risks associations) as shall be reasonably acceptable to the Owners with deductibles reasonably acceptable to the Owners (it being agreed and understood by the Charterers that there shall be no element of self- insurance or insurance through captive insurance companies without the prior written consent of the Owners);

(ii)they will be properly entered in and keep entry of the Vessel with P&I Club that is a member of the International Group of Protection and Indemnity Association for the full commercial value and tonnage of the Vessel and against all prudent P&I Risks in accordance with the rules of such association or club including, in case of oil pollution liability risks equal to the highest level of cover from time to time available under the basic entry with such P&I (but always a minimum of USD1,000,000,000.);

(iii)The policies in respect of the insurances against fire and usual marine risks and policies or entries in respect of the insurances against war risks shall, in each case, include the following loss payable provisions:-

(a)For so long as the Vessel is mortgaged and in accordance with the Deed of Assignment of insurances entered or to be entered into between the Charterers and any mortgagee (the “Assignee”):

Until such time as the Assignee shall have notified the insurers to the contrary:

(i)All recoveries hereunder in respect of an actual, constructive or compromised or arranged total loss shall be paid in full to the Assignee without any deduction or deductions whatsoever and applied in accordance with clause 40 (e);
(ii)All other recoveries not exceeding United States Dollars Five Hundred Thousand (US$500,000.00) shall be paid in full to the Charterers or to their order without any deduction or deductions whatsoever; and
(iii) All other recoveries exceeding United States Dollars Five Hundred Thousand (US$500,000.00) shall, subject to the prior

written consent of the Assignee be paid in full to the Charterers or their order without any deduction whatsoever.

(b)During any periods when the Vessel is not mortgaged:

(i)All recoveries hereunder in respect of an actual, constructive or compromised or arranged total loss shall be paid in full to the Owners without any deduction or deductions whatsoever and applied in accordance with clause 40 (e);
(ii)All other recoveries not exceeding United States Dollars One million (US$1,000,000.00) shall be paid in full to the Charterers or to their order without any deduction or deductions whatsoever; and
(iii)All other recoveries exceeding United States Dollars One million (US$1,000,000.00) shall, subject to the prior written consent of the Owners be paid in full to the Charterers or their order without any deduction whatsoever, subject to the fulfillment of the provisions of Clause 44;

and the Owners and Charterers agree to be bound by the above provisions.

(iv) the Charterers shall procure that duplicates of all cover notes, policies and certificates of entry shall be furnished to the Owners for their custody ;

(v) the Charterers shall procure that the insurers and the war risk and protection and indemnity associations with which the Vessel is entered shall

(A)furnish the Owners with a letter or letters of undertaking in relevant underwriter's standard form and in accordance with the underwriters' rules.

(B)supply to the Owners such information in relation to the insurances effected, or to be effected, with them as the Owners may from time to time reasonably require: and

(vi) the Charterers shall use all reasonable efforts to procure that the policies, entries or other instruments evidencing the insurances are endorsed to the effect that the insurers shall give to the Owners prior written notification of any amendment, suspension, cancellation or termination of the insurances in accordance with the underwriters' guidance and rules.

(c) Notwithstanding anything to the contrary contained in Clauses 13 and any other provisions hereof, the Vessel shall be kept insured during the Charter Period in respect of marine and war risks on hull and machinery basis (The Charterers shall have the option, to take out on a full hull and machinery basis increased value or total loss cover in an amount not exceeding thirty per centum (30%) of

the total amount insured from time to time) for not less than the amounts specified in column (b) in the table set out below in respect of the one-yearly period during the Charter Period specified in column (a) (on the assumption that the first such period commences on the Delivery Date) against such amount (hereinafter referred to as the "**Minimum Insured Value**"):

| (a) Year | (b) Minimum Insured Value |
|---|---|
| 1 | US$17,600,000.- |
| 2 | US$14,300,000.- |
| 3 | US$10,400,000.- |
| 4 | US$7,300,000.- |

(d) (i) If the Vessel shall become a Total Loss or be subject to Compulsory Acquisition the Chartering of the Vessel to the Charterers hereunder shall cease and the Charterers shall:-

(A) immediately pay to the Owners all hire, and any other amounts, which have fallen due for payment under this Charter and have not been paid as at and up to the date on which the Total Loss or Compulsory Acquisition occurred (the "Date of Loss") together with interest thereon at a rate reflecting the Owners' reasonable cost of funds at such intervals, which amount to be agreed between the Owners and the Charterers and shall cease to be under any liability to pay any hire, but not any other amounts, thereafter becoming due and payable under this Charter, Provided that all hire and any other amounts prepaid by the Charterers subsequent to the Date of Loss shall be forthwith refunded by the Owners:

(B) for the purposes of this sub-clause, the expression "relevant Minimum Insured Value" shall mean the Minimum Insured Value applying to the one-year period in which the Date of Loss occurs.

(ii) For the purpose of ascertaining the Date of Loss:-

(A) an actual total loss of the Vessel shall be deemed to have occurred at noon (London time) on the actual date the Vessel was lost but in the event of the date of the loss being unknown the actual total loss shall be deemed to have occurred at noon (London time) on the date on which it is acknowledged by the insurers to have occurred:

(B) a constructive, compromised, agreed, or arranged total loss of the Vessel shall be deemed to have occurred at noon (London time) on the date that notice claiming such a total loss of the Vessel is given to the insurers, or, if the insurers do not admit such a claim, at the date and time at which a total loss is subsequently admitted by the insurers or adjudged by a competent court of law or arbitration tribunal to have occurred. Either the Owners or, with the prior written consent of the Owners (such consent not to be

unreasonably withheld), the Charterers shall be entitled to give notice claiming a constructive total loss but prior to the giving of such notice there shall be consultation between the Charterers and the Owners and the party proposing to give such notice shall be supplied with all such information as such party may request; and

(C) Compulsory Acquisition shall be deemed to have occurred at the time of occurrence of the relevant circumstances described in Clause25 (b) hereof.

(e) All moneys payable under the insurance effected by the Charterers pursuant to Clauses 13 and 40, or other compensation, in respect of a Total Loss or pursuant to Compulsory Acquisition of the Vessel shall be received in full by the Owners (or the Mortgagees as assignees thereof) and applied by the Owners (or, as the case may be, the Mortgagees):-

FIRST, in payment of all the Owners' costs incidental to the collection thereof,

SECONDLY, in or towards payment to the Owners (to the extent that the Owners have not already received the same in full) of a sum equal to the aggregate of (i) unpaid but due hire under this Charter and unpaid interest thereon up to and including the Date of Loss and (ii) the amount of purchase option price payable under clause 49 as at the Date of Loss, and

THIRDLY, in payment of any surplus to the Charterers by way of compensation for early termination.

(f) The Charterers and the Mortgagee shall execute the "Assignment of Insurances" of which contents and wording shall be mutually agreed between the Owners and the Charterers.

**41. TERMINATION EVENTS**

(a) Each of the following events shall be a "Termination Event" for purposes of this Charter:-

(i) if any installment of hire or any other sum payable by the Charterers under this Charter (including any sum expressed to be payable by the Charterers on demand) shall not be paid at its due date under this Charter or within ten (10) Banking Days of the date of demand and such failure to pay is not remedied within ten (10) Banking Days of receipt by the Charterers of written notice from the Owners notifying the Charterers of such failure and requesting that payment is made; or

(ii) Save in circumstances where requisition for hire or compulsory requisition result in termination of insurances for the Vessel, if either (A) the Charterers shall fail at any time to effect or maintain any insurances required to be effected and maintained under this Charter, or any insurer shall avoid or cancel any such insurances (other than where the Charterers proved that the relevant avoidance

or cancellation results from an event or circumstance outside the reasonable control of the Charterers and the relevant insurances are reinstated or re-constituted in a manner meeting the requirements of this Charter within seven (7) days of such avoidance or cancellation) or the Charterers shall commit any breach of or make any misrepresentation in respect of any such insurances the result of which the relevant insurer avoids the policy or otherwise excuses or releases itself from all or any of its liability thereunder, or (B) any of the said insurances shall cease for any reason whatsoever to be in full force and effect (other than where the Charterers proved that the reason in question is outside the reasonable control of the Charterer and the relevant insurances are reinstated or re-constituted in a manner meeting the requirements of this Charter within seven (7) days of such cease); or

(iii) if the Charterers shall at any time fail to observe or perform any of their material obligations under this Charter, other than those obligations referred to in sub-clause (i) or sub-clause (ii) of this Clause 41(a), and such failure to observe or perform any such obligation is either not remediable or is remediable but is not remedied within fifteen (15) days of receipt by the Charterers of a written notice from the Owners requesting remedial action; or

(iv) if any material representation or warranty by the Charterers in connection with this Charter or in any document or certificate furnished to the Owners by the Charterers in connection herewith or therewith shall prove to have been untrue, inaccurate or misleading in any material respect when made (and such occurrence continues unremedied for a period of thirty (30) days after receipt by the Charterers of written notice from the Owners requesting remedial action): or

(v) if a petition shall be presented (and not withdrawn or stayed within sixty (60) days) or an order shall be made or an effective resolution shall be passed for the administration or winding-up of the Charterers (other than for the purpose of a reconstruction or amalgamation during and after which the Charterers remain solvent and the terms of which have been previously approved in writing by the Owners which approval shall not be unreasonably withheld) or if an encumbrancer shall take possession or an administrative or other receiver shall be appointed of the whole or any substantial part of the property, undertaking or assets of the Charterers or if an administrator of the Charterers shall be appointed (and, in any such case, such possession is not given up or such appointment is not withdrawn within sixty (60) days) or if anything analogous to any of the foregoing shall occur under the laws of the place of the Charterers' incorporation, or

(vi) if the Charterers shall stop payments to all of its creditors or shall cease to carry on or suspend all or a substantial part of their business or shall be unable to pay their debts, or shall admit in writing their inability to pay their debts, as they become due or shall otherwise become or be adjudicated insolvent; or

(vii) if the Charterers shall apply to any court or other tribunal for, a moratorium or suspension of payments with respect to all or a substantial part of their debts or liabilities, or

(viii) (A) if the Vessel is arrested or detained (other than for reasons solely attributable to the Owners or to those for whom, for the purposes of this provision, the Owners shall be deemed responsible, including without limitation, any legal person who, at the date hereof or at any time in the future is affiliated with the Owners) and such arrest or detention is not lifted within thirty (30) days (or such longer period as the Owners shall reasonably agree in writing in the light of all the circumstances) ; or

(B) if a distress or execution shall be levied or enforced upon or sued out against all or any substantial part of the property or assets of the Charterers and shall not be discharged or stayed within thirty (30) days; or

(ix) if any consent, authorization, license or approval necessary for this Charter to be or remain the valid legally binding obligations of the Charterers, or to the Charterers to perform their obligations hereunder or thereunder, shall be materially adversely modified or is not granted or is revoked, suspended, withdrawn or terminated or expires and is not renewed (provided that the occurrence of such circumstances shall not give rise to a Termination Event if the same are remedied within thirty (30) days of the date of their occurrence); or

(x) if (a) any legal proceeding for the purpose of the reconstruction or rehabilitation of the Charterers is commenced and continuing in any jurisdiction and (b) the Owners receive a termination notice from the receiver, trustee or others of the Charterers which informs the termination/rejection of the Charter pursuant to the relevant laws, codes and regulations applicable to such proceeding.

(b) Any Termination Event shall constitute (as the case may be) either a repudiatory breach of, or breach of condition by the Charterers under, this Charter or an agreed terminating event the occurrence of which will (in any such case) entitle the Owners by notice to the Charterers to terminate the chartering of the Vessel under this Charter and recover the amounts provided for in Clause 42(c) either as liquidated damages or as an agreed sum payable on the occurrence of such event.

**42. OWNERS' RIGHTS ON TERMINATION**

(a) At any time after a Termination Event shall have occurred and be continuing, the Owners may, by notice to the Charterers immediately, or on such date as the Owners shall specify, terminate the chartering by the Charterers of the Vessel under this Charter, whereupon the Vessel shall no longer be in the possession of the Charterers with the consent of the Owners, and the Charterers shall redeliver the Vessel to the Owners. For the avoidance of doubt, in case of the termination of the Charter in accordance with 41 (a) (x) hereof, the Charter shall be deemed to be terminated upon receipt by the Owners of the termination notice set forth in Clause 41 (a) (x) hereof.

(b) On or at any time after termination of the chartering by the Charterers of the Vessel pursuant to Clause 42(a) hereof the Owners shall be entitled to retake possession of the Vessel in accordance with Clause 29 hereof, the Charterers hereby agreeing that

the Owners, for that purpose, may put into force and exercise all their rights and entitlements at law and may enter upon any premises belonging to or in the occupation or under the control of the Charterers where the Vessel may be located.

(c) If the Owners pursuant to Clause 42(a) hereof give notice to terminate the chartering by the Charterers of the Vessel, the Charterers shall pay to the Owners on the date of termination (the "**Termination Date**"), the aggregate of (A) all hire due and payable, but unpaid, under this Charter to (and including) the Termination Date together with interest accrued thereon pursuant to Clause 36(d) hereof from the due date for payment thereof to the Termination Date, (B) any sums, other than hire, due and payable by the Charterers, but unpaid, under this Charter together with interest accrued thereon pursuant to Clause 36(d) to the Termination Date and (C) any actual direct financial loss suffered by the Owners which direct loss shall be determined as the shortfall, if any, between (a) the current market value of the Vessel (average value as estimated, at the Charterers' expense by two independent valuers such as major London brokers i.e. Arrow Valuations Ltd, Barry Rogliano Salles, Braemar ACM Shipbroking, H Clarkson & Co. Ltd., E.A. Gibsons Shipbrokers, Fearnleys, Galbraith, Simpson Spencer & Young, Howe Robinson & Co Ltd London and Maersk Broker K.S. (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 Owners and Charterers may agree in writing from time to time) and (b) the Remaining Purchase Option Price (as defined in Clause 49.2 hereof) at any given time always taking into account any charterhire paid during the year to which the specified Remaining Purchase Option Price relates **PROVIDED ALWAYS** that if the said market value exceeds the aggregate of (A) and (B) and the Remaining Purchase Option Price, then the Owners shall pay the amount of such excess to the Charterers forthwith. The aggregate of (A), (B) and (C) above shall hereinafter be referred to as the "**Termination Compensation**").

(d) If the Charter is terminated in accordance with this Clause 42 the Charterers shall immediately redeliver the Vessel at a safe and ice-free port or place as indicated by the Owners. The Vessel shall be redelivered to the Owners in substantially the same condition and class as that in which she was delivered, fair wear and tear not affecting class excepted.

(e) The Owners agree that if following termination of the Charter under this Clause, the Owners sell or otherwise transfer the Vessel to a third party, or enter into any other arrangement with a third party with an option to purchase the Vessel, then the Owners shall pay to the Charterers after that sale (i) the amount of the greater of (a) the sale price and (b) the market value of the Vessel at such sale/transfer/arrangement date less (ii) the aggregate of the unpaid Termination Compensation and the Remaining Purchase Option Price (as defined in Clause 49.2) which would be payable by the Charterers as set out in Clause 49 as at the date of such sale.

**43. NAME**

The Charterers shall, subject only to prior notification to the relevant authorities of the jurisdiction in which for the time being the Vessel is registered, be entitled from time to

time to change the name of the Vessel.
During the Charter Period, the Charterers shall have the liberty to paint the Vessel in their own colours, install and display their funnel insignia and fly their own house flag. Painting and installment shall be at Charterers' expense and time. The Charterer shall also have the liberty to change the name of the Vessel during the Charter Period at the expense and time of the Charterers (including the legal charge for finance documents for the Mortgagee, if any).

The Owners shall have no right to change the name of the Vessel during the Charter Period.

**44. MORTGAGE and ASSIGNMENT**

The Owners confirm that they are familiar with the terms of the assignment of insurances made or to be made by the Charterers in favour or the Mortgagee, and they agree to the terms thereof and will do nothing that conflicts therewith, excepting that the Owners shall be entitled to assign its rights, title and interest in and to this Charter to the Mortgagee or its assignee. Neither party shall assign its right or obligations or part of thereof to any third party without the written consent of the other.

In respect of the Vessel the Owners undertake not to borrow more than the respective purchase option prices as set out at the relevant milestone in Clause 49 hereof.

The Owners have the right to register a first preferred mortgage on the Vessel in favour of the Mortgagee (THE HIROSHIMA BANK, LTD.) securing a loan under the Loan Agreement under standard mortgages and security documentation. In which case, the Owners undertake to procure from the Mortgagee a Letter / Agreement of Quiet Enjoyment in a form and substance reasonably acceptable to the Charterers.

The Charterers agree to sign an acknowledgement of the Owners' charterhire assignment or any other comparable document reasonably required by the Mortgagee, in favour of the Mortgagee. During the course of the Charter the Owners have the right to register a substitute mortgage in favour of another bank provided such registration is effected in a similar amount to the loan amount outstanding with the Mortgagee at that time and only if such substitute mortgagee executes a Letter / Agreement of Quiet Enjoyment in favour of the Charterers in the same form as that provided by the Mortgagee or the form reasonably acceptable for the Charterers. The Charterers will then agree to sign a charterhire assignment in favour of the substitute mortgage in a form as shall be agreed by the Charterers, which agreement not be unreasonably withheld. Any cost incurred by the Charterers shall be for Owners' account.

Subject to the term and conditions of this Charter, the Charterers also agree that the Owners have the right to assign its rights, title and interest in and to the insurances by way of assignment of insurance in respect of the Vessel to and in favour of the Assignee in a form and substance reasonably acceptable to Charterers and the Assignee.

Owners shall procure that exercise and/or enforce of any mortgage and charterhire assignment which might interfere with or prejudice or adversely affect the Charterer's use of the Vessel or other right of the Charterer under this Charter (including the purchase option of the Vessel) shall be subject to the terms and conditions of the Letter/Agreement of Quiet Enjoyment.

In the event that the Owners execute security of any nature (including but not limited to any mortgage, assignment of insurances) over the Vessel then the Owners hereby undertake and agree as a condition of this Charter to procure that the beneficiary of such security executes in favour of the Charterers a letter / agreement of quiet enjoyment in such form and content as is reasonably acceptable to the Charterers, and exercise and/or enforce of the beneficiary's rights thereunder is subject to the agreement of a letter / agreement of Quiet Enjoyment before or after delivery of the Vessel.

**45. REDELIVERY INSPECTION**

Prior to redelivery under Clause 42 hereof and without interference to the operation of the Vessel, the Owners, at their risk and expense, shall have the right provided that such right is declared at least 20 days prior to the expected redelivery date to carry out an underwater inspection of the Vessel by Class approved diver and in the presence of Class surveyor and Owners' and Charterers' representatives. Should any damages in the Vessel's underwater parts be found that will impose a condition or recommendation of Vessel's class then:

a) In case Class imposes a condition or recommendation of class that does not require drydocking before next scheduled drydocking. Charterers shall pay to Owners the estimated cost to repair such damage in way which is acceptable to Class, which to be direct cost to repair such damage only, as per average quotation for the repair work obtained from two reputable independent shipyards at or in the vicinity of the redelivery port, one to be obtained by Owners and one by Charterers within 2 banking days from the date of imposition of the condition/recommendation unless the parties agree otherwise.

b) In case Class require Vessel to be drydocked before the next scheduled drydocking the Charterers shall drydock the Vessel at their expense prior to redelivry of the Vessel to the Owners and repair same to Class satisfaction.

In such event the Vessel shall be redelivered at the port of the dockyard.

**46. REDELIVERY**

The Charterers shall redeliver to the Owners the Vessel with everything belonging to her at the time of redelivery including spare parts on board, used or unused subject to the Clause 38 hereof. The Owners shall take over and pay the Charterers for remaining bunkers and unused lubricating oils including hydraulic oils, and greases, unbroached provisions, paints, ropes and other consumable stores as per Clause 53 at the Charterers' purchased prices with supporting vouchers. For the purpose of this clause, the Charterers shall withhold the Hire two last hire payments (the "Withheld Hire") and shall offset the cost of bunkers, unused lubricating oils and unbroached provisions etc., remaining on board at the time of redelivery from the Withheld Hire. If the Withheld Hire is not sufficient to cover the cost of bunkers, unused lubricating oils, and unbroached provisions etc. the Owners shall settle the outstanding amount within 3 Singapore banking days after redelivery of the Vessel.

Personal effects of the Master, officers and crew including slop chest, hired equipment, if any and the following listed items are excluded and shall be removed by the Charterers prior to or at the time of redelivery of the Vessel:

-E-mail equipment not part of GMDSS
-Gas bottles
-Electric deck air compressor
-Blasting and painting equipment
-Videotel (or similar) film library

**47. MORTGAGE NOTICE**

The Charterers and place and keep prominently displayed in the chart room, master's cabin, and engine room of the Vessel a framed printed notice in plain type reading as follows:

"NOTICE OF SHIP MORTGAGE"

"This Vessel is covered by a First Preferred Ship Mortgage given to THE HIROSHIMA BANK, LTD., a banking corporation duly organized and existing under the laws of Japan, having its head office at 3-8 Kamiya-cho 1-chome, Naka-ku, Hiroshima City, Hiroshima-Pref., Japan, acting through its Imabari Office at 1-13, Muroya-cho 1-chome, Imabari City, Ehime-Pref., Japan, its successors and assigns under the authority of the laws of the Republic of Panama. Under the terms of said Mortgage, neither the owner of this Vessel, any charterer, the Master of this Vessel, nor any other person has any right, power or authority to create, incur or permit to be imposed upon the Vessel any liens, maritime or

otherwise, other than the lien of said Mortgage and liens for crew's wages or salvage.";

**48. SALE OF VESSEL BY OWNERS**

1.The Owners have the right to sell the Vessel to a reputable third party ("**Purchaser**") at any time during the Charter Period with the prior written consent of the Charterers and provided that (i) the Purchaser agrees to take over the benefit and burden of this Charter, (ii) such ownership change does not result in any reflagging of the Vessel, (iii) such ownership change does not result in the Charterers being obliged to increase any payment under this Charter, (iv) such ownership change does not increase the actual or contingent obligations of the Charterers under this Charter, and (v) the Charterers shall not be liable for the costs and expenses (including legal fees) incurred in the sale of the Vessel by the Owners under this Clause 48.

2.The Owners shall give the Charterers at least one month's prior written notice of any sale.

3.Subject to 48.1, the Charterers and Owners undertake with each other to execute one or more novation agreements (or other documents required under applicable law) to novate the rights and obligations of the Owners under this Charter to the Purchaser such novation agreement(s) or other documents to be in such form and substance acceptable to the Charterers and such novation will be effective upon delivery of the Vessel from the Owners to the Purchaser."

**49. CHARTERERS' OPTION TO PURCHASE VESSEL**

1. Charterers to have an option to purchase the Vessel at the end of 48th month for the price of US$4,200,000.- (the "Final Purchase Option Price"); however, Charterers' purchase option to purchase the Vessel to start at the end of 24th month anniversary date at a price per below table with pro-rata de-escalation until the maturity of the charter period (the "Purchase Option"). Purchase Option is subject to Charterers' declaration 1 month prior to such date.
2. Charterers option to purchase the Vessel, can take place at every 3months interval after 24months until 36months and can take place at any time after 36months

At end of 24th month : USD 10,400,000.-

At end of 36th month : USD 7,300,000.-

At end of 48th month: USD 4,200,000.-

(The purchase option price of the Vessel to be calculated in accordance with Clause 49.1 and 49.2 the "**Remaining Purchase Option Price**").

3. Immediately prior to delivery of the Vessel by the Owners to the Charterers under the PO MOA (as defined in Clause 49.4) the Parties shall execute a Protocol of Redelivery and Acceptance under this Charter (the "**Redelivery Protocol**") and save in respect of any claims accrued under this Charter prior to the date and time of the Redelivery Protocol, this Charter shall terminate forthwith.

4. Upon the date of any written notification by the Charterers to the Owners of their intention to purchase the Vessel, the Owners and the Charterers shall be deemed to have unconditionally entered into a contract to sell and purchase the Vessel for the Remaining Purchase Option Price on and in strict conformity but with logical amendments to the terms and conditions contained in the Memorandum of Agreement attached to this Charter as Exhibit A (the "**PO MOA**").

~~50 DOWN PAYMENT~~

~~The Charterers shall pay US$4,500,000 to the Owners as down payment to the Purchase Option Price upon delivery of the Vessel. The down payment will be netted off against payment of the purchase price under the MEMORANDUM OF AGREEMENT signed by Sagittarius Shipping Corporation and WEALTH LINE INC. dated on XXX December 2022 (herein called "MOA") at the time of delivery of the Vessel under the MOA and this Charter pursuant to clause 32.~~

~~The down payment is not part of the Purchase Option Price of Clause 49 and shall be kept by the Owners on delivery of the Vessel under the PO MOA referred to in Clause 49.~~

~~The down payment does not bear interest and is non-refundable. For the avoidance of any doubt, should the Charter be terminated due to Total Loss, the Owners shall make the payment referred to in Clause 40, but shall have no obligation to make any refund to the Charterers in respect of the Down payment.~~

**51. MISCELLANEOUS**

(a) The terms and conditions of this Charter and the respective rights of the Owners and the Charterers shall not be waived or varied otherwise than by an instrument in writing of the same date as or subsequent to this Charter executed by both parties or by their duly authorized representatives.

(b) Unless otherwise provided in this Charter whether expressly or by implication, time shall be of the essence in relation to the performance by the Charterers of each and every one of their obligations hereunder.

(c) No failure or delay on the part of the Owners or the Charterers in exercising any power, right or remedy hereunder or in relation to the Vessel shall operate as a waiver thereof nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise of any such right or power or the exercise of any other right, power or remedy.

(d) If any terms or condition of this Charter shall to any extent be illegal invalid or unenforceable the remainder of this Charter shall not be affected thereby and all other terms and condition shall be legal valid and enforceable to the fullest extent permitted by law.

(e) The respective rights and remedies conferred on the Owners and the Charterers by this Charter are cumulative, may be exercised as often as the Owners or the Charterers (as the case may be) think fit and are in addition to, and are not exclusive of, any rights and remedies provided by law.

**52. COMMUNICATIONS**

Except as otherwise provided for in this Charter, all notices or other communications under or in respect of this Charter to either party hereto shall be in writing and shall be made or given to such party at the address, facsimile number or e-mail address appearing below (or at such other address, facsimile number or e-mail address as such party may hereafter specify for such purposes to the other by notice in writing):-

(i) in the case of the Owners c/o Fukujin Kisen Co., Ltd.
Address : 8-55, Kita-hiyoshi-cho 2 chome, Imabari,

Ehime Pref., Japan,

Telephone : +81-898-34-7711

Telefax : +81-898-34-7733

E-mail : tokyo@fjline.co.jp

(ii) in the case of the Charterers c/o Navios Shipmanagement Inc.
Address : 85 Akti Miaouli Street, 18538, Piraeus, Greece

Telephone : 30-210-4595000

E-mail : ops@navios.com, legal@navios.com

tech@navios.com, legal_corp@navios.com

(iii) in the case of the Brokers c/o ITOCHU Corporation
Address : TOKBR Section, 5-1, Kiya-Aoyama 2-chome,

Minato-ku, Tokyo, 107-8077 Japan

Telephone : 81-3-3497-2999

Telefax : 81-3-3497-7111

E-mail : tokbr@itochu.co.jp

A written notice includes a notice by facsimile or e-mail. A notice or other communication received on a non-working day or after business hours in the place of receipt shall be deemed to be served on the next following working day in such place.

Subject always to the foregoing sentence, any communication by personal delivery or letter shall be deemed to be received on delivery, any communication by e-mail shall be deemed to be received upon transmission of the automatic answerback of the addresses and any communication by facsimile shall be deemed to be received upon appropriate acknowledgment by the addressee's receiving equipment.

All communications and documents delivered pursuant to or otherwise relating to this Charter shall either be in English or accompanied by a certified English translation.

**53. TRADING IN WAR RISK AREA**

The Charterers shall be permitted to order the Vessel into an area subject to War Risks as defined in Clause 26 without consent of the Owners provided that all Marine, War and P&I Insurance are maintained with full force and effect and the Charterers shall pay any and all additional premiums to maintain such insurance.

**54. INVENTORIES, OIL AND STORES**

A complete inventory of the Vessel's entire equipment, outfit including spare parts, appliances and of all consumable stores on board the Vessel shall be made by the Charterers in conjunction with the Owners on delivery under this Charter and again on redelivery of the Vessel under Clause 42 hereof.

The Owners shall at the time of redelivery under Clause 42 hereof take over and pay for all remaining bunkers, unused lubricating oil (for avoidance of any doubts, the lubricant oil in the machinery is included), unbroached provisions, paints, ropes and other unused consumable stores (excluding spare parts) in the said Vessel at the Charterers' purchased prices with supporting vouchers, provided that this payment shall be off-set against the Owner's claim under Clause 42 to the extent the sum equivalent to such payment. However, the Charterers shall not pay to the Owners at time of delivery for any bunkers, lubricating oil, provisions, paints, ropes and consumable stores which the Charterers have supplied to the Vessel at the Charterers'

expense prior to delivery. The Charterers shall ensure that all spare parts listed in the inventory and used during the Charter Period are replaced at their expense prior to redelivery of the Vessel.

**55. INDEMNITY FOR POLLUTION RISKS**

The Charterers shall indemnify the Owners against the following Pollution Risks:-

(a)liability for damages or compensation payable to any person arising from pollution;

(b)the costs of any measures reasonably taken for the purpose of preventing, minimizing or cleaning up any pollution together with any liability for losses or damages arising from any measures so taken;

(c)liability which the Owners and/or the Charterers may incur, together with costs and expenses incidental thereto, as the result of escape or discharge or threatened escape discharge of oil or any other substance;

(d)the costs or liabilities incurred as a result of compliance with any order or direction given by any government or authority for the purpose of preventing or reducing pollution or the risk of pollution; provided always that such costs or liabilities are not recoverable under the Hull and Machinery Insurance Policies on the Vessel;

(e)liability which the Owners and/or the Charterers may incur to salvors under the exception to the principal of “no cure-no pay” in Article 1 (b) of Lloyds Standard Form of Salvage Agreement (LOF 1990); and

(f)liability which the Charterers may incur for the payment of fines in respect of pollution in so far as such liability may be covered under the rules of the P&I Club.

**56. TRADE AND COMPLIANCE CLAUSE**

The Charterers and the Owners hereby agree that no person/s or entity/ies under this Charter will be individual(s) or entity(ies) designated under any applicable national or international law imposing trade and economic sanctions including sanction, prohibition or restriction imposed on any specified persons, entities or bodies including the designation of specified vessels or fleet under United Nations Resolutions or trade or economic sanctions, laws or regulations of the European Union, United Kingdom, Japan or United States of America (collectively, the “Sanctions”).

Further, the Charterers and the Owners agree that the performance of this Charter will not require any action prohibited by sanctions or restrictions under any applicable Sanctions.

Further to the above, Charterers shall take reasonable steps to confirm that at the date of this Charter Party and throughout the duration thereof, any sub-charterer of the Vessel (who is directly contracting with the Charterer in respect of the Vessel at

any relevant time), the managers of the Vessel and the Vessel are not a sanctioned party/vessel under the Sanctions.

**57. ANTI-BRIBERY AND ANTI-CORRUPTION**

The Charterers and the Owners hereby agree that in connection with this Contract and/or any other business transactions related to it, they as well as their sub-contractors and each of their affiliates, directors, officers, employees, agents, and every other person acting on its and its sub-contactors' behalf, shall perform all required duties, transactions and dealings in compliance with all applicable laws, rules, regulations relating to anti-bribery and anti-money laundering.

58. NAABSA Clause

The Vessel may, under the sole responsibility of Charterers, lie safely aground at any safe berth or safe place where it is customary and safe for vessels of similar size and type to lie.

(end)

EXHIBIT 4.67

**Dated 17 December 2024**

**NAVIOS MARITIME PARTNERS L.P.**
as Borrower

and

**THE BANKS AND FINANCIAL INSTITUTIONS**
listed in Schedule 1
as Lenders

and

**HAMBURG COMMERCIAL BANK AG**
as Agent, Mandated Lead Arranger
and Security Trustee

# LOAN AGREEMENT

relating to a senior secured post-delivery term
loan facility of up to US$90,000,000
secured on two bulk carrier vessels and five container vessels

WATSON FARLEY
&
WILLIAMS

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**Execution**

EUROPE/77631112v4

**THIS AGREEMENT** is made on 17th December 2024

**BETWEEN**

(1) **NAVIOS MARITIME PARTNERS L.P.**, a limited partnership formed and existing under the laws of the Republic of the Marshall Islands whose registered address is at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, the Marshall Islands MH 96960, as Borrower;

(2) **THE BANKS AND FINANCIAL INSTITUTIONS** listed in Schedule 1 (*Lenders and Commitments*), as Lenders;

(3) **HAMBURG COMMERCIAL BANK AG** acting through its office at Gerhart-Hauptmann-Platz 50, 20095 Hamburg, Germany, as Agent;

(4) **HAMBURG COMMERCIAL BANK AG** acting through its office at Gerhart-Hauptmann-Platz 50, 20095 Hamburg, Germany, as Mandated Lead Arranger; and

(5) **HAMBURG COMMERCIAL BANK AG** acting through its office at Gerhart-Hauptmann-Platz 50, 20095 Hamburg, Germany, as Security Trustee.

**BACKGROUND**

The Lenders have agreed to make available to the Borrower a senior secured post-delivery term loan facility in one advance in an amount of up to the lesser of (i) $90,000,000 and (ii) 35 per cent. of the aggregate Initial Market Value of the Ships, for the purpose of refinancing the Existing Indebtedness secured on the Ships.

**OPERATIVE PROVISIONS**

**IT IS AGREED AS FOLLOWS:**

**1 INTEPRETATION**

**1.1 Definitions**

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

"**Account**" means each of the Earnings Accounts, the Minimum Liquidity Account and the Retention Account and, in the plural, means all of them;

"**Account Bank**" means Hamburg Commercial Bank AG, acting in such capacity through its office at Gerhart-Hauptmann-Platz 50, 20095 Hamburg, Germany, or any successor;

"**Account Pledge**" means, in relation to each Account, a pledge agreement creating security in respect of that Account and/or any time deposit held with the Account Bank in the Agreed Form and, in the plural, means all of them;

"**Accounting Information**" means the annual audited consolidated accounts or, as the case may be, the semi–annual unaudited consolidated accounts to be provided by the Borrower to the Agent in accordance with Clause 11.6 (*Provision of financial statements*) and 11.7 (*Form of financial statements*), respectively, of the Loan Agreement;

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

"**Advance**" means the principal amount of the borrowing by the Borrower under this Agreement in respect of the Ships or, as the context may require, the principal amount outstanding of the Advance under this Agreement;

"**Agency and Trust Deed**" means the agency and trust deed executed or to be executed between the Borrower and the Creditor Parties in the Agreed Form;

"**Agent**" means Hamburg Commercial Bank AG, acting in such capacity through its office at Gerhart-Hauptmann-Platz 50, D-20095 Hamburg, Germany, or any successor of it appointed under clause 5 (*appointment of a new servicing bank*) of the Agency and Trust Deed;

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

"**Approved Broker**" means each of Arrow Valuations Ltd, Barry Rogliano Salles, Clarkson Valuations Limited, MB Shipbrokers, Howe Robinson & Co Ltd London, Fearnleys and Simpson Spence Young and, in the plural, means all of them;

"**Approved Classification Society**" means a first class classification society acceptable to the Agent, being one of Lloyd's Registry, American Bureau of Shipping (ABS), Det Norske Veritas (DNV), Bureau Veritas (BV), Korean Registry of Shipping, Nippon Kaiji Kyoykai, Registro Italiano Navale or any other member of the International Association of Classification Societies **provided that** each of the China Classification Society, Russian Maritime Register of Shipping, Polish Register of Shipping, Turk Loydu, Croatian Register of Shipping and Indian Register of Shipping shall not, at any time, constitute an Approved Classification Society;

"**Approved Flag**" means, in relation to a Ship, the Maltese, the Marshall Islands, the Panamanian, the Cypriot and the Liberian flag or such other flag as the Agent may approve (with the authorisation of the Majority Lenders) 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 Malta, the Republic of the Marshall Islands, the Republic of Panama, the Republic of Cyprus and the Republic of Liberia or any other country in which the Agent may approve (with the authorisation of the Majority Lenders) that that Ship is or, as the case may be, shall be registered;

"**Approved Manager**" means:

(a) in respect of a Ship, the Initial Approved Manager set out in Schedule 6 (*Details of Ships and other definitions*);

(b) in respect of a Ship, any other company which is a subsidiary or affiliate of Navios Shipmanagement Holdings Corporation or any other company or sub-manager which the Agent (acting on the instructions of the Majority Lenders) may approve from time to time as commercial and/or technical manager or sub-manager of that Ship;

"**Approved Manager's Undertaking**" means, in relation to a Ship, a letter of undertaking including (*inter alia*) an assignment of an Approved Manager's rights, title and interest in the Insurances of that Ship executed or to be executed by that Approved Manager in favour of the Security Trustee in the Agreed Form agreeing certain matters in relation to that Approved Manager serving as manager and subordinating its rights against that Ship and the Owner which is the owner thereof to the rights of the Creditor Parties under the Finance Documents 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;

"**Assignable Charter**" means, in relation to a Ship, any time charterparty, consecutive voyage charter or contract of affreightment in respect of such Ship having a duration (or capable of exceeding a duration) equal or more than 12 months (including without limitation, any Initial Charter) and any guarantee of the obligations of the charterer under such charter or any bareboat charter in respect of that Ship and any guarantee of the obligations of the charterer under such bareboat charter, entered or to be entered into by the Owner which is the owner thereof and a charterer or, as the context may require, bareboat charterer and, in the plural, means all of them;

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

(a) 17 January 2025 (or such later date as the Agent may, with the authorisation of the Majority Lenders, agree with the Borrower); or

(b) if earlier, the date on which the Total Commitments are fully borrowed, cancelled or terminated;

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

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

(a) in relation to an EEA Member Country which has implemented, or which at any time implements, Article 55 BRRD, the relevant implementing law or regulation as described in the EU Bail-In Legislation Schedule from time to time;

(b) in relation to any state other than such an EEA Member Country and the United Kingdom, any analogous law or regulation from time to time which requires contractual recognition of any Write-down and Conversion Powers contained in that law or regulation; and

(c) in relation to the United Kingdom, the UK Bail-In Legislation;

"**Balloon Instalment**" has the meaning given in Clause 8.1 (*Amount of Instalments*);

"**Basel III**" means, together:

(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 Navios Maritime Partners L.P., a limited partnership formed and existing under the laws of the Republic of the Marshall Islands whose registered address is at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, the Marshall Islands MH 96960;

"**Business Day**" means a day (other than a Saturday or Sunday) on which banks are open for general business in Hamburg, Piraeus and New York:

(a) in relation to any action any to be taken under the Finance Documents; and

(b) in relation to:

(i) any date for payment or purchase of dollars; or

(ii) the determination of the first day or the last day of an Interest Period or otherwise in relation to the determination of the length of or rate for an Interest Period,

which also is an Additional Business Day;

"**Cancellation Notice**" has the meaning given in Clause 8.6 (*Optional facility cancellation*);

"**Change of Control**" means, in relation to:

(a) an Owner, a change in:

(i) the beneficial ownership of any of the shares in that Owner; or

(ii) the legal ownership of any of those shares; or

(b) the Borrower, a change which results in Mrs Angeliki Frangou either directly or indirectly (through entities owned and controlled by her or trusts or foundations of which she is the beneficiary) being the ultimate beneficial owner of, or having ultimate control of the voting rights attaching to:

(i) less than 5 per cent. of all the units (including for the avoidance of doubt both general partner units and common units) in the Borrower; or

(ii) less than 100 per cent. of all the issued shares in the general partner of the Borrower, which is currently Olympos Maritime Ltd;

"**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;

"**Charterparty Assignment**" means, in relation to an Assignable Charter, an assignment of the rights of the Owner who is a party to that Assignable Charter under that Assignable Charter and any guarantee of such Assignable Charter executed or to be executed by that Owner in favour of the Security Trustee in the Agreed Form and, in the plural, means all of them;

"**Code**" means the US Internal Revenue Code of 1986;

"**Collateral Guarantee**" means, in relation to each Owner, a guarantee of the obligations of the Borrower under this Agreement and the other Finance Documents to which the Borrower is a party, in the Agreed Form;

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

"**Compliance Certificate**" means a certificate in the form set out in Schedule 7 (*Form of Compliance Certificate*) (or in any other form which the Agent approves or requires) to be provided at the times and in the manner set out in Clause 11.21 (*Compliance Certificate*);

"**Compounded Reference Rate**" means in relation to any RFR Banking Day during the Interest Period of the Advance or any part of the Advance, 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 and the Agent (in its own capacity) and the Agent (acting on the instructions of the Lenders);

(b) specifies a calculation methodology for that rate; and

(c) has been made available to the Borrower and each Creditor Party;

"**Contractual Currency**" has the meaning given in Clause 21.5 (*Currency indemnity*);

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

"**Creditor Party**" means the Agent, the Security Trustee, the Mandated Lead Arranger or any Lender, whether as at the date of this Agreement or at any later time and, in the plural, means all of them;

"**Cumulative Compounded RFR Rate**" means, in relation to an Interest Period for the Advance or any part of the Advance, the percentage rate per annum determined by the Agent (or by any other Creditor Party which agrees to determine that rate in place of the 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 Advance or any part of the Advance, the percentage rate per annum determined by the Agent (or by any other Creditor Party which agrees to determine that rate in place of the 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.

"**Disruption Event**" means either or both of:

(a) a material disruption to those payment or communications systems or to those financial markets which are, in each case, required to operate in order for payments to be made in connection with the Loan (or otherwise in order for the transactions contemplated by the Finance Documents to be carried out) which disruption is not caused by, and is beyond the control of, any of the Parties; or

(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 preventing that, or any other, Party:

(i) from performing its payment obligations under the Finance Documents; or

(ii) from communicating with other Parties 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 whose operations are disrupted;

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

"**Drawdown Date**" means, the date requested by the Borrower for the Advance to be borrowed, or (as the context requires) the date on which the Advance is actually borrowed;

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

"**Earnings**" means, in relation to a Ship, all moneys whatsoever which are now, or later become, payable (actually or contingently) to the Owner 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) except to the extent that they fall within paragraph (b);

(i) all freight, hire and passage moneys;

(ii) compensation payable to that Owner or the Security Trustee in the event of requisition of its Ship for hire;

(iii) remuneration for salvage and towage services;

(iv) demurrage and detention moneys;

(v) damages for breach (or payments for variation or termination) of any charterparty or other contract for the employment of that Ship; and

(vi) all moneys which are at any time payable under any Insurances in respect of loss of hire; and

(b) if and whenever that Ship is employed on terms whereby any moneys falling within sub-paragraphs (i) to (vi) of paragraph (a) 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, in relation to a Ship, an account in the name of the Owner owning that Ship with the Account Bank designated "[*name of relevant Owner*] - Earnings Account", or any other account (with that or another office of the Account Bank) which replaces such account and is designated by the Agent as that Earnings Account for the purposes of this Agreement;

"**EBITDA**" means the aggregate amount of combined pre-tax profits of the Group before extraordinary or exceptional items, interest, depreciation and amortisation as shown, at any relevant time, by the most recent Accounting Information;

"**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 or injuncted and/or that Ship and/or the Owner 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 Owner 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, regulation, convention and agreement 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;

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

"**Existing Indebtedness**" means, at any date, any outstanding Financial Indebtedness on that date under the Existing Loan Agreement;

"**Existing Loan Agreement**" means loan agreement dated 5 September 2022 (as amended and supplemented from time to time) and made among, *inter alios*, (i) the Borrower as borrower, (ii) the banks and financial institutions listed in schedule 1 therein as lenders, (iii) Hamburg Commercial Bank AG as agent, (iv) Hamburg Commercial Bank AG as mandated lead arranger and (v) Hamburg Commercial Bank AG as security trustee, secured on among others, the Ships; and

"**Existing Security Interests**" means any Security Interests created to secure the Existing Indebtedness;

"**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 the Mandated Lead Arranger and the Borrower (or the Agent, the Security Trustee and the Borrower, as the case may be) setting out any of the fees referred to in Clause 20 (*Fees and Expenses*);

"**Final Repayment Date**" means, in relation to the Advance, the date falling on the earlier of (i) the date falling on the fourth anniversary of the Drawdown Date and (ii) 17 January 2029;

"**Finance Documents**" means together:

(a) this Agreement;

(b) the Agency and Trust Deed;

(c) any Fee Letter;

(d) the Drawdown Notice;

(e) the Account Pledges;

(f) the Collateral Guarantees;

(g) the Mortgages;

(h) the General Assignments;

(i) any Charterparty Assignments;

(j) the Approved Manager's Undertakings;

(k) any Reference Rate Supplement;

(l) any Compounding Methodology Supplement; and

(m) any other document (whether creating a Security Interest or not) which is executed at any time by the Borrower, an Owner, 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 under this Agreement or any of the other documents referred to in this definition;

"**Financial Indebtedness**" means, in relation to a person (the "**debtor**"), any actual or contingent 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 made available to the debtor;

(d) under a financial lease, a deferred purchase consideration arrangement (in each case, other than in respect of assets or services obtained on normal commercial terms in the ordinary course of business) 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, exchange 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 receivables sold or discounted (other than any receivables to the extent that they are sold on a non-recourse basis); or

(g) under a guarantee, indemnity or similar obligation entered into by the debtor in respect of a liability of another person which would fall within (a) to (f) if the references to the debtor referred to the other person;

"**Financial Year**" means, in relation to the Borrower, an Owner and the Group, each period of one year commencing on 1 January in respect of which its individual or, as the case may be, consolidated accounts are or ought to be prepared;

**"Fleet Vessels"** means all of the vessels (including, but not limited to, the Ships) from time to time wholly owned by members of the Group and, in the singular, means any of them;

"**General Assignment**" means, in relation to a Ship, a general assignment of (*inter alia*) the Earnings, the Insurances and any Requisition Compensation relative to that Ship in the Agreed Form and, in the plural, means all of them;

"**Group**" means the Borrower, each Owner and all subsidiaries directly or indirectly owned by the Borrower and "**member of the Group**" shall be construed accordingly;

"**Initial Approved Manager**" has the meaning ascribed thereto in Schedule 6 (*Details of Ships and other definitions*);

"**Initial Charter**" has the meaning ascribed thereto in Schedule 6 (*Details of Ships and other definitions*);

"**Initial Charterer**" has the meaning ascribed thereto in Schedule 6 (*Details of Ships and other definitions*);

"**Initial Market Value**" means, in relation to a Ship, the Market Value thereof calculated in accordance with the valuation(s) relative thereto referred to in paragraph 5 of Schedule 3 (*Condition Precedent Documents*), Part B;

"**Instalment**" has the meaning given in Clause 8.1 (*Amount of Instalments*);

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

(a) all policies and contracts of insurance (including, without limitation, any loss of hire insurance) and any reinsurance, policies or contracts, including entries of that Ship in any protection and indemnity or war risks association, effected in respect of that Ship, its Earnings or otherwise in relation to it whether before, on or after the date of this Agreement; and

(b) all rights (including, without limitation, any and all rights or claims which the Owner owning that Ship may have under or in connection with any cut-through clause relative to any reinsurance contract relating to the aforesaid policies or contracts of insurance) 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 Cover**" means, at any relevant time, the ratio of:

(a) EBITDA; to

(b) Interest Expenses less interest income;

**"Interest Expenses"** means, for any relevant financial period, the aggregate interest paid or payable by the Group and any member thereof as shown, at any relevant time, in the most recent Accounting Information delivered by the Borrower pursuant to Clause 11.6 (*Provision of financial statements*);

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

"**Interest Period**" means a period determined in accordance with Clause 5.1 (*Interest Periods*) or selected in accordance with paragraph (b) of Clause 7.3 (*Calculation of default rate of interest*);

"**Inventory of Hazardous Materials**" means, in relation to a Ship, an inventory certificate or statement of compliance (as applicable) certified by that Ship's Approved Classification Society which is supplemented by a list of any and all materials known to be potentially hazardous utilised in the construction of, or otherwise installed on, that Ship, pursuant to the requirements of the EU Ship Recycling Regulation;

"**ISM Code**" means the International Safety Management Code (including the guidelines on its implementation), adopted by the International Maritime Organisation as the same may be amended or supplemented from time to time (and the terms "**safety management system**", "**Safety Management Certificate**" and "**Document of Compliance**" have the same meanings as are given to them in the ISM Code);

"**ISPS Code**" means the International Ship and Port Facility Security Code as adopted by the International Maritime Organisation, as the same may be amended or supplemented from time to time;

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

"**Lender**" means, subject to Clause 26.6 (*Lender re-organisation*), a bank or financial institution listed in Schedule 1 (*Lenders and Commitments*) and acting through its branch indicated in Schedule 1 (*Lenders and Commitments*) (or through another branch notified to the Agent under Clause 26.15 (*Change of lending office*)) or its transferee, successor or assign;

"**Liquid Funds**" means, as at the date of calculation or, as the case may be, for any accounting period, the aggregate of any cash deposits legally or beneficially held by all members of the Group and including any funds held by the Agent and other banks from time to time as minimum liquidity requirements;

"**LMA**" means the Loan Market Association or any successor organisation;

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

"**Loan Shortfall Prepayment Date**" has the meaning given in Clause 15.2 (*Prepayment; provision of additional security*);

"**Lookback Period**" means the number of days specified as such in the Reference Rate Terms;

"**LSW 1189**" means the London Standard Wording for marine insurances which incorporates the German Direct Mortgage Clause;

"**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 Advance is made, Lenders whose Commitments total 66 $^{2/3}$ per cent. of the Total Commitments; and

(b) after the Advance is made, Lenders whose Contributions total 66 $^{2/3}$ per cent. of the Loan;

"**Mandated Lead Arranger**" means Hamburg Commercial Bank AG, acting in such capacity through its office at Gerhart-Hauptmann-Platz 50, D-20095 Hamburg, Germany, or any successor;

"**Mandatory Minimum Liquidity Amount**" has the meaning given to such term in Schedule 6 (*Details of Ships and other definitions*);

"**Margin**" means 1.80 per cent. per annum;

"**Market Disruption Credit Adjustment Spread**" means any rate which is specified as such in the Reference Rate Terms;

"**Market Disruption Rate**" means the rate specified as such in the Reference Rate Terms;

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

"**Market Value Adjusted Leverage**" means, at any relevant time, the ratio of:

(a) the Total Debt less cash (which shall have the meaning given thereto under the US GAAP); to

(b) the Market Value Adjusted Total Assets less cash (which shall have the meaning given thereto under the US GAAP);

"**Market Value Adjusted Total Assets**" means, at any time, Total Assets adjusted to reflect the difference between the book values of all Fleet Vessels and the aggregate Market Value of all Fleet Vessels (taking into account the benefit of any charters);

"**Material Adverse Change**" means any event or series of events which, in the opinion of the Majority Lenders, is likely to have a Material Adverse Effect;

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

(a) the business, property, assets, liabilities, operations or condition (financial or otherwise) of the Borrower and/or any Security Party taken as a whole;

(b) the ability of the Borrower, an Approved Manager and/or any Security Party to (i) comply with or perform any of its obligations or (ii) discharge any of its liabilities, under any Finance Document as they fall due; or

(c) the validity, legality or enforceability of any Finance Document;

**"Minimum Liquidity Account"** means an account in the name of the Borrower with the Account Bank designated "Navios Maritime Partners L.P. – Minimum Liquidity Account", or any other account (with that or another office of the Account Bank) which replaces such account and is designated by the Agent as the Minimum Liquidity Account for the purposes of this Agreement;

"**Mortgage**" means, in relation to a Ship, the first preferred ship mortgage or, as the case may be, first priority ship mortgage and deed of covenant collateral thereto, on that Ship, in the Agreed Form and, in the plural, means all of them;

"**Mortgaged Ship**" means a Ship which is subject to a Mortgage at the relevant time and, in the plural, means all of them;

"**Net Worth**" means the amount by which the Total Assets (based on book values) exceed the Total Liabilities on a consolidated group level;

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

"**Owner**" means each of Owner A, Owner B, Owner C, Owner D, Owner E, Owner F and Owner G and, in the plural, means all of them;

"**Owner A**" means Rubina Shipping Corporation, a corporation incorporated and existing under the laws of the Republic of the Marshall Islands whose registered address is at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, the Marshall Islands MH96960;

"**Owner B**" means Topaz Shipping Corporation, a corporation incorporated and existing under the laws of the Republic of the Marshall Islands whose registered address is at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, the Marshall Islands MH96960;

"**Owner C**" means Christal Shipping Corporation, a corporation incorporated and existing under the laws of the Republic of the Marshall Islands whose registered address is at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, the Marshall Islands MH96960;

"**Owner D**" means Cheryl Shipping Corporation, a corporation incorporated and existing under the laws of the Republic of the Marshall Islands whose registered address is at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, the Marshall Islands MH96960;

"**Owner E**" means Beryl Shipping Corporation, a corporation incorporated and existing under the laws of the Republic of the Marshall Islands whose registered address is at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, the Marshall Islands MH96960;

"**Owner F**" means Balder Maritime Ltd, a corporation incorporated and existing under the laws of the Republic of the Marshall Islands whose registered address is at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, the Marshall Islands MH96960;

"**Owner G**" means Faith Marine Ltd., a corporation domesticated under the laws of the Republic of the Marshall Islands whose registered address is at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, the Marshall Islands MH96960;

"**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 a Finance Document;

"**Payment Currency**" has the meaning given in Clause 21.5 (*Currency indemnity*);

"**Permitted Security Interests**" means:

(a) Security Interests created by the Finance Documents;

(b) at any time prior to or on the Drawdown Date, any Existing Security Interest;

(c) liens for unpaid master's and crew's wages in accordance with usual maritime practice;

(d) liens for salvage;

(e) liens arising by operation of law for not more than one month's prepaid hire under any charter in relation to a Ship not prohibited by this Agreement;

(f) liens for master's disbursements incurred in the ordinary course of trading and any other lien arising by operation of law or otherwise in the ordinary course of the operation, repair or maintenance of a Ship, provided such liens do not secure amounts more than 30 days overdue (unless the overdue amount is being contested by the relevant Owner in good faith by appropriate steps) and subject, in the case of liens for repair or maintenance, to paragraph (d) of Clause 14.13 (*Restrictions on chartering, appointment of managers etc.*);

(g) any Security Interest created in favour of a plaintiff or defendant in any proceedings or arbitration as security for costs and expenses while an Owner is actively prosecuting or defending such proceedings or arbitration in good faith; and

(h) Security Interests arising by operation of law in respect of taxes which are not overdue for payment or in respect of taxes being contested in good faith by appropriate steps and in respect of which appropriate reserves have been made.

"**Pertinent Document**" means:

(a) any Finance Document;

(b) any policy or contract of insurance contemplated by or referred to in Clause 13 (*Insurance*) or any other provision of this Agreement or another Finance Document;

(c) any other document contemplated by or referred to in any Finance Document; and

(d) any document which has been or is at any time sent by or to a Servicing Bank in contemplation of or in connection with any Finance Document or any policy, contract or document falling within paragraphs (a) or (c);

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

(a) England and Wales;

(b) the country under the laws of which the company is incorporated or formed;

(c) a country in which the company has the centre of its main interests or which the company's central management and control is or has recently been exercised;

(d) a country in which the overall net income of the company is subject to corporation tax, income tax or any similar tax;

(e) a country in which assets of the company (other than securities issued by, or loans to, related companies) having a substantial value are situated, in which the company maintains a branch or permanent place of business, or in which a Security Interest created by the company must or should be registered in order to ensure its validity or priority; and

(f) a country the courts of which have jurisdiction to make a winding up, administration or similar order in relation to the company, whether as a main or territorial or ancillary

proceedings, or which would have such jurisdiction if their assistance were requested by the courts of a country referred to in paragraphs (b) or (c);

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

"**Prepayment Notice**" has the meaning given in Clause 8.5 (*Conditions for voluntary prepayment*);

"**Quotation Day**" means in relation to any period for which an interest rate is to be determined, two 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 Terms**" means the terms set out in Schedule 8 (*Reference Rate* Terms) or in any Reference Rate Supplement;

"**Reference Rate Supplement**" means a document which:

(a) is agreed in writing by the Borrower and the Agent (in its own capacity) and the Agent (acting on the instructions of the 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 Creditor Party;

"**Relevant Market**" means the market specified as such in the Reference Rate Terms;

"**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;

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

"**Repayment Date**" means the date falling three months after the Drawdown Date and each of the dates falling at three-monthly intervals thereafter and the Final Repayment Date;

"**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 paragraph (ii) above;

(b) in the reasonable opinion of the Lenders and the Borrower, generally accepted in the international or any relevant domestic syndicated loan markets as the appropriate successor to the RFR; or

(c) in the reasonable opinion of the Lenders and the Borrower, an appropriate successor or alternative to the RFR;

"**Reporting Day**" means the day specified as such in the Reference Rate Terms;

"**Reporting Time**" means the relevant time (if any) specified as such in the Reference Rate Terms;

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

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

"**Restricted Party**" means a person that is:

(a) listed on, or owned or controlled by a person listed on any Sanctions List;

(b) located in, organised under the laws of, or owned or controlled by, or acting on behalf of, a person located in or organised under the laws of a country or territory which is a subject of country-wide or territory-wide Sanctions (any such country or territory, a "**Sanctioned Country**"); or

(c) otherwise a subject of Sanctions.

"**Retention Account**" means an account in the name of the Borrower with the Account Bank designated "Navios Maritime Partners L.P. – Retention Account", or any other account (with that or another office of the Account Bank) which replaces this account and is designated by the Agent as the Retention Account for the purposes of this Agreement;

"**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;

"**RFR Replacement Event**" means:

(a) the methodology, formula or other means of determining the RFR has, in the opinion of the Lenders and the Borrower, materially changed;

(b)

(i) the administrator of the RFR or its supervisor publicly announces that such administrator is insolvent; or

(ii) 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;

(c) 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;

(d) the supervisor of the administrator of the RFR publicly announces that the RFR has been or will be permanently or indefinitely discontinued; or

(e) the administrator of the RFR or its supervisor publicly announces that the RFR may no longer be used; or

(f) the administrator of the RFR (or the administrator of an interest rate which is a constituent element 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 Lenders) temporary; or

(ii) the RFR is calculated in accordance with any such policy or arrangement for a period which is no less than 10 Additional Business Days; or

(g) in the opinion of the Lenders and the Borrower, the RFR is otherwise no longer appropriate for the purposes of calculating interest under this Agreement;

"**Sanctions**" means any trade, economic or financial sanctions laws, regulations, embargoes, prohibitions, restrictive measures, decisions, executive orders or notices or other comprehensive prohibitions against transaction activity pursuant to anti-terrorism laws or export control laws from regulators implemented, adapted, imposed, administered, enacted and/or enforced from time to time by:

(a) the United Nations;

(b) the United States;

(c) the United Kingdom;

(d) the European Union;

(e) any member state of the European Union in each case if applicable to any Party of this Agreement, a Ship or any Security Party;

(f) any country to which any Security Party or the Borrower or any affiliate of any of them is bound; or

(g) the governments and official institutions or agencies of any of the foregoing, including without limitation, the Security Council of the United Nations, the Office of Foreign Assets Control of the US Department of Treasury ("**OFAC**"), the United States Department of State, any other agency of the US government and His Majesty's Treasury ("**HMT**"),

((a) to (g) together "**Sanctions Authorities**" and each a "**Sanctions Authority**");

"**Sanctions List**" means the "Specially Designated Nationals and Blocked Persons" list maintained by OFAC, the "Consolidated List of Financial Sanctions Targets and Investment Ban List" maintained by HMT, each as amended, supplemented or substituted from time to time, or any similar list maintained by, or public announcement of a Sanctions designation made by, a Sanctions Authority, each as amended, supplemented or substituted from time to time.

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

"**Security Cover Ratio**" means, at any relevant time, the aggregate of (i) the aggregate of the Market Value of the Mortgaged Ships, (ii) the credit balance standing at such time to the credit of the Retention Account and (iii) the net realisable value of any additional security provided at that time under Clause 15 (*Security Cover*) at that time 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 a plaintiff under an action *in rem*;

"**Security Party**" means the Borrower, each Owner and any other person (except a Creditor Party or an Approved Manager) who, as a surety or mortgagor, as a party to any subordination or priorities arrangement, or in any similar capacity, executes a document falling within the 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 Borrower, the Security Parties and the other Creditor Parties that:

(a) all amounts which have become due for payment by the Borrower, an Approved Manager or any Security Party under the Finance Documents have been paid;

(b) no amount is owing or has accrued (without yet having become due for payment) under any Finance Document;

(c) neither the Borrower, an Approved Manager nor any Security Party has any future or contingent liability under Clauses 20 (*Fees and Expenses*), 21 (*Indemnities*) or 22 (*No Set-Off or Tax Deduction*) or any other provision of this Agreement or another Finance Document; and

(d) the Agent, the Mandated Lead Arranger, the Security Trustee and the Majority Lenders do not consider that there is a significant risk that any payment or transaction under a Finance Document would be set aside, or would have to be reversed or adjusted, in any present or possible future bankruptcy of the Borrower, an Approved Manager 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 Hamburg Commercial Bank AG, acting in such capacity through its office at Gerhart-Hauptmann-Platz 50, D-20095, Hamburg, Germany, or any successor of it appointed under clause 5 of the Agency and Trust Deed;

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

"**Shareholder A**" means Navios Maritime Operating L.L.C., a limited liability company formed and existing under the laws of the Republic of the Marshall Islands whose registered address is at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, the Marshall Islands MH96960;

"**Shareholder B**" means Veja Navigation Company, a corporation incorporated and existing under the laws of the Republic of the Marshall Islands whose registered address is at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, the Marshall Islands MH96960;

"**Ship**" means each of Ship A, Ship B, Ship C, Ship D, Ship E, Ship F, Ship G and, in the plural, means all of them;

"**Ship A**" has the meaning ascribed thereto in Schedule 6 (*Details of Ships and other definitions*);

"**Ship B**" has the meaning ascribed thereto in Schedule 6 (*Details of Ships and other definitions*);

"**Ship C**" has the meaning ascribed thereto in Schedule 6 (*Details of Ships and other definitions*);

"**Ship D**" has the meaning ascribed thereto in Schedule 6 (*Details of Ships and other definitions*);

"**Ship E**" has the meaning ascribed thereto in Schedule 6 (*Details of Ships and other definitions*);

"**Ship F**" has the meaning ascribed thereto in Schedule 6 (*Details of Ships and other definitions*);

"**Ship G**" has the meaning ascribed thereto in Schedule 6 (*Details of Ships and other definitions*);

"**Total Assets**" means, as at the date of calculation or, as the case may be, for any accounting period, the total assets of the Group (including, without limitation, the Ships) as at that date (based on book values) or for that period (which shall have the meaning given thereto under the US GAAP) as shown in the most recent Accounting Information delivered by the Borrower pursuant to Clause 11.6 (*Provision of financial statements*);

"**Total Debt**" means, as at the date of calculation or, as the case may be, for any accounting period, the total debt of the Group as at that date or for that period (which shall have the meaning given thereto under the US GAAP) as shown in the most recent Accounting Information delivered by the Borrower pursuant to Clause 11.6 (*Provision of financial statements*);

"**Total Liabilities**" means, as at the date of calculation or, as the case may be, for any accounting period, the total liabilities of the Group as at that date or for that period (which shall have the meaning given thereto under the US GAAP) as shown in the most recent

Accounting Information delivered by the Borrower pursuant to Clause 11.6 (*Provision of financial statements*);

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

(a) actual, constructive, compromised, agreed or arranged total loss of that Ship;

(b) any expropriation, confiscation, requisition or acquisition of that Ship, whether for full or part 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 unless it is within one month from the date of such occurrence redelivered to the full control of the Owner owning that Ship excluding a requisition for hire a fixed period not exceeding 90 days without any right to an extension;

(c) any condemnation of that Ship by any tribunal or by any person or person claiming to be a tribunal; and

(d) any arrest, capture, seizure, confiscation or detention of that Ship (including any hijacking or theft) unless it is within the Relevant Period redelivered to the full control of the Owner owning that Ship;

"**Relevant Period**" means:

(i) in the case of any arrest, capture, seizure, confiscation or detention of a Ship (including any hijacking or theft), other than piracy, 90 days; and

(ii) in the case of piracy, 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 period ending on the earlier of 270 days after the date on which that Ship is captured by pirates and the date on which the piracy insurance cover expires;

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

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

(b) in the case of a constructive, compromised, agreed or arranged total loss of that Ship, the earlier of:

(i) 30 days after 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 Owner owning that Ship with that 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, on the date (or the most likely date) on which it appears to the Agent that the event constituting the total loss occurred;

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

"**Trust Property**" has the meaning given in clause 3.2 (*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);

**"Underlying Documents"** means any Assignable Charters and, in the singular, means any of them;

"**US**" means the United States of America;

"**US GAAP**" means generally accepted accounting principles as from time to time in effect in the US; and

"**US Tax Obligor**" means:

(a) the Borrower if it is resident for tax purposes in the US; or

(b) the Borrower or a Security Party some or all whose payments under the Finance Documents are from sources within the US for US federal income tax purposes;

"**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 any other applicable Bail-In Legislation other than the UK 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; and

(c) 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.

**1.2 Construction of certain terms**

In this Agreement:

(a) a reference to:

"**administration notice**" means a notice appointing an administrator, a notice of intended appointment and any other notice which is required by law (generally or in the case concerned) to be filed with the court or given to a person prior to, or in connection with, the appointment of an administrator;

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

"**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;

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

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

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

"**gross negligence**" means a form of negligence which is distinct from ordinary negligence, in which the due diligence and care which are generally to be exercised have been disregarded to a particularly high degree, in which the plainest deliberations have not been made and that which should be most obvious to everybody has not been followed;

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

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

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

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

"**obligatory insurances**" means, in relation to a Ship, all insurances effected, or which the Owner owning that Ship is obliged to effect in respect of that Ship, 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 partnership, 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 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 1 of the Institute Time Clauses (Hulls) (1/10/83) or clause 6 of the International Hull Clauses (1/11/02) (1/11/03) or clause 8 of the Institute Time Clauses (Hulls) (1/11/1995) or the Institute Amended Running Down Clause (1/10/71) or any equivalent provision;

**"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 (monetary or otherwise), department, central bank, 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 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; and

"**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.

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

(c) a reference 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 Agent after consultation with the Borrower;

(d) a reference to a "**Central Bank Rate**" shall include any successor rate to, or replacement rate for, that rate;

(e) any Reference Rate Supplement overrides anything in:

(i) Schedule 8 (*Reference Rate* Terms); or

(ii) any earlier Reference Rate Supplement; and

(f) 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 9 (*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.

**1.3 Meaning of "month"**

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

(a) other than where paragraph (b) below applies:

(i) (subject to sub-paragraph (ii) and (iii) below) if the numerically corresponding day is not a Business Day, that period shall end on the next Business Day in that calendar month in which that period is to end if there is one, or if there is not, on the immediately preceding Business Day;

(ii) if there is no numerically corresponding day in the calendar month in which that period is to end, that period shall end on the last Business Day in that calendar month; and

(iii) if an Interest Period begins on the last Business Day of a calendar month, that Interest Period shall end on the last Business Day in the calendar month in which that Interest Period is to end; and

(b) in relation to an Interest Period for the Advance or any part of the Advance (or any other period for the accrual of commission or fees) for which there are rules specified as "Business Day Conventions" in the Reference Rate Terms, those rules shall apply.

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

**1.4 Meaning of "subsidiary"**

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

**1.5 General Interpretation**

In this Agreement:

(a) 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;

(b) 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;

(c) words denoting the singular number shall include the plural and vice versa;

(d) in relation to each Creditor Party that is incorporated, established or resident in Germany (Inländer within the meaning of section 2 paragraph 15 of the German Foreign Trade Law (Außenwirtschaftsgesetz, AWG)) or otherwise notifies the Agent that it has become subject to the regulation below (each a "**Restricted Lender**"), each Clause referring to Sanctions and/or Restricted Party shall only apply for the benefit of that Restricted Lender to the extent that the relevant sanctions provisions would not result in (i) any violation of, conflict with or liability under EU Regulation (EC) 2271/96 or (ii) a violation or conflict with section 7 foreign trade rules (AWV) (*Außenwirtschaftsverordnung*) (in connection with section 2 paragraph 15 trade law (AWG) (*Außenwirtschaftsgesetz*)) or a similar anti-boycott statute (the "**Mandatory Restrictions**"). In connection with any determination or direction relating to any part of a Clause of which a Restricted Lender does not have the benefit due to a Mandatory Restriction, and any consequential determinations to be made or actions to be taken as a result of the initial determination or action relating to any part of that Clause, for so long as they remain subject to a Mandatory Restriction, the commitments of that Restricted Lender will be excluded for the purpose of determining whether the consent of the Lenders has been obtained or whether the determination or direction by the Lenders has been made; and

(e) Clauses 1.1 (*Definitions*) to 1.5 (*General Interpretation*) apply unless the contrary intention appears.

**1.6 Headings**

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

**2 FACILITY**

**2.1 Amount of facility**

Subject to the other provisions of this Agreement, the Lenders shall make available to the Borrower a senior secured term loan facility of up to $90,000,000 in one Advance.

**2.2 Lenders' participations in the Advance**

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

**2.3 Purpose of the Advance**

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

**3 POSITION OF THE LENDERS**

**3.1 Interests several**

The rights of the Lenders under this Agreement are several.

**3.2 Individual right of action**

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

**3.3 Proceedings requiring Majority Lender consent**

Except as provided in Clause 3.2 (*Individual right of action*) no Lender may commence proceedings against the Borrower, an Approved Manager or any Security Party in connection with a Finance Document without the prior consent of the Majority Lenders.

**3.4 Obligations several**

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

(a) the obligations of the other Lenders being increased; nor

(b) the Borrower, an Approved Manager, any Security Party or any other Lender being discharged (in whole or in part) from its obligations under any Finance Document;

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

**4 DRAWDOWN**

**4.1 Request for the Advance**

Subject to the following conditions, the Borrower may request the Advance to be borrowed by ensuring that the Agent receives a completed Drawdown Notice not later than 11.00 a.m. (Hamburg time) three Business Days prior to the Drawdown Date.

**4.2 Availability**

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

(a) the Drawdown Date has to be a Business Day during the Availability Period;

(b) the Advance shall be borrowed on the Drawdown Date;

(c) any undrawn portion of the Total Commitments in respect of the Advance, upon the determination of the aggregate Initial Market Value of the Ships, shall be automatically cancelled as at the Drawdown Date; and

(d) the aggregate amount of the Advance 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 the Drawdown Notice in respect of the Advance and shall inform each Lender of:

(a) the amount of the Advance and the Drawdown Date;

(b) the amount of that Lender's participation in the Advance; and

(c) the duration of the first Interest Period in respect of the Advance.

**4.4 Drawdown Notice irrevocable**

The Drawdown Notice must be signed by a duly authorised signatory of the Borrower; and once served, the Drawdown Notice cannot be revoked without the prior consent of the Agent, acting on the authority of the 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 Borrower the amount due from that Lender in respect of the Advance on the Drawdown Date under Clause 2.2 (Lenders' participations in the Advance).

**4.6 Disbursement of the Advance**

Subject to the provisions of this Agreement, the Agent shall on the Drawdown Date pay to the Borrower the amounts in respect of the Advance which the Agent receives from the Lenders under Clause 4.5 (*Lenders to make available Contributions*) and that payment to the Borrower shall be made:

(a) to the account which the Borrower specifies in the Drawdown Notice; and

(b) in like funds as the Agent received the payments from the Lenders.

The payment by the Agent under this Clause 4.6 (*Disbursement of the Advance*) shall constitute the making of the Advance and the Borrower shall at that time become indebted, as principal and direct obligors, to each Lender in an amount equal to that Lender's participation in the Advance.

**5 INTEREST**

**5.1 Payment of normal interest**

Subject to the provisions of this Agreement, interest on the Advance in respect of each Interest Period shall be paid by the Borrower on the last day of that Interest Period.

**5.2 Normal rate of interest**

(a) The rate of interest on the Advance or any part of the Advance 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 Advance or any part of the Advance is not a RFR Banking Day, the rate of interest on the Advance or any part of the Advance for that day will be the rate applicable to the immediately preceding RFR Banking Day.

**5.3 Notifications**

(a) The Agent shall no later than 3 Business Days upon an Interest Payment being determinable 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 Advance or the relevant part of the Advance;

(iii) each Lender and the Borrower of each applicable rate of interest relating to the determination of that Interest Payment; and

(iv) each Lender and the Borrower of, to the extent it is then determinable, the Market Disruption Rate (if any) relating to the Advance or the relevant part of the Advance.

This paragraph (a) shall not apply to any Interest Payment determined pursuant to Clause 5.6 (*Cost of funds*).

(b) The Agent shall promptly notify the Borrower of each rate of interest notified pursuant to sub-paragraph (ii) of paragraph (a) of Clause 5.6 (*Cost of funds*) relating to the Advance or any part of the Advance.

(c) The Agent shall promptly notify each Lender and the Borrower of the determination of a rate of interest relating to the Advance or any part of the Advance to which Clause 5.6 (*Cost of funds*) applies.

(d) This Clause 5.3 (*Notifications*) shall not require the Agent to make any notification to any Party on a day which is not a Business Day.

(e) No Interest Period for the Advance or any part of the Advance shall be longer than three Months.

**5.4 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 Advance or any part of the Advance; and

(b) "Cost of funds will apply as a fallback" is specified in the Reference Rate Terms,

Clause 5.6 (*Cost of funds*) shall apply to the Advance or the relevant part of the Advance for that Interest Period.

**5.5 Market disruption**

If:

(a) a Market Disruption Rate is specified in the Reference Rate Terms; and

(b) before the Reporting Time for the Loan, the Agent receives notifications from a Lender or Lenders (whose Contributions exceed 30 per cent. of the Loan) that its cost of funds relating to its participation in the Loan would be in excess of that Market Disruption Rate,

then Clause 5.6 (*Cost of funds*) shall apply to the Loan or the relevant part of the Loan.

**5.6 Cost of funds**

(a) If this Clause 5.6 (*Cost of funds*) applies to the Loan or any part of the Loan for an Interest Period, Clause 5.2 (*Normal rate of interest*) shall not apply to the Loan or the relevant part of the Loan for that Interest Period and the rate of interest on the Loan or the relevant 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 Agent by each Lender as soon as practicable and in any event by the Reporting Time,

to be that which expresses as a percentage rate per annum its cost of funds relating to its participation in the Loan or the relevant part of the Loan.

(b) If this Clause 5.6 (*Cost of funds*) applies and the Agent or the Borrower so require, the 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 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 Borrower, 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 5.6 (*Cost of funds*) applies pursuant to Clause 5.5 (*Market disruption*) and:

(i) a Lender's rate notified pursuant to sub-paragraph (ii) of paragraph (a) above is less than the relevant Cumulative Compounded RFR Rate; or

(ii) a Lender does not notify a rate to the Agent by the time specified in sub-paragraph (ii) of paragraph (a) above,

that Lender's cost of funds relating to its participation in the Loan or the relevant 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 Cumulative Compounded RFR Rate for the Loan or the relevant part of the Loan.

(f) If this Clause 5.6 (*Cost of funds*) applies, the Agent shall, as soon as practicable, notify the Borrower.

**5.7 Notice of prepayment**

If the Borrower does not agree with an interest rate set by the Agent under Clause 5.6 (*Cost of funds*), the Borrower may give the Agent not less than 5 Business Days' notice of its intention to prepay the Loan at the end of the interest period set by the Agent.

**5.8 Prepayment; termination of Commitments**

A notice under Clause 5.7 (*Notice of prepayment*) shall be irrevocable; the Agent shall promptly notify the Lenders of the Borrower's notice of intended prepayment; and:

(a) on the date on which the Agent serves that notice, the Total Commitments or (as the case may require) the Commitment of the relevant Lender shall be cancelled; and

(b) on the last Business Day of the interest period set by the Agent, the Borrower shall prepay (without premium or penalty) the Loan or, as the case may be, the relevant Lender's Contribution, together with accrued interest thereon at the applicable rate plus the Margin.

**5.9 Application of prepayment**

The provisions of Clause 8 (*Repayment and Prepayment*) shall apply in relation to the prepayment.

**6 INTEREST PERIODS**

**6.1 Commencement of Interest Periods**

The first Interest Period applicable to the Advance shall commence on the Drawdown Date and each subsequent Interest Period shall commence on the expiry of the preceding Interest Period.

**6.2 Duration of normal Interest Periods**

Subject to Clauses 6.3 (*Duration of Interest Periods for Instalments*) and 6.4 (*Non-availability of matching deposits for Interest Period selected*), each Interest Period in respect of the Loan shall be:

(a) 3 months; or

(b) such other period (as proposed by the Borrower to the Agent not later than 11:00 a.m. (Hamburg time) 5 Business Days before the commencement of the Interest Period in respect of the Loan) as the Agent may, with the authorisation of the Majority Lenders, agree with the Borrower (failing which the Interest Period shall be three months).

**6.3 Duration of Interest Periods for Instalments**

In respect of an amount due to be repaid under Clause 8 (*Repayment and Prepayment*) on a particular Repayment Date, an Interest Period shall end on that Repayment Date.

**6.4 Non-availability of matching deposits for Interest Period selected**

If, after the Borrower has proposed and the Lenders have agreed an Interest Period longer than three months, any Lender notifies the Agent by 11.00 a.m. (Hamburg time) on the third Business Day before the commencement of the Interest Period that it is not satisfied that deposits in Dollars for a period equal to the Interest Period will be available to it in the Relevant Market when the Interest Period commences, the Interest Period shall be of three months.

**7 DEFAULT INTEREST**

**7.1 Payment of default interest on overdue amounts**

The Borrower shall pay interest in accordance with the following provisions of this Clause 7 (*Default Interest*) on any amount payable by the Borrower under any Finance Document which the Agent, the Security Trustee or the other designated payee does not receive on or before the relevant date, that is:

(a) the date on which the Finance Documents provide that such amount is due for payment; or

(b) if a Finance Document provides that such amount is payable on demand, the date on which the demand is served; or

(c) if such amount has become immediately due and payable under Clause 19.4 (*Acceleration of Loan*), the date on which it became immediately due and payable.

**7.2 Default rate of interest**

Interest shall accrue on an overdue amount from (and including) the relevant date until the date of actual payment (as well after as before judgment) at the rate per annum determined by the Agent to be 2.00 per cent. above:

(a) in the case of an overdue amount of principal, the rate set out at paragraph (a) of Clause 7.3 (*Calculation of default rate of interest*); or

(b) in the case of any other overdue amount, the rate set out at paragraph (b) of Clause 7.3 (*Calculation of default rate of interest*).

**7.3 Calculation of default rate of interest**

The rates referred to in Clause 7.2 (*Default rate of interest*) are:

(a) the rate applicable to the overdue principal amount immediately prior to the relevant date (but only for any unexpired part of any then current Interest Period applicable to it);

(b) the aggregate of the Margin plus, in respect of successive Interest Periods of any duration (including at call) up to three months which the Agent may select from time to time, a rate from time to time determined by the Agent by reference to each Lender's "cost of funds" (as such term is referred to in paragraph (b) of Clause 1.2 (*Construction of certain terms*)).

**7.4 Notification of Interest Periods and default rates**

The Agent shall promptly notify the Lenders and the Borrower of each interest rate determined by the Agent under Clause 7.3 (*Calculation of default rate of interest*) and of each Interest Period selected by the Agent for the purposes of paragraph (b) of Clause 7.3 (*Calculation of default rate of interest*) of that Clause; but this shall not be taken to imply that the Borrower is liable to pay such interest only with effect from the date of the Agent's notification.

**7.5 Payment of accrued default interest**

Subject to the other provisions of this Agreement, any interest due under this Clause shall be paid on the last day of the Interest Period by reference to which it was determined; and the payment shall be made to the Agent for the account of the Creditor Party to which the overdue amount is due.

**7.6 Compounding of default interest**

Any such interest which is not paid at the end of the Interest Period by reference to which it was determined shall be compounded every 6 months and shall be payable on demand.

**8 REPAYMENT AND PREPAYMENT**

**8.1 Amount of Instalments**

The Borrower shall repay the Loan by:

(a) 16 consecutive quarterly instalments, each in the amount of $3,800,000 (each an "**Instalment**" and, together, the "**Instalments**"); and

(b) together with the last Instalment, a balloon instalment in the amount of $29,200,000 (the "**Balloon Instalment**"),

**Provided that**, if the amount advanced is less than $90,000,000, the aggregate amount of the Instalments and the Balloon Instalment shall be reduced by an amount equal to the undrawn amount on a *pro rata* basis.

**8.2 Repayment Dates**

The first Instalment shall be repaid on the date falling three months after the Drawdown Date, each subsequent Instalment shall be repaid at three-monthly intervals thereafter and the last Instalment, shall be repaid together with the Balloon Instalment, on the Final Repayment Date.

**8.3 Final Repayment Date**

On the Final Repayment Date, the Borrower 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 Borrower may prepay the whole or any part of the Loan on the last day of an Interest Period or on such other date agreed between the Borrower and the Agent.

**8.5 Conditions for voluntary prepayment**

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

(a) the Agent has received from the Borrower at least 3 Business Days' prior irrevocable written notice (each, a "**Prepayment Notice**") specifying the amount to be prepaid, the date on which the prepayment is to be made;

(b) the Borrower has provided evidence satisfactory to the Agent that any consent required by any Owner or any Security Party in connection with the prepayment has been obtained and remains in force, and that any regulation relevant to this Agreement which affects any Owner or any Security Party has been complied with;

(c) the Borrower is in compliance with Clause 8.10 (*Amounts payable on prepayment*) on or prior to the date of prepayment; and

(d) in respect of the Loan a partial prepayment shall be $500,000 or a higher integral multiple thereof (or such other amount acceptable to the Agent in its sole discretion).

8.6 **Optional facility cancellation**

The Borrower shall be entitled, upon giving to the Agent not less than 5 Business Days' prior written notice, to cancel, in whole or in part, and, if in part, by an aggregate amount not less than $500,000 or a higher integral multiple thereof (or such other amount acceptable to the Agent in its sole discretion), the undrawn balance of the Total Commitments (the "**Cancellation Notice**") which notice shall be irrevocable. Upon such cancellation taking effect on expiry of a Cancellation Notice the several obligations of the Lenders to make their respective Commitments available in relation to the portion of the Total Commitments to which such Cancellation Notice relates shall terminate.

**8.7 Cancellation Notice or Prepayment Notice**

The Agent shall notify the Lenders promptly upon receiving a Cancellation Notice or Prepayment Notice, and shall provide, in the case of a Prepayment Notice, any Lender which so requests with a copy of any document delivered by the Borrower under paragraphs (a) and (b) of Clause 8.5 (*Conditions for voluntary prepayment*).

**8.8 Mandatory prepayment**

The Borrower shall be obliged to prepay the Relevant Amount:

(a) if a Ship is sold, on or before the date on which the sale is completed by delivery of the Ship to the buyer; or

(b) if a Ship becomes a Total Loss, on the earlier of the date falling 90 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.

In this Clause 8.8 (*Mandatory prepayment*):

"**Relevant Amount**" means:

(a) an amount equal to the Relevant Fraction of the Loan on the date on which (i) the relevant Ship is sold or (ii) the relevant Ship becomes a Total Loss; or

(b) if the relevant Ship is the last Ship subject to a Mortgage, the whole of the Loan.

"**Relevant Fraction**" means a fraction of which the numerator is the Market Value of that Ship, being sold or which has become a Total Loss and the denominator is the aggregate Market Value of all Mortgaged Ships at the relevant time.

**8.9 Effect of Prepayment Notice and Cancellation Notice**

Neither a Prepayment Notice nor a Cancellation Notice may be withdrawn or amended without the consent of the Agent, given with the authorisation of the Majority Lenders, and:

(a) in the case of a Prepayment Notice, the amount specified in that Prepayment Notice shall become due and payable by the Borrower on the date for prepayment specified in that Prepayment Notice; and

(b) in the case of a Cancellation Notice, the amount cancelled shall be permanently cancelled and may not be borrowed.

**8.10 Amounts payable on prepayment**

A prepayment shall be made together with accrued interest (and any other amount payable under Clause 21 (*Indemnities*) or otherwise).

**8.11 Application of partial prepayment or cancellation**

Each partial prepayment shall be applied:

(a) if made pursuant to Clauses 5.7 (*Notice of prepayment*), 8.8 (*Mandatory prepayment*), 15.2 (*Prepayment; provision of additional security*), 19.2 (*Actions following an Event of Default*), 23.3 (*Prepayment; termination of Commitment*) or 24.6 (*Prepayment; termination of Commitment*), *pro rata* against the relevant Instalments and the Balloon Instalment; and

(b) if made pursuant to Clause 8.4 (*Voluntary prepayment*) in order of maturity of the relevant Instalments and the Balloon Instalment.

**8.12 No reborrowing**

No amount prepaid or cancelled may be (re)borrowed.

**9 CONDITIONS PRECEDENT**

**9.1 Documents, fees and no default**

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

(a) that, on or before the date of this Agreement, the Agent receives the documents described in Part A of Schedule 3 (*Condition Precedent Documents*) in form and substance satisfactory to the Agent and its lawyers; and

(b) that, on the Drawdown Date, the Agent receives:

(i) the documents and conditions described in Part B of Schedule 3 (*Condition Precedent Documents*) in form and substance satisfactory to the Agent and its lawyers;

(ii) any fee payable pursuant to Clause 20.1 (*Fees*); and

(iii) payment of any expenses payable pursuant to Clause 20.2 (*Costs of negotiation, preparation etc.*) which are due and payable on the Drawdown Date;

(c) that both at the date of the Drawdown Notice and at the Drawdown Date:

(i) no Event of Default or Potential Event of Default has occurred or would result from the borrowing of the Advance;

(ii) the representations and warranties in Clause 10 (*Representations and Warranties*) and those of the Borrower, an Approved Manager 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 5.5 (*Market disruption*) has occurred and is continuing; and

(iv) there has been no Material Adverse Change; and

(d) that, if the Security Cover Ratio were applied immediately following the making of the Advance, the Borrower would not be obliged to provide additional security or prepay part of the Loan respectively 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 Borrower prior to the Drawdown Date.

**9.2 Waiver of conditions precedent**

If the Majority Lenders, at their discretion, permit the Advance to be borrowed before certain of the conditions referred to in Clause 9.1 (*Documents, fees and no default*) are satisfied, the Borrower 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 authorisation of the Majority Lenders, specify).

**10 REPRESENTATIONS AND WARRANTIES**

**10.1 General**

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

**10.2 Status**

The Borrower is duly formed, validly existing and in good standing under the laws of the Marshall Islands.

**10.3 Share capital and ownership**

(a) Mrs Angeliki Frangou either directly or indirectly (through entities owned and controlled by her or trusts or foundations of which she is the beneficiary) is the ultimate beneficial owner of, and has the ultimate control of the voting rights attaching to at least 5 per cent. of all units as the case may be in the Borrower.

(b) Each of Owner A, Owner B, Owner C, Owner D and Owner E, is authorised to issue 500 registered shares with a par value of $1.00 per share, all of which shares have been issued in registered form and are fully paid and non-assessable and are held, free of any Security Interest or other claim, by Shareholder A.

(c) Owner F is authorised to issue 500 registered and/or bearer shares without par value, all of which have been issued in registered form and are fully paid and non-assessable and are held, free of any Security Interest or other claim, by Shareholder A.

(d) Owner G is authorised to issue 500 registered shares without par value, all of which will be issued in registered form and fully paid and non-assessable and held, free of any Security Interest or other claim on the Drawdown Date, by Shareholder B.

**10.4 Limited Partnership/Corporate power**

The Borrower or, as the case may be, each Owner has the limited partnership or corporate capacity, as applicable, and has taken all limited partnership or corporate action, as applicable, and obtained all consents necessary for it:

(a) in the case of each Owner, to execute the Underlying Documents to which it is a party and to maintain the relevant Ship in its ownership under the applicable Approved Flag;

(b) to execute the Finance Documents to which it is a party; and

(c) in the case of the Borrower, to borrow under this Agreement and, in the case of the Borrower and/or each Owner to make all the payments contemplated by, and to comply with, those Finance Documents to which it is a party.

**10.5 Consents in force**

All the consents referred to in Clause 10.4 (*Limited Partnership/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 the Borrower or, as the case may be, each Owner 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 the Borrower's or that Owner's legal, valid and binding obligations enforceable against the Borrower or that Owner in accordance with their respective terms (having the requisite corporate benefit which is legally and economically sufficient); and

(b) create legal, valid and binding Security Interests (having the priority specified in the relevant Finance Document) 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 the Borrower and each other Security Party is a party:

(a) the Borrower, or as the case may be, each other Security Party 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 the Borrower, an Approved Manager and each other Security Party of each Finance Document and each Underlying Document to which it is a party, and the borrowing by the Borrower of the Loan (or any part thereof), and the compliance by the Borrower, an Approved Manager and each other Security Party with each Finance Document and each Underlying Document to which it is a party:

(a) will not involve or lead to a contravention of:

(i) any law or regulation; or

(ii) the constitutional documents of the Borrower, an Approved Manager or other Security Party (as the case may be); or

(iii) any contractual or other obligation or restriction which is binding on the Borrower, an Approved Manager or other Security Party (as the case may be) or any of its assets, and

(b) will not have a Material Adverse Effect; and

(c) is for the corporate benefit of the Borrower, an Approved Manager and/or each other Security Party.

**10.9 No withholding taxes**

All payments which the Borrower or any Owner 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.

**10.11 Information**

All information which has been provided in writing by or on behalf of the Borrower, an Approved Manager or any Security Party 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 and financial statements which have been so provided satisfied the requirements of Clause 11.7 (*Form of financial statements*) and are true, correct and not misleading and present fairly and accurately the financial position of the Borrower, the Owners or the Group (as the case may be); and there has been no change in the financial position or state of affairs of the Borrower, the Owners or the Group (or any member thereof) from that disclosed in the latest of those accounts which is likely to have a Material Adverse Effect.

**10.12 No litigation**

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

**10.13 Validity and completeness of Underlying Documents**

Each Underlying Document constitutes valid, binding and enforceable obligations of the parties thereto in accordance with its terms and:

(a) each of the copies of that Underlying Document delivered to the Agent before the date of this Agreement is a true and complete copy; and

(b) no amendments or additions to that Underlying Document have been agreed nor has any party which is the party to that Underlying Document, waived any of their respective rights thereunder.

**10.14 Compliance with certain undertakings**

At the date of this Agreement, the Borrower and, as the case may be, the Owners are in compliance with Clauses 11.2 (*Title and negative pledge*), sub-paragraph (ii) of paragraph (b) of Clause 11.3 (*No disposal of assets*), 11.10 (*Maintenance of Security Interests*), 11.11 (*Notification of litigation*), 13.3 (*Terms of obligatory insurances*), 14.3 (*Repair and classification*) and 14.10 (*Compliance with laws etc.*) and none of the events listed in paragraph (f) of Clause 19.1 (*Events of Default*) has occurred in respect of the Borrower or any Security Party.

**10.15 Taxes paid**

The Borrower has paid all taxes applicable to, or imposed on or in relation to the Borrower and its business.

**10.16 ISM Code and ISPS Code compliance**

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

**10.17 No Money laundering**

(a) The Borrower:

(i) confirms that its and each Approved Manager's and each Security Party's operations, to the extent applicable, have at all times, since the date of the incorporation or establishment, been conducted in compliance with and not contravened nor has any subsidiary contravened any law, official requirement or other regulatory measure or procedure implemented to combat "money laundering" (as defined in Article 1 of the Directive 2015/849/EC of the European Parliament and of the Council of the European Union of 20 May 2015) and comparable United States Federal and state laws (the "**Anti-Money Laundering Laws**");

(ii) has and, to the best of its knowledge, no Security Party has received notice of, nor is otherwise aware of, any claim, action, suit, proceeding, investigation, notice or demand involving the Borrower or any other Security Party with respect to the Anti-Money Laundering Laws; and

(iii) confirms that it is the beneficiary within the meaning of section 1 paragraph 6 of the German Anti Money Laundering Act (*Gesetz über das Aufspüren von Gewinnen aus schweren Straftaten* (*Geldwäschegesetz*)), acting for its own account and not for or on behalf of any other person for each part of the Loan made or to be made available to it under this Agreement (that is to say, it acts for its own account and not for or on behalf of anyone else).

(b) The Borrower will promptly inform the Agent by written notice, if it is not or ceases to be the beneficiary and will provide in writing the name and address of the beneficiary.

(c) The Agent shall promptly notify the Lenders of any written notice it receives under this Clause 10.17 (*No Money laundering*).

**10.18 No immunity**

Neither the Borrower, nor any Owner or any of their respective assets is entitled to immunity on grounds of sovereignty or otherwise from any legal action or proceeding (including, without limitation, suit, attachment prior to judgement, execution or other enforcement).

**10.19 Choice of law**

The choice of the laws of England to govern this Agreement and those other Finance Documents which are expressed to be governed by the laws of England, the laws of Germany to govern the Account Pledges and the laws of the applicable Approved Flag State to govern the Mortgages, constitutes a valid choice of law and the submission by the Borrower or, as the case may be, the relevant Security Parties thereunder to the non-exclusive jurisdiction of the Courts of England and, in the case of the Account Pledges, Germany or, in the case of the Mortgages, the applicable Approved Flag State is a valid submission and does not contravene the laws of England or, in the case of the Account Pledges, Germany or, in the case of the Mortgages, the applicable Approved Flag State or the laws of any other Pertinent Jurisdiction,

will be applied by the courts of any Pertinent Jurisdiction if this Agreement or those other Finance Documents or any claim thereunder comes under their jurisdiction upon proof of the relevant provisions of the laws of England or, in the case of the Account Pledges, Germany or, in the case of the Mortgages, the applicable Approved Flag State.

**10.20 Pari passu ranking**

The obligations of the Borrower and each Security Party under the Finance Documents to which it is a party are direct, general and unconditional obligations and 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.

**10.21 Sanctions**

(a) Neither the Borrower, nor any Security Party, nor any member of the Group or any of their respective directors or officers or, to the Borrower's or the relevant Security Party's or the relevant member of the Group's knowledge (after due and careful inquiry), any of the Borrower's or such Security Party's or such member of the Group's employees, affiliates, agents or representatives:

(i) is a Restricted Party;

(ii) has been engaged in any transaction, activity or conduct that could reasonably be expected to result in its becoming a Restricted Party;

(iii) has or intends to have any business operations or other dealings:

(A) in any Sanctioned Country which may result in a violation of any Sanctions applicable to it;

(B) with any Specially Designated National (SDN) on OFAC's SDN list or with a designated person targeted by asset freeze sanctions imposed by the UN, EU, Switzerland or HMT or owned or controlled by any such SDN or designated person; or

(C) involving commodities or services of a Sanctioned Country origin or shipped to, through, or from a Sanctioned Country, or on a Sanctioned Country owned or registered vessels or aircraft, or finance or subsidise any of the foregoing exceeding 5 per cent. aggregated in comparison to the Borrower's or each Owner's total assets or revenues;

(iv) has received notice of, or is otherwise aware of, any claim, action, suit, proceedings or investigation involving it with respect to Sanctions; and/or

(v) is acting on behalf of or at the direction of any Restricted Party.

(b) Each member of the Group, has taken, to the extent applicable to it, reasonable measures to ensure compliance with any Sanctions and will not use any part of the proceeds from the Loan or any part of the Loan in a manner which may result in a violation of any Sanctions by any person.

(c) The representations and warranties provided for in this Clause 10.21 (*Sanctions*) are only given by, and/or (as applicable) shall only apply to, any member of the Group which is a German

Relevant Person (as defined in Clause 19.9 (*Relevant Persons*)) or any other member of the Group bound by any applicable statutory anti-boycott law or regulation insofar as the giving of and compliance with such representations and warranties do not and will not result in a violation of or conflict with or liability under section 7 of the German Foreign Trade Regulation (*Außenwirtschaftsverordnung*, AWV) (in conjunction with section 4 and section 19 paragraph 3 no. 1 a) of the German Foreign Trade Act (*Außenwirtschaftsgesetz*, AWG)), any provision of Council Regulation (EC) 2271/96 or any similar applicable anti-boycott law or regulation.

(d) In relation to a Restricted Lender, the representations and warranties provided for in this Clause 10.21 (*Sanctions*) shall only apply for the benefit of that Restricted Lender to the extent that such benefit and the exercise of any rights based on such representations and warranties will not result in a violation of or conflict with or liability under section 7 of the German Foreign Trade Regulation (*Außenwirtschaftsverordnung*, AWV) (in conjunction with section 4 and section 19 paragraph 3 no. 1 a) of the German Foreign Trade Act (*Außenwirtschaftsgesetz*, AWG)), any provision of Council Regulation (EC) 2271/96 or any similar applicable anti-boycott law or regulation. In connection with any amendment, waiver, determination or direction relating to any part of this Clause 10.21 (*Sanctions*) of which a Restricted Lender does not have the benefit, the commitments of that Restricted Lender will be disregarded for all purposes when determining whether the consent of the Majority Lenders or such other applicable quorum has been obtained or whether the determination or direction by the Majority Lenders or such other applicable quorum has been made.

**10.22 Repetition**

The representations and warranties in this Clause 10 (*Representations and Warranties*) shall be deemed to be repeated by the Borrower:

(a) on the date of service of the Drawdown Notice;

(b) on the Drawdown Date; and

(c) with the exception of Clauses 10.9 (*No withholding taxes*) and 10.14 (*Compliance with certain undertakings*), on the first day of each Interest Period and on the date of any Compliance Certificate issued pursuant to Clause 11.21 (*Compliance Certificate*).

as if made with reference to the facts and circumstances existing on each such day.

**10.23 No Corruption**

(a) None of the Borrower's, and to the best of the Borrower's knowledge the Security Parties' or any of their Subsidiaries', officers, directors or employees, and, to the best of its knowledge after due inquiry, any other persons acting on behalf of any of the foregoing, has:

(i) violated or is in violation of any applicable anti-bribery or anti-corruption law or regulation enacted in any jurisdiction whether in connection with or arising from the OECD Convention Combating Bribery of Foreign Public Officials in International Business Transactions or otherwise, including the US Foreign Corrupt Practices Act and the UK Bribery Act (together, "**Anti-Corruption Laws**"); and

(ii) made, received, offered to make or receive, promised to make or authorised the payment or giving/receipt of, directly or indirectly, any bribe, rebate, pay-off, influence payment, kickback or other payment or gift of money or anything of value (including meals or entertainment) (to or from any person) any person while knowing that all or

some portion of the money or value will be offered, given, promised or received by anyone to improperly influence official action, to obtain or retain business or otherwise to secure any improper advantage (each a "**Prohibited Payment**").

**11 GENERAL UNDERTAKINGS**

**11.1 General**

The 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, acting with the authorisation of the Majority Lenders, may otherwise permit in writing.

**11.2 Title and negative pledge**

The Borrower will:

(a) procure that no Owner shall create or permit to arise any Security Interest in respect of any asset, property or revenue present or future, except for those created by the Finance Documents and the effect of assignments contained in the Finance Documents and except for Permitted Security Interests; and

(b) not create or permit to arise any Security Interest (except for Permitted Security Interests) over any other asset, present or future of each of the Owners, other than Security Interests arising in the normal course of the Borrower's business of acquiring, operating and (re)financing vessels.

**11.3 No disposal of assets**

The Borrower will procure that no Owner 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,

provided that:

(i) in the case of an Owner paragraph (a) does not apply to any charter of a Ship or any sale of a Ship subject to:

(A) the Owner making the mandatory prepayment of the Relevant Amount pursuant to Clause 8.8 (*Mandatory prepayment*); and

(B) no Event of Default having occurred, which is continuing at the relevant time; and

(ii) in the case of the Borrower, paragraphs (a) and (b) do not apply unless such transfer, lease or disposal constitutes or results in a Material Adverse Change.

**11.4 No other liabilities or obligations to be incurred**

The Borrower will procure that no Owner will enter into any other investments, any sale or leaseback agreements, any off-balance sheet transaction or incur any other liability or

obligation (including, without limitation, any Financial Indebtedness or any obligations under a guarantee or speculative transactions) except:

(a) liabilities and obligations under the Finance Documents and the Underlying Documents to which it is or, as the case may be, will be a party;

(b) at any time prior to or on the Drawdown Date, the Existing Indebtedness;

(c) liabilities or obligations reasonably incurred in the normal course of its business of trading, operating and chartering, maintaining and repairing the Ship owned by it; and

(d) liabilities or obligations reasonably incurred in the normal course of its business of acquiring, operating and financing or refinancing vessels (and issuing relevant guarantees), acquiring shares in vessel owning companies (or their holding companies) and Financial Indebtedness from any type of lender or lessor for such acquisitions and all other matters incidental thereto.

**11.5 Information provided to be accurate**

All financial and other information, including but not limited to factual information, exhibits and reports, which is provided in writing by or on behalf of the Borrower under or in connection with any Finance Document will be true, correct and not misleading and will not omit any material fact or consideration.

**11.6 Provision of financial statements**

The Borrower will send or procure that there are sent to the Agent:

(a) as soon as possible, but in no event later than 180 days after the end of each Financial Year of the Borrower, the consolidated audited annual financial statements of the Borrower for that Financial Year (commencing with the financial statements for the Financial Year ended on 31 December 2024); and

(b) as soon as possible, 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 Borrower, the semi-annual consolidated unaudited financial statements of the Borrower, for that 6-month period (commencing with the financial statements for the 6-month period ended on 30 June 2025), duly certified as to their correctness by the Chief Financial Officer or other officer of the Borrower; and

(c) promptly after each request by the Agent, such further financial or other information in respect of the Borrower, a Ship, the other Security Parties and the Group (including, without limitation, any information regarding any sale and purchase agreements, investment brochures, shipbuilding contracts, charter agreements and other contracts of employment having a duration of 12 months or longer and operational expenditures for the Ships) as may be requested by the Agent.

**11.7 Form of financial statements**

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

(a) be prepared in accordance with all applicable laws and US GAAP and, in the case of any audited financial statements, be certified by an independent and reputable auditor having requisite experience selected and appointed by the Borrower;

(b) fairly represent the financial condition of the Borrower and the Group at the date of those accounts and of their profit for the period to which those accounts relate; and

(c) fully disclose or provide for all significant liabilities of the Borrower and the Group and each of its/their subsidiaries.

**11.8 Shareholder and creditor notices**

The Borrower will send the Agent copies of any relevant press releases in respect of an Owner and, promptly upon its request, copies of all communications which are received by it in its capacity as indirect shareholder of each Owner or dispatched to the Owners' creditors or any class of them.

**11.9 Consents**

The Borrower will and shall procure, where applicable, that each Owner shall maintain in force and promptly obtain or renew, and will promptly send certified copies to the Agent of, all consents required:

(a) for the Borrower and that Owner to perform their respective obligations under any Finance Document and/or any Underlying Document to which each is, or as the case may be, will be a party;

(b) for the validity or enforceability of any Finance Document and/or any Underlying Document to which each is, or as the case may be, will be a party; and

(c) for that Owner to continue to own and operate the Ship owned by it,

and the Borrower will and shall procure that each Owner will comply (or procure compliance as the case may be) with the terms of all such consents.

**11.10 Maintenance of Security Interests**

The Borrower will:

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

(b) without limiting the generality of paragraph (a), at its own cost, promptly register, file, record or enrol any Finance Document with any court or authority in all Pertinent Jurisdictions, 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**

The Borrower will provide the Agent with details of any legal or administrative action involving the Borrower, each Owner and the Ship owned by it, the Earnings or the Insurances in respect of that Ship, any other Security Party or an Approved Manager, as soon as such action is instituted or it becomes apparent to the 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, and the Borrower shall procure that all reasonable measures are taken to defend any such legal or administrative action.

**11.12 No amendment to Underlying Documents**

The Borrower shall not, and shall procure that no Owner shall, waive or fail to enforce, the Underlying Documents to which it is a party or any of its provisions and shall promptly notify the Agent of any amendment or supplement to any Underlying Document.

**11.13 Principal place of business**

The 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 the Borrower will not establish, or do anything as a result of which it would be deemed to have, a place of business in the United Kingdom or the United States.

**11.14 Confirmation of no default**

The Borrower will, within two Business Days after service by the Agent of a written request, serve on the Agent a notice which is signed by an authorised representative of the 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 11.14 (*Confirmation of no default*) from time to time but only if asked to do so by a Lender or Lenders having Contributions exceeding 10 per cent. of the Loan or (if no Advance has been made) Commitments exceeding 10 per cent. of the Total Commitments; and this Clause 11.14 (*Confirmation of no default*) does not affect the Borrower's obligations under Clause 11.15 (*Notification of default*).

**11.15 Notification of default**

The Borrower will notify the Agent as soon as the Borrower becomes aware of:

(a) the occurrence of an Event of Default or a Potential Event of Default; or

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

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

**11.16 Provision of further information**

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

(a) to the Borrower, that Owner and the Ship owned by it, the Earnings or the Insurances or any Ship; or

(b) to any other matter relevant to, or to any provision of, a Finance Document,

which may be requested by the Agent, the Security Trustee or any Lender at any time.

**11.17 Provision of copies and translation of documents**

The Borrower will supply the Agent with a sufficient number of copies of the documents referred to above to provide one copy for each Creditor Party; and if the Agent so requires in respect of any of those documents, the Borrower will provide a certified English translation prepared by a translator approved by the Agent.

**11.18 "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 or change in the internal policy of any Creditor Party made after the date of this Agreement;

(b) any change in the composition of the shareholders of the Borrower or any Security Party after the date of this Agreement; or

(c) a proposed assignment or transfer by a Lender of any of its rights and obligations under this Agreement to a party that is not a Lender prior to such assignment or transfer,

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

**11.19 Minimum Liquidity**

The Borrower shall maintain in the Minimum Liquidity Account credit balances in an amount equal to the aggregate of not less than the Mandatory Minimum Liquidity Amount commencing from the Drawdown Date and at all times thereafter throughout the remainder of the Security Period.

**11.20 Compliance Certificate**

(a) The Borrower shall supply to the Agent, a Compliance Certificate together with each set of financial statements delivered pursuant to paragraphs (a) and (b) of Clause 11.6 (*Provision of financial statements*) (commencing with the financial statements of the Borrower for the Financial Year ended on 31 December 2024).

(b) Each Compliance Certificate shall be duly signed by the chief financial officer of the Borrower, evidencing (*inter alia*) the Borrower's compliance (or not, as the case may be) with the provisions of Clause 12.5 (*Financial Covenants*), Clause 11.20 (*Minimum Liquidity*) and Clause 15.1 (*Minimum required security cover*).

**11.21 No Money laundering and Corruption**

(a) The Borrower:

(i) will not, and will procure that no Security Party, to the extent applicable, will, in connection with this Agreement or any of the other Finance Documents, contravene, or permit any subsidiary to contravene, any Anti-money Laundering laws; and

(ii) shall further submit any documents and declarations on request, if such documents or declarations are required by any Creditor Party to comply with its domestic money laundering and/or legal identification requirements.

(b) The Borrower:

(i) shall confirm to the Agent that it is the beneficiary within the meaning of the German Anti Money Laundering Act (*Gesetz über das Aufspüren von Gewinnen aus schweren Straftaten* (*Geldwäschegesetz*)), acting for its own account and not for or on behalf of any other person for each part of the Advance made or to be made available to it under this Agreement (that is to say, it acts for its own account and not for or on behalf of anyone else); and

(ii) will promptly inform the Agent by written notice, if it is not or ceases to be the beneficiary and will provide in writing the name and address of the beneficiary.

(c) The Agent shall promptly notify the Lenders of any written notice it receives under sub-paragraph (iii) of paragraph (b) of Clause 11.22 (*No Money laundering and Corruption*) above.

**11.22 Sanctions**

(a) The Borrower undertakes that neither it nor its subsidiaries will, directly or indirectly,

(i) engage in any activities in conflict with or in violation of any Sanctions and, in particular,

(ii) use the proceeds of the Loan or any part of the Loan to lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person that is a Restricted Party;

(iii) directly or indirectly fund all or part of any repayment or prepayment of the Loan with funds that are the property of, are beneficially owned directly or indirectly by, or are derived from any transaction with or action involving a Restricted Party; or

(iv) otherwise act in any manner with respect to such proceeds which would result in a violation by any person (including any Creditor Party or any person participating in the transaction, whether as initial purchaser, advisor, investor or otherwise) of Sanctions.

(b) The undertakings provided for in this Clause 11.23 (*Sanctions*) are only given by, and/or (as applicable) shall only apply to, any member of the Group which is a German Relevant Person or any other member of the Group bound by any applicable statutory anti-boycott law or regulation insofar as the giving of and compliance with such undertakings do not and will not result in a violation of or conflict with or liability under section 7 of the German Foreign Trade Regulation (*Außenwirtschaftsverordnung*, AWV) (in conjunction with section 4 and section 19 paragraph 3 no. 1 a) of the German Foreign Trade Act (*Außenwirtschaftsgesetz*, AWG)), any provision of Council Regulation (EC) 2271/96 or any other applicable anti-boycott or similar applicable laws or regulation.

(c) In relation to a Restricted Lender, the undertakings provided for in this Clause 11.23 (*Sanctions*) shall only apply for the benefit of that Restricted Lender to the extent that such benefit and the exercise of any rights based on such undertakings will not result in a violation of or conflict with or liability under section 7 of the German Foreign Trade Regulation (*Außenwirtschaftsverordnung*, AWV) (in conjunction with section 4 and section 19 paragraph 3 no. 1 a) of the German Foreign Trade Act (*Außenwirtschaftsgesetz*, AWG)), any provision of Council Regulation (EC) 2271/96 or any similar applicable anti-boycott law or regulation. In connection with any amendment, waiver, determination or direction relating to any part of this Clause 11.23 (*Sanctions*) of which a Restricted Lender does not have the benefit, the Commitments of that Restricted Lender will be disregarded for all purposes when determining whether the consent of the Majority Lenders (or such other applicable quorum) has been obtained or whether the determination or direction by the Majority Lenders (or such other applicable quorum) has been made.

**12 CORPORATE UNDERTAKINGS**

The 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, acting with the authorisation of the Majority Lenders, may otherwise permit in writing.

**12.1 Maintenance of status**

The Borrower will maintain its separate limited partnership existence and remain in good standing under the laws of the Republic of the Marshall Islands.

**12.2 Negative undertakings**

The Borrower will not:

(a) change the nature of its business or allow any Owner to change the nature of its business;

(b) pay any dividend or make any other form of distribution or effect any form of redemption, purchase or return of its issued shares if an Event of Default has occurred and is continuing at the relevant time or an Event of Default will result from the payment of a dividend or the making of any other form of distribution;

(c) allow the Owners to provide any form of credit or financial assistance to:

(i) a person who is directly or indirectly interested in that Owner'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 Owner than those which it could obtain in a bargain made at arms' length;

(d) allow the Owners to open or maintain any account with any bank or financial institution except accounts with the Agent, the Account Bank and the Security Trustee for the purposes of the Finance Documents;

(e) change, or allow an Owner to change, its Financial Year;

(f) allow the Owners to issue, allot or grant any person a right to any shares or repurchase or reduce its issued shares;

(g) allow the Owners to acquire any shares or other securities other than short term debt obligations or Treasury bills issued by the US, the UK or a Participating Member State and certificates of deposit issued by major North American or European banks, or enter into any transaction in a derivative; or

(h)

(i) enter into any form of amalgamation, merger or de-merger, acquisition, divestiture, split-up or any form of reconstruction or reorganisation, which would have as a result the occurrence of an Event of Default; and

(ii) procure that the Owners will not enter into any form of amalgamation, merger or de-merger, acquisition, divestiture, split-up or any form of reconstruction or reorganisation.

**12.3 Subordination**

(a) All rights which the Borrower at any time has against an Owner or its assets shall be fully subordinated to the rights of the Lenders under the Finance Documents; and in particular, the Borrower shall not during the Security Period:

(b) claim, or in a bankruptcy of an Owner prove for, any amount payable to the Borrower by that Owner, whether in respect of this or any other transaction;

(c) take or enforce any Security Interest for any such amount; or

(d) claim to set-off any such amount against any amount payable by the Borrower to that Owner.

**12.4 Borrower's Subsidiaries**

The Borrower shall provide the Agent with a list of the Borrower's (direct and indirect) subsidiaries at the date of this Agreement (together with information requested by the Agent

pursuant to paragraph (c) of Clause 11.6 (*Provision of financial statements*) in respect of such subsidiaries) and shall promptly update this list from time to time to advise the Agent of any amendments to the information included in the original list delivered to the Agent, unless such information is included in the financial statement or periodic public filings of the Borrower.

**12.5 Financial Covenants**

The Borrower shall ensure that at all times:

(a) the Market Value Adjusted Leverage shall be no greater than 75 per cent.;

(b) the Net Worth of the Group shall not be less than $135,000,000;

(c) the Interest Cover shall be at least 2 to 1; and

(d) the members of the Group will maintain Liquid Funds in an amount equal to at least the product of $500,000 and the total number of the Fleet Vessels at that time.

**13 INSURANCE**

**13.1 General**

The Borrower also undertakes with each Creditor Party, on and from the Drawdown Date, to comply with the following provisions of this Clause 13 (*Insurance*), except as the Agent may, with the authority of the Majority Lenders, otherwise permit in writing (such permission not to be unreasonably withheld in respect of a change relating to the class or classification society under paragraph (b) Clause 13.11 (*Compliance with terms of insurances*)).

**13.2 Maintenance of obligatory insurances**

The Borrower shall procure that each Owner keeps the Ship owned by it insured at the expense of that Owner Borrower against:

(a) fire and usual marine risks (including hull and machinery and excess risks);

(b) war risks (including, without limitation, protection and indemnity war risks with a separate limit not less than hull value of the relevant Ship);

(c) protection and indemnity risks (including, without limitation, protection and indemnity war risks in excess of the amount for war risks (hull) and oil pollution liability risks) in each case in the highest amount available in the international insurance market; and

(d) any other risks the insurance of which the Security Trustee (acting on the instructions of the Majority Lenders), having regard to practices, recommendations and other circumstances prevailing at the relevant time, may from time to time require by notice to that Owner.

**13.3 Terms of obligatory insurances**

The Borrower shall procure that each Owner shall effect such insurances in such amounts in such currency and upon such terms and conditions (including, without limitation, any LSW 1189 or, in the opinion of the Security Trustee, comparable mortgage clause) as shall from time

to time be approved in writing by the Security Trustee in its sole discretion, but in any event as follows:

(a) in Dollars;

(b) in the case of fire and usual marine risks and war risks, on an agreed value basis in an amount equal to at least the higher of (i) an amount which is equal to 120 per cent. of the aggregate of (A) the Loan multiplied by a fraction whose: (1) nominator is the Market Value of the Ship owned by that Owner; and (2) denominator is the Market Value of all Mortgaged Ships and (B) the principal amount secured by any equal or prior ranking Security Interest on that Ship and (ii) the Market Value of that Ship;

(c) in the case of oil pollution liability risks, for an 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 Protection and Indemnity Clubs) and the international marine insurance market (currently $1,000,000,000 for any one accident or occurrence);

(d) in relation to protection and indemnity risks in respect of the full value and tonnage of that Ship;

(e) in relation to war risks insurance, extended to cover piracy and terrorism where excluded under the fire and usual marine risks insurance;

(f) on approved terms and conditions;

(g) such other risks of whatever nature and howsoever arising in respect of which insurance would be maintained by a prudent owner of a vessel similar to that Ship; and

(h) through approved brokers and with approved insurance companies and/or underwriters which have a Standard & Poor's rating of at least BBB- or a comparable rating by any other rating agency acceptable to the Security Trustee (acting on the instructions of the Majority Lenders) 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 Clubs.

**13.4 Further protections for the Creditor Parties**

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

(a) it and any and all third parties who are named assured or co-assured under any obligatory insurance shall assign their interest in any and all obligatory insurances and other Insurances if so required by the Agent;

(b) whenever the Security Trustee requires, the obligatory insurances name (or be amended to name) the Security Trustee as additional named assured for its rights and interests, warranted no operational interest and with full waiver of rights of subrogation they may have under any applicable law 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) the interest of the Security Trustee as assignee and as loss payee shall be duly endorsed on all slips, cover notes, policies, certificates of entry or other instruments of insurance in respect of the obligatory insurances;

(d) the obligatory insurances shall name the Security Trustee as sole loss payee with such directions for payment as the Security Trustee may specify;

(e) the obligatory insurances shall provide that all payments by or on behalf of the insurers under the obligatory insurances to the Security Trustee shall be made without set-off, counterclaim or deductions or condition whatsoever;

(f) the obligatory insurances shall 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 (f) from making personal claims against persons (other than the Owners or any Creditor Party) in circumstances where the insurers have fully discharged their liabilities and obligations under the relevant obligatory insurances;

(g) the obligatory insurances shall provide that the obligatory insurances shall be primary without right of contribution from other insurances effected by the Security Trustee or any other Creditor Party;

(h) the obligatory insurances shall provide that the Security Trustee may make proof of loss if that Owner fails to do so; and

(i) the obligatory insurances shall 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 only be effective against the Security Trustee 14 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**

The Borrower shall procure that each Owner:

(a) at least 14 days before the expiry of any obligatory insurance effected by it:

(i) notifies the Security Trustee of the brokers, underwriters, insurance companies and any protection and indemnity or war risks association through or with whom that Owner proposes to renew that obligatory insurance and of the proposed terms and conditions of renewal; and

(ii) seeks the Security Trustee's approval to the matters referred to in paragraph (i);

(b) at least 7 days before the expiry of any obligatory insurance, renews that obligatory insurance in accordance with the Security Trustee's approval pursuant to paragraph (a); and

(c) procures 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**

The Borrower shall procure that each Owner ensures that that all approved brokers provide the Security Trustee with pro forma copies of all cover notes and policies relating to the obligatory insurances which they are to effect or renew and of a letter or letters of undertaking in a form required by the Security Trustee and including undertakings by the approved brokers that:

(a) they will have endorsed on each policy, immediately upon issue, a loss payable clause and a notice of assignment complying with the provisions of Clause 13.4 (*Further protections for the Creditor Parties*);

(b) they will hold such policies, and the benefit of such insurances, to the order of the Security Trustee in accordance with the said loss payable clause;

(c) they will advise the Security Trustee 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 the 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 the Borrower under such obligatory insurances any premiums or other amounts due to them or any other person whether in respect of that Ship or otherwise, they waive any lien on the policies, or any sums received under them, which they might have in respect of such premiums or other amounts, and they will not cancel such obligatory insurances by reason of non-payment of such premiums or other amounts, and will arrange for a separate policy to be issued in respect of that Ship forthwith upon being so requested by the Security Trustee.

**13.7 Copies of certificates of entry; letters of undertaking**

The Borrower shall procure that each Owner ensures that any protection and indemnity and/or war risks associations in which the Ship owned by that Owner is entered provides the Security Trustee with:

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

(b) a letter or letters of undertaking in such form as may be required by the Security Trustee;

(c) where required to be issued under the terms of insurance/indemnity provided by that Owner'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 Owner 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 or, as the case may be, protection and indemnity associations in relation to that Ship (if applicable).

**13.8 Deposit of original policies**

The Borrower shall procure that each Owner ensures that all policies relating to obligatory insurances effected by it are deposited with the approved brokers through which the insurances are effected or renewed.

**13.9 Payment of premiums**

The Borrower shall procure that each Owner punctually pays all premiums or other sums payable in respect of the obligatory insurances effected by it and produce all relevant receipts when so required by the Security Trustee.

**13.10 Guarantees**

The Borrower shall procure that each Owner ensures 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 Compliance with terms of insurances**

The Borrower shall procure that no Owner does or omits to do (or permits to be done or not to be done) any act or thing which would or might render any obligatory insurance invalid, void, voidable or unenforceable or render any sum payable under an obligatory insurance repayable in whole or in part; and, in particular it shall procure that each Owner:

(a) takes all necessary action and comply with all requirements which may from time to time be applicable to the obligatory insurances, and (without limiting the obligation contained in paragraph (c) of Clause 13.6 (*Copies of policies; letters of undertaking*)) ensure that the obligatory insurances are not made subject to any exclusions or qualifications to which the Security Trustee has not given its prior approval;

(b) does not make any changes relating to the classification or classification society or manager or operator of the Ship owned by it approved by the underwriters of the obligatory insurances;

(c) makes (and promptly supplies copies to the Agent) of all quarterly or other voyage declarations which may be required by the protection and indemnity risks association in which that 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, if applicable, shall procure that an Approved Manager complies with this requirement; and

(d) does not employ that Ship, nor allows it to be employed, otherwise than in conformity with the terms and conditions of the obligatory insurances, without first obtaining the consent of the insurers and complying with any requirements (as to extra premium or otherwise) which the insurers specify.

**13.12 Alteration to terms of insurances**

The Borrower shall procure that no Owner either makes or agrees to any alteration to the terms of any obligatory insurance or waives any right relating to any obligatory insurance.

**13.13 Settlement of claims**

The Borrower shall procure that no Owner 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 and shall do all things necessary to ensure such collection or recovery is made.

**13.14 Provision of copies of communications**

The Borrower shall procure that each Owner provides the Security Trustee, when so requested, copies of all written communications between that Owner 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 Owner'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 Owner and any of the persons referred to in paragraphs (a) or (b) relating wholly or partly to the effecting or maintenance of the obligatory insurances.

**13.15 Provision of information and further undertakings**

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

(a) obtaining or preparing any report from an independent marine insurance broker as to the adequacy of the obligatory insurances effected or proposed to be effected; and/or

(b) effecting, maintaining or renewing any such insurances as are referred to in Clause 13.16 (*Mortgagee's interest and additional perils insurances*) or dealing with or considering any matters relating to any such insurances,

and that Owner shall:

(i) do all things necessary and provide the Agent and the Security Trustee with all documents and information to enable the Security Trustee to collect or recover any moneys in respect of the Insurances which are payable to the Security Trustee pursuant to the Finance Documents; and

(ii) promptly provide the Agent with full information regarding any Major Casualty in consequence whereof the Ship owned by that Owner has become or may become a Total Loss and agree to any settlement of such casualty or other accident or damage to that Ship only with the Agent's prior written consent,

and that Owner 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).

**13.16 Mortgagee's interest and additional perils insurances**

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

(a) a mortgagee's interest insurance providing for the indemnification of the Creditor Parties for any losses under or in connection with any Finance Document (in an amount which is equal to 120 per cent. of the aggregate of (A) the Loan multiplied by a fraction whose: (1) nominator is the Market Value of the Ship owned by that Owner; and (2) denominator is the Market Value of all Mortgaged Ships and (B) the principal amount secured by any equal or prior ranking Security Interest on that Ship) which directly or indirectly result from loss of or damage to a Ship or a liability of that Ship or of the Owner 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:

(i) any act or omission on the part of that Owner, of any operator, charterer, manager or sub-manager of that Ship or of any officer, employee or agent of that Owner or of any such person, including any breach of warranty or condition or any non-disclosure relating to such obligatory insurance;

(ii) any act or omission, whether deliberate, negligent or accidental, or any knowledge or privity of that Owner, any other person referred to in paragraph (i) above, or of any officer, employee or agent of that Owner or of such a person, including the casting away or damaging of that Ship and/or that Ship being unseaworthy; and/or

(iii) any other matter capable of being insured against under a mortgagee's interest marine insurance policy whether or not similar to the foregoing; and

(b) a mortgagee's interest additional perils insurance providing for the indemnification of the Creditor Parties against, among other things, any possible losses or other consequences of any Environmental Claim, including the risk of expropriation, arrest or any form of detention of 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 in an amount which is equal to 110 per cent. of the aggregate of (A) the Loan multiplied by a fraction whose: (1) nominator is the Market Value of the Ship owned by that Owner; and (2) denominator is the Market Value of all Mortgaged Ships and (B) the principal amount secured by any equal or prior ranking Security Interest on that Ship,

and the Borrower 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.

**13.17 Review of insurance requirements**

The Security Trustee shall be entitled to review the requirements of this Clause 13 (*Insurance*) from time to time in order to take account of any changes in circumstances after the date of

this Agreement which are, in the opinion of the Agent (acting on the instructions of the Majority Lenders), significant and capable of affecting the Owners, each Ship and its Insurances (including, without limitation, changes in the availability or the cost of insurance coverage or the risks to which the Owner owning that Ship may be subject) and the Borrower shall upon demand fully indemnify the Agent in respect of all fees and other expenses incurred by or for the account of the Agent in appointing an independent marine insurance broker or adviser to conduct such review.

**13.18 Modification of insurance requirements**

The Security Trustee shall notify the Borrower of any proposed modification under Clause 13.17 (*Review of insurance requirements*) to the requirements of this Clause 13 (*Insurance*) which the Security Trustee reasonably considers appropriate in the circumstances, and such modification shall take effect on and from the date it is notified in writing to the Borrower as an amendment to this Clause 13 (*Insurance*) and shall bind the Borrower accordingly.

**13.19 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 Owner 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 13.18 (*Modification of insurance requirements*).

**14 SHIP COVENANTS**

**14.1 General**

The Borrower also undertakes with each Creditor Party on and from the Drawdown Date to comply or to procure that each Owner complies with the following provisions of this Clause 14 (*Ship Covenants*) at all times during the Security Period except as the Agent, acting with the authorisation of the Majority Lenders, may otherwise permit in writing (such permission not to be unreasonably withheld in respect of a change of an Approved Flag under Clause 14.2 (*Ship's name and registration*)).

**14.2 Ship's name and registration**

The Borrower shall procure that each Owner shall keep the Ship owned by it registered in its name under an Approved Flag; shall not do, omit to do or allow to be done anything as a result of which such registration might be cancelled or imperilled; and shall not change the name or port of registry of that Ship.

**14.3 Repair and classification**

The Borrower shall procure that each Owner ensures that an Approved Manager shall, keep the Ship owned by that Owner in a good and safe condition and state of repair, sea and cargo worthy in all respects:

(a) consistent with first-class ship ownership and management practice;

(b) so as to maintain the highest class free of overdue recommendations and conditions, with an Approved Classification Society; and

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

and the Agent shall be given power of attorney in the form attached as Schedule 5 to act on behalf of the relevant Owner in order to, inspect the class records and any files held by the classification society and to require the classification society to provide the Agent or any of its nominees with any information, document or file, it might request and the classification society shall be fully entitled to rely hereon without any further inquiry.

**14.4 Classification society undertaking**

The Borrower shall procure that each Owner instructs the classification society referred to in Clause 14.3 (*Repair and classification*) (and procure that the classification society undertakes with the Security Trustee) in relation to its Ship:

(a) to send to the Security Trustee, following receipt of a written request from the Security Trustee, certified true copies of all original class records and any other related records held by the classification society in relation to the Ship owned by that Owner;

(b) to allow the Security Trustee (or its agents), at any time and from time to time, to inspect the original class and related records of that Ship at the offices of the classification society and to take copies of them;

(c) to notify the Security Trustee immediately in writing if the classification society:

(i) receives notification from that Owner or any person that that Ship's classification society is to be changed; or

(ii) becomes aware of any facts or matters which may result in or have resulted in a change, suspension, discontinuance, withdrawal or expiry of that Ship's class under the rules or terms and conditions of that Owner's or that Ship's membership of the classification society;

(d) following receipt of a written request from the Security Trustee:

(i) to confirm that that Owner is not in default of any of its contractual obligations or liabilities to the classification society and, without limiting the foregoing, that it has paid in full all fees or other charges due and payable to the classification society; or

(ii) if that Owner is in default of any of its contractual obligations or liabilities to the classification society, to specify to the Security Trustee in reasonable detail the facts and circumstances of such default, the consequences thereof, and any remedy period agreed or allowed by the classification society.

**14.5 Modification**

The Borrower shall procure that no Owner shall make any modification or repairs to, or replacement of, its Ship or equipment installed on it which would or might materially alter the structure, type or performance characteristics of that Ship or materially reduce its value.

**14.6 Removal of parts**

The Borrower shall procure that no Owner shall remove any material part of its Ship, 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 that Ship the property of that Owner and subject to the security constituted by the relevant Mortgage **Provided that** an Owner may install equipment owned by a third party if the equipment can be removed without any risk of damage to the Ship owned by it.

**14.7 Surveys**

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

**14.8 Inspection**

The Borrower shall procure that each Owner permits the Security Trustee (by surveyors or other persons appointed by it for that purpose) to board the Ship owned by that Owner at any time to inspect its condition or to satisfy themselves about proposed or executed repairs provided that no inspection report for that Ship which is to the satisfaction of the Security Trustee is available and shall afford all proper facilities for such inspections at the Borrower's expense (which if no Event of Default has occurred and is continuing shall be limited to once in each calendar year).

**14.9 Prevention of and release from arrest**

The Borrower shall procure that each Owner promptly discharges:

(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 that Ship, the Earnings or the Insurances; and

(c) all other outgoings whatsoever in respect of that Ship, the Earnings or the Insurances,

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

**14.10 Compliance with laws etc.**

The Borrower shall procure that each Owner shall:

(a) comply, or procure compliance with the ISM Code, the ISPS Code, all Environmental Laws and all other laws or regulations relating to the Ship owned by it, its ownership, operation and management or to the business of that Owner;

(b) not employ the Ship owned by it nor allow its employment in any manner contrary to any law or regulation in any relevant jurisdiction including but not limited to the ISM Code and the ISPS Code; and

(c) in the event of hostilities in any part of the world (whether war is declared or not), not cause or permit that 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 prior written consent of the Security Trustee has been given or the Borrower has (at its expense) effected any special, additional or modified insurance cover as the Security Trustee requires.

**14.11 Provision of information**

The Borrower shall procure that each Owner shall promptly provide the Security Trustee with any information which it requests regarding:

(a) the Ship owned by it, its employment, position and engagements;

(b) the Earnings and payments and amounts due to the 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) its compliance, an Approved Manager's compliance and the compliance of that Ship with the ISM Code and the ISPS Code; and

(f) the Group's strategy in relation to both the Ballast Water Treatment System and the Sulphur oxide (SOx) emission's regulation in respect of the Ships and the vessels owned by any member of the Group, unless publicly available,

and, upon the Security Trustee's request, provide copies of any current charter relating to that Ship, of any current charter guarantee and copies of that Owner's or an Approved Manager's Document of Compliance, Safety Management Certificate and the ISSC.

**14.12 Notification of certain events**

The Borrower shall procure each Owner:

(a) before entering into:

(i) any demise charter for any period in respect of its Ship; or

(ii) any other Assignable Charter,

shall notify the Agent and provide copies of any draft charter relating to its Ship and, if applicable, any draft charter guarantee and that Owner shall be entitled to enter into such charter without the consent of the Creditor Parties **Provided that**:

(A) that Owner executes in favour of the Security Trustee a specific assignment of all its rights, title and interest in and to such charter and any charter guarantee in the form of a Charterparty Assignment;

(B) the charterer and any charter guarantor receive a notice (1) of the specific assignment of such charter and charter guarantee and (2) that the Mortgage over that Ship has been registered prior to the entry into such charter;

(C) in the case where such charter is a demise charter the charterer undertakes to the Security Trustee (1) to comply with all of that Owner's undertakings with regard to the employment, insurances, operation, repairs and maintenance of its Ship contained in this Agreement, the Mortgage and the General Assignment in relation to that Ship and (2) to provide an assignment of its interest in the insurances of the Ship in the Agreed Form;

(D) the relevant Owner provides certified true and complete copies of the charter relating to its Ship and of any current charter guarantee, if any, promptly after its execution;

(E) the Agent's receipt of a copy of the charter and its failure or neglect to act, delay or acquiescence in connection with the relevant Owner's entering into such charter shall not in any way constitute an acceptance by the Agent of whether or not the Earnings under the charter are sufficient to meet the debt service requirements under this Agreement nor shall it in any way affect the Agent's or the Security Trustee's entitlement to exercise its rights under the Finance Documents pursuant to Clause 19 (*Events of default*) upon the occurrence of an Event of Default arising as a result of an act or omission of the charterer; and

(F) the Borrower delivers to the Agent such other documents equivalent to those referred to at paragraphs 2, 3, 4, 5, 7, 8 and 9 of Schedule 3 (*Condition Precedent Documents*), Part A as the Agent may require; and

(b) shall immediately notify the Security Trustee by letter, of:

(i) its entry into any agreement or arrangement for the postponement of any date on which any Earnings are due, the reduction of the amount of any Earnings or otherwise for the release or adverse alteration of any right of that Owner to any Earnings;

(ii) its entry 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;

(iii) any casualty which is or is likely to be or to become a Major Casualty;

(iv) any material insurance claim in relation to a Ship;

(v) 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;

(vi) any requirement, overdue condition or recommendation made by any insurer or classification society or by any competent authority which is not complied with in accordance with its terms;

(vii) any arrest or detention of that Ship, any exercise or purported exercise of any lien on that Ship or its Earnings or any requisition of that Ship for hire;

(viii) any unscheduled dry docking of that Ship;

(ix) any Environmental Claim made against that Owner or in connection with that Ship, or any Environmental Incident;

(x) any claim for breach of the ISM Code or the ISPS Code being made against that Owner, Approved Manager or otherwise in connection with that Ship;

(xi) its intention to de-activate or lay up its Ship; or

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

and that Owner shall keep the Security Trustee advised in writing on a regular basis and in such detail as the Security Trustee shall require of that Owner's, 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.**

The Borrower shall procure that no Owner shall, in relation to the Ship owned by it:

(a) enter into any charter in relation to that Ship under which more than two months' hire (or the equivalent) is payable in advance;

(b) charter that Ship otherwise than on bona fide arm's length terms at the time when that Ship is fixed;

(c) appoint a manager of that Ship other than an Approved Manager; or

(d) put that Ship into the possession of any person for the purpose of work being done upon it in an amount exceeding or likely to exceed $500,000 (or the equivalent in any other currency) unless that person has first given to the Security Trustee 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.

**14.14 Notice of Mortgage**

The Borrower shall procure that each Owner shall keep the Mortgage relative to its Ship registered against that Ship as a valid first preferred or, as the case may be, priority 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 Owner to the Security Trustee.

**14.15 Sharing of Earnings**

The Borrower shall procure that no Owner shall enter into any agreement or arrangement for the sharing of any Earnings (other than (i) any profit sharing agreement with a charterer which takes effect above an agreed minimum charter hire rate payable to the relevant Owner under a charter to which that Owner is a party and (ii) any pool agreement, in either case, on bona fide arm's length terms).

**14.16 ISPS Code**

The Borrower shall procure that each Owner shall comply with the ISPS Code and in particular, without limitation, shall:

(a) procure that the Ship owned by it and the company responsible for that Ship's compliance with the ISPS Code comply with the ISPS Code; and

(b) maintain for that Ship an ISSC; and

(c) notify the Agent immediately in writing of any actual or threatened withdrawal, suspension, cancellation or modification of the ISSC.

**14.17 Green Passport and green scrapping**

The Borrower shall procure that each Owner:

(a) carries on board of its Ship the Inventory of Hazardous Materials required by the Approved Classification Society of the Ship on board that Ship;

(b) provide the Agent with a copy of the Inventory of Hazardous Materials for the Ship owned by it and each update to, or amendment of, such Inventory of Hazardous Materials from time to time during the Security Period;

(c) ensure that, if during the Security Period, the Ship owned by it is sold for scrapping or sold to an intermediary with the intention of being scrapped, that Ship is recycled at a recycling yard which conducts its recycling business in a socially and environmentally responsible manner, in accordance with the provisions of:

(i) the Hong Kong Convention for the Safe and Environmentally Sound Recycling of Ships 2009 in relation to non-EU flagged vessels;

(ii) the International Maritime Organisation's Guidelines for the development of the Inventory of Hazardous Materials (Resolution MEPC.269(68)) in relation to non-EU flagged vessels;

(iii) Regulation (EU) No. 1257/2013 adopted by the EU Parliament and the Council of the European Union on 20 November 2013 in relation to EU flagged vessels;

(iv) any other applicable laws or regulations relating to ship scrapping or ship recycling; and

(d) comply with Annex VI or any replacement of Annex VI and shall in particular, without limitation:

(i) procure that the relevant Ship's master and crew are familiar with, and that the Ship owned by it complied with, Annex VI; and

(ii) maintain for the Ship owned by it throughout the Security Period a valid and current IAPPC and provide a copy to the Agent.

**14.18 IMO data**

The Borrower shall, and shall procure that each Owner shall, gather and maintain annual SEEMP Part II Data in respect of the relevant Ship according to the IMO Data Collection System and shall provide such annual data to the Agent latest by 30 June of the year following the year which such data collection applies to.

**15 SECURITY COVER**

**15.1 Minimum required security cover**

Clause 15.2 (*Prepayment; provision of additional security*) applies if the Agent notifies the Borrower that the Security Cover Ratio is below 125 per cent.

**15.2 Prepayment; provision of additional security**

If the Agent serves a notice on the Borrower under Clause 15.1 (*Minimum required security cover*), the Borrower shall prepay such part at least of the Loan as will eliminate the shortfall on or before the date falling 15 Business Days after the date on which the Agent's notice is served under Clause 15.1 (*Minimum required security cover*) (the "**Loan Shortfall Prepayment Date**") unless at least five calendar days before the Loan Shortfall Prepayment Date the Borrower has provided, or ensured that a third party has provided, additional security which, in the reasonable opinion of the Majority Lenders, has a net realisable value at least equal to the shortfall and is documented in such terms as the Agent may, with the authorisation of the Majority Lenders, approve or require.

**15.3 Valuation of Ships**

The Market Value of a Ship:

(a) for the purposes of the Initial Market Value, is that shown in one valuation addressed to the Agent issued by one Approved Broker to be nominated and appointed by the Agent. If the Borrower does not agree with such valuation, the Borrower can nominate another Approved Broker to provide a second valuation addressed to the Agent and appointed by the Agent, in which case the Initial Market Value is that shown by taking the arithmetic average of such two valuations. If the difference between these two valuations is greater than 15 per cent., paragraph (d) of this Clause 15.3 (*Valuation of Ships*) shall be applicable; and

(b) at any other date, is that shown in one valuation addressed to the Agent to be issued by an Approved Broker, nominated and appointed by the Borrower and addressed to the Agent (the "**First Valuation**") unless the Agent obtains a second valuation issued by an Approved Broker nominated and appointed by the Agent (the "**Second Valuation**") in which case the Market Value of the relevant Ship at the relevant date is that shown:

(i) if the difference between the First Valuation and the Second Valuation is less than 10 per cent., by the First Valuation; and

(ii) if the difference between the First Valuation and the Second Valuation is greater than 10 per cent. but less than 15 per cent. or less, by taking the arithmetic average of such two valuations; and

(iii) if the difference between the First Valuation and the Second Valuation is greater than 15 per cent., paragraph (d) of this Clause 15.3 (*Valuation of Ships*) shall be applicable,

(c) each valuation issued pursuant to paragraphs (a) and (b) of this Clause 15.3 (*Valuation of Ships*) to be prepared:

(i) as at a date not more than 30 days previously;

(ii) with or without physical inspection of that Ship (as the Agent may require); and

(iii) 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; and

(d) if the difference between 2 valuations in respect of a Ship obtained at any one time, in each case, pursuant to this Clause 15.3 (*Valuation of Ships*) is greater than 15 per cent., a valuation shall be commissioned from a third Approved Broker selected and appointed by the Agent. Such valuation to be conducted in accordance with this Clause 15.3 (*Valuation of Ships*) and the Market Value of that Ship in such circumstances shall be the arithmetic average of all three valuations.

**15.4 Value of additional vessel security**

The net realisable value of any additional security which is provided under Clause 15.2 (*Prepayment; provision of additional security*) and which consists of a Security Interest over a vessel shall be that shown by a valuation complying with the requirements of Clause 15.3 (*Valuation of Ships*).

**15.5 Valuations binding**

Any valuation under Clause 15.2 (*Prepayment; provision of additional security*), 15.3 (*Valuation of Ships*) or 15.4 (*Value of additional vessel security*) shall be binding and conclusive as regards the Borrower, as shall be any valuation which the Majority Lenders make of any additional security which does not consist of or include a Security Interest.

**15.6 Provision of information**

The Borrower shall promptly provide the Agent and any Approved Broker or expert acting under Clause 15.3 (*Valuation of Ships*) or 15.4 (*Value of additional vessel security*) with any information which the Agent or that Approved Broker or expert may request for the purposes of the valuation; and, if the Borrower fails to provide the information by the date specified in the request, the valuation may be made on any basis and assumptions which that Approved Broker or the Majority Lenders (or the expert appointed by them) consider prudent.

**15.7 Payment of valuation expenses**

Without prejudice to the generality of the Borrower's obligations under Clauses 20.2 (*Costs of negotiation, preparation etc.*), 20.3 (*Costs of variations, amendments, enforcement etc.*) and 21.2 (*Other breakage costs*), the Borrower 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.

**15.8 Frequency of valuations**

The Borrower shall provide the Agent with a valuation of each Ship, dated as of June or, as the case may be, December of each calendar year during the Security Period, within the month of July or January following thereafter respectively and the Agent may, otherwise, request valuations to determine the Borrower's compliance under Clause 15.1 (*Minimum required security cover*) not less than twice during each 12-month period during the Security Period.

**16 PAYMENTS AND CALCULATIONS**

**16.1 Currency and method of payments**

All payments to be made by the Lenders or by the Borrower or any Owner under a Finance Document shall be made to the Agent or to the Security Trustee, in the case of an amount payable to it:

(a) by not later than 11.00 a.m. (New York City time) on the due date;

(b) in same day Dollar funds settled through the New York Clearing House Interbank Payments System (or in such other Dollar funds and/or settled in such other manner as the Agent shall specify as being customary at the time for the settlement of international transactions of the type contemplated by this Agreement);

(c) in the case of an amount payable by a Lender to the Agent or by the Borrower or any Owner to the Agent or any Lender, to the account of the Agent at J.P. Morgan Chase Bank (SWIFT Code CHASUS33) (Account No. 001 1331 808 in favour of Hamburg Commercial Bank AG, SWIFT Code HSHNDEHH; Reference "Navios Maritime Partners L.P.") or to such other account with such other bank as the Agent may from time to time notify to the Borrower and the other Creditor Parties; and

(d) in the case of an amount payable to the Security Trustee, to such account as it may from time to time notify to the Borrower and the other Creditor Parties.

**16.2 Payment on non-Business Day**

If any payment by the Borrower or any Owner 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**

(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 or any Security Party under a Finance Document shall be rounded to two decimal places.

**16.4 Distribution of payments to Creditor Parties**

Subject to Clauses 16.5 (*Permitted deductions by Agent*), 16.6 (*Agent only obliged to pay when monies received*) and 16.7 (*Refund to Agent of monies not received*):

(a) any amount received by the Agent under a Finance Document for distribution or remittance to a Lender or the Security Trustee shall be made available by the Agent to that Lender or, as the case may be, the Security Trustee by payment, with funds having the same value as the funds received, to such account as the Lender or the Security Trustee may have notified to the Agent not less than five Business Days previously; and

(b) amounts to be applied in satisfying amounts of a particular category which are due to the Lenders generally shall be distributed by the Agent to each Lender pro rata to the amount in that category which is due to it.

**16.5 Permitted deductions by Agent**

Notwithstanding any other provision of this Agreement or any other Finance Document, the Agent may, before making an amount available to a Lender, deduct and withhold from that amount any sum which is then due and payable to the Agent from that Lender under any Finance Document or any sum which the Agent is then entitled under any Finance Document to require that Lender to pay on demand.

**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 Borrower or any Lender any sum which the Agent is expecting to receive for remittance or distribution to the Borrower or that Lender until the Agent has satisfied itself that it has received that sum.

**16.7 Refund to Agent of monies not received**

If and to the extent that the Agent makes available a sum to the Borrower or a Lender, without first having received that sum, the Borrower or (as the case may be) the Lender concerned shall, on demand:

(a) refund the sum in full to the Agent; and

(b) pay to the Agent the amount (as certified by the Agent) which will indemnify the Agent against any funding or other loss, liability or expense incurred by the Agent as a result of making the sum available before receiving it.

**16.8 Agent may assume receipt**

Clause 16.7 (*Refund to Agent of monies not received*) shall not affect any claim which the Agent has under the law of restitution, and applies irrespective of whether the Agent had any form of notice that it had not received the sum which it made available.

**16.9 Creditor Party accounts**

Each Creditor Party shall maintain accounts showing the amounts owing to it by the Borrower and each Security Party under the Finance Documents and all payments in respect of those amounts made by the Borrower 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 Borrower and each Security Party under the Finance Documents and all payments in respect of those amounts made by the Borrower 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 the Borrower or a Security Party to a Creditor Party, those accounts shall be *prima facie* evidence that that amount is owing to that Creditor Party.

**17 APPLICATION OF RECEIPTS**

**17.1 Normal order of application**

Except as any Finance Document may otherwise provide, any sums which are received or recovered by any Creditor Party under or by virtue of any Finance Document shall be applied:

(a) FIRST: in or towards satisfaction of any amounts then due and payable under the Finance Documents in the following order and proportions:

(i) firstly, in or towards satisfaction pro rata of all amounts then due and payable to the Creditor Parties under the Finance Documents (including, but without limitation, all amounts payable by the Borrower under Clauses 20 (*Fees and Expenses*), 21 (*Indemnities*) and 22 (*No Set-Off or Tax Deduction*) of this Agreement or by the Borrower or any Security Party under any corresponding or similar provision in any other Finance Document) other than those amounts referred to at paragraphs (ii) and (iii);

(ii) secondly, in or towards satisfaction pro rata of any and all amounts of interest or default interest payable to the Creditor Parties under the Finance Documents in respect of the Loan;

(iii) thirdly, in or towards satisfaction of the Loan; and

(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 Borrower, the Security Parties and the other Creditor Parties, states in its opinion will either or may become due and payable in the future and, upon those amounts becoming due and payable, in or towards satisfaction of them in accordance with the provisions of paragraph (a) of Clause 17.1 (*Normal order of application*); and

(c) THIRDLY: any surplus shall be paid to the Borrower or to any other person appearing to be entitled to it.

**17.2 Application by any covered bond Lender**

If and to the extent that any Lender includes the Loan and/or a Mortgage in its covered bond register, any enforcement proceeds recovered under the Finance Documents and attributable to it under the relevant Finance Document shall, notwithstanding the provisions of paragraph (a) of Clause 17.1 (*Normal order of application*), be applied by it first to the part of the Loan that corresponds to that Lender's Contribution registered in its covered bond register and thereafter in the following order:

(a) firstly, in or towards satisfaction of the amounts set out under sub-paragraph (i) of paragraph (a) of Clause 17.1 (*Normal order of application*);

(b) secondly, in or towards satisfaction of the amounts set out under (ii) of paragraph (a) of Clause 17.1 (*Normal order of application*); and

(c) thirdly, in or towards satisfaction of any part of the Loan that corresponds to any unregistered part of that Lender's contribution.

**17.3 Variation of order of application**

The Agent may, with the authorisation of the Majority Lenders, by notice to the Borrower, the Security Parties and the other Creditor Parties provide for a different manner of application from that set out in Clause 17.1 (*Normal order of application*) but not, for the avoidance of doubt, that set out in Clause 17.2 (*Application by any covered bond Lender*) either as regards a specified sum or sums or as regards sums in a specified category or categories.

**17.4 Notice of variation of order of application**

The Agent may give notices under Clause 17.3 (*Variation of order of application*) from time to time; and such a notice may be stated to apply not only to sums which may be received or recovered in the future, but also to any sum which has been received or recovered on or after the third Business Day before the date on which the notice is served.

**17.5 Appropriation rights overridden**

This Clause 17 (*Application of Receipts*) and any notice which the Agent gives under Clause 17.3 (*Variation of order of application*) shall override any right of appropriation possessed, and any appropriation made, by the Borrower or either Security Party.

**18 APPLICATION OF EARNINGS**

**18.1 Payment of Earnings**

The Borrower undertakes with each Creditor Party that, throughout the Security Period (and subject only to the provisions of the General Assignment to which it is a party):

(a) the Accounts shall be maintained with the Account Bank;

(b) all Earnings of the Ship shall be paid to the Earnings Account for that Ship; and

(c) the Mandatory Minimum Liquidity Amount required pursuant to Clause 11.20 (*Minimum Liquidity*) shall be maintained in the Minimum Liquidity Account.

**18.2 Monthly retentions**

The Borrower 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 the Retention Account out of the Earnings received in the relevant Earnings Account during the preceding month one-third of the amount of the relevant Instalment falling due under Clause 8.1 (*Amount of Instalments*) on the next Repayment Date and the Borrower irrevocably authorises the Agent to make those transfers on behalf of the Owners (in its sole discretion and without any obligation) if the Owners fail to do so.

**18.3 Shortfall in Earnings**

If the aggregate Earnings received in each Earnings Account are insufficient at any time for the required amount to be transferred to the Retention Account under Clause 18.2 (*Monthly retentions*), the Borrower shall procure that the Owners shall immediately pay the amount of the insufficiency into the Retention Account.

**18.4 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 the Retention Account, on each Repayment Date 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 the Retention Account as equals the Instalment due on that Repayment Date pursuant to Clause 8.1 (*Amount of Instalments*) in discharge of the Borrower's liability for that Instalment or that interest.

**18.5 Interest accrued on the Accounts**

Any credit balance on each Account shall bear interest at the rate from time to time offered by the Agent to its customers for Dollar deposits of similar amounts and for periods similar to those for which such balances appear to the Agent likely to remain on that Account.

**18.6 Release of accrued interest**

Interest accruing under Clause 18.5 (*Interest accrued on the Accounts*) shall be credited to the relevant Account and may be released to the relevant Owner pursuant to Clause 18.10 (*Restriction on withdrawal*).

**18.7 Location of Accounts**

The Borrower shall, and shall procure that each Owner will, promptly:

(a) comply with any requirement of the Agent as to the location or re-location of the Accounts (or any of them); and

(b) execute any documents which the Agent specifies to create or maintain in favour of the Security Trustee a Security Interest over (and/or rights of set-off, consolidation or other rights in relation to) the Accounts.

**18.8 Debits for fees, expenses etc.**

The Agent shall be entitled (but not obliged) from time to time to debit any Earnings Account without prior notice in order to discharge any amount due and payable under Clauses 20 (*Fees and Expenses*) or 21 (*Indemnities*) to a Creditor Party or payment of which any Creditor Party has become entitled to demand under Clauses 20 (*Fees and Expenses*) or 21 (*Indemnities*).

**18.9 Borrower's obligations unaffected**

The provisions of this Clause 18 (*Application of Earnings*) (as distinct from a distribution effected under Clause 18.4 (*Application of retentions*)) do not affect:

(a) the liability of the Borrower to make payments of principal and interest on the due dates; or

(b) any other liability or obligation of the Borrower or any Security Party under any Finance Document.

**18.10 Restriction on withdrawal**

During the Security Period no sum may be withdrawn by the Borrower from the Retention Account (other than interest pursuant to Clause 18.6 (*Release of accrued interest*), provided that no Event of Default or Potential Event of Default has occurred which is continuing), without the prior written consent of the Agent.

The Borrower or the Owners may, in any calendar month, after having transferred and/or after having taken into account all amounts due or which will become due to be transferred to the Retention Account in such calendar month in accordance with Clause 18.2 (*Monthly retentions*), withdraw any surplus (a "**Surplus**") from the Earnings Accounts (or any of them) as they may think fit for purposes permitted by this Agreement and the other Finance Documents **Provided always** no Event of Default or Potential Event of Default has occurred which is continuing in which case any Surplus shall remain on the relevant Earnings Account and the Borrower or Owners may only withdraw the Surplus (or any part thereof) with the prior written consent of the Agent (acting upon the instructions of the Majority Lenders) in order to satisfy the documented and properly incurred operating expenses of the Ships (or any of them).

**19 EVENTS OF DEFAULT**

**19.1 Events of Default**

An Event of Default occurs if:

(a) the Borrower 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 unless:

(i) its failure to pay is caused by administrative or technical error or a Disruption Event; and

(ii) payment is made within 3 Business Days; or

(b) any breach by the Borrower, an Approved Manager or any Security Party occurs of any provision of a Finance Document (other than a breach covered by paragraph (a)) which, in the reasonable opinion of the Majority Lenders, is capable of remedy, and such default continues unremedied 30 Business Days (or any other grace period agreed by the Agent) after written notice from the Agent requesting action to remedy the same; or

(c) (subject to any applicable grace period specified in the Finance Documents) any material breach by the Borrower, an Approved Manager or any Security Party occurs of any provision of a Finance Document (other than a breach falling within paragraphs (a) or (b)); or

(d) any representation, warranty or statement made or repeated by, or by an officer of, the Borrower, an Approved Manager 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 in any material respect when it is made or repeated; or

(e) any of the following occurs in relation to any Financial Indebtedness of a Relevant Person:

(i) any Financial Indebtedness of a Relevant Person is not paid when due unless the Relevant Person is contesting its obligation to pay the relevant amount in good faith and on substantial grounds and by appropriate proceedings and adequate reserves have been set aside for its payment if such proceedings fail; or

(ii) any Financial Indebtedness of a Relevant Person which in the case of any Relevant Person other than any Owner exceeds $15,000,000 (or the equivalent in any other currency in aggregate), becomes due and payable or capable of being declared due and payable prior to its stated maturity date as a consequence of any event of default; or

(iii) 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 which in the case of any Relevant Person other than any Owner exceeds $15,000,000 (or the equivalent in any other currency in aggregate) 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

(iv) any Security Interest securing any Financial Indebtedness of a Relevant Person, which in the case of any Relevant Person other than any Owner exceeds an amount of $15,000,000 (or the equivalent in any other currency in aggregate), becomes enforceable; or

(f) any of the following occurs in relation to a Relevant Person:

(i) a Relevant Person becomes, in the reasonable opinion of the Majority Lenders, unable to pay its debts as they fall due; or

(ii) any assets of a Relevant Person are subject to any form of execution, attachment, arrest, sequestration or distress or any form of freezing order which in the case of any Relevant Person other than any Owner exceeds $15,000,000 (or the equivalent in any other currency in aggregate), and such execution, attachment, arrest, sequestration, distress or freezing order is not withdrawn within thirty (30) Business Days; 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 shareholders, directors or officers 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 the Borrower 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 three 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 shareholders or directors, or of any committee of the board 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 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 Pertinent Jurisdiction 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

(g) the Borrower or any Owner 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; or

(h) it becomes unlawful in any Pertinent Jurisdiction or impossible:

(i) for the Borrower, an Approved Manager 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

(i) any official consent necessary to enable any Owner to own, operate or charter the Ship owned by it or to enable any Owner, an Approved Manager or any Security Party to comply with any provision which the Majority Lenders reasonably consider material of a Finance Document or any Underlying 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 such revocation is validly contested in good faith by the Borrower, an Approved Manager or, as the case may be, that Security Party; or

(j) it appears to the Majority Lenders that, without their prior consent, a Change of Control has occurred after the date of this Agreement; or

(k) any provision which the Majority Lenders reasonably 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 (excluding any Permitted Security Interests); or

(l) the security constituted by a Finance Document is in any way imperilled or in jeopardy; or

(m) the Borrower, an Approved Manager or any Security Party or any other person (other than a Creditor Party) repudiates any of the Finance Documents to which the Borrower, an Approved Manager or that Security Party or person is a party or evidences an intention to do so; or

(n) any other event occurs or any other circumstances arise or develop including, without limitation:

(i) a change in the financial position, state of affairs or prospects of the Borrower or any other Security Party; or

(ii) the commencement of legal or administrative action involving the Borrower, a Ship, either of an Approved Manager or any Security Party; or

(iii) the withdrawal of any material license or governmental or regulatory approval in respect of a Ship, an Owner, an Approved Manager or any Owner's or Approved Manager's business (unless such withdrawal can be contested with the effect of suspension and is in fact so contested in good faith by the Borrower or an Approved Manager),

which in the reasonable opinion of the Lenders constitutes a Material Adverse Change.

**19.2 Actions following an Event of Default**

On, or at any time after, the occurrence of an Event of Default:

(a) the Agent may, and if so instructed by the Majority Lenders, the Agent shall:

(i) serve on the Borrower a notice stating that all or part of the Commitments and of the other obligations of each Lender to the Borrower under this Agreement are cancelled; and/or

(ii) serve on the Borrower a notice stating that all or part of the Loan together with accrued interest and all other amounts accrued or owing under this Agreement are immediately due and payable or are due and payable on demand; and/or

(iii) take any other action which, as a result of the Event of Default or any notice served under paragraph (i) or (ii), the Agent and/or the Lenders are entitled to take under any Finance Document or any applicable law; and/or

(b) the Security Trustee may, and if so instructed by the Agent, acting with the authorisation of the Majority Lenders, the Security Trustee shall take any action which, as a result of the Event of Default or any notice served under sub-paragraph (i) or (ii) of paragraph (a) Clause 19.2 (*Actions following an Event of Default*), the Security Trustee, the Agent, the Mandated Lead Arranger and/or the Lenders are entitled to take under any Finance Document or any applicable law.

**19.3 Termination of Commitments**

On the service of a notice under sub-paragraph (i) of paragraph (a) of Clause 19.2 (*Actions following an Event of Default*), the Commitments and all other obligations of each Lender to the Borrower under this Agreement shall be cancelled.

**19.4 Acceleration of Loan**

On the service of a notice under sub-paragraph (ii) of paragraph (a) of Clause 19.2 (*Actions following an Event of Default*), all or, as the case may be, the part of the Loan specified in the notice together with accrued interest and all other amounts accrued or owing from the Borrower 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-paragraph (i) of paragraph (a) of Clause 19.2 (*Actions following an Event of Default*) or sub-paragraph (ii) of paragraph (a) of Clause 19.2 (*Actions following an Event of Default*) simultaneously or on different dates and it and/or the Security Trustee may take any action referred to in Clause 19.2 (*Actions following an Event of Default*) if no such notice is served or simultaneously with or at any time after the service of both or either of such notices.

**19.6 Notification of Creditor Parties and Security Parties**

The Agent shall send to each Lender, the Security Trustee, each Approved Manager and each Security Party a copy or the text of any notice which the Agent serves on the Borrower under Clause 19.2 (*Actions following an Event of Default*); but the notice shall become effective when it is served on the Borrower, 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 Borrower, an Approved Manager or any Security Party with any form of claim or defence.

**19.7 Creditor Party rights unimpaired**

Nothing in this Clause shall be taken to impair or restrict the exercise of any right given to individual Lenders under a Finance Document or the general law; and, in particular, this Clause is without prejudice to Clause 3.1 (*Interests 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 a Borrower or a Security Party:

(a) for any loss caused by an exercise of rights under, or enforcement of a Security Interest created by, a Finance Document or by any failure or delay to exercise such a right or to enforce such a Security Interest; or

(b) as mortgagee in possession or otherwise, for any income or principal amount which might have been produced by or realised from any asset comprised in such a Security Interest or for any reduction (however caused) in the value of such an asset,

except that this does not exempt a Creditor Party or a receiver or manager from liability for losses shown to have been directly and mainly caused by gross negligence, the dishonesty or

the wilful misconduct of such Creditor Party's own officers and employees or (as the case may be) such receiver's or manager's own partners or employees.

**19.9 Relevant Persons**

In this Clause 19 (*Events of Default*), a "**Relevant Person**" means a Borrower or any Security Party.

**19.10 Interpretation**

In paragraph (e) 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 (f) of Clause 19.1 (*Events of Default*) "**petition**" includes an application.

**20 FEES AND EXPENSES**

**20.1 Fees**

The Borrower shall pay to the Agent a non-refundable structuring and a non-refundable commitment fee as set out in any Fee Letter.

**20.2 Costs of negotiation, preparation etc.**

The Borrower shall pay to the Agent on its demand the amount of all legal and other expenses incurred by the Agent or the Security Trustee in connection with the negotiation, preparation, execution or registration of any Finance Document or any related document or with any transaction contemplated by a Finance Document or a related document.

**20.3 Costs of variations, amendments, enforcement etc.**

The Borrower shall pay to the Agent, on the Agent's demand, for the account of the Creditor Party concerned, the amount of all legal and other expenses incurred by a Creditor Party in connection with:

(a) any amendment or supplement (or any proposal for such an amendment or supplement) requested (or, in the case of a proposal, made) by or on behalf of the Borrower and relating to a Finance Document or any other Pertinent Document or, subject to sub-paragraph (ii) of paragraph (b) of Clause 20.4 (*RFR transition costs*);

(b) any consent, waiver or suspension of rights by the Lenders, the Majority Lenders or the Creditor Party concerned or any proposal for any of the foregoing requested (or, in the case of a proposal, made) by or on behalf of the Borrower under or in connection with a Finance Document or any other Pertinent Document;

(c) the valuation of any security provided or offered under and pursuant to Clause 15 (*Security Cover*) or any other matter relating to such security;

(d) any step taken by the Creditor Party concerned with a view to the preservation, protection, exercise or enforcement of any rights or Security Interest created by a Finance Document or for any similar purpose including, without limitation, any proceedings to recover or retain proceeds of enforcement or any other proceedings following enforcement proceedings until

the date all outstanding indebtedness to the Creditor Parties under the Finance Documents and any other Pertinent Document is repaid in full.

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.

**20.4 RFR transition costs**

The Borrower shall on demand reimburse each of the Agent and the Security Trustee for the amount of all costs and expenses (including legal fees) reasonably incurred by each Creditor 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 pursuant to any of Clause 5.6 (*Cost of funds*) or 27.4 (*Changes to reference rates*), including without limitation any costs relating to amendments to the Finance Documents and/or any registration requirements.

**20.5 Documentary taxes**

The Borrower shall promptly pay any tax payable on or by reference to any Finance Document, and shall, on the Agent's demand, fully indemnify each Creditor Party against any claims, expenses, liabilities and losses resulting from any failure or delay by the Borrower to pay such a tax.

**20.6 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 Borrower 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 Advance not being borrowed on the date specified in the relevant Drawdown Notice for any reason other than a default by the Lender claiming the indemnity after the relevant Drawdown Notice has been served in accordance with the provisions of this Agreement;

(b) the receipt or recovery of all or any part of the Loan or an overdue sum otherwise than on the last day of an Interest Period or other relevant period;

(c) any failure (for whatever reason) by the Borrower (or any of them) 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 Borrower on the amount concerned under Clause 7 (*Default Interest*)) including but not limited to any costs and expenses of enforcing any Security Interests created by the Finance Documents and any claims, liabilities and losses which may be brought against, or incurred by, a Creditor Party when enforcing any Security Interests created by the Finance Documents; and

(d) the occurrence and/or continuance of an Event of Default or a Potential Event of Default and/or the acceleration of repayment of the Loan under Clause 19 (*Events of Default*),

and in respect of any tax (other than tax on its overall net income and 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 Other breakage costs**

Without limiting its generality, Clause 21.1 (*Indemnities regarding borrowing and repayment of Loan*) covers any claim, expense, liability or loss, including (without limitation) (i) a loss of a prospective profit, incurred by a Lender in borrowing, liquidating or re-employing deposits from third parties acquired, contracted for or arranged to fund, effect or maintain all or any part of its Contribution and/or any overdue amount (or an aggregate amount which includes its Contribution or any overdue amount) other than claims, expenses, liabilities and losses which are shown to have been directly and mainly caused by the gross negligence or wilful misconduct of the officers or employees of the Creditor Party concerned and (ii) any applicable legal fees.

**21.3 Miscellaneous indemnities**

The Borrower shall fully indemnify each Creditor Party severally on their respective demands, without prejudice to any of their other rights under any of the Finance Documents, in respect of all claims, expenses, liabilities and losses which may be made or brought against or sustained or incurred by a Creditor Party, in any country, as a result of or in connection with:

(a) any action taken, or omitted or neglected to be taken, under or in connection with any Finance Document by the Agent, the Security Trustee or any other Creditor Party or by any receiver appointed under a Finance Document;

(b) investigating any event which the Creditor Party concerned reasonably believes constitutes an Event of Default or Potential Event of Default; or

(c) acting or relying on any notice, request or instruction which the Creditor Party concerned reasonably believes to be genuine, correct and appropriately authorised,

other than claims, expenses, liabilities and losses which are shown to have been directly and mainly caused by the dishonesty, gross negligence or wilful misconduct of the officers or employees of the Creditor Party concerned.

**21.4 Environmental Indemnity**

Without prejudice to the generality of Clause 21.3 (*Miscellaneous indemnities*), this Clause 21.4 (*Environmental Indemnity*) covers any claims, demands, proceedings, liabilities, taxes, losses, liabilities or expenses of every kind which arise, or are asserted, under or in connection with any law relating to safety at sea, the ISM Code or the ISPS Code, any Environmental Law.

**21.5 Currency indemnity**

If any sum due from the Borrower or any Security Party to a Creditor Party under a Finance Document or under any order, award or judgment relating to a Finance Document (a "**Sum**") 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, filing or lodging any claim or proof against the Borrower or any Security Party, whether in its liquidation, any arrangement involving it or otherwise; or

(b) obtaining an order, judgment or award from any court or other tribunal in relation to any litigation or arbitration proceedings; or

(c) enforcing any such order, judgment or award,

the Borrower shall as an independent obligation, within three Business Days of demand, indemnify the Creditor Party to whom that Sum is due against any cost, loss or liability arising when the payment actually received by that Creditor Party is converted at the available rate of exchange back into the Contractual Currency including any discrepancy between (A) the rate of exchange actually used to convert the Sum from the Payment Currency into the Contractual Currency and (B) the available rate of exchange.

In this Clause 21.5 (*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 to purchase the Contractual Currency with the Payment Currency.

The Borrower waives any right it may have in any jurisdiction to pay any amount under the Finance Documents in a currency other than that in which it is expressed to be payable.

If any Creditor Party receives any Sum in a currency other than the Contractual Currency, the Borrower shall indemnify in full the Creditor Party concerned against any cost, loss or liability arising directly or indirectly from any conversion of such Sum to the Contractual Currency.

This Clause 21.5 (*Currency indemnity*) creates a separate liability of the 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.

**21.6 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 21 (*Indemnities)* and which indicates (without necessarily specifying a detailed breakdown) the matters in respect of which the amount, or aggregate amount, is due shall be *prima facie* evidence that the amount, or aggregate amount, is due.

**21.7 Sums deemed due to a Lender**

For the purposes of this Clause 21 (*Indemnities*), a sum payable by the Borrower to the Agent or the Security Trustee for distribution to a Lender shall be treated as a sum due to that Lender.

**22 NO SET-OFF OR TAX DEDUCTION**

**22.1 No deductions**

All amounts due from the Borrower under a Finance Document shall be paid:

(a) without any form of set-off, counter-claim, cross-claim or condition; and

(b) free and clear of any tax deduction except a tax deduction which the Borrower is required by law to make.

**22.2 Grossing-up for taxes**

If, at any time, the Borrower is required by law, regulation or regulatory requirement to make a tax deduction from any payment due under a Finance Document:

(a) the Borrower shall notify the Agent as soon as it becomes aware of the requirement;

(b) the amount due in respect of the payment shall be increased by the amount necessary to ensure that, after the making of such tax deduction, each Creditor Party receives on the due date for such payment (and retains free from any liability relating to the tax deduction) a net amount which is equal to the full amount which it would have received had no such tax deduction been required to be made; and

(c) the Borrower shall pay the full amount of the tax required to be deducted to the appropriate taxation authority promptly in accordance with the relevant law, regulation or regulatory requirement, and in any event before any fine or penalty arises.

**22.3 Indemnity and evidence of payment of taxes**

The Borrower shall fully indemnify each Creditor Party on the Agent's demand in respect of all claims, expenses, liabilities and losses incurred by any Creditor Party by reason of any failure of the Borrower to make any tax deduction or by reason of any increased payment not being made on the due date for such payment in accordance with Clause 22.2 (*Grossing-up for taxes*). Within 30 days after making any tax deduction, the Borrower shall deliver to the Agent any receipts, certificates or other 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 from any payment due under a Finance Document for or on account of any present or future tax except:

(a) tax on a Creditor Party's overall net income; and

(b) a FATCA Deduction.

**22.5 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 Creditor 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 Lender knows or has reason to know that the Borrower is a US Tax Obligor, or where the Agent reasonably believes that its obligations under FATCA require it, each Lender shall, within ten Business Days of:

(i) where the Lender knows or has reason to know that the Borrower is a US Tax Obligor and the relevant Lender is a Party as at the date of this Agreement, the date of this Agreement;

(ii) where the Lender knows or has reason to know that a Borrower is a US Tax Obligor and the relevant Lender became a Party after the date of this Agreement, the date on which the relevant Transfer Certificate became effective; or

(iii) the date of a request from the Agent,

supply to the Agent:

(iv) a withholding certificate on US Internal Revenue Service Form W-8 or Form W-9 (or any successor form) (as applicable); or

(v) any withholding statement and other documentation, authorisations and waivers as the Agent may require to certify or establish the status of such Lender under FATCA.

The Agent shall provide any withholding certificate, withholding statement, documentation, authorisations and waivers it receives from a Lender pursuant to this paragraph (e) to the Borrower, to the extent required for compliance with FATCA or any other law or regulation, 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 taken by it under or in connection with this paragraph (e).

(f) Each Lender agrees that if any withholding certificate, withholding statement, documentation, authorisations and waivers provided to the Agent pursuant to paragraph (e) 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 provide any such updated withholding certificate, withholding statement, documentation, authorisations and waivers to the Borrower, to the extent required for compliance with FATCA or any other law or regulation. The Agent shall not be liable for any action taken by it under or in connection with this paragraph (f).

**22.6 FATCA Deduction**

(a) Each Party may make any FATCA Deduction as it reasonably determines 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 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:

(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 perform, maintain or give effect to any of its obligations under this Agreement in the manner contemplated by this Agreement or to fund or maintain the Loan.

**23.2 Notification of illegality**

The Agent shall promptly notify the Borrower, 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 Borrower under Clause 23.2 (*Notification of illegality*), the Notifying Lender's Commitment shall be immediately cancelled; 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 Borrower shall prepay the Notifying Lender's Contribution on the last day of the then current Interest Period in accordance with Clauses 8.10 (*Amounts payable on prepayment*) and 8.11 (*Application of partial prepayment or cancellation*).

**24 INCREASED COSTS**

**24.1 Increased costs**

This Clause 24 (*Increased Costs*) applies if a Lender (the "**Notifying Lender**") notifies the Agent that the Notifying Lender considers that as a result of:

(a) the introduction or alteration after the date of this Agreement of a law or an alteration after the date of this Agreement in the manner in which a law is interpreted or applied (disregarding any effect which relates to the application to payments under this Agreement of a tax on the Lender's overall net income); or

(b) complying with any regulation (including any which relates to capital adequacy or liquidity controls or which affects the manner in which the Notifying Lender allocates capital resources to its obligations under this Agreement) which is introduced, or altered, or the interpretation or application of which is altered, after the date of this Agreement; or

(c) the implementation or application of or compliance with the "International Convergence of Capital Measurement and Capital Standards, a Revised Framework" published by the Basel Committee on Banking Supervision in June 2004 in the form existing on the date of this Agreement (the "**Basel II Accord**") or any other law or regulation implementing the Basel II Accord or any of the approaches provided for and allowed to be used by banks under or in connection with the Basel II Accord, in each case when compared to the cost of complying with such regulations as determined by the Agent (or parent company of it) on the date of this Agreement (whether such implementation, application or compliance is by a government, regulator, supervisory authority, the Notifying Lender or its holding company); or

(d) the implementation or application of or compliance with Basel III or any law or regulation which implements or applies Basel III (regardless of the date on which it is enacted, adopted or issued and regardless of whether any such implementation, application or compliance is by a government, regulator, the Notifying Lender or any of its affiliates),

the Notifying Lender (or a parent company of it) has incurred or will incur an "**increased cost**".

**24.2 Meaning of "increased cost"**

In this Clause 24 (*Increased Costs*), "**increased cost**" means, in relation to a Notifying Lender:

(a) an additional or increased cost incurred as a result of, or in connection with, the Notifying Lender having entered into, or being a party to, this Agreement or a Transfer Certificate, of funding or maintaining its Commitment or Contribution or performing its obligations under this Agreement, or of having outstanding all or any part of its Contribution or other unpaid sums;

(b) a reduction in the amount of any payment to the Notifying Lender under this Agreement or in the effective return which such a payment represents to the Notifying Lender or on its capital;

(c) an additional or increased cost of funding all or maintaining all or any of the advances comprised in a class of advances formed by or including the Notifying Lender's Contribution or (as the case may require) the proportion of that cost attributable to the Contribution; or

(d) a liability to make a payment, or a return foregone, which is calculated by reference to any amounts received or receivable by the Notifying Lender under this Agreement,

but not an item attributable to a change in the rate of tax on the overall net income of the Notifying Lender (or a parent company of it) or an item covered by the indemnity for tax in Clause 21.1 (*Indemnities regarding borrowing and repayment of Loan*) or by Clause 22 (*No Set-Off or Tax Deduction*) or a FATCA Deduction required to be made by a Party.

For the purposes of this Clause 24.2 (*Meaning of "increased cost"*) the Notifying Lender may in good faith allocate or spread costs and/or losses among its assets and liabilities (or any class of its assets and liabilities) on such basis as it considers appropriate.

**24.3 Notification to Borrower of claim for increased costs**

The Agent shall promptly notify the Borrower and the Security Parties of the notice which the Agent received from the Notifying Lender under Clause 24.1 (*Increased costs*).

**24.4 Payment of increased costs**

The Borrower shall pay to the Agent within 5 Business Days after the Agent's demand, for the account of the Notifying Lender the amounts which the Agent from time to time notifies the Borrower 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 Borrower is not willing to continue to compensate the Notifying Lender for the increased cost under Clause 24.4 (*Payment of increased costs*), the Borrower may give the Agent not less than 14 days' notice of their intention to prepay the Notifying Lender's Contribution at the end of an Interest Period.

**24.6 Prepayment; termination of Commitment**

A notice under Clause 24.5 (*Notice of prepayment*) shall be irrevocable; the Agent shall promptly notify the Notifying Lender of the Borrower's 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 Borrower 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 to the Borrower but with prior notice to the Agent:

(a) apply any balance (whether or not then due) which at any time stands to the credit of any account in the name of the Borrower at any office in any country of that Creditor Party in or towards satisfaction of any sum then due from the 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 the 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 Borrower 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 the Borrower.

**26 TRANSFERS AND CHANGES IN LENDING OFFICES**

**26.1 Transfer by Borrower**

The Borrower may not assign or transfer any of its rights, liabilities or obligations under any Finance Document.

**26.2 Transfer by a Lender**

Subject to Clause 26.4 (*Effective Date of Transfer Certificate*), a Lender (the "**Transferor Lender**") may at any time cause:

(a) its rights in respect of all or part of its Contribution; or

(b) its obligations in respect of all or part of its Commitment; or

(c) a combination of (a) and (b); or

(d) all or part of its credit risk under this Agreement and the other Finance Documents,

to be syndicated to or, (in the case of its rights) assigned, pledged or transferred to, or (in the case of its obligations) pledged or assumed by, any other bank or financial institution or to a trust, fund or other entity, provided that such other entity is regularly engaged in, or established for the purpose of, making, purchasing or investing in loans, securities or other financial assets (a "**Transferee Lender**") by delivering to the Agent a completed certificate in the form set out in Schedule 4 (*Transfer Certificate*) with any modifications approved or required by the Agent (a "**Transfer Certificate**") executed by the Transferor Lender and the Transferee Lender.

However, any rights and obligations of the Transferor Lender in its capacity as Agent or Security Trustee will have to be dealt with separately in accordance with the Agency and Trust Deed.

The prior consent of the Borrower (such consent not to be unreasonably withheld, delayed or conditioned) is required for a syndication or, (in the case of its rights) assignment, pledge or transfer, or (in the case of its obligations) pledge or assumption pursuant to this Clause 26.2 (*Transfer by a Lender*), except in the below circumstances (where no consent of the Borrower shall be required but in respect of sub-paragraphs (i) and (ii) below, the Transferor Lender shall give to the Borrower no less than 10 Business Days' prior written notice):

(i) the Transferee Lender is another Lender or an affiliate or a company or financial institution which is in the same ownership or control as one of the Lenders;

(ii) members of the European System of Central Banks, the KFW Development Bank, the European Investment Bank and other development banks included within the meaning of Section 5 para. 1 no.2 of the German Corporate Income Tax Act; or

(iii) an Event of Default has occurred at the relevant time.

With respect to the Transferor Lender's notice requesting the Borrower's consent under this Clause 26.2 (*Transfer by a Lender*), such consent shall be deemed granted if the Borrower has failed to object to such request by written notice to the Transferor Lender within five Business Days from the Borrower's receipt of the Transferor Lender's notice.

All costs and expenses relating to a transfer effected pursuant to this Clause 26.2 (*Transfer by a Lender*) shall be borne by the Transferee Lender.

**26.3 Transfer Certificate, delivery and notification**

As soon as reasonably practicable after a Transfer Certificate is delivered to the Agent, it shall (unless it has reason to believe that the Transfer Certificate may be defective):

(a) sign the Transfer Certificate on behalf of itself, the Borrower, the Security Parties, the Security Trustee and each of the other Lenders;

(b) on behalf of the Transferee Lender, send to the 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.

**26.4 Effective Date of Transfer Certificate**

A Transfer Certificate becomes effective on the date, if any, specified in the Transfer Certificate as its effective date **Provided that** it is signed by the Agent under Clause 26.3 (*Transfer Certificate, delivery and notification*) on or before that date.

**26.5 No transfer without Transfer Certificate**

Except as provided in Clause 26.17 (*Security over Lenders' rights*) no assignment or transfer of any right or obligation of a Lender under any Finance Document is binding on, or effective in relation to, the 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**

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 successor shall become a Lender with the same Commitment and Contribution as were held by the predecessor Lender only upon receipt by the Agent of a notice to this effect and evidence that all rights and obligations have automatically and by operation of law vested in the successor by virtue of the merger, de-merger or other reorganisation, without the need for the execution and delivery of a Transfer Certificate; the Agent shall in that event inform the Borrower and the Security Trustee accordingly.

**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 Borrower or any Security Party had against the Transferor Lender;

(b) the Transferor Lender's Commitment is discharged to the extent specified in the Transfer Certificate;

(c) the Transferee Lender becomes a Lender with the Contribution previously held by the Transferor Lender and a Commitment of an amount specified in the Transfer Certificate;

(d) the Transferee Lender becomes bound by all the provisions of the Finance Documents which are applicable to the Lenders generally, including those about pro-rata sharing and the exclusion of liability on the part of, and the indemnification of, the Agent and the Security Trustee and, to the extent that the Transferee Lender becomes bound by those provisions (other than those relating to exclusion of liability), the Transferor Lender ceases to be bound by them;

(e) any part of the Loan which the Transferee Lender advances after the Transfer Certificate's effective date ranks in point of priority and security in the same way as it would have ranked had it been advanced by the transferor, assuming that any defects in the transferor's title and any rights or equities of the 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 5.5 (*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 the 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 Borrower during normal banking hours, subject to receiving at least three 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 Borrower, the Security Trustee and each Lender irrevocably authorises the Agent to sign Transfer Certificates on its behalf. The Borrower and each Security Party irrevocably agree to the transfer procedures set out in this Clause 26 (*Transfers and Changes in Lending Offices*) and to the extent the cooperation of the Borrower and/or any Security Party shall be required to effect any such transfer, the Borrower and such Security Party shall take all necessary steps to afford such cooperation **Provided that** this shall not result in any additional costs to the Borrower or such Security Party.

**26.11 Sub-participation; subrogation assignment**

A Lender may sub-participate or include in a securitisation or similar transaction all or any part of its rights and/or obligations under or in connection with the Finance Documents without the Borrower's prior consent and without serving a notice thereon; the Lenders may assign without the Borrower's prior consent but after consultation with the Borrower, in any manner and terms agreed by the Majority Lenders, the Agent and the Security Trustee, all or any part of those rights to an insurer or surety who has become subrogated to them.

**26.12 Sub-division, split, modification or re-tranching**

Any Lender may, in its sole discretion, sub-divide, split, sever, modify or re-tranche its Contribution into one or more parts subject to the overall cost of its Contribution to the Borrower remaining unchanged, if such changes are necessary in order to achieve a successful execution of a securitisation, syndication or any other capital market exit in respect of its Contribution (or any applicable part thereof).

**26.13 Disclosure of information**

(a) A Lender may, without the prior consent of the Borrower, or any other Security Party, disclose to a potential Transferee Lender or sub participant as well as, where relevant, to rating agencies, trustees and accountants, any financial or other information which that Lender has received in relation to the Loan, the Borrower and any other Security Party or their affairs and collateral or security provided under or in connection with any Finance Document, their financial circumstances and any other information whatsoever, as that Lender may deem reasonably necessary or appropriate in connection with the potential syndication, the assessment of the credit risk and the ongoing monitoring of the Loan by any potential Transferee Lender and that Lender shall be released from its obligation of secrecy and from banking confidentiality.

(b) This permission is given for the purposes of giving relief from banking secrecy and confidentiality requirements. It is not intended as and is no declaration of consent in accordance with the DS_GVO (DS-GVO refers to *Datenschutz-Grundverordnung*, the German term for General Data Protection Regulation) (EU Regulation 2016/679, General Data Protection Regulation).

(c) In the event any such potential Transferee Lender, sub-participant, rating agency, trustee or accountant is not already bound by any legal obligation of secrecy or banking confidentiality, the Lender concerned may only give, disclose or reveal such information as the Borrower is entitled to disclose by rules and regulations of the SEC and any US Stock Exchange applicable

to the Borrower and shall require such other party to sign a confidentiality agreement. The Borrower shall, and shall procure that any other Security Party shall:

(i) provide the Creditor Parties (or any of them) with all information deemed, reasonably, necessary by the Creditor Parties (or any of them) for the purposes of any transfer, syndication or sub-participation to be effected pursuant to this Clause 26 (*Transfers and Changes in Lending Offices*);

(ii) if requested to do so by a Lender, jointly with that Lender approach relationship banks of the Group for the purposes of a potential syndication and assisting the Mandated Lead Arranger in the preparation of an information memorandum for a potential syndication;

(iii) procure that the directors and officers of the Borrower or any other Security Party, are available to participate in any meeting with any Transferee Lender or any rating agency at such times and places as the Creditor Parties may reasonably request following prior notice (to be served on the Borrower reasonably in advance) to the Borrower or that Security Party; and

(iv) permit any Transferee Lender to board the Ship at all reasonable times and locations to inspect its condition in accordance with Clause 14.8 (*Inspection*).

**26.14 Confidentiality**

Any publicity regarding the Loan or any of the terms thereof shall be agreed in advance by the Agent (acting on the instructions of the Majority Lenders) unless otherwise required in connection with the Borrower's reporting obligations under or in connection with the rules and regulations of the US Stock Exchange Commission and any US Stock Exchange applicable to the Borrower.

**26.15 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.

**26.16 Notification**

On receiving such a notice, the Agent shall notify the Borrower 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.

**26.17 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, the 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 Borrower or any Security Party or grant to any person any more extensive rights than those required to be made or granted to the relevant Lender under the Finance Documents.

**26.18 Securitisation**

The Borrower shall, and the Borrower shall procure that each Security Party will, assist the Agent and/or any Lender in achieving a successful securitisation (or similar transaction) in respect of the Loan and the Finance Documents and such Security Party's reasonable costs for providing such assistance shall be met by the relevant Lender.

**26.19 No additional costs**

If a Transferor Lender assigns or transfers any of its rights or obligations under the Finance Documents and as a result of circumstances existing at the date the assignment or transfer occurs, the Borrower or a Security Party would be obliged to make a payment to the Transferee Lender under Clause 22.2 (*Grossing-up for taxes*) or under that clause as incorporated by reference or in full in any other Finance Document, then the Transferee Lender is only entitled to receive payment under that clause to the same extent as the Transferor Lender would have been if the assignment or transfer had not occurred.

**27 VARIATIONS AND WAIVERS**

**27.1 Required consents**

(a) Subject to Clause 27.2 (*Exceptions*) and Clause 27.4 (*Changes to reference rates*) any term of the Finance Documents may be amended or waived only with the consent of the Majority Lenders and the Borrower and any such amendment or waiver will be binding on all Creditor Parties and the Borrower.

(b) Any instructions given by the Majority Lenders will be binding on all the Creditor Parties.

(c) The Agent may effect, on behalf of any Creditor Party, any amendment or waiver permitted by this Clause.

**27.2 Exceptions**

(a) An amendment or waiver that has the effect of changing or which relates to:

(i) the definition of "Change of Control", "Majority Lenders", "Finance Documents" or "RFR Replacement Event" in Clause 1.1 (*Definitions*);

(ii) an extension to the date of payment of any amount under the Finance Documents;

(iii) a reduction in the Margin or a reduction in the amount of any payment of principal, interest fees, commission or other amount payable under any of the Finance Documents;

(iv) an increase in or an extension of any Lender's Commitment;

(v) any provision which expressly requires the consent of all the Lenders;

(vi) Clause 3 (*Position of the Lenders*), Clause 8 (*Repayment and Prepayment*), Clause 11.5 (*Information provided to be accurate*), Clause 11.6 (*Provision of financial statements*), Clause 11.7 (*Form of financial statements*), Clause 11.16 (*Provision of further information*), Clause 15 (*Security Cover*), Clause 26 (*Transfers and Changes in Lending Offices*), this Clause 27.2 (*Exceptions*) or Clause 27.4 (*Changes to reference rates*);

(vii) the definitions of "Restricted Party", "Sanctions Authorities" or "Sanctions List" in Clause 1.1 (*Definitions*) or Clause 11.23 (*Sanctions*);

(viii) any release of any Security Interest, guarantee, indemnities or subordination arrangement created by any Finance Document;

(ix) any change of the currency in which the Loan is provided or any amount is payable under any of the Finance Documents;

(x) any change to the Replacement Reference Rate pursuant to Clause 27.4 (*Changes to reference rates*);

(xi) an extension of the Availability Period; or

(xii) a change in Clauses 16.4 (*Distribution of payments to Creditor Parties*) or 22.2 (*Grossing-up for taxes*),

may not be effected without the prior written consent of all Lenders.

(b) An amendment or waiver which relates to the rights or obligations of the Agent, the Mandated Lead Arranger or the Security Trustee may not be effected without the consent of the Agent, the Mandated Lead Arranger or the Security Trustee, as the case may be.

**27.3 Exclusion of other or implied variations**

Except for a document which satisfies the requirements of Clauses 27.1 (*Required consents*) and 27.2 (*Exceptions*) and Clause 27.4 (*Changes to reference rates*), no document, and, subject to Clause 27.5 (*Deemed consent*), 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 the Borrower, an Approved Manager 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) If a RFR Replacement Event has occurred in relation to the RFR, the Agent (acting on the instructions of all Lenders) shall be entitled to:

(i) replace the RFR with a Replacement Reference Rate;

(ii) adjust the pricing on the Replacement Reference Rate by the amendment of the Margin or otherwise, in each case at its discretion, 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); and

(iii) amend this Agreement for the purpose of any of:

(A) providing for the use of a Replacement Reference Rate in place of the RFR;

(B) aligning any provision of any Finance Document to the use of that Replacement Reference Rate;

(C) 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);

(D) implementing market conventions applicable to that Replacement Reference Rate;

(E) providing for appropriate fallback (and market disruption) provisions for that Replacement Reference Rate; or

(F) adjusting the pricing in accordance with paragraph (ii) above.

(b) The Agent shall promptly notify the Borrower and each Creditor Party of any replacement of the RFR, any adjustment of pricing and any amendment of this Agreement made pursuant to

paragraph (a) above, which shall take effect immediately as from (and including) the date specified in such notification.

(c) If required by the Agent (acting on the instructions of all Lenders), the Borrower shall (and shall procure that each other Security Party shall) enter into such supplemental, replacement or other agreement in relation to any Finance Document as the Agent may specify to extend the effect of any of the amendments referred to in paragraph (a) above to such Finance Document.

**27.5 Deemed consent**

With respect to:

(a) the replacement of the RFR with a Replacement Reference Rate in accordance with sub-paragraph (i) of paragraph (a) of Clause 27.4 (*Changes to reference rates*) (and the designation of such benchmark as permitted under sub-paragraphs (b) and (c) of the definition of "Replacement Reference Rate");

(b) the adjustment of pricing in accordance with sub-paragraph (ii) of paragraph (a) Clause 27.4 (*Changes to reference rates*);

(c) any amendment of any Finance Document as contemplated in sub-paragraph (iii) of paragraph (a) of Clause 27.4 (*Changes to reference rates*); and

(d) any other amendment, variation, waiver, suspension or limit requested by a Borrower or any Security Party which requires the approval of all Lenders or the Majority Lenders (as the case may be),

the Agent shall provide each Lender with written notice of such request accompanied by such detailed background information as may be reasonably necessary (in the opinion of the Agent) to determine whether to approve such action. A Lender shall be deemed to have approved such action if such Lender fails to object to such action by written notice to the Agent within 10 days of that Lender's receipt of the Agent's notice or such other time as the Agent may state in the relevant notice as being the time available for approval of such action.

**28 NOTICES**

**28.1 General**

Unless otherwise specifically provided, any notice under or in connection with any Finance Document shall be given by letter or fax; and references in the Finance Documents to written notices, notices in writing and notices signed by particular persons shall be construed accordingly.

**28.2 Addresses for communications**

A notice by letter, fax or e-mail shall be sent:

(a) to the Borrower: 7, Avenue de Grande Bretagne

Office 11B2
MC 98000 Monaco

Tel No: + (377) 9798-2140
Fax: + (377) 9798-2141

Email: legal_corp@navios.com; vpapaefthymiou@navios.com

for the attention of: Vasiliki Papaefthymiou

(b) to a Lender: At the address next to its name in Schedule 1 (*Lenders and Commitments*) or (as the case may require) in the relevant Transfer Certificate.

(c) to the Agent and Security Trustee:

for general matters: Hamburg Commercial Bank AG

BU Asset Based Finance / Shipping
Gerhart-Hauptmann-Platz 50
D-20095 Hamburg
Germany

Fax No: +302104295323
Attn: Mr Loukas Lagaras / Mr Solon Merikas

for credit administrative matters: Hamburg Commercial Bank AG

BU Business Operations
Loan & Collateral Operations
Gerhart-Hauptmann-Platz 50
20095 Hamburg
Germany

Fax No: +49 40 3333 34167

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 Borrower, 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, two 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 one hour after the time at which the notice would otherwise be deemed to be served that the notice has been received in a form which is illegible in a material respect.

**28.6 Valid notices**

A notice under or in connection with a Finance Document shall not be invalid by reason that its contents or the manner of serving it do not comply with the requirements of this Agreement or, where appropriate, any other Finance Document under which it is served if:

(a) the failure to serve it in accordance with the requirements of this Agreement or other Finance Document, as the case may be, has not caused any party to suffer any significant loss or prejudice; or

(b) in the case of incorrect and/or incomplete contents, it should have been reasonably clear to the party on which the notice was served what the correct or missing particulars should have been.

**28.7 Electronic communication**

(a) Any communication from the Agent or the other Creditor Parties made by electronic means will be sent unsecured and without electronic signature, however, the Borrower may request the Agent and the other Creditor Parties at any time in writing to change the method of electronic communication from unsecured to secured electronic mail communication.

(b) The Borrower hereby acknowledges and accepts the risks associated with the use of unsecured electronic mail communication including, without limitation, risk of delay, loss of data, confidentiality breach, forgery, falsification and malicious software. The Agent and the other Creditor Parties shall not be liable in any way for any loss or damage or any other disadvantage suffered by the Borrower resulting from such unsecured electronic mail communication.

(c) If the Borrower or any other Security Party wishes to cease all electronic communication, it shall give written notice to the Agent and the other Creditor Parties accordingly after receipt of which notice the Parties shall cease all electronic communication.

(d) For as long as electronic communication is an accepted form of communication, the Parties shall:

(i) notify each other in writing of their electronic mail address and/or any other information required to enable the sending and receipt of information by that means; and

(ii) notify each other of any change to their respective addresses or any other such information supplied to them; and

in case electronic communication is sent to recipients with the domain <domain with ending>, the parties shall without undue delay inform each other if there are changes to the said domain or if electronic communication shall thereafter be sent to individual e-mail addresses.

(e) The Borrower undertakes and declares that any documents to fulfil the disclosure of the financial circumstances according to Sec. 18 of the German Banking Act (KWG) that were or are hereinafter submitted to the Hamburg Commercial Bank AG electronically or on data carriers through the Borrower or any other Security Party or any of them or a third party are complete and correct. It further agrees and declares that:

(i) it is irrelevant whether such documents were submitted with or without signature;

(ii) documents submitted to Hamburg Commercial Bank AG electronically or on data carriers according to Sec. 18 of the German Banking Act (KWG) have the same legal significance as documents with signature in paper form; and

(iii) until written revocation, the declaration under this Clause 28.7 (*Electronic communication*) shall remain valid.

**28.8 English language**

Any notice under or in connection with a Finance Document shall be in English.

**28.9 Meaning of "notice"**

In this Clause 28 (*Notices*), "**notice**" includes any demand, consent, authorisation, approval, instruction, waiver or other communication.

**29 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 Counterparts**

A Finance Document may be executed in any number of counterparts.

**29.4 Third party rights**

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

**29.5 Benefit and binding effect**

The terms of this Agreement shall be binding upon, and shall enure to the benefit of, the Parties and their respective (including subsequent) successors and permitted assigns and transferees.

**29.6 Electronic disclosure**

(a) The Borrower hereby recognises as binding any relevant documents (whether signed or not) to fulfil the disclosure of the financial circumstances in accordance with Sec. 18 of the German Banking Act (KWG) that were or are, after the date of this Agreement, submitted to Hamburg Commercial Bank AG electronically or on data carriers through the Borrower, any Security Party or any third party and declares such documents as complete and correct.

(b) Any documents submitted to Hamburg Commercial Bank AG electronically or on data carriers in accordance with Sec. 18 of the German Banking Act (KWG) have the same legal significance as any signed documents in paper form.

**30 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.

**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.

The Borrower shall not commence any proceedings in any country other than England in relation to a Dispute.

**31.4 Process agent**

The Borrower irrevocably appoints Hill Dickinson Services (London) Limited at their office for the time being, presently at The Broadgate Tower, 7th Floor, 20 Primrose Street, London EC2A 2EW, England to act as its agent to receive and accept on its behalf any process or other document relating to any proceedings in the English courts which are connected with a Dispute.

**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.

**THIS AGREEMENT** has been entered into on the date stated at the beginning of this Agreement.

**EXECUTION PAGES**

**BORROWER**

**SIGNED** by ) /s/ Stratigoula Sakellariou
as an attorney-in-fact )
for and on behalf of )
**NAVIOS MARITIME PARTNERS L.P.** ) /s/ Foteini Apalaki
in the presence of: )

**LENDERS**

**SIGNED** by ) /s/ Aikateriki Dimitriou

as an attorney-in-fact )
for and on behalf of )
**HAMBURG COMMERCIAL BANK AG** )
in the presence of: ) /s/ Foteini Apalaki

**AGENT**

**SIGNED** by ) /s/ Aikateriki Dimitriou

as an attorney-in-fact )
for and on behalf of )
**HAMBURG COMMERCIAL BANK AG** )
in the presence of: ) /s/ Foteini Apalaki

**MANDATED LEAD ARRANGER**

**SIGNED**
as an attorney-in-fact )/s/ Aikaterini Dimitriou
for and on behalf of )
**HAMBURG COMMERCIAL BANK AG** )
in the presence of: ) /s/Foteini Apalaki

**SECURITY TRUSTEE**
**SIGNED**
as an attorney-in-fact )/s/ Aikaterini DImitriou
for and on behalf of )
**HAMBURG COMMERCIAL BANK AG** )/s/ Foteini Apalaki
in the presence of: )

EXHIBIT 4.68

**Dated 18 March 2025**

**$151,502,492.28**

**TERM LOAN FACILITY**

**KEROS SHIPPING CORPORATION**
**ALATAS SHIPPING CORPORATION**
as joint and several Borrowers

and

**THE BANKS AND FINANCIAL INSTITUTIONS**
listed in Schedule 1
as Lenders

and

**KFW IPEX-BANK GMBH**
as Mandated Lead Arranger

and

**KFW IPEX-BANK GMBH**
as Facility Agent

and

**KFW IPEX-BANK GMBH**
as Security Agent

and

**KFW IPEX-BANK GMBH**
as K-SURE Agent

**FACILITY AGREEMENT**

relating to
the financing of two 7,900 TEU container vessels

WATSON FARLEY
&
WILLIAMS

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**THIS AGREEMENT** is made on 18 March 2025

**PARTIES**

(1) **KEROS 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 a borrower ("**Borrower A**")

(2) **ALATAS 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 a borrower ("**Borrower B**")

(3) **THE BANKS AND THE FINANCIAL INSTITUTIONS** listed in Part B of Schedule 1 (*The Parties*) as lenders (the "**Original Lenders**")

(4) **KFW IPEX-BANK GMBH** as mandated lead arranger (the "**Mandated Lead Arranger**")

(5) **KFW IPEX-BANK GMBH** as agent of the other Finance Parties (the "**Facility Agent**")

(6) **KFW IPEX-BANK GMBH** as security agent for the Secured Parties (the "**Security Agent**")

(7) **KFW IPEX-BANK GMBH** as agent of the other Finance Parties with respect to the K-SURE Insurance Policies (the "**K-SURE Agent**")

**BACKGROUND**

The Lenders have agreed to make available to the Borrowers a senior secured term loan facility not exceeding the lower of (i) $151,502,492.28 and (ii) the aggregate of 70 per cent. of the Contract Price of the Ships and 100 per cent. of each K-SURE Premium to partly finance, or as the case may be, refinance the Contract Price of the Ships, which are under construction by the Builder for, and purchased by, each Borrower pursuant to the Shipbuilding Contract relevant to that Ship and the relevant K-SURE Premium, divided into four Tranches as follows:

(A) the K-SURE Secured Pre-delivery Tranche in a principal amount not exceeding $75,751,246.14;

(B) the Commercial Pre-delivery Tranche in a principal amount not exceeding $31,800,000;

(C) the K-SURE Secured Delivery Tranche in a principal amount not exceeding $106,982,492.3; and

(D) the Commercial Delivery Tranche in a principal amount not exceeding $44,520,000.

**OPERATIVE PROVISIONS**

**SECTION 1**

**INTERPRETATION**

**1 DEFINITIONS AND INTERPRETATION**

**1.1 Definitions**

In this Agreement:

"**Account Bank**" means Hamburg Commercial Bank AG acting through its office at Gerhart-Hauptmann-Platz 50, 20095 Hamburg, Germany 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 any Earnings Account 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 being any Pre-Delivery Advance or Delivery Advance.

"**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.

"**Anti-Money Laundering Laws**" means any applicable laws or regulations in any jurisdictions in which a Borrower or the relevant member of the Group is located or doing business that relate to anti-money laundering or any predicate crime to money laundering.

"**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, 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 and who is a member of the International Association of Classification Societies (other than the China Classification Society and the Russian Maritime Registry of Shipping) 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 Liberia, the Marshall Islands, Panama, the Cayman Islands 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 under which that Ship is then

flagged with the agreement of the Facility Agent acting with the authorisation of the Lenders, such authorisation not to be unreasonably withheld.

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

(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;

(b) has the meaning given to that term in Schedule 7 (*Details of the Ships and other Definitions*); and/or

(c) any Affiliate of Navios Shipmanagement Inc. or of Mrs. Angeliki Frangou 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, as the commercial and technical manager of any Ship.

"**Approved Valuer**" means Arrow Sale and Purchase (UK) Limited, Braemar Seascope Shipping Limited, Clarkson Valuations Limited, Fearnleys AS, Simpson Spence Young, Ifchor Galbraiths, Barry Rogliano Salles, Maersk Broker K/S, Howe Robinson, 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 agreed between the Facility Agent, acting with the authorisation of the Majority Lenders and the Borrowers from time to time and selected and appointed by the Borrowers and approved in writing by the K-SURE Agent acting with the authorisation of K-SURE.

"**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 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 12 months or more or any bareboat charter entered into in accordance with Clauses 23.16 (*Restrictions on chartering, appointment of managers etc.*) and 23.19 (*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 the period from and including the date of this Agreement to and including, in relation each Tranche, the earlier of (i) the Delivery Date of the relevant Ship and (ii) 28 June 2027.

"**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*).

"**Borrower**" means Borrower A or Borrower B.

"**Builder**" means HJ Shipbuilding & Construction Co., Ltd., a company organised and existing under the laws of the Republic of Korea, having its principal office at 233 Taejong-ro (29, 5-Ga, Bongnae-Dong), Yeongdo-Gu, Busan (606-796), Korea.

"**Business Day**" means a day (other than a Saturday or Sunday) on which banks are open for general business in Frankfurt am Main, Athens, Hamburg and New York and in relation to Clause 5.7 (*Payment to K-SURE and 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.

"**Change of Control**" has the meaning given to it in Clause 7.2 (*Change of control*).

"**Charter**" means, in relation to a Ship, any charter relating to that Ship, or other contract for its employment, whether or not already in existence (including without limitation, any 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 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.

"**Commercial Delivery Advance**" means, an Advance under the Commercial Delivery Tranche, in a principal amount not exceeding, in relation to each Ship, $22,260,000 made or to be made available to the Borrowers in accordance with Clause 5.3 (*Currency and amount*) for the purpose set out in paragraph (d) of Clause 3.1 (*Purpose*).

"**Commercial Delivery Tranche**" means that part of the Loan made or to be made available to the Borrowers to finance or, as the case may be, refinance part of the Contract Price of the Ships in an aggregate principal amount not exceeding $44,520,000.

"**Commercial Pre-delivery Advance**" means Commercial Pre-delivery Advance A, Commercial Pre-delivery Advance B or Commercial Pre-delivery Advance C.

"**Commercial Pre-delivery Advance A**" means, an Advance under the Commercial Pre-delivery Tranche, in a principal amount not exceeding, in relation to each Ship, $3,180,000 made or to be made available to the Borrowers in accordance with Clause 5.3 (*Currency and amount*) for the purpose set out in paragraph (a) of Clause 3.1 (*Purpose*).

"**Commercial Pre-delivery Advance B**" means, an Advance under the Commercial Pre-delivery Tranche, in a principal amount not exceeding, in relation to each Ship, $6,360,000 made or to be made available to the Borrowers in accordance with Clause 5.3 (*Currency and amount*) for the purpose set out in paragraph (b) of Clause 3.1 (*Purpose*).

"**Commercial Pre-delivery Advance C**" means, an Advance under the Commercial Pre-delivery Tranche, in a principal amount not exceeding, in relation to each Ship, $6,360,000 made or to be made available to the Borrowers in accordance with Clause 5.3 (*Currency and amount*) for the purpose set out in paragraph (c) of Clause 3.1 (*Purpose*).

"**Commercial Pre-delivery Tranche**" means that part of the Loan made or to be made available to the Borrowers to finance or, as the case may be, refinance part of the Contract Price of the Ships in an aggregate principal amount not exceeding $31,800,000.

"**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 Interest Period of the Loan or any part of the Loan, the percentage rate per annum which is the Cumulative Compounded RFR Rate for that Interest Period.

"**Compounding Methodology Supplement**" means, in relation to the Cumulative Compounded RFR Rate, a document which:

(a) is agreed in writing by the Borrowers, 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 45 (*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 US Stock Exchange Commission 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.

"**Contract Price**" means the price payable for each Ship under Article II (*contract price*) of the relevant Shipbuilding Contract, plus any other amounts further to adjustment as provided in Article III (*adjustment of the contract price*) of the relevant Shipbuilding Contract.

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

"**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 9 (*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 and creating Security over that 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 Commercial Delivery Advance or any K-SURE Secured Delivery Advance.

"**Delivery Tranche**" means any Commercial Delivery Tranche or any K-SURE Secured Delivery Tranche.

"**Delivery Date**" means, in relation to a Ship, the date on which that Ship is delivered by the Builder to the relevant Borrower under the relevant Shipbuilding Contract.

"**Disruption Event**" means either or both of:

(a) a material disruption to those payment or communications systems or to those financial markets which are, in each case, required to operate in order for payments to be made in connection with the Facility (or otherwise in order for the transactions contemplated by the Finance Documents to be carried out) which disruption is not caused by, and is beyond the control of, any of the Parties or, if applicable, any Transaction Obligor; or

(b) the occurrence of any other event which results in a disruption (of a technical or systems-related nature) to the treasury or payments operations of a Party or, if applicable, any Transaction Obligor preventing that, or any other, Party or, if applicable, any Transaction Obligor:

(i) from performing its payment obligations under the Finance Documents; or

(ii) from communicating with other Parties or, if applicable, any Transaction Obligor in accordance with the terms of the Finance Documents,

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

"**Document of Compliance**" has the meaning given to it in the ISM Code.

"**dollars**" and "**$**" mean the lawful currency, for the time being, of the United States of America.

"**Earnings**" means, in relation to a Ship, all moneys whatsoever which are now, or later become, payable (actually or contingently) to a Borrower or the 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 a Borrower 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, in relation to a Borrower:

(a) an account in the name of that Borrower with the Account Bank designated "Earnings Account";

(b) any other account in the name of that Borrower with the Account Bank which may, with the prior written consent of the 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) or (b) above.

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

"**Environmental Approval**" means any present or future permit, ruling, variance or other Authorisation required under Environmental Law.

"**Environmental Claim**" means any claim by any governmental, judicial or regulatory authority or any other person which arises out of an Environmental Incident or an alleged Environmental Incident or which relates to any Environmental Law and, for this purpose, "**claim**" includes a claim for damages, compensation, contribution, injury, fines, losses and penalties or any other payment of any kind, including in relation to clean-up and removal, whether or not similar to the foregoing; an order or direction to take, or not to take, certain action or to desist from or suspend certain action; and any form of enforcement or regulatory action, including the arrest or attachment of any asset.

"**Environmental Incident**" means:

(a) any release, emission, spill or discharge of Environmentally Sensitive Material whether within a Ship or from a Ship into any other vessel or into or upon the air, water, land or soils (including the seabed) or surface water; or

(b) any incident in which Environmentally Sensitive Material is released, emitted, spilled or discharged into or upon the air, water, land or soils (including the seabed) or surface water from a vessel other than any Ship and which involves a collision between any Ship and such other vessel or some other incident of navigation or operation, in either case, in connection with which a Ship is actually or potentially liable to be arrested, attached, detained or injuncted and/or a Ship and/or any Transaction Obligor and/or any operator or manager of a Ship is at fault or allegedly at fault or otherwise liable to any legal or administrative action; or

(c) any other incident in which Environmentally Sensitive Material is released, emitted, spilled or discharged into or upon the air, water, land or soils (including the seabed) or surface water otherwise than from a Ship and in connection with which a Ship is actually or potentially liable to be arrested and/or where any Transaction Obligor and/or any operator or manager of a Ship is at fault or allegedly at fault or otherwise liable to any legal or administrative action.

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

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

"**EU Bail-In Legislation Schedule**" means the document described as such and published by the LMA from time to time.

"**EU Ship Recycling Regulation**" means Regulation (EU) No 1257/2013 of the European Parliament and of the Council of 20 November 2013 on ship recycling and amending Regulation (EC) No 1013/2006 and Directive 2009/16/EC.

"**Event of Default**" means any event or circumstance specified as such in Clause 26 (*Events of Default*).

"**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 Mandated Lead Arranger, the Facility Agent, the Security Agent and any Borrower setting out any of the fees referred to in Clause 11 (*Fees and K-SURE Premium*).

"**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 K-SURE Agent, the Mandated Lead Arranger or a Lender.

"**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; and

(c) the benefit of any warranties of quality in favour of a Borrower under the relevant Shipbuilding Contract of 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.

"**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 MH96960.

"**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 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*).

"**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; 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, in relation to a Ship, an inventory certificate or statement of compliance (as applicable) issued by the relevant 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, that Ship, pursuant to the requirements of the EU Ship Recycling Regulation.

"**ISM Code**" means the International Safety Management Code for the Safe Operation of Ships and for Pollution Prevention (including the guidelines on its implementation), adopted by the International Maritime Organisation, as the same may be amended or supplemented from time to time.

"**ISPS Code**" means the International Ship and Port Facility Security (ISPS) Code as adopted by the International Maritime Organization's (IMO) Diplomatic Conference of December 2002, as the same may be amended or supplemented from time to time.

"**ISSC**" means an International Ship Security Certificate issued under the ISPS Code.

"**K-SURE**" means Korea Trade Insurance Corporation of 3-17$^{th}$ Floors, Korea Trade Insurance Corporation Bldg, 14, Jong-ro, Jongno-gu, Seoul, 03187, Republic of Korea.

"**K-SURE Insurance Policy**" means an insurance policy issued or to be issued by K-SURE in relation to each Ship in favour of the Lenders together with the General Terms and Conditions of Medium and Long Term Export Insurance (Buyer's Credit, Standard Type) and the special terms and conditions each attached to the relevant insurance policy providing political and commercial risks cover and otherwise setting out the terms and conditions of K-SURE's insurance cover for an amount of (i) up to 95 per cent. of the aggregate of the K-SURE Secured Pre-delivery Advances relating to that Ship or, as the case may be, (ii) up to 95 per cent. of the K-SURE Secured Delivery Advance relating to that Ship and accrued interest on each such Advance (but excluding default interest).

"**K-SURE Premium**" means the premium payable in dollars to K-SURE under the relevant K-SURE Insurance Policy in respect of the cover provided by K-SURE under the relevant K-SURE Insurance Policy, at the rate of 2.90 per cent of the K-SURE Secured Delivery Tranche.

"**K-SURE Secured Delivery Advance**" means, an Advance under the K-SURE Secured Delivery Tranche, in a principal amount not exceeding, in relation to each Ship, $53,491,246.14 made or to be made available to the Borrowers in accordance with Clause 5.3 (*Currency and amount*) for the purpose set out in paragraph (d) of Clause 3.1 (*Purpose*).

"**K-SURE Secured Delivery Tranche**" means that part of the Loan made or to be made available to the Borrowers to finance or, as the case may be, refinance part of the Contract Price of each Ship and the relevant K-SURE Premium in an aggregate principal amount not exceeding $106,982,492.3.

"**K-SURE Secured Pre-delivery Advance**" means K-SURE Secured Pre-delivery Advance A, K-SURE Secured Pre-delivery Advance B or K-SURE Secured Pre-delivery Advance C.

"**K-SURE Secured Pre-delivery Advance A**" means, an Advance under the K-SURE Secured Pre-delivery Tranche, an amount not exceeding, in relation to each Ship, in $8,971,246.14 made or

to be made available to the Borrowers in accordance with Clause 5.3 (*Currency and amount*) for the purpose set out in paragraph (a) of Clause 3.1 (*Purpose*).

"**K-SURE Secured Pre-delivery Advance B**" means, an Advance under the K-SURE Secured Pre-delivery Tranche, an amount not exceeding, in relation to each Ship, in $14,840,000 made or to be made available to the Borrowers in accordance with Clause 5.3 (*Currency and amount*) for the purpose set out in paragraph (b) of Clause 3.1 (*Purpose*).

"**K-SURE Secured Pre-delivery Advance C**" means, an Advance under the K-SURE Secured Pre-delivery Tranche, an amount not exceeding, in relation to each Ship, in $14,840,000 made or to be made available to the Borrowers in accordance with Clause 5.3 (*Currency and amount*) for the purpose set out in paragraph (c) of Clause 3.1 (*Purpose*).

"**K-SURE Secured Pre-delivery Tranche**" means that part of the Loan made or to be made available to the Borrowers to finance or, as the case may be refinance, part of the Contract Price of each Ship and the K-SURE Premium for that Ship in an aggregate principal amount not exceeding $75,751,246.14.

"**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 27 (*Changes to the Lenders*),

which in each case has not ceased to be a Party as such 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 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 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 Clause 24.7 (*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 and 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.

"**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 preferred Liberian ship mortgage on that Ship in agreed form or any replacement first preferred or first priority ship mortgage on that Ship under the laws of an Approved Flag in agreed form.

"**Original Financial Statements**" means the annual audited consolidated financial statements of the Guarantor for its financial year ended 31 December 2023.

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

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

"**Parallel Debt**" means any amount which a Borrower owes to the Security Agent under Clause 30.2 (*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 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, 12 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 that 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 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) 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 any Ship:

(i) not as a result of any default or omission by any Borrower;

(ii) not being enforced through arrest; and

(iii) subject, in the case of liens for repair or maintenance, to Clause 23.16 (*Restrictions on chartering, appointment of managers etc.*),

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 26 (*Events of Default*) which would (with the expiry of a grace period, the giving of notice, the making of any determination under the Finance Documents or any combination of any of the foregoing) be an Event of Default.

"**Pre-delivery Advance**" means any Commercial Pre-delivery Advance or any K-SURE Secured Pre-delivery Advance.

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

"**Pre-delivery Security**" means, in relation to a Ship, the document creating Security over the relevant Pre-delivery Contracts relating to that Ship in agreed form.

"**Pre-delivery Tranche**" means any Commercial Pre-delivery Tranche or any K-SURE Secured Pre-delivery Tranche.

"**Prohibited Person**" means any person who is the subject of Sanctions (whether designated by name or by reason of being included in a class of persons to whom the applicable Sanctions apply in accordance with their terms) provided that, in the case of a person:

(a) who is not themselves a Transaction Obligor, a Subsidiary of a Transaction Obligor or one of their respective directors, officers or employees or an agent of any of them; and

(b) who is targeted only by "sectoral sanctions," or other Sanctions that do not generally prohibit transactions with such person,

such person shall be a Prohibited Person with respect to a transaction only to the extent that:

(i) an Transaction Obligor, a Finance Party or any other person organised or resident in the US, UK or EU would be prohibited by the law of such jurisdiction from entering into, directly or indirectly, such transaction with such person; or

(ii) the transaction involving such person would require a specific Authorisation by an applicable Sanctions authority.

"**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 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.

"**Refund Guarantee**" means each guarantee issued or to be issued by a Refund Guarantor in favour of the relevant Borrower pursuant to the relevant Shipbuilding Contract in the form set out in Exhibit A (*letter of guarantee*) to the relevant Shipbuilding Contract (or in such other form as the Borrower, the Facility Agent (acting on the instructions of all of the Lenders) and the K-SURE Agent (acting on the instructions of K-SURE) 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 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.

"**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.

"**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.

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

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

(a) imposed by law or regulation of the United Kingdom, the Council of the European Union, any Member State of the European Union, the United Nations or its Security Council or the United States of America; or

(b) otherwise imposed by any law or regulation binding on a Transaction Obligor or to which a Transaction Obligor is subject.

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

"**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 Pre-Delivery Security;

(b) any Shares Security;

(c) any Mortgage;

(d) any Deed of Covenant;

(e) any General Assignment;

(f) any Charterparty Assignment;

(g) any Account Security;

(h) any other document (whether or not it creates Security) which is executed as security for the Secured Liabilities; or

(i) 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.

"**Servicing Party**" means the Facility Agent, the Security Agent or the K-SURE 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, in relation to a Borrower, a document creating Security over the issued shares in that Borrower in agreed form.

"**Ship**" means Ship A or Ship B.

"**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*).

"**Shipbuilding Contract**" means:

(a) in relation to Ship A, the shipbuilding contract dated 19 June 2024 and made between (i) the Builder and (ii) Borrower A for the construction by the Builder of Ship A and its purchase by Borrower A, as amended and supplemented from time to time; and

(b) in relation to Ship B, the shipbuilding contract dated 19 June 2024 and made between (i) the Builder and (ii) Borrower B for the construction by the Builder of Ship B and its purchase by Borrower B, as amended and supplemented from time to time.

"**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) 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:

(a) in relation to each Pre-delivery Tranche, the earlier of (i) the Utilisation Date of the Delivery Advances relating to the relevant Ship and (ii) 28 June 2027; and

(b) in relation to each Delivery Tranche, the earlier of (i) the date falling on the 12th anniversary of the Delivery Date of that Ship and (ii) 28 June 2039.

"**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 not exceeding the lesser of (i) $151,502,492.28 and (ii) 70 per cent. of the Contract Price of the Ships and 100 per cent. of each K-SURE Premium.

"**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 a Delivery Tranche or a Pre-delivery Tranche.

"**Transaction Document**" means:

(a) a Finance Document;

(b) a Pre-delivery Contract;

(c) an Initial Charter;

(d) any Assignable Charter;

(e) any Charter Guarantee relating to an Assignable Charter; or

(f) any other document designated as such by the Facility Agent and a Borrower.

"**Transaction Obligor**" means a 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 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 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 Schedule 3 (*Utilisation 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 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 "**Mandated Lead Arranger**", the "**Facility Agent**", any "**Finance Party**", any "**Lender**", any "**Party**", any "**Secured Party**", the "**Security Agent**", the "**K-SURE 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;

(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, 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 Frankfurt am Main 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 Cumulative Compounded RFR Rate overrides anything relating to that rate in:

(i) Schedule 9 (Cumulative Compounded RFR Rate); 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.

(i) Any consent, approval, authorisation or instruction to be given by any Finance Party pursuant to any provision of a Finance Document and which by virtue of the provisions of any K-SURE Insurance Policy also requires the consent of K-SURE pursuant to such K-SURE Insurance Policy shall be deemed to have been given reasonably and without unreasonable delay if given as directed by K-SURE promptly after K-SURE notifies the K-SURE Agent of its decision.

**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 and the K-SURE 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 provision.

**1.4 Agreed forms of Finance Documents**

References in Clause 1.1 (*Definitions*) to any Finance Document being in "agreed form" are to that Finance Document:

(a) in a form attached to a certificate dated the same date as this Agreement (and signed by the Borrowers, the Facility Agent and the K-SURE Agent); or

(b) in any other form agreed in writing between the Borrowers, the Facility Agent acting with the authorisation of the Majority Lenders or, where Clause 43.2 (*All Lender matters*) applies, all the Lenders and the K-SURE Agent acting with the authorisation of K-SURE.

**1.5 Third party rights**

(a) Subject to paragraph (b) below or unless expressly provided to the contrary in a Finance Document, a person who is not a Party has no right under the any other provision of 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) K-SURE may enforce and may enjoy the benefit (including, pursuant to the Third Parties Act) of Clause 11.4 (*K-SURE Premium*), Clause 12 (Tax Gross Up and Indemnities), Clause 14 (*Other Indemnities*), Clause 16 (*Costs and Expenses*), Clause 27 (*Changes to the Lenders*), Clause 43 (*Amendments and Waivers*), Clause 48 (*Governing Law*) and Clause 49 (*Enforcement*) and any Clause of this Agreement which expressly confers rights on it.

(c) Except where the consent of K-SURE is expressly required pursuant to any term of any Finance Document or implicitly required under any K-SURE Policy and related Terms and Conditions, notwithstanding any other 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.

(d) Any Affiliate, Receiver, Delegate or any other person described in paragraph (d) of Clause 14.2 (*Other indemnities*), paragraph (b) of Clause 29.11 (*Exclusion of liability*), or paragraph (b) of Clause 30.11 (*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.

**1.6 Sanctions exceptions**

(a) In relation to a Lender that is incorporated in Germany (each a "**Restricted Lender**"), Clause 18.35 (*Sanctions*), Clause 20.21 (*Sanctions undertakings*), Clause 23.10 (*Compliance with laws etc.*), Clause 23.12 (*Sanctions and Ship trading*) and any provision in this Agreement making (directly or indirectly) reference to the definition of "Sanctions" (together, the "**Sanctions Provisions**") will not apply for the benefit of that Restricted Lender to the extent that the Sanctions Provisions would result in any violation of or liability under (i) Council Regulation (EC) No 2271/96 of 22 November 1996 and/or (ii) section 7 of the German Foreign Trade Regulation (*Außenwirtschaftsverordnung - AWV*) in connection with the German Foreign Trade Law (*Außenwirtschaftsgesetz - AWG*) and/or (iii) similar legislation imposed by the European Union or the Federal Republic of Germany, in each case protecting against the effects of the extra-territorial application of legislation adopted by a third country, and actions based thereon or resulting therefrom.

(b) A Restricted Lender will not, in the event of and on the sole basis of, a breach of any Sanctions imposed by any Sanctions Authority other than the United Nations, European Union or Germany (a "**Sanctions Breach**") be entitled to:

(i) declare that the Commitment is cancelled or require a mandatory prepayment in accordance with Clause 7.1 (*Illegality and Sanctions affecting a Lender*); or

(ii) assert any other rights under the Finance Documents on the sole basis of such Sanctions Breach.

**1.7 Independence of the Finance Documents**

The obligations of the Transaction Obligors under the Finance Documents are separate from, and not in any way conditional upon, the performance of any Shipbuilding Contract by the Builder and the relevant Borrower shall not be discharged from any of its obligations under any Finance Document by any matter relating to any Shipbuilding Contract including, without limitation:

(a) the failure of the Builder to perform its obligations under any Shipbuilding Contract; or

(b) the frustration or invalidity of any Shipbuilding Contract; or

(c) the destruction, non-compliance or non-functioning of the relevant Ship delivered under the relevant Shipbuilding Contract; or

(d) the liquidation or bankruptcy of a Transaction Obligor; or

(e) any claim a Transaction Obligor has under or in respect of any Shipbuilding Contract.

## 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 senior secured 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.

**2.3 No obligations imposed on K-SURE**

K-SURE shall not have any obligations or liabilities under this Agreement unless and until it becomes a Lender in accordance with the terms of this Agreement in which event its obligations and liabilities shall be limited to those it has as a Lender.

**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 and each Advance as follows:

(a) the relevant Commercial Pre-delivery Advance A and the relevant K-SURE Secured Pre-delivery Advance A shall be made available to the Borrowers for each Ship for the purpose of financing or, as the case may be, refinancing part of the second Contract Price Instalment payable pursuant to paragraph 2(b) of Article X (*payment*) of the Shipbuilding Contract in respect of the Ship and the relevant K-SURE Premium to be financed by the relevant Pre-delivery Advances;

(b) the relevant Commercial Pre-delivery Advance B and the relevant K-SURE Secured Pre-delivery Advance B shall be made available to the Borrowers for each Ship for the purpose of financing

or, as the case may be, refinancing in full the third Contract Price Instalment payable pursuant to paragraph 2(c) of Article X (*payment*) of the Shipbuilding Contract in respect of the Ship to be financed by the relevant Pre-delivery Advances upon completion of the steel cutting of the relevant Ship;

(c) the relevant Commercial Pre-delivery Advance C and the relevant K-SURE Secured Pre-delivery Advance C shall be made available to the Borrowers for each Ship for the purpose of financing or, as the case may be, refinancing in full the fourth Contract Price Instalment payable pursuant to paragraph 2(d) of Article X (*payment*) of the Shipbuilding Contract in respect of the Ship to be financed by the relevant Pre-delivery Advances upon completion of the launching of the relevant Ship; and

(d) the relevant Commercial Delivery Advance and the relevant K-SURE Secured Delivery Advance shall be made available to the Borrowers for each Ship for the purpose of (i) repayment of the Pre-delivery Advances in relation to each Ship and (ii) financing the fifth Contract Price Instalment payable pursuant to paragraph 2(e) of Article X (*payment*) of the Shipbuilding Contract in respect of the Ship to be financed by the relevant Delivery Advances on the relevant Delivery Date and refinancing the relevant K-SURE Premium.

**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 5.5 (*Lenders' participation*) if:

(a) on the date of any Utilisation Request and on the proposed relevant Utilisation Date and before any Advance is made available:

(i) no Default is continuing or would result from the proposed Advance; and

(ii) the Repeating Representations to be made by each Transaction Obligor are true;

(b) in the case of a Pre-delivery Advance under a Pre-delivery Tranche, the Facility Agent has received on or before the relevant Utilisation Date, or is satisfied it will receive when such Pre-delivery 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;

(c) in the case of a Delivery Advance under a Delivery Tranche, the Facility Agent has received on or before the relevant Utilisation Date, or is satisfied that it will receive when such 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; and

(d) the Facility Agent has not received, through the K-SURE Agent, any notice from K-SURE requesting the Lenders to suspend the utilisation of the Facility.

**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*) 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.

**4.4 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 in respect of the same Contract Price Instalment for the relevant Ship and, if applicable, the relevant K-SURE Premium to be financed by the relevant Advance.

(c) The Borrowers may not deliver a Utilisation Request if, as a result of the proposed Utilisation:

(i) more than six Advances would have been made under the Commercial Pre-delivery Tranche;

(ii) more than six Advances would have been made under the K-SURE Secured Pre-delivery Tranche;

(iii) more than two Advances would have been under the Commercial Delivery Tranche; and

(iv) more than two Advances would have been under the K-SURE Secured Delivery Tranche.

#### 5.2 Completion of a Utilisation Request

Each Utilisation Request is irrevocable and will not be regarded as having been duly completed unless:

(a) the proposed Utilisation Date is a Business Day within the relevant Availability Period;

(b) the currency and amount of the Utilisation comply with Clause 5.3 (*Currency and amount*); and

(c) the proposed Interest Period complies with Clause 9 (*Interest Periods*).

#### 5.3 Currency and amount

(a) The currency specified in a Utilisation Request must be dollars.

(b) The amount of the proposed Advance must be an amount which is not more than:

(i) in respect of each Commercial Pre-delivery Advance A, the lower of (A) $3,180,000 and (B) 15 per cent. of the relevant Contract Price Instalment;

(ii) in respect of each Commercial Pre-delivery Advance B, the lower of (A) $6,360,000 and (B) 30 per cent. of the relevant Contract Price Instalment;

(iii) in respect of each Commercial Pre-delivery Advance C, the lower of (A) $6,360,000 and (B) 30 per cent. of the relevant Contract Price Instalment;

(iv) in respect of each K-SURE Secured Pre-delivery Advance A, the lower of (A) $8,971,246.14 and (B) the aggregate of 35 per cent. of the relevant Contract Price Instalment and 100 per cent. of the relevant K-SURE Premium;

(v) in respect of each K-SURE Secured Pre-delivery Advance B, the lower of (A) $14, 480,000 and (B) 70 per cent. of the relevant Contract Price Instalment;

(vi) in respect of each K-SURE Secured Pre-delivery Advance C, the lower of (A) $14,840,000 and (B) 70 per cent. of the relevant Contract Price Instalment;

(vii) in respect of each Commercial Delivery Advance, the lower of (A) $22,260,000 per Ship and (B) the aggregate of 30 per cent. of the relevant Contract Price Instalment and the outstanding principal amount of each Commercial Pre-delivery Advance relating to that Ship; and

(viii) in respect of each K-SURE Secured Delivery Advance, the lower of (A) $53,491,246.14 per Ship and (B) the aggregate of 70 per cent. of the relevant Contract Price Instalment and the outstanding principal amount of each K-SURE Secured Pre-delivery Advance relating to that Ship and the relevant K-SURE Premium,

due to the Builder under the relevant Shipbuilding Contract or, as the case may be, K-SURE and to be financed by this Agreement on the proposed Utilisation Date.

(c) The amount of the proposed Advance must be an amount which is not more than the Available Facility.

(d) The amount of the proposed Delivery Advance must be an amount which would not oblige the Borrowers to provide additional security or prepay part of the Advance if the ratio set out in Clause 24 (*Security Cover*) were applied and notice was given by the Facility Agent under Clause 24.1 (*Minimum required security cover*) immediately after that Advance was made.

**5.4 Cancellation of Commitments**

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

**5.5 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.

**5.6 Notice to K-SURE**

The Facility Agent shall promptly after each Utilisation notify the K-SURE Agent and K-SURE of the amount of the relevant Advance and of the Utilisation Date.

**5.7 Payment to K-SURE and Builder**

(a) The Borrowers irrevocably authorise the Facility Agent on each Utilisation Date to pay to, or for the account of, the Borrowers the amounts which the Facility Agent receives from the Lenders in respect of the relevant Advance.

(b) The relevant part of an Advance, which constitutes a payment to the Builder shall be made to the account of the Builder which the Borrowers specify in the relevant Utilisation Request, **provided that** (i) there is a SWIFT key between the Facility Agent and the Builder's bank, (ii) the Facility Agent has carried out at least 10 Business Days before the relevant Utilisation Date and is satisfied with all necessary "know your customer" requirements in respect of the Builder and (iii) that bank has a credit rating of BBB or higher assigned by Standard & Poor's or Baa2 or higher assigned by Moody's or is otherwise acceptable to the Lenders.

(c) Each Commercial Pre-delivery Advance A and each K-SURE Secured Pre-delivery Advance A, as reimbursement for payments already made by the relevant Borrower to the Builder in accordance with Article X (*payment*) of the relevant Shipbuilding Contract shall be made to the account of that Borrower which the Borrowers specify in the relevant Utilisation Request.

(d) The relevant part of an Advance, which constitutes payment of the relevant K-SURE Premium, as reimbursement for payments already made by the relevant Borrower to K-SURE in accordance with the relevant K-SURE Insurance Policy shall be made to the account of that Borrower which the Borrowers specify in the relevant Utilisation Request.

**5.8 Disbursement of Advance to third party**

Payment by the Facility Agent under Clause 5.7 (*Payment to K-SURE and Builder*) to K-SURE or, as the case may be, a person other than a Borrower shall constitute the making of the relevant Advance and the Borrowers shall at that time become indebted, as principal and direct obligors, to each Lender in an amount equal to that Lender's participation in that Advance.

**5.9 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, subject to Clause 5.7 (*Payment to K-SURE and Builder*), preposition funds with the Builder's or any other bank, each Borrower:

(a) agrees 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 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 Borrowers shall repay the Loan as follows:

(a) each Pre-delivery Tranche in respect of a Ship shall be repaid in full in one instalment (each a "**Pre-delivery Repayment Instalment**") on the relevant Termination Date, by applying part of the proceeds of the relevant Delivery Advances relating to such Ship in an amount equal to the principal outstanding amount of the relevant Pre-delivery Tranches; and

(b) each Delivery Tranche in respect of a Ship shall be repaid as follows:

(i) the relevant K-SURE Secured Delivery Advance shall be repaid by 24 consecutive semi-annual instalments (each a "**K-SURE Secured Delivery Repayment Instalment**"), all 24 K-SURE Secured Delivery Repayment Instalments being each in an amount of $2,228,801.92; and

(ii) the relevant Commercial Delivery Advance shall be repaid by 8 equal consecutive semi-annual instalments (each a "**Commercial Delivery Repayment Instalment**" and together with the Pre-delivery Repayment Instalments and the K-SURE Delivery Repayment Instalments, the "**Repayment Instalments**" and each a "**Repayment Instalment**"), each in an amount of $1,000,000 and a balloon instalment in the amount of $14,260,000 (the "**Balloon Instalment**").

#### 6.2 Repayment Dates

The first Repayment Instalment in relation to each Delivery Tranche shall be repaid on the date falling six Months from the Delivery Date of the Ship relevant to such Delivery Tranche, each subsequent Repayment Instalment in relation to such Delivery Tranche shall be repaid at semi-annual intervals thereafter and the relevant Balloon Instalment shall be repaid on the Termination Date relating to such Delivery 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 7.7 (*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 and, where applicable, the Balloon Instalments falling after that cancellation will be reduced *pro rata* by the amount of the Available Commitments so cancelled.

(b) If the whole or part of any Commitment is cancelled pursuant to Clause 5.4 (*Cancellation of Commitments*) or Clause 7.3 (*Voluntary and automatic cancellation*), the Repayment Instalments and, where applicable, the Balloon 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 such prepayment shall be applied *pro rata* against each Tranche and the Repayment Instalments and, where applicable, the Balloon 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*), then such prepayment shall be applied *pro rata* against each Tranche and the amount of the Repayment Instalments and, where applicable, the Balloon Instalments for each Repayment Date falling after that repayment or prepayment will be reduced in chronological 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 default under Shipbuilding Contract*) or Clause 7.6 (*Mandatory prepayment on sale or Total Loss*), then the amount of the relevant Repayment Instalments and the relevant Balloon Instalment for the relevant Tranche for each Repayment Date falling after that repayment or prepayment will be reduced *pro rata* by the amount of the Loan repaid or prepaid, unless such mandatory prepayment is made against the full amount of such Tranche and any balance after the prepayment of the relevant Tranche in full shall reduce the Repayment Instalments and the Balloon Instalment of the other outstanding Tranches *pro rata*.

**6.4 Termination Date**

On each 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 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 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 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 Borrowers shall and shall procure that 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 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.

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

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

(a) Navios Maritime Holdings Inc. and/or Mrs. Angeliki Frangou and her direct descendants (either directly or indirectly) (through entities owned and controlled by her or any of their Affiliates or trusts or foundations of which she is a beneficiary), ceasing to be the owner of, or having ultimate control of the voting rights attaching to more than five per cent. of all the units (including for the avoidance of doubt both general partner units and common units) in the Guarantor; or

(b) Mrs. Angeliki Frangou and her direct descendants (either directly or indirectly) (through entities owned and controlled by her or any of their Affiliates or trusts or foundations of which she is a beneficiary), ceasing to be the owner of, or having ultimate control of the voting rights attaching to all the issued shares in the general partner of the Guarantor, which is currently Olympos Maritime Ltd; or

(c) Mrs. Angeliki Frangou ceasing to act as chairman or chief executive officer of the Guarantor and Olympos Maritime Ltd ceasing to be the general partner of the Guarantor; or

(d) any person or group of persons acting in concert, other than Navios Maritime Holdings Inc., Mrs Angeliki Frangou and her direct descendants (either directly or indirectly), gaining control of the Guarantor; or

(e) the Guarantor ceasing to be the owner of, directly or indirectly, the issued shares in each Borrower;

For the purpose of paragraph (d) above "**control**" means the holding beneficially issued units of the Guarantor representing 50 per cent. or more of the voting rights.

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), actively 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 control of the Guarantor.

**7.3 Voluntary and automatic cancellation**

(a) The Borrowers may, if they give the Facility Agent not less than five Business Days' (or such shorter period as the Majority Lenders may agree) prior written notice, cancel the whole or any part (being 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) 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 last Advance is made available.

**7.4 Voluntary prepayment of Loan**

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).

**7.5 Mandatory prepayment on default under Shipbuilding Contract**

If:

(a) any of the events specified in Clause 26.7 (*Insolvency*), Clause 26.8 (*Insolvency proceedings*) or Clause 26.9 (*Creditors' process*) occur in relation to the Builder or a Refund Guarantor;

(b) a Shipbuilding Contract is cancelled, rescinded or frustrated for any reason whatsoever;

(c) a Refund Guarantee is cancelled, rescinded or frustrated for any reason whatsoever, unless an acceptable replacement Refund Guarantee is issued within 90 Business Days from the relevant Borrower’s notice; or

(d) the relevant Ship has not been delivered to, and accepted by, the relevant Borrower by the last date of the Availability Period,

then:

(i) the Borrowers 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 Borrowers, cancel the Pre-delivery Tranche applicable to that Ship and declare an amount of the Loan equal to the Pre-delivery Advances under the relevant Pre-delivery Tranche then utilised, together with interest accrued on it, and all other amounts relating to it and accrued under the Finance Documents immediately due and payable, whereupon the relevant Pre-delivery Tranche will be cancelled and all such outstanding amounts will become immediately due and payable.

**7.6 Mandatory prepayment on sale or Total Loss**

If a Ship is sold (without prejudice to paragraph (a) of Clause 20.12 (*Disposals*)) or becomes a Total Loss, the Borrowers shall repay an amount equal to (i) the Tranche applicable to that Ship

and (ii) such amount, if applicable, to eliminate any shortfall arising in the ratio set out in Clause 24 (*Security Cover*) immediately following the prepayment. Such repayment shall be made:

(a) in the case of a sale of a 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 90 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 a Borrower is required to be increased under paragraph (c) of Clause 12.2 (*Tax gross-up*); or

(ii) any Lender claims indemnification from a Borrower under Clause 12.3 (*Tax indemnity*) or Clause 13 (*Increased costs*),

the Borrowers may give the Facility Agent notice of cancellation of the Commitment of that Lender and their intention to procure the repayment of that Lender's participation in the Loan.

(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 27 (*Changes to the Lenders*) (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 27 (*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 27.8 (*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) 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 Borrowers when it is satisfied that it has complied with those checks.

**7.8 Termination of K-SURE Insurance Policy**

If at any time during the Security Period:

(a) any K-SURE Insurance Policy or any obligation of K-SURE under any K-SURE Insurance Policy is terminated, cancelled, becomes invalid or unenforceable or otherwise ceases to be in full force and effect; or

(b) it becomes unlawful or impossible for K-SURE to fulfil any of the obligations expressed to be assumed by it in any K-SURE Insurance Policy or for the K-SURE Agent or a Lender to exercise their rights or any of them under any K-SURE Insurance Policy; or

(c) the K-SURE Agent or any Lender is informed of K-SURE's intention to, or K-SURE has stated its intention to, repudiate, terminate, cancel or suspend the application of any K-SURE Insurance Policy; or

(d) any of the events or circumstances set out in Clause 26.7 (*Insolvency*) and 26.8 (*Insolvency proceedings*) occurs in relation to K-SURE,

then as of the time such event occurs:

(i) the Lenders shall not be obliged to make any further Advance;

(ii) the Total Commitments shall be automatically cancelled; and

(iii) the Loan shall be immediately due and payable.

**7.9 Mandatory prepayment**

If at any time during the Security Period a Finance Party or a Borrower receives a refund of any K-SURE Premium from K-SURE, the Borrowers shall prepay the relevant Tranche in an amount equal to such refund.

**7.10 Mandatory prepayment – Time Charters**

(a) Subject to paragraph (b), if an Initial Charter is terminated or is cancelled, rescinded or frustrated for any reason whatsoever before the time that such Initial Charter was scheduled to expire (the "**Charter Termination Event**") any utilised Commitment of each Lender in

respect of the Tranche relating to that Ship shall be automatically cancelled and the Borrowers shall prepay the Tranches relating to that Ship in full.

(b) No cancellation or prepayment under paragraph (a) above will be required if within 90 days from such Charter Termination Event, the relevant Borrower has provided the Facility Agent with a Charter in all respects acceptable to the Facility Agent acting on the authorisation of the Majority Lenders and, if applicable, the relevant Borrower has complied with its obligations under Clause 23.19 (*Charterparty Assignment*).

**7.11 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, 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.

**7.12 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

The rate of interest on the Loan or any part of the Loan for an Interest Period is the percentage rate per annum which is the aggregate of:

(a) the Margin; and

(b) the Compounded Reference Rate.

#### 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 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 Notifications

(a) The Facility Agent shall no later than 3 Business Days prior to each Interest Payment Date, notify:

(i) the Borrowers of that Interest Payment;

(ii) the Borrowers and the Lenders of the applicable Compounded Reference Rate and Cumulative Compounded RFR Rate; and

(iii) if requested in writing by the Borrowers not less that 5 Business Days before the end of the relevant Interest Period, the Borrowers of each applicable rate of interest relating to the determination of that Interest Payment.

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 Interest Periods**

(a) Subject to this Clause 9 (*Interest Periods*), each Interest Period in respect of each Tranche shall be the period specified in the Reference Rate Terms or any other period agreed between the Borrowers, the Facility Agent and the Lenders.

(b) An Interest Period in respect of the Loan or any part of the Loan shall not extend beyond the Termination Date.

(c) The first Interest Period for each Tranche shall start on the Utilisation Date of such Tranche and each subsequent Interest Period shall start on the last day of the preceding Interest Period.

(d) No Interest Period shall be longer than six Months.

**9.2 Changes to Interest Periods**

(a) In respect of a Repayment Instalment, before the first day of an Interest Period for 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 specified in the Reference Rate Terms.

(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 Borrowers, the Lenders.

(c) If, pursuant to this Agreement, any accrued interest on the Loan or any part of the Loan or an Unpaid Sum becomes payable prior to the last day of an Interest Period for the Loan or that part of the Loan or Unpaid Sum, that Interest Period shall:

(i) for the purposes only of calculating that accrued interest, and in relation only to the Loan or such part of the Loan or Unpaid Sum, be treated as ending on the day on which that accrued interest becomes payable pursuant to this Agreement; and

(ii) for all other purposes under this Agreement, continue to end, and shall be treated as ending, on the last day of that Interest Period.

**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 an RFR Banking Day during an Interest Period for the Loan or any part of the Loan for the purposes of calculating the Cumulative Compounded RFR Rate; 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 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 50 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 the Compounded Reference 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 43.4 (*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 the 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 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.

(f) If this Clause 10.3 (*Cost of funds*) applies, the Facility Agent shall, as soon as practicable, notify the Borrowers.

**11 FEES AND K-SURE PREMIUM**

**11.1 Commitment fee**

(a) The Borrowers shall pay to the Facility Agent (for the account of each Lender) a fee computed at the rate of 0.50 per cent. per annum on that Lender's Available Commitment from time to time for the Availability Period.

(b) The accrued commitment fee is payable quarterly in arrears during the period commencing from the date of this Agreement to the last day of the Availability Period on the last day of such 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 Borrowers shall pay to the Mandated Lead Arranger a non-refundable arrangement fee as set out in the relevant Fee Letter.

**11.3 Agency fee**

The Borrowers shall pay to the Facility Agent (for its own account) a non-refundable agency fee of $15,000 which shall be payable to the Facility Agent on the date of this Agreement and following that annually on each anniversary of the date of this Agreement until and including the Termination Date.

**11.4 K-SURE Premium**

(a) The Borrowers shall pay to the K-SURE Agent (for the account of K-SURE) the K-SURE Premium prior to the Utilisation Date in relation to each K-SURE Secured Pre-delivery Advance A.

(b) The obligation of the Borrowers to pay the relevant K-SURE Premium shall be an absolute obligation and shall not be affected by any matter whatsoever (including the failure of the Borrowers to utilise the Facility). No part of each K-SURE Premium shall be refundable except in accordance with the terms of the relevant K-SURE Insurance Policy and K-SURE's internal regulations.

(c) The Borrowers acknowledge that the amount of each K-SURE Premium will be determined solely by K-SURE and no Finance Party is in any way involved in the determination of the amount of each K-SURE Premium and agrees that the Borrowers shall have no claim or defence against any Finance Party in connection with the amount of such K-SURE Premium.

(d) The Borrowers shall pay to the K-SURE Agent on demand (for the account of K-SURE) any additional premium payable in respect of any amendment or waiver permitted by Clause 43 (*Amendments and Waivers*) pursuant to the terms of any K-SURE Insurance Policy.

## SECTION 6

## ADDITIONAL PAYMENT OBLIGATIONS

### 12 TAX GROSS UP AND INDEMNITIES

#### 12.1 Definitions

(a) In this Agreement:

"**Protected Party**" means K-SURE and 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 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 or any K-SURE Insurance Policy.

**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);

(d) compensated for by any payment made pursuant to Clause 14.3 (*Mandatory Cost*); or

(e) 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 and K-SURE 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 and K-SURE 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 33 (*Sharing among the Finance Parties*);

(iii) funding, or making arrangements to fund, its participation in an Advance requested by the Borrowers 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 Borrowers.

(b) Each Borrower shall, on demand, indemnify each Finance Party, each Affiliate of a Finance Party, K-SURE and each officer or employee of a Finance Party or its Affiliate or K-SURE (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; 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 or of K-SURE 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 Mandatory Cost**

Each Borrower shall, on demand by the Facility Agent, pay to the Facility Agent for the account of the relevant Lender, such amount which any Lender certifies in a notice to the Facility Agent to be its good faith determination of the amount necessary to compensate it for complying with:

(a) in the case of a Lender lending from a Facility Office in a Participating Member State, the minimum reserve requirements (or other requirements having the same or similar purpose) of

the European Central Bank (or any other authority or agency which replaces all or any of its functions) in respect of loans made from that Facility Office; and

(b) in the case of any Lender lending from a Facility Office in the United Kingdom, any reserve asset, special deposit or liquidity requirements (or other requirements having the same or similar purpose) of the Bank of England (or any other governmental authority or agency) and/or paying any fees to the Financial Conduct Authority and/or the Prudential Regulation Authority (or any other governmental authority or agency which replaces all or any of their functions),

which, in each case, is referable to that Lender's participation in the Loan.

**14.4 Indemnity to the Facility Agent, K-SURE Agent and K-SURE**

Each Borrower shall, on demand, indemnify the Facility Agent, the K-SURE Agent and K-SURE against:

(a) any cost, loss or liability incurred by it (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 (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 34.11 (*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.

**14.5 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 14.5 (*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 affecting a Lender), Clause 12 (*Tax Gross Up and Indemnities*), Clause 13 (*Increased Costs*) or paragraph (a) of Clause 14.3 (*Mandatory Cost*) 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, reimburse each Secured Party and K-SURE for the amount of all costs and expenses (including legal fees and VAT) reasonably incurred by each of them 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 34.9 (*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 Secured Party and K-SURE for the amount of all costs and expenses (including legal fees and VAT) reasonably incurred by each of them 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 and K-SURE the amount of all costs and expenses (including legal fees and VAT) incurred by that Secured Party or, as the case may be, by K-SURE 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 43.4 (*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 the other Borrower;

(b) any Lender or the Security Agent entering into any rescheduling, refinancing or other arrangement of any kind with the other Borrower;

(c) any Lender or the Security Agent releasing the other Borrower or any Security created by a Finance Document; or

(d) any time, waiver or consent granted to, or composition with the other Borrower or other person;

(e) the release of the 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, the 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 the 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 the 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 the 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 the other Borrower for such an amount, or in any way seek to have recourse in respect of such an amount against any asset of the other Borrower; or

(iii) set off such an amount against any sum due from it to the other Borrower; or

(iv) prove or claim for such an amount in any liquidation, administration, arrangement or similar procedure involving the 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 the 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 the other Borrower; or

(b) to claim any contribution from the 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 Share capital and ownership

(a) Each Borrower is authorised to issue 500 registered shares of no par value common stock, 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 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 any Borrower is subject to any option to purchase, pre-emption rights or similar rights.

#### 18.4 Binding obligations

The obligations expressed to be assumed by it in each Transaction Document to which it is a party are legal, valid, binding and enforceable obligations.

#### 18.5 Validity, effectiveness and ranking of Security

(a) Each Finance Document to which it is a party does now or, as the case may be, will upon execution and delivery 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 a Borrower, its registration of the Ship to be owned by it under the applicable Approved Flag.

(b) No limit on its powers will be exceeded as a result of the borrowing, granting of security or giving of guarantees or indemnities contemplated by the Transaction Documents to which it is a party.

**18.8 Validity and admissibility in evidence**

All Authorisations required or desirable:

(a) to enable it lawfully to enter into, exercise its rights and comply with its obligations in the Transaction Documents to which it is a party; and

(b) to make the Transaction Documents to which it is a party admissible in evidence in its Relevant Jurisdictions,

have been obtained or effected and are in full force and effect.

**18.9 Governing law and enforcement**

(a) The choice of governing law of each Transaction Document to which it is a party will be recognised and enforced in its Relevant Jurisdictions.

(b) Any judgment obtained in relation to a Transaction Document to which it is a party in the jurisdiction of the governing law of that Transaction Document will be recognised and enforced in its Relevant Jurisdictions.

**18.10 Insolvency**

No:

(a) corporate action, legal proceeding or other procedure or step described in paragraph (a) of Clause 26.8 (*Insolvency proceedings*); or

(b) creditors' process described in Clause 26.9 (*Creditors' process*),

has been taken or, to its knowledge, threatened in relation to a member of the Group; and none of the circumstances described in Clause 26.7 (*Insolvency*) applies to a member of the Group.

**18.11 No filing or stamp taxes**

Under the laws of its Relevant Jurisdictions it is not necessary that the Finance Documents to which it is a party be registered, filed, recorded, notarised or enrolled with any court or other authority in that jurisdiction or that any stamp, registration, notarial or similar Taxes or fees be paid on or in relation to the Finance Documents to which it is a party or the transactions contemplated by those Finance Documents except 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, 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 Guarantor's financial condition as at the end of the relevant financial year and the Guarantor's 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 the date of the Group's most recent financial statements delivered pursuant to Clause 19.2 (*Financial statements*) (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 its business, assets or financial condition (or the business or consolidated financial condition of the Group, in the case of the Guarantor).

**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 Validity and completeness of the Pre-delivery Contracts**

(a) Each 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 amendments or additions to any Pre-delivery Contracts have been agreed nor have any rights under any Pre-delivery Contract been waived.

**18.19 No rebates etc.**

There is no agreement or understanding to allow or pay any rebate, premium, inducement, commission, discount or other benefit or payment (however described) to either Borrower or any other member of the Group, the Builder or a third party in connection with the purchase by a Borrower of a Ship, other than as disclosed to the Facility Agent in writing on or before the date of this Agreement.

**18.20 Valuations**

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

**18.21 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.

**18.22 No Charter**

No Ship is subject to any Charter other than a Permitted Charter.

**18.23 Compliance with Environmental Laws**

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

**18.24 No Environmental Claim**

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

**18.25 No Environmental Incident**

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

**18.26 ISM and ISPS Code compliance**

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

**18.27 Taxes paid**

(a) It is not and no other member of the Group is materially overdue in the filing of any Tax returns and it is not (and no other member of the Group is) overdue in the payment of any amount in respect of Tax.

(b) No claims or investigations are being, or, to a Borrower's knowledge, are reasonably likely to be, made or conducted against it (or any other member of the Group) with respect to Taxes.

**18.28 Financial Indebtedness**

No Borrower has any Financial Indebtedness outstanding other than Permitted Financial Indebtedness.

**18.29 Overseas companies**

No Borrower has delivered particulars, whether in its name stated in the Finance Documents or any other name, of any UK Establishment to the Registrar of Companies as required under the Overseas Regulations or, if it has so registered, it has provided to the Facility Agent sufficient details to enable an accurate search against it to be undertaken by the Lenders at the Companies Registry.

**18.30 Good title to assets**

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

**18.31 Ownership**

(a) Each Borrower is the sole legal and beneficial owner of all rights and interests which each of the Pre-delivery Contracts creates in favour of that Borrower.

(b) With effect on and from each Delivery Date, each Borrower will be the sole legal and beneficial owner of each relevant Ship, its Earnings and its Insurances.

(c) The Shareholder is the sole legal and beneficial owner of all the shares in each Borrower.

(d) The Guarantor is the sole legal and beneficial owner of all the issued shares in the Shareholder.

(e) 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.

(f) The constitutional documents of each Borrower do not and could not restrict or inhibit any transfer of the shares of the Borrowers on creation or enforcement of the security conferred by the Security Documents.

**18.32 Centre of main interests and establishments**

For the purposes of The Council of the European Union Regulation No. 2015/848 on Insolvency Proceedings (recast) (the "**Regulation**"), its centre of main interest (as that term is used in Article 3(1) of the Regulation) is situated within the European Union and/or the state of Approved Flag and it has no "establishment" (as that term is used in Article 2(10) of the Regulation) in any other jurisdiction.

**18.33 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*).

**18.34 No employee or pension arrangements**

No Borrower has any employees or any liabilities under any pension scheme.

**18.35 Sanctions**

(a) No Transaction Obligor, and none of its Subsidiaries and none of their respective directors or officers:

(i) is a Prohibited Person or is otherwise owned or controlled by or acting directly or indirectly on behalf of or for the benefit of, a Prohibited Person;

(ii) owns or controls or is an Affiliate of a Prohibited Person; or

(iii) has received notice of or is aware of any claim, action, suit, proceedings or investigation against it with respect to Sanctions.

(b) Each Transaction Obligor, its Subsidiaries and their respective directors and officers are in compliance with Sanctions in all material respects and have not been and are not knowingly engaged in any activity that would reasonably be expected to result in such Transaction Obligor being designated as a Prohibited Person.

(c) Each Borrower has instituted and maintains adequate policies and procedures designed to promote and achieve compliance by the members of the Group with applicable Sanctions.

(d) None of the Ships is a Sanctioned Ship.

**18.36 Anti-money laundering**

(a) Each Borrower and each other member of the Group has conducted and conduct its businesses in compliance with anti-fraud, anti-bribery, anti-corruption and anti-terrorism laws and Anti-Money Laundering Laws applicable to it.

(b) Each Borrower has instituted and maintains adequate general policies and procedures designed to promote and achieve compliance by it and the other members of the Group with the laws referred to in paragraph (a) above.

(c) Neither Borrower nor any other member of the Group (nor any director or officer nor, to the best of its knowledge, any employee of any member of the Group) is subject to or involved in any inquiry, claim, action, suit, proceeding or investigation against it, in each case in relation to any the laws referred to in paragraph (a) above.

**18.37 US Tax Obligor**

No Transaction Obligor is a US Tax Obligor.

**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 and K-SURE:

(a) as soon as they become available, but in any event within 180 days after the end of each of the Guarantor's financial years (ending 31 December), commencing with the financial year ended on 31 December 2024, the annual audited consolidated financial statements of the Guarantor 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 financial quarter ended on 31 March 2025, the unaudited consolidated quarterly financial statements of the Guarantor 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 Guarantor 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.

**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 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) or the K-SURE Agent (for the account of K-SURE, if K-SURE so reasonably 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 an uninsured liability, or a potential or alleged uninsured liability, exceeding $1,000,000 in relation to any Borrower or $5,000,000 in relation to any other member of the Group (or its equivalent in any other currency);

(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) or K-SURE (through the K-SURE Agent) may reasonably request.

**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 Borrower is aware that a notification has already been provided by another Borrower).

(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 Use of websites**

(a) Each 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 Borrowers 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 relevant 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 relevant 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 Borrowers accordingly and each Borrower shall supply the information to the Facility Agent (in sufficient copies for each Paper Form Lender) in paper form. In any event each 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 Borrowers or any of them and the Facility Agent.

(c) A 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 that 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 a Borrower notifies the Facility Agent under sub-paragraph (i) or (v) of paragraph (c) above, all information to be provided by the Borrowers 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 Borrowers shall comply with any such request within 10 Business Days.

**19.8 "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, 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.

**19.9 K-SURE notification and information**

(a) The Borrowers shall promptly notify the Facility Agent and the K-SURE Agent by email confirmed by letter of the occurrence of any event involving a political or commercial risk covered by any K-SURE Insurance Policy and any anti-bribery policy and shall cooperate with the Facility Agent and the K-SURE Agent on its request to take all steps necessary on the part of the Borrowers to ensure each K-SURE Insurance Policy remains in full force and effect throughout the Security Period.

(b) The Borrowers shall promptly provide the Facility Agent and the K-SURE Agent with copies of all available financial or other information required by the K-SURE Agent to satisfy any request for information by K-SURE pursuant to each K-SURE Insurance Policy.

**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;

(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;

(iii) own and operate each Ship (in the case of the Borrowers); and

(c) without prejudice to the generality of the above, ensure that if, but for the obtaining of an Authorisation, a Borrower would be in breach of any of the provisions of this Agreement which relate to Sanctions or, by reason of Sanctions, would be prohibited from performing any provision of this Agreement, such an Authorisation is obtained so as to avoid such breach or to enable such performance.

**20.3 Compliance with laws**

Each Borrower shall, and shall procure that each other Transaction Obligor will, comply in all respects with all laws and regulations to which it may be subject, if failure so to comply has or is reasonably likely to have a Material Adverse Effect.

**20.4 Environmental compliance**

Each Borrower shall, and shall procure that each other Transaction Obligor will:

(a) comply with all Environmental Laws;

(b) obtain, maintain and ensure compliance with all requisite Environmental Approvals;

(c) implement procedures to monitor compliance with and to prevent liability under any Environmental Law,

where failure to do so has or is reasonably likely to have a Material Adverse Effect.

**20.5 Environmental Claims**

Each Borrower shall, and shall procure that each other Transaction Obligor will, (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.

**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**

Each Borrower shall not change the location of its centre of main interest (as that term is used in Article 3(1) of the Regulation) from either jurisdiction referred to in Clause 18.32 (*Centre of main interests and establishments*) and it will create no "**establishment**" (as that term is used in Article 2(10) of the Regulation) in 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 unsecured and unsubordinated creditors except those creditors whose claims are mandatorily preferred by laws of general application to companies.

**20.10 Title**

(a) Each 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, each Ship, its Earnings and its Insurances.

(b) With effect on and from its creation or intended creation, each Borrower shall, and shall procure that each Transaction Obligor shall, hold the legal title to, and own the entire beneficial interest in any other assets the subject of any Transaction Security created or intended to be created by such Borrower or Transaction Obligor.

**20.11 Negative pledge**

(a) No Borrower shall, 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 Borrowers, the subject of the Security created or intended to be created by the Finance Documents.

(b) No Borrower shall:

(i) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by a Transaction Obligor or any other member of the Group;

(ii) sell, transfer or otherwise dispose of any of its receivables on recourse terms;

(iii) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or

(iv) enter into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset.

(c) Paragraphs (a) and (b) above do not apply to any Permitted Security.

**20.12 Disposals**

(a) No Borrower shall enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer or otherwise dispose of any asset (including without limitation any Ship, its Earnings or its Insurances).

(b) Paragraph (a) above does not apply to any Charter as all Charters are subject to Clause 23.16 (*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 Guarantor or the Group from that carried on at the date of this Agreement.

(b) No Borrower shall engage in any business other than the ownership and operation of its Ship.

**20.15 Financial Indebtedness**

No Borrower shall incur or permit to be outstanding any Financial Indebtedness except Permitted Financial Indebtedness.

**20.16 Expenditure**

No Borrower shall incur any expenditure, except for expenditure reasonably incurred in the ordinary course of owning, operating, maintaining and repairing its Ship.

**20.17 Share capital**

No Borrower shall:

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

(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 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.

**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 Borrower or the Guarantor 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 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 Sanctions undertakings**

(a) No proceeds of the Loan or any part of the Loan shall be made available, directly or indirectly, to or for the benefit of a Prohibited Person nor shall they be otherwise, directly or indirectly, applied in a manner or for a purpose prohibited by Sanctions, or to fund any activity in a Sanctioned Country or in any manner which would cause any Finance Party to be in breach of or made subject to Sanctions, or at risk of being in breach of or made subject to Sanctions.

(b) No Transaction Obligor shall fund all or any part of any payment or repayment under the Loan out of proceeds directly or indirectly derived from any activity in a Sanctioned Country or any transaction with a Prohibited Person, or out of proceeds directly or indirectly derived from any other transactions which would be prohibited by Sanctions or in any other manner which would cause any Finance Party to be in breach of or made subject to Sanctions, or at risk of being in breach of or made subject to Sanctions and no such proceeds shall be paid into any Account.

(c) No Transaction Obligor shall directly or indirectly engage in any transaction, activity or conduct that would cause a Finance Party to be in breach of Sanctions or that could reasonably be expected to result in it being designated as a Prohibited Person.

(d) Each of the Transaction Obligors has implemented and shall maintain in effect a Sanctions compliance policy which is designed to ensure compliance by each such Transaction Obligor, its Subsidiaries and their respective directors, officers, employees and agents with Sanctions.

**20.22 Anti-corruption, anti-bribery, anti-money laundering and anti-terror financing**

(a) Neither Borrower nor the Guarantor shall (and each Borrower shall procure that no other member of the Group will) directly or indirectly use the proceeds of the Facility for any purpose which would breach any applicable anti-fraud, anti-bribery, anti-corruption and/or anti-terrorism laws or Anti-Money Laundering Laws.

(b) Each Borrower shall maintain adequate policies and procedures designed to promote and achieve compliance by it and the other members of the Group with any applicable anti-fraud, anti-bribery, anti-corruption and anti-terrorism laws and Anti-Money Laundering Laws.

**20.23 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 20.23 (*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 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 that Borrower's or Transaction Obligor's articles of incorporation or limited partnership agreement, as applicable.

**20.24 No change in financial year**

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

**20.25 K-SURE requirements**

No Borrower shall, and shall procure that no Guarantor will, act (or omit to act) in a manner that is inconsistent with any requirement of K-SURE under or in connection with any K-SURE Insurance Policy and, in particular:

(a) each Borrower shall, and shall procure that the Guarantor will, do all that is necessary to ensure that all requirements of K-SURE under or in connection with each K-SURE Insurance Policy are complied with; and

(b) each Borrower will, and shall procure that the Guarantor will, refrain from acting in any manner which could result in a breach of any requirements of K-SURE under or in connection with each K-SURE Insurance Policy or affect the validity of it.

**20.26 K-SURE Insurance Policy protection**

If at any time, in the opinion of the K-SURE Agent, any provision of a Finance Document contradicts or conflicts with any provision of any K-SURE Insurance Policy, the Borrowers will:

(a) take all steps as the Facility Agent, the K-SURE Agent and/or K-SURE shall require to remove such contradiction or conflict; and

(b) take all steps as the Facility Agent, the K-SURE Agent and/or K-SURE shall require to ensure that each K-SURE Insurance Policy remains in full force and effect.

**20.27 K-SURE Override Clause**

(a) Notwithstanding anything to the contrary in any Finance Document, nothing in any Finance Document shall oblige any Lender under the K-SURE Secured Delivery Tranche or the K-SURE Secured Pre-delivery Tranche or a Servicing Party (collectively, the "**K-SURE Secured Finance Parties**" and each a "**K-SURE Secured Finance Party**") to act (or omit to act) in a manner that is inconsistent with any requirement of K-SURE under or in connection with the relevant K-SURE Insurance Policy and, in particular, each K-SURE Secured Finance Party shall:

(i) be authorised to take all such actions as it may consider necessary to ensure that all requirements of K-SURE under or in connection with the relevant K-SURE Insurance Policy are complied with; and

(ii) not be obliged to do anything if, in its opinion, to do so could (A) result in a breach of any requirement of K-SURE under or in connection with the relevant K-SURE Insurance Policy, (B) affect the validity of the relevant K-SURE Insurance Policy or (C) otherwise result in a mandatory prepayment event set out in Clause 7.8 (*Termination of K-SURE Insurance Policy*).

(b) It is acknowledged between the K-SURE Secured Finance Parties that, in the event of any inconsistency between the Finance Documents and the relevant K-SURE Insurance Policy, the relevant K-SURE Insurance Policy shall prevail, as between the K-SURE Secured Finance Parties.

(c) Nothing in this Clause 20.27 (*K-SURE Override Clause*) shall affect the obligations of the Borrowers under the Finance Documents.

**20.28 Compliance with terms of the K-SURE Insurance Policy**

With respect to the K-SURE Secured Pre-delivery Tranche and K-SURE Secured Delivery Tranche, each K-SURE Secured Finance Party will cooperate with the Facility Agent and each other Lender and take such action and/or refrain from taking such action as may be reasonably necessary, to ensure that the relevant K-SURE Insurance Policy continue in full force and effect.

**20.29 Assistance by the Borrowers**

The Borrowers shall provide all information and other assistance reasonably requested by the K-SURE Agent in connection with the relevant K-SURE Insurance Policy.

**20.30 Instructions from K-SURE**

(a) The Parties acknowledge and agree that, in accordance with the terms of the relevant K-SURE Insurance Policy, K-SURE may, at any time, instruct a K-SURE Secured Finance Party (whether directly or by notice to the K-SURE Agent) to suspend or to cease to perform any or all of its obligations under this Agreement or any other Finance Document. That K-SURE Secured Finance Party will be required to comply with any such instruction. Each Party agrees that it will not hold any K-SURE Secured Finance Party responsible for complying with any such instruction.

(b) The Borrowers acknowledge and agree that:

(i) a K-SURE Secured Finance Party may be required to exercise, or to refrain from exercising, its rights, powers, authorities and discretions under, and performing its obligations under, or in connection with, the Finance Documents, in accordance with any instructions given to it by K-SURE acting reasonably and in order to ensure the continued effectiveness of the relevant K-SURE Insurance Policy and the protection of its rights thereunder and under the Finance Documents in accordance with the provisions of the relevant K-SURE Insurance Policy; and

(ii) a K-SURE Secured Finance Party will not be acting or making any determination unreasonably if such action or such determination is made in accordance with the relevant K-SURE Insurance Policy, or any instructions given to it by K-SURE in

accordance with sub-paragraph (i) of paragraph (b) of Clause 20.30 (*Instructions from K-SURE*).

**21 INSURANCE UNDERTAKINGS**

**21.1 General**

The undertakings in this Clause 21 (*Insurance Undertakings*) remain in force on and from the relevant Delivery Date 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) fire and usual marine risks (including hull and machinery plus freight interest and hull interest and excess risks);

(b) war risks (including terrorism and piracy);

(c) protection and indemnity risks; and

(d) any other risks against which the 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, 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 owned by it;

(c) in the case of oil pollution liability risks, for an aggregate amount equal to the highest level of cover from time to time available under basic protection and indemnity club entry and in the international marine insurance market;

(d) in the case of protection and indemnity risks, in respect of the full tonnage of its Ship;

(e) on approved terms; and

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

**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-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;

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 21 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, 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 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 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, in an amount which equals 110 per cent. of the Loan, and a mortgagee's interest additional perils insurance, in an amount which equals 100 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 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 PRE-DELIVERY CONTRACT UNDERTAKINGS**

**22.1 General**

The undertakings in this Clause 22 (*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.

**22.2 Performance of Pre-delivery Contracts**

Each 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 its best 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 that 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.

**22.3 No variation, release etc. of Pre-delivery Contracts**

Each 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 without the consent of the Facility Agent acting with the authorisation of the Majority Lenders and K-SURE;

(b) release, waive, suspend, subordinate or permit to be lost or impaired any interest or right of any kind which each 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.

**22.4 Action to protect validity of Pre-delivery Contracts**

Each Borrower shall use its reasonable 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.

**22.5 No assignment etc. of Pre-delivery Contracts**

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

**22.6 Provision of information relating to Pre-delivery Contract**

Without prejudice to Clause 19.5 (*Information: miscellaneous*) each 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 served on or by that Borrower under or in connection with any Pre-delivery Contract; and

(c) provide the Facility Agent with any information which it requires about any interest or right of any kind which that 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 relevant Ship.

**23 SHIP UNDERTAKINGS**

**23.1 General**

The undertakings in this Clause 23 (*Ship Undertakings*) remain in force on and from the relevant 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.

**23.2 Ships' names and registration**

Each Borrower shall, in respect of the Ship owned by it:

(a) keep that Ship registered in its name under the Approved Flag from time to time at its port of registration;

(b) not do or allow to be done anything as a result of which such registration might be suspended, cancelled or imperilled;

(c) not enter into any dual flagging arrangement in respect of that Ship; and

(d) not change the name of that Ship,

**provided that** any 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.

**23.3 Repair and classification**

Each Borrower shall keep the Ship owned by it in a good and safe condition and state of repair:

(a) consistent with first class ship ownership and management practice; and

(b) so as to maintain the Approved Classification free of overdue recommendations and conditions.

**23.4 Classification society undertaking**

Each Borrower shall, in respect of the Ship owned by it, instruct the Approved Classification Society (and procure (and in relation to paragraph (a) below, use reasonable endeavours to procure) that the Approved Classification Society undertakes with the Security Agent):

(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.

**23.5 Modifications**

No Borrower shall make any modification or repairs to, or replacement of, any Ship or equipment installed on it which would or might materially alter the structure, type or performance characteristics of that Ship or materially reduce its value.

**23.6 Removal and installation of parts**

(a) Subject to paragraph (b) below, no Borrower shall remove any material part of any Ship, or any item of equipment installed on any Ship unless:

(i) the part or item so removed is forthwith replaced by a suitable part or item which is in the same condition as or better condition than the part or item removed;

(ii) the replacement part or item is free from any Security in favour of any person other than the 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.

**23.7 Surveys**

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

**23.8 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.

**23.9 Prevention of and release from arrest**

(a) Each Borrower shall, in respect of the Ship owned by it, promptly discharge:

(i) all liabilities which give or may give rise to maritime or possessory liens on or claims enforceable against that Ship, its Earnings or its Insurances;

(ii) all Taxes, dues and other amounts charged in respect of that Ship, its Earnings or its Insurances; and

(iii) all other outgoings whatsoever in respect of that Ship, its Earnings or its Insurances.

(b) Each Borrower shall immediately upon receiving notice of the arrest of the Ship owned by it or of its detention in exercise or purported exercise of any lien or claim, take all steps necessary to procure its release by providing bail or otherwise as the circumstances may require.

**23.10 Compliance with laws etc.**

Each Borrower shall:

(a) comply, or procure compliance with all laws or regulations:

(i) relating to its business generally; and

(ii) relating to the Ship owned by it, its ownership, employment, operation, management and registration,

including, but not limited to, the ISM Code, the ISPS Code, all Environmental Laws, all Sanctions and 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

**23.11 ISPS Code**

Without limiting paragraph (a) of Clause 23.10 (*Compliance with laws etc.*), each Borrower shall:

(a) procure that the Ship owned by it and the company responsible for that Ship's compliance with the ISPS Code comply with the ISPS Code; 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.

**23.12 Sanctions and Ship trading**

Without limiting Clause 23.10 (*Compliance with laws etc.*), each Borrower shall procure:

(a) that the Ship owned by it shall not be used by or for the benefit of a Prohibited Person or in trading to or from a Sanctioned Country;

(b) that the Ship owned by it shall not otherwise be used in any manner contrary to Sanctions or in a manner that a Transaction Obligor will become a Prohibited Person;

(c) that the Ship owned by it shall not be used in trading in any manner that such Ship will become a Sanctioned Ship;

(d) that the Ship owned by it shall not be traded in any manner which would trigger the operation of any sanctions limitation or exclusion clause (or similar) in the Insurances; and

(e) without prejudice to the above provisions of this Clause 23.12 (*Sanctions and Ship trading*), that each time charterparty in respect of the Ship owned by it shall contain, for the benefit of that Borrower, language which gives effect to the provisions of paragraph (a) of Clause 23.10 (*Compliance with laws etc.*) as regards Sanctions and paragraph (b) and (c) of this Clause 23.12 (*Sanctions and Ship trading*) and which charterparty permits refusal of employment or voyage orders if such employment or compliance with such orders either results in non-compliance with such provisions or breaches Sanctions (or which would result in a breach of Sanctions if Sanctions were binding on each Borrower).

**23.13 Trading in war zones or excluded areas**

No Borrower shall cause or permit any Ship to enter or trade to any zone which is declared a war zone by any government or by that Ship's war risks insurers or which is otherwise excluded from the scope of coverage of the obligatory insurances unless that Borrower has (at its expense) effected any special, additional or modified insurance cover which the insurers require to ensure that that Ship remains properly insured in accordance with the Finance Documents (including, without limitation, any requirement for the payment of additional or extra insurance premia).

**23.14 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 or K-SURE with any information which they reasonably request regarding:

(a) that Ship, its employment, position and engagements;

(b) the Earnings and payments and amounts due to its master and crew;

(c) any expenditure incurred, or likely to be incurred, in connection with the operation, maintenance or repair of that Ship and any payments made by it in respect of that Ship;

(d) any towages and salvages; and

(e) its compliance, the Approved Manager's compliance and the compliance of that Ship with the ISM Code and the ISPS Code,

and, upon the 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.

**23.15 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 or recommendation made in relation to that Ship by any insurer or classification society or by any competent authority which is not immediately complied with;

(e) any arrest or detention of that Ship or any exercise or purported exercise of any lien on that Ship or the Earnings;

(f) any intended dry docking of that Ship;

(g) any Environmental Claim made against that Borrower or in connection with that Ship, or any Environmental Incident;

(h) any claim for breach of the ISM Code or the ISPS Code being made against that Borrower, an Approved Manager or otherwise in connection with that Ship; 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; or

(k) any circumstances which could give rise to a breach of any representation or undertaking in this Agreement, or any Event of Default, relating to Sanctions,

and each Borrower shall keep the 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.

**23.16 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 any 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.

**23.17 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.

**23.18 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.

**23.19 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 at paragraphs 1.2, 1.3, 1.5, 1.8, 2, 7.1 and 7.6 of Part A of Schedule 2 (*Conditions Precedent*) as the Facility Agent may require.

**23.20 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 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 their 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 Ships for the preceding calendar year provided always that, for the avoidance of doubt, such information shall be "Confidential Information" for the purposes of Clause 45 (*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.

**23.21 Inventory of Hazardous Materials**

Each Borrower shall procure that the Ship owned by it has, from the Delivery Date and/or next dry dock of that Ship, obtained an Inventory of Hazardous Materials, in respect of such Ship which shall be maintained until the Loan has been fully repaid.

**23.22 Sustainable and socially responsible dismantling of Ships**

Each Borrower confirms that it will procure that the Ship owned by it shall be dismantled in a safe, sustainable and socially and environmentally responsible way and shall include, without limitation, the requirement that such Ship is recycled at a recycling yard which conducts its recycling business in a safely, socially and environmentally responsible manner and, to the extent applicable, in accordance with the provisions of The Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships, 2009 and/or EU Ship Recycling Regulation.

**23.23 Event of Default which is continuing**

Following the occurrence of an Event of Default which is continuing, each Borrower shall navigate its Ship to such areas as the Facility Agent acting on the instructions of the Majority Lenders may request.

**23.24 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 23 (*Ship Undertakings*).

**24 SECURITY COVER**

**24.1 Minimum required security cover**

Clause 24.2 (*Provision of additional security; prepayment*) applies if the Facility Agent notifies the Borrowers that:

(a) the aggregate Market Value of the Ships; plus

(b) the net realisable value of additional Security previously provided under this Clause 24 (*Security Cover*),

is below 120 per cent. of the Loan**.**

**24.2 Provision of additional security; prepayment**

(a) If the Facility Agent serves a notice on the Borrowers under Clause 24.1 (*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) The Borrowers 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; 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.

**24.3 Value of additional vessel security**

The net realisable value of any additional security which is provided under Clause 24.2 (*Provision of additional security; prepayment*) and which consists of Security over a vessel shall be the Market Value of the vessel concerned.

**24.4 Valuations binding**

Any valuation under this Clause 24 (*Security Cover*) shall be binding and conclusive as regards each Borrower.

**24.5 Provision of information**

(a) Each Borrower shall promptly provide the Facility Agent and any shipbroker acting under this Clause 24 (*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.

**24.6 Prepayment mechanism**

Any prepayment pursuant to Clause 24.2 (*Provision of additional security; prepayment*) shall be made in accordance with the relevant provisions of Clause 7 (*Prepayment and Cancellation*), and each such prepayment shall reduce each Tranche *pro rata* by reducing the Repayment Instalments and the Balloon Instalment in respect of that falling after such prepayment on a *pro rata* basis by the amount prepaid.

**24.7 Provision of valuations**

(a) For the purpose of obtaining a valuation and subject to paragraphs (b) and (c) 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 Facility Agent and K-SURE shall, in their 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) For the purpose of a Utilisation under each Delivery Tranche, the Market Value of any Ship shall be determined by reference to two valuations 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, in which case, the Market Value shall be the arithmetic average of the two valuations.

(c) If the two valuations in respect of a Ship obtained pursuant to paragraphs (a) and (b) above differ by 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.

(d) The Facility Agent shall be entitled, after the Utilisation Date, to test the security cover requirement under Clause 24.1 (*Minimum required security cover*) by reference to the Market

Value of any Ship as determined in accordance with paragraphs (a) and (c) above, semi-annually during the Security Period.

(e) 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).

(f) Each of the valuations referred to at paragraphs (a), (b) and (c) above shall be obtained not more than 30 days before the Utilisation Date, while each of the valuations referred to in paragraph (e) 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.

(g) 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 24.2 (*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 24.1 (*Minimum required security cover*). The Facility Agent shall be entitled to determine the Market Value of any Ship at any other time.

(h) The valuations referred to in paragraph (a) to (d) above shall be obtained at the cost and expense of the Borrowers and the Borrowers shall within three Business Days of demand by the 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 (e) for the Borrowers shall be limited to four times per annum, unless an Event of Default has occurred or the covenant contained in Clause 24.1 (*Minimum required security cover*) is not complied with, in which case the cost of all valuations shall be borne by the Borrowers.

**25 ACCOUNTS AND APPLICATION OF EARNINGS**

**25.1 Accounts**

No Borrower may, without the prior consent of the Facility Agent, maintain any bank account other than its Earnings Account.

**25.2 Payment of Earnings**

Each Borrower shall ensure that subject only to the provisions of the General Assignment to which it is a party, all the Earnings in respect of the Ship owned by it are paid in to its Earnings Account.

**25.3 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.

**25.4 Restriction on withdrawal**

During the Security Period each 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 that Borrower by the Facility Agent or the Security Agent that such withdrawal is not permitted.

**26 EVENTS OF DEFAULT**

**26.1 General**

Each of the events or circumstances set out in this Clause 26 (*Events of Default*) is an Event of Default except for Clause 26.20 (*Acceleration*) and Clause 26.21 (*Enforcement of security*).

**26.2 Non-payment**

A Transaction Obligor does not pay on the due date any amount payable pursuant to a Finance Document at the place at and in the currency in which it is expressed to be payable unless:

(a) its failure to pay is caused by:

(i) administrative or technical error; or

(ii) a Disruption Event; and

(b) payment is made within three Business Days of its due date.

**26.3 Specific obligations**

A breach occurs of Clause 4.4 (*Waiver of conditions precedent*), clause 10 (*financial covenants*) of the Guarantee, Clause 20.10 (*Title*), Clause 20.11 (*Negative pledge*), Clause 20.20 (*Unlawfulness, invalidity and ranking; Security imperilled*), Clause 21.2 (*Maintenance of obligatory insurances*), Clause 21.3 (*Terms of obligatory insurances*), Clause 21.5 (*Renewal of obligatory insurances*), Clause 23.13 (*Trading in war zones*) or save to the extent such breach is a failure to pay and therefore subject to Clause 26.2 (*Non-payment*), Clause 24 (*Security Cover*).

**26.4 Other obligations**

(a) A Transaction Obligor does not comply with any provision of the Finance Documents (other than those referred to in Clause 26.2 (*Non-payment*) and Clause 26.3 (*Specific obligations*)).

(b) No Event of Default under paragraph (a) above will occur if the failure to comply is capable of remedy and is remedied within 15 Business Days of the Facility Agent giving notice to the Borrowers or (if earlier) any Transaction Obligor becoming aware of the failure to comply.

**26.5 Misrepresentation**

Any representation or statement made or deemed to be made by a Transaction Obligor in the Finance Documents or any other document delivered by or on behalf of any Transaction Obligor under or in connection with any Finance Document is or proves to have been incorrect or misleading when made or deemed to be made.

**26.6 Cross default**

(a) Any Financial Indebtedness of any Transaction Obligor (other than an Approved Manager) is not paid when due nor within any originally applicable grace period.

(b) Any Financial Indebtedness of any Transaction Obligor (other than an Approved Manager) is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described).

(c) Any creditor of any Transaction Obligor (other than an Approved Manager) becomes entitled to declare any Financial Indebtedness of any Transaction Obligor (other than the Approved Manager) due and payable prior to its specified maturity as a result of an event of default (however described).

(d) No Event of Default will occur under this Clause 26.6 (*Cross default*) in respect of the Guarantor if the aggregate amount of Financial Indebtedness or commitment for Financial Indebtedness falling within paragraphs (a) to (b) above is less than $20,000,000 (or its equivalent in any other currency).

**26.7 Insolvency**

(a) A Transaction Obligor (other than an Approved Manager):

(i) is unable or admits inability to pay its debts as they fall due; or

(ii) is deemed to, or is declared to, be unable to pay its debts under applicable law; or

(iii) suspends or threatens to suspend marking payments on, any of its debts.

(b) The value of the assets of either Borrower is less than its liabilities (taking into account contingent and prospective liabilities).

(c) A moratorium is declared in respect of any indebtedness of any Transaction Obligor (other than an Approved Manager). If a moratorium occurs, the ending of the moratorium will not remedy any Event of Default caused by that moratorium.

**26.8 Insolvency proceedings**

(a) Any corporate action, legal proceedings or other procedure or step is taken in relation to:

(i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of any Transaction Obligor (other than an Approved Manager);

(ii) a composition, compromise, assignment or arrangement with any creditor of any Transaction Obligor (other than an Approved Manager);

(iii) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of any Transaction Obligor (other than an Approved Manager) or any of its assets; or

(iv) enforcement of any Security over any assets of any Transaction Obligor (other than an Approved Manager),

or any analogous procedure or step is taken in any jurisdiction.

(b) Paragraph (a) above shall not apply to any winding-up petition which is frivolous or vexatious and is discharged, stayed or dismissed within 14 days of commencement.

**26.9 Creditors' process**

Any expropriation, attachment, sequestration, distress or execution (or any analogous process in any jurisdiction) affects any asset or assets of a Transaction Obligor (other than any Approved Manager or an arrest or detention of a Ship which, in accordance with Clause 26.14 (*Arrest*), is discharged within 30 days).

**26.10 Ownership of the Borrowers**

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.

**26.11 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.

**26.12 Security imperilled**

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

**26.13 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.

**26.14 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.

**26.15 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 26.14 (*Arrest*); or

(b) any Requisition.

**26.16 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.

**26.17 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.

**26.18 Sanctions**

(a) Any Transaction Obligor or any of their respective Subsidiaries, directors, officers, employees or agents is designated a Prohibited Person or a Ship is designated a Sanctioned Ship.

(b) This Clause 26.18 (*Sanctions*) is without prejudice to any other Event of Default which may occur by reason of breach of, or non-compliance with, any of the other provisions of this Agreement which relate to Sanctions.

**26.19 Material adverse change**

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

**26.20 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 26.21 (*Enforcement of security*) if no such notice is served or simultaneously with or at any time after the service of any of such notice.

**26.21 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 26.20 (*Acceleration*), the Security Agent is entitled to take under any Finance Document or any applicable law or regulation.

## SECTION 9

## CHANGES TO PARTIES

### 27 CHANGES TO THE LENDERS

#### 27.1 Assignments and transfers by the Lenders

Subject to this Clause 27 (*Changes to the Lenders*) and without prejudice to any requirement for the consent of K-SURE under the terms of any K-SURE Insurance Policy, 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 K-SURE, 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 shipping loans (the "**New Lender**") after prior consultation with the Borrowers and receiving the consent of K-SURE (only in relation to each of the K-SURE Secured Delivery Tranche and the K-SURE Secured Pre-delivery Tranche) to such assignment or transfer.

#### 27.2 Conditions of assignment or transfer

(a) The consultation of the Borrowers is required for an assignment or transfer by an Existing Lender pursuant to Clause 27.1 (*Assignments and transfers by the Lenders*), unless the assignment or transfer is:

(i) to K-SURE;

(ii) to another Lender or an Affiliate of a Lender;

(iii) to a fund which is a Related Fund of that Lender or an Affiliate of that Lender; or

(iv) made at a time when an Event of Default is continuing, in which case the Existing Lender may assign any of its rights or transfer by novation any of its rights and obligations without the consultation of the Borrowers to any 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.

(b) 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.

(c) 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.

(d) A transfer will only be effective if the procedure set out in Clause 27.4 (*Procedure for transfer*) is complied with.

(e) If:

(i) a Lender assigns or transfers any of its rights or obligations under the Finance Documents to a person other than K-SURE 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 (e) shall not apply in respect of an assignment or transfer made in the ordinary course of the primary syndication of the Facility.

(f) 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.

**27.3 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 27 (*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.

**27.4 Procedure for transfer**

(a) Subject to the conditions set out in Clause 27.2 (*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 27.8 (*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**".

**27.5 Procedure for assignment**

(a) Subject to the conditions set out in Clause 27.2 (*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 27.8 (*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 27.5 (*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 27.4 (*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 27.2 (*Conditions of assignment or transfer*).

**27.6 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.

**27.7 Security over Lenders' rights**

In addition to the other rights provided to Lenders under this Clause 27 (*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.

**27.8 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 27.4 (*Procedure for transfer*) or any assignment pursuant to Clause 27.5 (*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 27.8 (*Pro rata interest settlement*), have been payable to it on that date, but after deduction of the Accrued Amounts.

(b) In this Clause 27.8 (*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 27.8 (*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.

**27.9 Transfers to K-SURE**

(a) If a Lender receives a payment from K-SURE under any K-SURE Insurance Policy in respect of its participation in the Loan, then, to the extent that it is required to do so by K-SURE pursuant to the terms of such K-SURE Insurance Policy, that Lender shall, at the cost of the Borrowers and without any requirement for the consent of the Borrowers, transfer to K-SURE (in accordance with, and subject to, Clause 27 (*Changes to the Lenders*)) a part of its participation in the Loan equal to the amount paid to it by K-SURE.

(b) A transfer pursuant to paragraph (a) above shall not limit the rights of the relevant Lender to recover any remaining part of its participation in the Loan or any other moneys owing to it under this Agreement or any other Finance Documents.

**27.10 Subrogation**

(a) In addition, and without prejudice to Clause 27.11 (*Reimbursement*) and any right of indemnification or subrogation K-SURE may have at law, in equity or otherwise, each Party agrees that upon any payment by K-SURE pursuant to the relevant K-SURE Insurance Policy, the following shall apply:

(i) the obligations and liabilities of the Borrowers against the Lenders under this Agreement and each of the other Finance Documents shall not be reduced, discharged nor affected in any way;

(ii) each K-SURE Secured Finance Party agrees that after payment by K-SURE of amounts due under the relevant K-SURE Insurance Policy, upon K-SURE 's request, the relevant K-SURE Secured Finance Party shall assign to K-SURE its rights to recover against the Borrowers under this Agreement and the other Finance Documents and until the assignment referred to in this subparagraph (ii) is completed, the relevant K-SURE Secured Finance Party shall hold on trust for K-SURE any payments made under this Agreement and the other Finance Documents and pay or transfer them to K-SURE in accordance with the relevant K-SURE Insurance Policy; and

(iii) notwithstanding anything to the contrary, K-SURE shall be entitled to the extent it has made payment under the relevant K-SURE Insurance Policy to exercise the rights of that K-SURE Secured Finance Party against the Borrowers under this Agreement and each of the other Finance Documents or any relevant laws and/or regulations unless and until such payment and the interest accrued thereon are fully reimbursed to K-SURE.

(b) The Borrowers agree to co-operate with K-SURE, the K-SURE Agent and any K-SURE Secured Finance Party, as the case may be, in giving effect to any assignment referred to in this clause, and to take all actions requested by K-SURE, the K-SURE Agent or any such K-SURE Secured Finance Party, in each case to implement or give effect to such assignment.

(c) The Borrowers shall indemnify K-SURE in respect of any costs or expenses (including legal fees) and withholdings suffered or incurred by K-SURE in connection with any assignment referred to above or payments by the relevant Lender to K-SURE under this Agreement, any other Finance Documents or the relevant K-SURE Insurance Policy.

**27.11 Reimbursement**

(a) Without prejudice to Clause 27.10 (*Subrogation*), the Borrowers agree that they will promptly upon receipt of notice thereof reimburse K-SURE for any payment made by K-SURE under the relevant K-SURE Insurance Policy, whether by direct payment or offset, in respect of, and to the extent of, the Borrowers' obligations to the Lenders under this Agreement (such amounts, the "**K-SURE Insurance Policy Payments**").

(b) The obligations of the Borrowers to reimburse K-SURE will be due and payable in the currency of payment by K-SURE within five Business Days of written demand in an amount equal to (without double counting):

(i) the K-SURE Insurance Policy Payments; and

(ii) all previously paid K-SURE Insurance Policy Payments which remain unreimbursed, together with any commission on any and all amounts remaining unreimbursed from and including the date on which such amounts become due until and including the date on which such amounts are paid in full determined in accordance with Clause 8.3 (*Default interest*).

(c) For the avoidance of doubt, Clause 12 (*Tax Gross Up and Indemnities*) will apply in respect of any reimbursement made pursuant to this Clause 27.11 (*Reimbursement*).

**27.12 Satisfaction of Obligations**

(a) The Parties acknowledge and agree that the K-SURE Insurance Policy Payments that are reimbursed by the Borrowers to K-SURE pursuant to this Clause 27.10 (*Subrogation*) and Clause 27.11 (*Reimbursement*) shall satisfy the obligation of the Borrowers to make payments to the K-SURE Secured Finance Parties under this Agreement of the corresponding amounts of principal and interest in respect of which the K-SURE Insurance Policy Payments were paid to the K-SURE Secured Finance Party by K-SURE.

(b) Paragraph (a) above applies to default interest accruing under Clause 8.3 (*Default interest*) (*Default interest*) in respect of any amount remaining unpaid by the Borrowers to a K-SURE Secured Finance Party (the "**Relevant Unpaid Amount**") after such outstanding amount has been paid to the K-Sure Secured Finance Parties by K-SURE under the relevant K-SURE Insurance Policy which will be satisfied if the Borrowers pay the equivalent amount of default interest to K-SURE under Clause 27.11 (*Reimbursement*) in respect of an unreimbursed K-SURE Insurance Policy Payment paid by K-SURE in respect of the Relevant Unpaid Amount. For the sake of good order, any default interest accruing under Clause 8.3 (*Default interest*) in respect of any amount which remains unpaid by the Borrowers under this Facility which has not been paid by K-SURE to the K-Sure Secured Finance Parties shall be payable to the Finance Parties in accordance with this Agreement.

**28 CHANGES TO THE TRANSACTION OBLIGORS**

**28.1 Assignment or transfer by Transaction Obligors**

No Transaction Obligor may assign any of its rights or transfer any of its rights or obligations under the Finance Documents.

**28.2 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 28.2 (*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

### 29 THE FACILITY AGENT AND THE MANDATED LEAD ARRANGER

#### 29.1 Appointment of the Facility Agent

(a) Each of the Mandated Lead Arranger 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 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.

#### 29.2 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 43 (*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 29.2 (*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.

**29.3 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 27.6 (*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 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).

**29.4 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.

**29.5 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.

**29.6 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 34.5 (*Application of receipts; partial payments*).

**29.7 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.

**29.8 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 26.2 (*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) 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.

**29.9 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.

**29.10 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.

**29.11 Exclusion of liability**

(a) Without limiting paragraph (b) below (and without prejudice to paragraph (e) of Clause 34.11 (*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 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.

**29.12 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 34.11 (*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 a Borrower.

**29.13 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 29 (*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 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 14.4 (*Indemnity to the Facility Agent*) and this Clause 29 (*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 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.

(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 Borrowers 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.

**29.14 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.

**29.15 Relationship with the other Finance Parties**

(a) Subject to Clause 27.8 (*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 37.5 (*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 37.2 (*Addresses*) and sub-paragraph (ii) of paragraph (a) of Clause 37.5 (*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.

**29.16 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.

**29.17 Facility Agent's management time**

Any amount payable to the Facility Agent under Clause 14.4 (*Indemnity to the Facility Agent*), Clause 16 (*Costs and Expenses*) and Clause 29.12 (*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 and K-SURE Premium*).

**29.18 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.

**29.19 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.

**29.20 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 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.

**29.21 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 29.21 (*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 29.21 (*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.

**30 THE SECURITY AGENT**

**30.1 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 30 (*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.

**30.2 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 30.2 (*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 30.2 (*Parallel Debt (Covenant to pay the Security Agent)*) to the extent permitted by applicable law, shall be applied in accordance with Clause 34.5 (*Application of receipts; partial payments*).

(f) This Clause 30.2 (*Parallel Debt (Covenant to pay the Security Agent)*) shall apply, with any necessary modifications, to each Finance Document.

**30.3 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.

**30.4 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 30.28 (*Application of receipts*);

(B) Clause 30.29 (*Permitted Deductions*); and

(C) Clause 30.30 (*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 43 (*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 30.4 (*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.

**30.5 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).

**30.6 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.

**30.7 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.

**30.8 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) 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.

**30.9 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.

**30.10 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.

**30.11 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.

**30.12 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, 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 or Receiver's gross negligence or wilful misconduct) in acting as Security Agent or Receiver under the Finance Documents (unless the Security Agent or Receiver 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.

**30.13 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 30.25 (*Winding up of trust*) and paragraph (d) above) but shall remain entitled to the benefit of Clause 14.5 (*Indemnity to the Security Agent*) and this Clause 30 (*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.

**30.14 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.

**30.15 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.

**30.16 Security Agent's management time**

(a) Any amount payable to the Security Agent under Clause 14.5 (*Indemnity to the Security Agent*), Clause 16 (*Costs and Expenses*) and Clause 30.12 (*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 and K-SURE Premium*).

(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.

**30.17 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.

**30.18 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.

**30.19 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.

**30.20 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.

**30.21 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.

**30.22 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.

**30.23 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.

**30.24 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.

**30.25 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 30.13 (*Resignation of the Security Agent*) shall release, without recourse or warranty, all of its rights under each Security Document.

**30.26 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.

**30.27 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.

**30.28 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 30.2 (*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 30 (*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 30 (*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 30.2 (*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 34.5 (*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.

**30.29 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).

**30.30 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 30.28 (*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.

**30.31 Investment of proceeds**

Prior to the payment of the proceeds of the Recoveries to the Facility Agent for application in accordance with Clause 30.28 (*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 30.28 (*Application of receipts*).

**30.32 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.

**30.33 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.

**30.34 Amounts received by Borrowers**

If any of the Borrowers 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.

**30.35 Application and consideration**

In consideration for the covenants given to the Security Agent by each Borrower in relation to Clause 30.2 (*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 30 (*The Security Agent*).

**30.36 Full freedom to enter into transactions**

Without prejudice to Clause 30.7 (*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.

**31 K-SURE AGENT**

**31.1 Appointment and duties of K-SURE Agent**

(a) Each Lender appoints the K-SURE Agent to act as its agent under and in connection with each K-SURE Insurance Policy and the Finance Documents.

(b) Each Lender authorises the K-SURE Agent to exercise the rights, powers, authorities and discretions specifically given to the K-SURE Agent under, or in connection with, each K-SURE Insurance Policy and the Finance Documents together with any other incidental rights, powers, authorities and discretions.

(c) The K-SURE Agent shall promptly forward to each Lender the original or a copy of any document which is delivered to the K-SURE Agent for that Lender by any other Party or by K-SURE.

(d) Except where a K-SURE Insurance Policy or a Finance Document specifically provides otherwise, the K-SURE Agent is not obliged to review or check the adequacy, accuracy or completeness of any document it forwards to another Party.

(e) The K-SURE Agent's duties under each K-SURE Insurance Policy and the Finance Documents are solely mechanical and administrative in nature.

**31.2 Application of certain Clauses**

The provisions of Clauses 29.2 (Instructions), 29.7 (*Business with the Group*), 29.8 (*Rights and discretions*), 29.9 (*Responsibility for documentation*), 29.11 (*Exclusion of liability*), 29.12 (*Lenders' indemnity to the Facility Agent*), 29.13 (*Resignation of the Facility Agent*), 29.14 (*Confidentiality*), 29.15 (*Relationship with the other Finance Parties*), 29.16 (*Credit appraisal by the Finance Parties*) and 29.20 (*Full freedom to enter into transactions*) shall apply in respect of the K-SURE Agent in its capacity as such as if each reference to the Facility Agent were a reference to the K-SURE Agent and each reference to the Finance Documents or Transaction Documents included a reference to a K-SURE Insurance Policy.

**31.3 K-SURE Secured Tranche Lenders' representations**

Each Lender represents and warrants to the K-SURE Agent that:

(a) no information provided by it in writing to the K-SURE Agent or to K-SURE prior to the date of this Agreement was untrue or incorrect in any material respect except to the extent that it, in the exercise of reasonable care and due diligence prior to giving such information, could not have discovered the error or omission;

(b) it has not taken (or failed to take), and agrees that it shall not take (or fail to take), any action that would result in the K-SURE Agent being in breach of any of its obligations in its capacity as K-SURE Agent under any K-SURE Insurance Policy or any of the Finance Documents, or result in the Lenders being in breach of any of their respective obligations as insured parties under any K-SURE Insurance Policy, or which would otherwise prejudice the K-SURE Agent's ability to make a claim on behalf of the Lenders under any K-SURE Insurance Policy;

(c) it has reviewed each K-SURE Insurance Policy and is aware of its provisions; and

(d) the representations and warranties made by the K-SURE Agent on its behalf under each K-SURE Insurance Policy are true and correct with respect to it in all respects.

**31.4 Claims under K-SURE Insurance Policy**

(a) All communication between the Finance Parties and K-SURE shall be carried out exclusively through the K-SURE Agent.

(b) Each Lender acknowledges and agrees that it shall have no entitlement to make any claim or to take any action whatsoever under or in connection with any K-SURE Insurance Policy except through the K-SURE Agent and that all of the rights of the Lenders under each K-SURE Insurance Policy shall only be exercised by the K-SURE Agent.

**31.5 Application of receipts to K-SURE Premium**

The Parties agree that any unpaid K-SURE Premium and any unpaid fees, costs and expenses of K-SURE shall constitute amounts then due and payable in respect of the Loan under the Finance Documents for the purposes of the amounts then due and payable in respect of paragraph (a) or (b) of Clause 34.5 (*Application of receipts; partial payments*).

**32 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.

**33 SHARING AMONG THE FINANCE PARTIES**

**33.1 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 34 (*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 34 (*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 34.5 (*Application of receipts; partial payments*).

**33.2 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 34.5 (*Application of receipts; partial payments*) towards the obligations of that Transaction Obligor to the Sharing Finance Parties.

**33.3 Recovering Finance Party's rights**

On a distribution by the Facility Agent under Clause 33.2 (*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.

**33.4 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.

**33.5 Exceptions**

(a) This Clause 33 (*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

### 34 PAYMENT MECHANICS

#### 34.1 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 Frankfurt, as specified by the Facility Agent) and with such bank as the Facility Agent, in each case, specifies.

#### 34.2 Distributions by the Facility Agent

Each payment received by the Facility Agent under the Finance Documents for another Party shall, subject to Clause 34.3 (*Distributions to a Transaction Obligor*) and Clause 34.4 (*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 Frankfurt), 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.

#### 34.3 Distributions to a Transaction Obligor

The Facility Agent may (with the consent of the Transaction Obligor or in accordance with Clause 35 (*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.

#### 34.4 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 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 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.

**34.5 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; and

(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, 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.

**34.6 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.

**34.7 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.

**34.8 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.

**34.9 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.

**34.10 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.

**34.11 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 43 (*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 34.11 (*Disruption to Payment Systems etc.*); and

(f) the Facility Agent shall notify the Finance Parties of all changes agreed pursuant to paragraph (d) above.

**35 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.

**36 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.

**37 NOTICES**

**37.1 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.

**37.2 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, or any other Borrower, 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 K-SURE Agent, that specified in Part C of Schedule 1 (*The Parties*); and

(f) 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.

**37.3 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 37.2 (*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.

**37.4 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 37.2 (*Addresses*) or changing its own address or fax number, the Facility Agent shall notify the other Parties.

**37.5 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 37.5 (*Electronic communication*).

**37.6 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.

**38 CALCULATIONS AND CERTIFICATES**

**38.1 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.

**38.2 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.

**38.3 Day count convention and interest calculation**

(a) Any interest, commission or fee accruing under a Finance Document will accrue from day to day and the amount of any such interest, commission or fee is calculated:

(i) on the basis of the actual number of days elapsed and a year of 360 days (or, in any case where the practice in the Relevant Market differs, in accordance with that market practice); and

(ii) subject to paragraph (b) below, without rounding.

(b) The aggregate amount of any accrued interest, commission or fee which is, or becomes, payable by a Borrower under a Finance Document shall be rounded to 2 decimal places.

**39 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.

**40 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 43 (*Amendments and Waivers*).

**41 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.

**42 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.

**43 AMENDMENTS AND WAIVERS**

**43.1 Required consents**

(a) Subject to Clause 43.2 (*All Lender matters*) and Clause 43.3 (*Other exceptions*) any term of the Finance Documents may be amended or waived only with the consent of the Majority Lenders, K-SURE 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 43 (*Amendments and Waivers*).

(c) Without prejudice to the generality of Clause 29.8 (*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 27.8 (*Pro rata interest settlement*) shall apply to this Clause 43 (*Amendments and Waivers*).

(e) The K-SURE Agent shall notify K-SURE of any amendment or waiver effected pursuant to this Clause 43 (*Amendments and Waivers*) and will obtain K-SURE's consent, if required.

**43.2 All Lender matters**

Subject to Clause 43.4 (*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 definition of "Majority Lenders" 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 28 (*Changes to the Transaction Obligors*);

(g) any provision which expressly requires the consent of all the Lenders;

(h) this Clause 43 (*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 default under Shipbuilding Contract*) or Clause 7.6 (*Mandatory prepayment on sale or Total Loss*), Clause 8 (*Interest*), Clause 20.25 (*K-SURE requirements*), Clause 20.26 (*K-SURE Insurance Policy protection*), Clause 20.27 (*K-SURE Override Clause*), Clause 23.10 (*Compliance with laws etc.*), Clause 23.12 (*Sanctions and Ship trading*), Clause 25 (*Accounts and Application of Earnings*), Clause 27 (*Changes to the Lenders*), Clause 33 (*Sharing among the Finance Parties*), Clause 48 (*Governing Law*) or Clause 49 (*Enforcement*);

(j) (other than as expressly permitted by the provisions of any Finance Document) the nature or scope of:

(i) the guarantee and indemnity granted under clause 2.1 (*guarantee and indemnity*) 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); and

(k) the release or any material variation of the guarantee and indemnity 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 and without the prior consent of K-SURE, save that in relation to paragraphs (b), (c), (d) and (e) the consent of K-SURE will only be required in relation to the K-SURE Secured Pre-delivery Tranche and the K-SURE Secured Delivery Tranche.

**43.3 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) The Borrowers and the Facility Agent, the Mandated Lead Arranger, the Security Agent or the K-SURE Agent, as applicable, may amend or waive a term of a Fee Letter to which they are party.

**43.4 Changes to reference rates**

(a) Subject to Clause 43.3 (*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 43.4 (*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 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.

**43.5 Borrower Intent**

Without prejudice to the generality of Clauses 1.2 (*Construction*) and 17.2 (*Waiver of defences*), each Borrower expressly confirms that it intends that any guarantee contained in 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.

**44 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.

**45 CONFIDENTIAL INFORMATION**

**45.1 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 45.2 (*Disclosure of Confidential Information*) and Clause 45.4 (*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.

**45.2 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, insurers, reinsurers, insurance advisors, insurance brokers, partners 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 29.15 (*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 27.7 (*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-paragraphs (iv) and (viii) 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 Borrowers and the Guarantor 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.

**45.3 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.

**45.4 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 48 (*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 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 Borrower 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.

**45.5 Entire agreement**

This Clause 45 (*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.

**45.6 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.

**45.7 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 45.2 (*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 45 (*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 US Stock Exchange Commission and any US Stock Exchange applicable to the Guarantor.

**45.8 Use of logo and/or trademark**

Subject to the Borrowers' 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 Borrowers' and/or the Guarantor's logo and trademark in connection with such publication.

**45.9 Continuing obligations**

The obligations in this Clause 45 (*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.

**46 CONFIDENTIALITY OF FUNDING RATES**

**46.1 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.

**46.2 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 46.1 (*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 46 (*Confidentiality of Funding Rates*).

**46.3 No Event of Default**

No Event of Default will occur under Clause 26.4 (*Other obligations*) by reason only of a Borrower's failure to comply with this Clause 46 (*Confidentiality of Funding Rates*).

**47 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

### 48 GOVERNING LAW

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

### 49 ENFORCEMENT

#### 49.1 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 49.1 (*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.

#### 49.2 Service of process

(a) Without prejudice to any other mode of service allowed under any relevant law, each Borrower (other than a Borrower incorporated in England and Wales):

(i) irrevocably appoints Hill Dickinson Services (London) Limited at its current address at The Broadgate Tower 7th Floor, 20 Primrose Street, London EC2A 2EW, England, as its agent for service of process in relation to any proceedings before the English courts in connection with any Finance Document; and

(ii) agrees that failure by a process agent to notify the relevant Borrower of the process will not invalidate the proceedings concerned.

(b) If any person appointed as an agent for service of process is unable for any reason to act as agent for service of process, the Borrowers 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 PAGES**

**BORROWERS**

**SIGNED** by )
)
as attorney-in-fact ) /s/ Panagiotis Boubouras
for and on behalf of )
**KEROS SHIPPING CORPORATION** )
in the presence of: )

Witness' signature: )
Witness' name: ) /s/ Katerina Dimitriou
Witness' address: )

**SIGNED** by )
)
as attorney-in-fact ) /s/Panagiotis Boubouras
for and on behalf of )
**ALATAS SHIPPING CORPORATION** )
in the presence of: )

Witness' signature: )
Witness' name: ) /s/Katerina Dimitriou
Witness' address: )

**ORIGINAL LENDER**

**SIGNED** by )
)
duly authorised ) /s/Maria Eleni Kossyfa
for and on behalf of )
**KFW IPEX-BANK GMBH** )
in the presence of: )

Witness' signature: )
Witness' name: ) /s/Katerina Dimitriou
Witness' address: )

**MANDATED LEAD ARRANGER**

**SIGNED** by )
)
duly authorised ) /s/Maria Eleni Kossyfa
for and on behalf of )
**KFW IPEX-BANK GMBH** )
in the presence of: )

Witness' signature: ) /s/Katerina Dimitriou

Witness' name: )
Witness'address: )

**FACILITY AGENT**

**SIGNED** by )
)
duly authorised ) /s/Maria Eleni Kossyfa

for and on behalf of )
**KFW IPEX-BANK GMBH** )
in the presence of: )

Witness' signature: ) /s/Katerina Dimitriou

Witness' name: )
Witness' address: )

**SECURITY AGENT**

**SIGNED** by )
)
duly authorised ) /s/Maria Eleni Kossyfa
for and on behalf of )
**KFW IPEX-BANK GMBH** )
in the presence of: )

Witness' signature: )
Witness' name: )
Witness' address: ) /s/Katerina Dimitriou

**K-SURE AGENT**

**SIGNED** by ) /s/Maria Eleni Kossyfa
)
duly authorised )
for and on behalf of )
**KFW IPEX-BANK GMBH** )
in the presence of: )

Witness' signature: )
Witness' name: ) /s/Katerina Dimitriou
Witness' address: )

EXHIBIT 4.69

19 March 2025

**XIANG H119 INTERNATIONAL SHIP LEASE CO., LIMITED**
**XIANG H129 INTERNATIONAL SHIP LEASE CO., LIMITED**
**XIANG H130 INTERNATIONAL SHIP LEASE CO., LIMITED**
**XIANG H131 INTERNATIONAL SHIP LEASE CO., LIMITED**
**XIANG H132 INTERNATIONAL SHIP LEASE CO., LIMITED**
**JIAHAI INTERNATIONAL SHIP LEASE CO., LIMITED**
**JIALONG INTERNATIONAL SHIP LEASE CO., LIMITED**
**LONGSHI INTERNATIONAL SHIP LEASE CO., LIMITED**
**LONGLI INTERNATIONAL SHIP LEASE CO., LIMITED**
**XIANG L33 HK INTERNATIONAL SHIP LEASE CO., LIMITED**
**XIANG T51 HK INTERNATIONAL SHIP LEASE CO., LIMITED**
as Owners

**SILVANUS MARINE COMPANY**
**MORVEN CHARTERING INC.**
**ISOLDE SHIPPING INC.**
**VELOUR MANAGEMENT CORP.**
**ENPLO SHIPPING LIMITED**
**OLYMPIA II NAVIGATION LIMITED**
**PINGEL NAVIGATION LIMITED**
**EVIAN SHIPTRADE LTD**
**ANTHIMAR MARINE INC.**
**EBBA NAVIGATION LIMITED**
**CLAN NAVIGATION LIMITED**
as Charterers

**NAVIOS PARTNERS CONTAINERS INC.**
as Shareholder

**NAVIOS SHIPMANAGEMENT INC.**
**NAVIOS CONTAINERS MANAGEMENT INC.**
as Approved Managers

**NAVIOS MARITIME PARTNERS L.P.**
as Guarantor

**FOURTH SUPPLEMENTAL AGREEMENT**

relating to the bareboat charters of m.v.s “Navios Summer”, “Navios Verano” (previously known as “Matson Oahu”), “Navios Indigo”, “Navios Vermilion”, “Navios Verde”, “Navios Domino”, m.v. “Matson Oahu” (previously known as “Navios Delight”), “Matson Lanai”, “Navios Amarillo”, “Navios Destiny” and “Navios Devotion” each dated 23 October 2022

EXHIBIT 4.69

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**THIS SUPPLEMENTAL AGREEMENT** (the "**Supplemental Agreement**") is made on19 March 2025

**BETWEEN:**

(1) **XIANG H119 INTERNATIONAL SHIP LEASE CO., LIMITED**, a company incorporated under the laws of Hong Kong with business registration number 74344125 whose registered office is at 17/F Beautiful Group Tower 77, Connaught Rd Central, Hong Kong ("**Owner B**");

(2) **XIANG H129 INTERNATIONAL SHIP LEASE CO., LIMITED**, a company incorporated under the laws of Hong Kong with business registration number 74414144 whose registered office is at 17/F Beautiful Group Tower 77, Connaught Rd Central, Hong Kong ("**Owner C**");

(3) **XIANG H130 INTERNATIONAL SHIP LEASE CO., LIMITED**, a company incorporated under the laws of Hong Kong with business registration number 74414209 whose registered office is at 17/F Beautiful Group Tower 77, Connaught Rd Central, Hong Kong ("**Owner D**");

(4) **XIANG H131 INTERNATIONAL SHIP LEASE CO., LIMITED**, a company incorporated under the laws of Hong Kong with business registration number 74440458 whose registered office is at 17/F Beautiful Group Tower 77, Connaught Rd Central, Hong Kong ("**Owner E**");

(5) **XIANG H132 INTERNATIONAL SHIP LEASE CO., LIMITED**, a company incorporated under the laws of Hong Kong with business registration number 74440474 whose registered office is at 17/F Beautiful Group Tower 77, Connaught Rd Central, Hong Kong ("**Owner F**");

(6) **JIAHAI INTERNATIONAL SHIP LEASE CO., LIMITED**, a company incorporated under the laws of Hong Kong with business registration number 65509308 whose registered office is at 1/F Far East Consortium Bldg, 121 Des Voeux Rd Central, Hong Kong ("**Owner G**");

(7) **JIALONG INTERNATIONAL SHIP LEASE CO., LIMITED**, a company incorporated under the laws of Hong Kong with business registration number 65509413 whose registered office is at 1/F Far East Consortium Bldg, 121 Des Voeux Rd Central, Hong Kong ("**Owner H**");

(8) **LONGSHI INTERNATIONAL SHIP LEASE CO., LIMITED**, a company incorporated under the laws of Hong Kong with business registration number 66277441 whose registered office is at 1/F Far East Consortium Bldg, 121 Des Voeux Rd Central, Hong Kong ("**Owner I**");

(9) **LONGLI INTERNATIONAL SHIP LEASE CO., LIMITED**, a company incorporated under the laws of Hong Kong with business registration number 66277556 whose registered office is at 1/F Far East Consortium Bldg, 121 Des Voeux Rd Central, Hong Kong ("**Owner J**");

(10) **XIANG L33 HK INTERNATIONAL SHIP LEASE CO., LIMITED**, a company incorporated under the laws of Hong Kong with business registration number 70382317 whose registered office is at 1/F Far East Consortium Bldg, 121 Des Voeux Rd Central, Hong Kong ("**Owner K**");

(11) **XIANG T51 HK INTERNATIONAL SHIP LEASE CO., LIMITED**, a company incorporated under the laws of Hong Kong with business registration number 69095062 whose registered office is at 18/F 20 Pedder Street Central, Hong Kong ("**Owner L**", and together with Owner B, Owner C, Owner D, Owner E, Owner F, Owner G, Owner H, Owner I, Owner J and Owner K, shall be collectively known as the "**Owners**" and any or, as the case may be, each an "**Owner**");

(12) **SILVANUS MARINE COMPANY**, a corporation incorporated and existing under the laws of the Republic of the Marshall Islands with registration number 90547 and having its registered address at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro MH 96960, the Republic of the Marshall Islands ("**Charterer B**");

(13) **MORVEN CHARTERING INC.**, a corporation incorporated and existing under the laws of the Republic of the Marshall Islands with registration number 90549 and having its registered

address at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro MH 96960, the Republic of the Marshall Islands ("**Charterer C**");

(14) **ISOLDE SHIPPING INC.**, a corporation incorporated and existing under the laws of the Republic of the Marshall Islands with registration number 90544 and having its registered address at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro MH 96960, the Republic of the Marshall Islands ("**Charterer D**");

(15) **VELOUR MANAGEMENT CORP.**, a corporation incorporated and existing under the laws of the Republic of the Marshall Islands with registration number 90545 and having its registered address at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro MH 96960, the Republic of the Marshall Islands ("**Charterer E**");

(16) **ENPLO SHIPPING LIMITED**, a corporation incorporated and existing under the laws of the Republic of the Marshall Islands with registration number 90542 and having its registered address at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro MH 96960, the Republic of the Marshall Islands ("**Charterer F**");

(17) **OLYMPIA II NAVIGATION LIMITED**, a corporation incorporated and existing under the laws of the Republic of the Marshall Islands whose registered address is at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro MH 96960, the Republic of the Marshall Islands ("**Charterer G**");

(18) **PINGEL NAVIGATION LIMITED**, a corporation incorporated and existing under the laws of the Republic of the Marshall Islands whose registered address is at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro MH 96960, the Republic of the Marshall Islands ("**Charterer H**");

(19) **EVIAN SHIPTRADE LTD**, a corporation incorporated and existing under the laws of the Republic of the Marshall Islands with registration number 90543 and having its registered address at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro MH 96960, the Republic of the Marshall Islands ("**Charterer I**");

(20) **ANTHIMAR MARINE INC.**, a corporation incorporated and existing under the laws of the Republic of the Marshall Islands with registration number 90540 and having its registered address at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro MH 96960, the Republic of the Marshall Islands ("**Charterer J**");

(21) **EBBA NAVIGATION LIMITED**, a corporation incorporated and existing under the laws of the Republic of the Marshall Islands whose registered address at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro MH 96960, the Republic of the Marshall Islands ("**Charterer K**");

(22) **CLAN NAVIGATION LIMITED**, a corporation incorporated and existing under the laws of the Republic of the Marshall Islands whose registered address is at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro MH 96960, the Republic of the Marshall Islands ("**Charterer L**" and together with Charterer B, Charterer C, Charterer D, Charterer E, Charterer F, Charterer G, Charterer H, Charterer I, Charterer J and Charterer K, shall be collectively referred to as the "**Charterers**" and any or, as the case may be, each a "**Charterer**");

(23) **NAVIOS PARTNERS CONTAINERS INC.**, a corporation incorporated and existing under the laws of the Republic of the Marshall Islands with registration number 90195 and having its registered address at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro MH 96960, the Republic of the Marshall Islands (the "**Shareholder**");

(24) **NAVIOS SHIPMANAGEMENT INC.**, a corporation incorporated and existing under the laws of the Republic of the Marshall Islands with registration number 10207 and having its registered

address at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro MH 96960, the Republic of the Marshall Islands (the "**Main Manager**");

(25) **NAVIOS CONTAINERS MANAGEMENT INC.**, a corporation incorporated and existing under the laws of the Republic of the Marshall Islands with registration number 94473 and having its registered address at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro MH 96960, the Republic of the Marshall Islands (the "**Sub-Manager**", together with the Main Manager, the "**Approved Managers**"); and

(26) **NAVIOS MARITIME PARTNERS L.P.,** a limited partnership duly formed and existing under the laws of the Republic of the Marshall Islands and having its registered address at Trust Company Complex, Ajeltake Road, Majuro, Marshall Islands, MH 96960 (the "**Guarantor**"),

(the parties above collectively known as the "**Parties**" and any or, as the case may be, each a "**Party**")

**BACKGROUND**

(A) By a bareboat charter dated 23 October 2022 (as amended and supplemented by a supplemental agreement dated 14 July 2023, a second supplemental agreement dated 1 September 2023 and a third supplemental agreement dated 8 May 2024, the "**Charter B**") and made between Charterer B and Owner B, Owner B has agreed to bareboat charter Vessel B to Charterer B pursuant to the terms and conditions contained therein.

(B) By a bareboat charter dated 23 October 2022 (as amended and supplemented by a supplemental agreement dated 14 July 2023, a second supplemental agreement dated 1 September 2023 and a third supplemental agreement dated 8 May 2024, the "**Charter C**"), and made between Charterer C and Owner C, Owner C has agreed to bareboat charter Vessel C to Charterer C pursuant to the terms and conditions contained therein.

(C) By a bareboat charter dated 23 October 2022 (as amended and supplemented by a supplemental agreement dated 14 July 2023, a second supplemental agreement dated 1 September 2023 and a third supplemental agreement dated 8 May 2024, the "**Charter D**") and made between Charterer D and Owner D, Owner D has agreed to bareboat charter Vessel D to Charterer D pursuant to the terms and conditions contained therein.

(D) By a bareboat charter dated 23 October 2022 (as amended and supplemented by a supplemental agreement dated 14 July 2023, by a second supplemental agreement dated 1 September 2023 and a third supplemental agreement dated 8 May 2024, the "**Charter E**") and made between Charterer E and Owner E, Owner E has agreed to bareboat charter Vessel E to Charterer E pursuant to the terms and conditions contained therein.

(E) By a bareboat charter dated 23 October 2022 (as amended and supplemented by a supplemental agreement dated 14 July 2023, a second supplemental agreement dated 1 September 2023 and a third supplemental agreement dated 8 May 2024, the "**Charter F**") and made between Charterer F and Owner F, Owner F has agreed to bareboat charter Vessel F to Charterer F pursuant to the terms and conditions contained therein.

(F) By a bareboat charter dated 23 October 2022 (as amended and supplemented by a supplemental agreement dated 14 July 2023, a second supplemental agreement dated 1 September 2023 and a third supplemental agreement dated 8 May 2024, the "**Charter G**") and made between Charterer G and Owner G, Owner G has agreed to bareboat charter Vessel G to Charterer G pursuant to the terms and conditions contained therein.

(G) By a bareboat charter dated 23 October 2022 (as amended and supplemented by a supplemental agreement dated 14 July 2023, a second supplemental agreement dated 1 September 2023, a side letter dated 13 November 2023 and a third supplemental agreement dated 8 May 2024, the "**Charter H**") and made between Charterer H and Owner H, Owner H

has agreed to bareboat charter Vessel H to Charterer H pursuant to the terms and conditions contained therein.

(H) By a bareboat charter dated 23 October 2022 (as amended and supplemented by a supplemental agreement dated 14 July 2023, a second supplemental agreement dated 1 September 2023 and a third supplemental agreement dated 8 May 2024, the "**Charter I**") and made between Charterer I and Owner I, Owner I has agreed to bareboat charter Vessel I to Charterer I pursuant to the terms and conditions contained therein.

(I) By a bareboat charter dated 23 October 2022 (as amended and supplemented by a supplemental agreement dated 14 July 2023, a second supplemental agreement dated 1 September 2023 and a third supplemental agreement dated 8 May 2024, the "**Charter J**") and made between Charterer J and Owner J, Owner J has agreed to bareboat charter Vessel J to Charterer J pursuant to the terms and conditions contained therein.

(J) By a bareboat charter dated 23 October 2022 (as amended and supplemented by a supplemental agreement dated 14 July 2023, a second supplemental agreement dated 1 September 2023 and a third supplemental agreement dated 8 May 2024, the "**Charter K**") and made between Charterer K and Owner K, Owner K has agreed to bareboat charter Vessel K to Charterer K pursuant to the terms and conditions contained therein.

(K) By a bareboat charter dated 23 October 2022 (as amended and supplemented by a supplemental agreement dated 14 July 2023, a second supplemental agreement dated 1 September 2023 and a third supplemental agreement dated 8 May 2024, the "**Charter L**", together with Charter B, Charter C, Charter D, Charter E, Charter F, Charter G, Charter H, Charter I, Charter J and Charter K, shall collectively be known as the "**Charters**" and any or, as the case may be, each, a "**Charter**") and made between Charterer L and Owner L, Owner L has agreed to bareboat charter Vessel L to Charterer L pursuant to the terms and conditions contained therein.

(L) By a trust deed dated 23 October 2022 (as amended and supplemented from time to time, including by a supplemental agreement dated 14 July 2023, a second supplemental agreement dated 1 September 2023 and a third supplemental agreement dated 8 May 2024, the "**Trust Deed**") made between amongst others, the Owners and the Charterers, it was agreed that the Receiving Owner (as defined in the Trust Deed) would hold certain Trust Property (as defined in the Trust Deed) on behalf of the Owners.

(M) The Charterers and the Guarantor have requested, and the Owners have agreed to certain amendments to the terms of the Charters, which include without limitation:

(i) an extension of the Charter Period (as defined in each of the Charters); and

(ii) the adjustment of the Margin (as defined in each of the Charters,

and the consequential amendments relating thereto (collectively the "**Proposed Changes**"), with effect from the date of this Supplemental Agreement.

(N) The Owners have granted their consent to the Proposed Changes and each of the Parties has agreed to, *inter alia*, amend the Charters and the other Leasing Documents to reflect such amendments upon the terms and conditions set out in this Supplemental Agreement.

**IT IS AGREED** as follows:

**1 DEFINITIONS AND INTERPRETATION**

**1.1 Definitions**

In this Supplemental Agreement:

"**Amended Charter**" means, in respect of a Charter, the additional clauses of such Charter together with the BARECON 2001, as amended and supplemented by this Supplemental Agreement.

"**Existing Main Manager's Undertaking**" means in relation to a Vessel, the manager's undertaking executed by the Main Manager in respect of such Vessel in favour of the Owner owning that Vessel.

"**Leasing Documents**" means the Leasing Documents as defined under each Charter.

"**New Management Agreement**" means the master management agreement entered into between the Guarantor for itself and on behalf of certain vessel charterers (including the Charterers) and the Main Manager with an effective date of 1 January 2025 for the provision of the technical and/or commercial management services for certain vessels (including the Vessels)."**Obligor**" means each of the parties to this Supplemental Agreement.

"**Relevant Person**" means each Obligor and each other Relevant Person as defined under the Charters.

"**Security Documents**" means the Security Documents as defined under each Charter.

"**Security Interest**" means:

(a) a mortgage, charge (whether fixed or floating) or pledge, any maritime or other lien assignment, hypothecation or any other security interest of any kind or any other agreement or arrangement having the effect of conferring a security interest;

(b) the security rights of a plaintiff under an action in rem; or

(c) any other right which confers on a creditor or potential creditor a right or privilege to receive the amount actually or contingently due to it ahead of the general unsecured creditors of the debtor concerned; however this paragraph (c) does not apply to a right of set off or combination of accounts conferred by the standard terms of business of a bank or financial institution.

"**Vessel**" means each or, as the context may require, any of Vessel B, Vessel C, Vessel D, Vessel E, Vessel F, Vessel G, Vessel H, Vessel I, Vessel J, Vessel K and Vessel L.

"**Vessel B**" means the container carrier named m.v. "Navios Summer" documented in the name of Owner B under the laws and flag of the Republic of the Marshall Islands with IMO Number 9308003 and includes any share or interest in that vessel and its engines, machinery, boats, tackle, outfit, spare gear, fuel, consumable or other stores, belongings and appurtenances whether on board or ashore and whether now owned or hereafter acquired.

"**Vessel C**" means the container carrier named m.v. "Navios Verano" (previously known as m.v. "Matson Oahu") documented in the name of Owner C under the laws and flag of the Republic of the Marshall Islands with IMO Number 9308015 and includes any share or interest in that vessel and its engines, machinery, boats, tackle, outfit, spare gear, fuel, consumable or other stores, belongings and appurtenances whether on board or ashore and whether now owned or hereafter acquired.

"**Vessel D**" means the container carrier named m.v. "Navios Indigo" documented in the name of Owner D under the laws and flag of the Republic of the Marshall Islands with IMO Number 9324875 and includes any share or interest in that vessel and its engines, machinery, boats,

tackle, outfit, spare gear, fuel, consumable or other stores, belongings and appurtenances whether on board or ashore and whether now owned or hereafter acquired.

"**Vessel E**" means the container carrier named m.v. "Navios Vermilion" documented in the name of Owner E under the laws and flag of the Republic of the Marshall Islands with IMO Number 9324837 and includes any share or interest in that vessel and its engines, machinery, boats, tackle, outfit, spare gear, fuel, consumable or other stores, belongings and appurtenances whether on board or ashore and whether now owned or hereafter acquired.

"**Vessel F**" means the container carrier named m.v. "Navios Verde" documented in the name of Owner F under the laws and flag of the Republic of the Marshall Islands with IMO Number 9324863 and includes any share or interest in that vessel and its engines, machinery, boats, tackle, outfit, spare gear, fuel, consumable or other stores, belongings and appurtenances whether on board or ashore and whether now owned or hereafter acquired.

"**Vessel G**" means the container carrier named m.v. "Navios Domino" documented in the name of Owner G under the laws and flag of the Republic of Liberia, with IMO Number 9478494 and includes any share or interest in that vessel and its engines, machinery, boats, tackle, outfit, spare gear, fuel, consumable or other stores, belongings and appurtenances whether on board or ashore and whether now owned or hereafter acquired.

"**Vessel H**" means the container carrier named m.v. "Matson Oahu" (previously known as "Navios Delight") documented in the name of Owner H under the laws and flag of the Republic of the Marshall Islands with IMO Number 9352406 and includes any share or interest in that vessel and its engines, machinery, boats, tackle, outfit, spare gear, fuel, consumable or other stores, belongings and appurtenances whether on board or ashore and whether now owned or hereafter acquired.

"**Vessel I**" means the container carrier named m.v. "Matson Lanai" documented in the name of Owner I under the laws and flag of the Republic of the Marshall Islands with IMO Number 9334143 and includes any share or interest in that vessel and its engines, machinery, boats, tackle, outfit, spare gear, fuel, consumable or other stores, belongings and appurtenances whether on board or ashore and whether now owned or hereafter acquired.

"**Vessel J**" means the container carrier named m.v. "Navios Amarillo" documented in the name of Owner J under the laws and flag of the Republic of the Marshall Islands with IMO Number 9324849 and includes any share or interest in that vessel and its engines, machinery, boats, tackle, outfit, spare gear, fuel, consumable or other stores, belongings and appurtenances whether on board or ashore and whether now owned or hereafter acquired.

"**Vessel K**" means the container carrier named m.v. "Navios Destiny" documented in the name of Owner K under the laws and flag of the Republic of the Marshall Islands with IMO Number 9352418 and includes any share or interest in that vessel and its engines, machinery, boats, tackle, outfit, spare gear, fuel, consumable or other stores, belongings and appurtenances whether on board or ashore and whether now owned or hereafter acquired.

"**Vessel L**" means the container carrier named m.v. "Navios Devotion" documented in the name of Owner L under the laws and flag of the Republic of the Marshall Islands with IMO Number 9352420 and includes any share or interest in that vessel and its engines, machinery, boats, tackle, outfit, spare gear, fuel, consumable or other stores, belongings and appurtenances whether on board or ashore and whether now owned or hereafter acquired.

**2 SPECIFIC AMENDMENTS TO CHARTERS**

Each of the Charters shall be, and shall be deemed by this Supplemental Agreement to be, amended as follows:

(a) clause 60 (*definitions*) of each of the Charters (other than Charter H) shall be amended by deleting the definition of "Leasing Documents" in its entirety and replacing the same with the following new definition:

""**Leasing Documents**" means this Charter, the First Supplemental Agreement, the Second Supplemental Agreement, the Third Supplemental Agreement, the Fourth Supplemental Agreement, the MOA, the Security Documents and the Trust Deed.";

(b) clause 60 (*definitions*) of each of the Charters shall be amended by:

(i) inserting the following new definition of "Fourth Supplemental Agreement" immediately after the definition of "Flag State":

""**Fourth Supplemental Agreement**" means the fourth supplemental agreement dated _____ 2025 entered into between amongst others, the Charterers, the Owners, the Shareholder and the Guarantor pursuant to which this Charter and other Leasing Documents and the Other Charters and the Other Leasing Documents were further amended and supplemented the same upon the terms and conditions set out therein.";

(ii) deleting the definition of "Payment Date" in its entirety and replacing the same with the following new definition:

""**Payment Date**" means each of the seventy-five (75) dates described in Clause 36.5 (including, without limitation, the Second Payment Date), upon which an instalment of Charterhire is to be paid by the Charterers to the Owners pursuant to Clause 36 (*Charterhire and Upfront Charterhire*).";

(iii) deleting the definition of "Margin" in its entirety and replacing the same with the following new definition:

""**Margin**" means:

(a) for the period commencing from the Delivery Date to the thirty-ninth (39$^{th}$) month after the Delivery Date, 2.10% per annum; and

(b) for the period commencing from the day falling immediately after the thirty-ninth (39$^{th}$) month after the Delivery Date up to and including the last day of the Charter Period, 1.75% per annum.",

and the Charter shall continue to be binding on each of the parties to it in accordance with its terms as so amended and supplemented.";

(iv) deleting the definition of "Early Purchase Option Fee" in its entirety and replacing the same with the following new definition:

""**Early Purchase Option Fee**" means, in relation to an Early Purchase Option Date, an amount equal to the Outstanding Principal Balance multiplied by the following percentages pursuant to the table below corresponding with such Early Purchase Option Date:

| Early Purchase Option Date | Percentage (%) |
|---|---|
| a day falling during the period commencing from the Delivery Date up to (and including) the date falling 27 months after the Delivery Date | 1.0 |
| a day falling during the period commencing from (and including) the day immediately following 27 months after the Delivery Date up to (and including) the date falling 39 months after the Delivery Date | 0.5 |
| a day falling during the period commencing from (and including) the day immediately following 39 months after the Delivery Date up to (and including) the last day of the natural expiration of the Charter Period | 0 |

”; and

(v) inserting the following new definition of "Amendment Fee" immediately after the definition of "Approved Valuer":

““**Amendment Fee**" shall have the meaning given to such term in Clause 41.4.”;

(c) clause 32 (*charter period*) of each Charter shall be deleted in its entirety and replaced with the following clause:

“32.2 The charter period shall, subject to the terms of this Charter, continue for a period of seventy-five (75) months from the Delivery Date.”

(d) clause 36.5 (*charterhire and upfront charterhire*) of each Charter shall be deleted in its entirety and replaced with the following clause:

“36.5 Subject to the terms of this Clause 36 (*Charterhire and Upfront Charterhire*) the Charterers shall pay to the Owners, the Charterhire monthly in advance in seventy-five (75) consecutive instalments to the Owners under this Charter provided that:

(a) the first instalment of the Charterhire shall be payable on the Delivery Date;

(b) the Charterers shall have the option (which may be exercisable by notifying the Owners in writing at least five (5) Business Days (or such shorter period acceptable to the Owners) prior to the date of the Payment Notice issued by the Charterers (in their capacity as sellers) under the MOA, of their intention to so exercise the same) of setting off, on the Delivery Date, their obligation to pay such first instalment of Charterhire against the Owners’ obligation to pay such portion of the Purchase Price in an amount equal to that first instalment of Charterhire, payable by the Owners (in their capacity as buyers) to the Charterers (in their capacity as sellers) under the MOA and if such option is exercised by the Charterers, the Charterers shall be deemed to have paid the first instalment of Charterhire to the Owners on the Delivery Date by virtue of the Owners setting off an amount equal to the first instalment of Charterhire from the Purchase Price payable by the Owners under the MOA against the Charterers' obligation to pay such first instalment of Charterhire under this Charter;

(c) the second instalment of Charterhire shall be payable on:

(i) in the case where the Delivery Date falls on the same date as the Navios Spring Delivery Date, the date falling one (1) month after the Delivery Date;

(ii) in the case where the Delivery Date falls after the Navios Spring Delivery Date, the date falling one (1) month after the Navios Spring Delivery Date;

(such payment date, the "**Second Payment Date**");"

(d) the third instalment of Charterhire shall be payable on the date falling one (1) month after the Second Payment Date;

(e) each subsequent instalment of the Charterhire shall be payable on the date falling one (1) month after the previous instalment payment of the Charterhire; and

(f) the final instalment of the Charterhire shall be payable on the date falling seventy-four (74) months after the month in which the Delivery Date falls.";

(e) clause 41 (*fees and expenses*) of each Charter shall be amended by inserting the following the new sub-paragraph 41.4 into such clause:

"41.4 In consideration of the Owners entering into the Fourth Supplemental Agreement, the Charterers shall pay without set-off, deduction or counterclaim, to the Owners or their nominee a non-refundable amendment fee equal to zero point seven five per cent. (0.75%) of the Original Expiry Purchase Price (the "**Amendment Fee**") within three (3) Business Days after the date of the Fourth Supplemental Agreement.";

(f) clause 60 (*definitions*) of Charter B shall be amended by:

(i) deleting the definition of "Fixed Charterhire" in its entirety and replacing the same with the following new definition:

""**Fixed Charterhire**" means:

(a) in relation to 1st to the 15th Payment Date, an amount equivalent to US$128,850;

(b) in relation to 16th to 27th Payment Date, an amount equivalent to US$79,150; and

(c) in relation to 28th to 75th Payment Date, an amount equivalent to US$49,525.";

(ii) deleting the definition of "Expiry Purchase Price" in its entirety and replacing the same with the following new definition:

""**Expiry Purchase Price**" means US$990,250."; and

(iii) inserting the following new definition:

""**Original Expiry Purchase Price**" means US$2,773,150.";

(g) clause 60 (*definitions*) of Charter C shall be amended by:

(i) deleting the definition of "Fixed Charterhire" in its entirety and replacing the same with the following new definition:

""**Fixed Charterhire**" means:

(a) in relation to 1st to the 15th Payment Date, an amount equivalent to US$128,850;

(b) in relation to 16th to 27th Payment Date, an amount equivalent to US$79,150; and

(c) in relation to 28th to 75th Payment Date, an amount equivalent to US$49,525.";

(ii) deleting the definition of "Expiry Purchase Price" in its entirety and replacing the same with the following new definition:

""**Expiry Purchase Price**" means US$ 990,250."; and

(iii) inserting the following new definition:

""**Original Expiry Purchase Price**" means US$ 2,773,150.";

(h) clause 60 (*definitions*) of Charter D shall be amended by:

(i) deleting the definition of "Fixed Charterhire" in its entirety and replacing the same with the following new definition:

""**Fixed Charterhire**" means:

(a) in relation to 1st to the 15th Payment Date, an amount equivalent to US$185,300;

(b) in relation to 16th to 27th Payment Date, an amount equivalent to US$113,825; and

(c) in relation to 28th to 75th Payment Date, an amount equivalent to US$71,225.";

(ii) deleting the definition of "Expiry Purchase Price" in its entirety and replacing the same with the following new definition:

""**Expiry Purchase Price**" means US$935,800."; and

(iii) inserting the following new definition:

""**Original Expiry Purchase Price**" means US$3,499,900.";

(i) clause 60 (*definitions*) of Charter E shall be amended by:

(i) deleting the definition of "Fixed Charterhire" in its entirety and replacing the same with the following new definition:

""**Fixed Charterhire**" means:

(a) in relation to 1st to the 15th Payment Date, an amount equivalent to US$185,300;

(b) in relation to 16th to 27th Payment Date, an amount equivalent to US$113,825; and

(c) in relation to 28th to 75th Payment Date, an amount equivalent to US$71,225.";

(ii) deleting the definition of "Expiry Purchase Price" in its entirety and replacing the same with the following new definition:

“"**Expiry Purchase Price**" means US$935,800.”; and

(iii) inserting the following new definition:

“"**Original Expiry Purchase Price**" means US$3,499,900.”;

(j) clause 60 (*definitions*) of Charter F shall be amended by:

(i) deleting the definition of “Fixed Charterhire” in its entirety and replacing the same with the following new definition:

“"**Fixed Charterhire**" means:

(a) in relation to 1st to the 15th Payment Date, an amount equivalent to US$185,300;

(b) in relation to 16th to 27th Payment Date, an amount equivalent to US$113,825; and

(c) in relation to 28th to 75th Payment Date, an amount equivalent to US$71,225.”;

(ii) deleting the definition of “Expiry Purchase Price” in its entirety and replacing the same with the following new definition:

“"**Expiry Purchase Price**" means US$935,800.”; and

(iii) inserting the following new definition:

“"**Original Expiry Purchase Price**" means US$3,499,900.”;

(k) clause 60 (*definitions*) of Charter G shall be amended by:

(i) deleting the definition of “Fixed Charterhire” in its entirety and replacing the same with the following new definition:

“"**Fixed Charterhire**" means:

(a) in relation to 1st to the 15th Payment Date, an amount equivalent to US$196,400;

(b) in relation to 16th to 27th Payment Date, an amount equivalent to US$120,650; and

(c) in relation to 28th to 75th Payment Date, an amount equivalent to US$75,500.”;

(ii) deleting the definition of “Expiry Purchase Price” in its entirety and replacing the same with the following new definition:

“"**Expiry Purchase Price**" means US$982,200.”; and

(iii) inserting the following new definition:

“"**Original Expiry Purchase Price**" means US$ 3,700,200.”;

(l) clause 60 (*definitions*) of Charter H shall be amended by:

(i) the definition of "Leasing Documents" shall be deleted in its entirety and replaced with the following new definition of "Leasing Documents":

""**Leasing Documents**" means this Charter, the First Supplemental Agreement, the Second Supplemental Agreement, the Side Letter, the Third Supplemental Agreement, the Fourth Supplemental Agreement, the MOA, the Security Documents and the Trust Deed.";

(ii) deleting the definition of "Fixed Charterhire" in its entirety and replacing the same with the following new definition:

""**Fixed Charterhire**" means:

(a) in relation to 1st to the 15th Payment Date, an amount equivalent to US$196,400;

(b) in relation to 16th to 27th Payment Date, an amount equivalent to US$120,650; and

(c) in relation to 28th to 75th Payment Date, an amount equivalent to US$75,500.";

(iii) deleting the definition of "Expiry Purchase Price" in its entirety and replacing the same with the following new definition:

""**Expiry Purchase Price**" means US$982,200."; and

(iv) inserting the following new definition:

""**Original Expiry Purchase Price**" means US$3,700,200.";

(m) clause 60 (*definitions*) of Charter I shall be amended by:

(i) deleting the definition of "Fixed Charterhire" in its entirety and replacing the same with the following new definition:

""**Fixed Charterhire**" means:

(a) in relation to 1st to the 15th Payment Date, an amount equivalent to US$185,300;

(b) in relation to 16th to 27th Payment Date, an amount equivalent to US$113,825; and

(c) in relation to 28th to 75th Payment Date, an amount equivalent to US$71,225.";

(ii) deleting the definition of "Expiry Purchase Price" in its entirety and replacing the same with the following new definition:

""**Expiry Purchase Price**" means US$935,800."; and

(iii) inserting the following new definition:

""**Original Expiry Purchase Price**" means US$3,499,900";

(n) clause 60 (*definitions*) of Charter J shall be amended by:

(i) deleting the definition of "Fixed Charterhire" in its entirety and replacing the same with the following new definition:

""**Fixed Charterhire**" means:

(a) in relation to 1st to the 15th Payment Date, an amount equivalent to US$185,300;

(b) in relation to 16th to 27th Payment Date, an amount equivalent to US$113,825; and

(c) in relation to 28th to 75th Payment Date, an amount equivalent to US$71,225.";

(ii) deleting the definition of "Expiry Purchase Price" in its entirety and replacing the same with the following new definition:

""**Expiry Purchase Price**" means US$935,800."; and

(iii) inserting the following new definition:

""**Original Expiry Purchase Price**" means US$3,499,900.";

(o) clause 60 (*definitions*) of Charter K shall be amended by:

(i) deleting the definition of "Fixed Charterhire" in its entirety and replacing the same with the following new definition:

""**Fixed Charterhire**" means:

(a) in relation to 1st to the 15th Payment Date, an amount equivalent to US$222,350;

(b) in relation to 16th to 27th Payment Date, an amount equivalent to US$136,600; and

(c) in relation to 28th to 75th Payment Date, an amount equivalent to US$85,475.";

(ii) deleting the definition of "Expiry Purchase Price" in its entirety and replacing the same with the following new definition:

""**Expiry Purchase Price**" means US$922,750."; and

(iii) inserting the following new definition:

""**Original Expiry Purchase Price**" means US$3,999,850."; and

(p) clause 60 (*definitions*) of Charter L shall be amended by:

(i) deleting the definition of "Fixed Charterhire" in its entirety and replacing the same with the following new definition:

""**Fixed Charterhire**" means:

(d) in relation to 1st to the 15th Payment Date, an amount equivalent to US$222,350;

(e) in relation to 16th to 27th Payment Date, an amount equivalent to US$136,600; and

(f) in relation to 28th to 75th Payment Date, an amount equivalent to US$85,475.";

(ii) deleting the definition of "Expiry Purchase Price" in its entirety and replacing the same with the following new definition:

""**Expiry Purchase Price**" means US$922,750."; and

(iii) inserting the following new definition:

""**Original Expiry Purchase Price**" means US$3,999,850.";

and each such Charter shall continue to be binding on each of the parties to it in accordance with its terms as so amended and supplemented.

**3 REPRESENTATIONS AND WARRANTIES**

Each of the Obligors makes the following representations to the Owners on the date of this Supplemental Agreement:

(a) it is duly incorporated or formed, validly existing and (where relevant) in good standing under the laws of its jurisdiction of its incorporation or formation;

(b) it has the corporate or limited partnership capacity, has taken all corporate or limited partnership actions, and has obtained all consents, approvals, authorisations, licenses or permits necessary, in each case for it:

(i) to execute this Supplemental Agreement; and

(ii) to comply with and perform its obligations under this Supplemental Agreement;

(c) all consents, approvals, authorisations, licenses or permits referred to in paragraph (b) above required or desirable to (i) enable it lawfully to enter into, exercise its rights and comply with its obligations in this Supplemental Agreement and (ii) to make this Supplemental Agreement admissible in evidence in its Relevant Jurisdictions, have been obtained or effected and are in full force and effect;

(d) all the consents, approvals, authorisations, licenses or permits referred to in paragraph (b) above remain in force and nothing has occurred which makes any of them liable to revocation;

(e) this Supplemental Agreement constitutes its legal, valid and binding obligations enforceable against such party in accordance with its respective terms and any relevant insolvency laws affecting creditors' rights generally;

(f) the choice of governing law as stated in this Supplemental Agreement and the agreement by such party to refer disputes to the relevant courts or tribunals as stated in this Supplemental Agreement are valid and binding against it;

(g) neither it nor any of its assets are 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 judgment, execution or other enforcement);

(h) neither it nor any of its assets, in each case, has any right to immunity from set off, legal proceedings, attachment prior to judgment or other attachment or execution of judgment on the grounds of sovereign immunity or otherwise; and

(i) it is not insolvent or in liquidation or administration or subject to any other formal or informal insolvency procedure, and no receiver, administrative receiver, administrator, liquidator, trustee or analogous officer has been appointed in respect of it or all or material part of its assets.

**4 AMENDMENTS TO LEASING DOCUMENTS**

With effect on and from the date of this Supplemental Agreement, it is hereby agreed by the parties hereto that:

(a) each of the references to the term "Management Agreement" in each Existing Main Manager's Undertaking shall be deemed amended and construed to refer to the New Management Agreement with effect from 1 January 2025; and

(b) each of the Leasing Documents shall be deemed amended as follows:

(i) the definition of, and references throughout such documents to a Charter shall be construed as if the same referred to such Charter, as amended and supplemented by this Supplemental Agreement;

(ii) the definition of, and references throughout such documents to, "a Leasing Document" (other than the relevant Charter) and "the Leasing Documents" (other than the relevant Charter) shall be construed as if the same referred to such Leasing Document or Leasing Documents, as the case may be, as amended and supplemented by this Supplemental Agreement; and

(iii) by construing references throughout such documents to "this Agreement", "this Deed", "this Charter" and other like expressions as if the same referred to the relevant Leasing Documents, as amended and supplemented by this Supplemental Agreement (and in the case of each Charter, as amended and supplemented by this Supplemental Agreement).

**5 OBLIGOR CONFIRMATION**

With effect on and from the date of this Supplemental Agreement, each Obligor hereby agrees and confirms that:

(a) it accepts each Amended Charter;

(b) it is bound as a Relevant Person (as defined in each Amended Charter);

(c) (if it is the Guarantor) confirms that its guarantee and indemnity under the Guarantee (as defined in each of the Charters) to which it is a party:

(i) continues to have full force and effect on the terms of such guarantee, as amended and supplemented by this Supplemental Agreement;

(ii) extends to the obligations of the relevant Charterer and the other Relevant Persons under the Leasing Documents, as amended and supplemented by this Supplemental Agreement;

(d) each of the Leasing Documents to which it is a party is in no way impaired and remain in full force and effect (notwithstanding the changes contemplated under this Supplemental Agreement) and shall continue to stand as security and shall continue to constitute its legal, valid and binding obligations under such Leasing Document, as supplemented and amended by this Supplemental Agreement (and in the case of each Charter, as amended and supplemented by this Supplemental Agreement);

(e) any Security Interest created by it under the Leasing Documents to which it is a party extends to the obligations of the relevant Obligor thereunder as amended and supplemented by this Supplemental Agreement and is hereby affirmed;

(f) the obligations of such Obligor under the Leasing Documents to which it is a party, as amended and supplemented by this Supplemental Agreement are included in the Secured Liabilities (as defined in the Security Documents to which it is a party);

(g) any Security Interest created under the Leasing Documents to which it is a party continues to be in full force and effect on the terms of such Leasing Documents;

(h) each of the Leasing Documents to which it is a party continues to be in full force and effect and continues to be valid and binding against it, notwithstanding the amendments set out or contemplated pursuant to this Supplemental Agreement and is hereby affirmed; and

(i) it will make any necessary filings or variation of existing security filings in respect of all Security Interests created by it under the Leasing Documents to which it is a party.

**6 FURTHER ASSURANCES**

(a) Each Obligor shall (and shall procure that each other Relevant Person will) promptly, and in any event within the time period specified by the Owners 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 Owners may specify (and in such form as the Owners may require in favour of any Owner or its nominee(s)):

(i) to create, perfect, vest in favour of any Owner or protect the priority of the Security Interests or any right of any kind created or intended to be created under or evidenced by any of the Leasing Documents (which may include the execution of a mortgage, charge, assignment or other Security Interest over all or any of the assets which are, or are intended to be, the subject of a Security Document) or for the exercise of any rights, powers and remedies of the Owners or any receiver or delegate provided by or pursuant to the Leasing Documents or by law;

(ii) to confer on any Owner Security Interest over any property and assets of that Relevant Person located in any jurisdiction equivalent or similar to the Security Interests intended to be conferred by or pursuant to the Security 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 Security Interests under the Security Documents or to exercise any power specified in any Leasing Document in respect of which the Security Interest has become enforceable; and/or

(iv) to enable or assist the Owners to enter into any transaction to commence, defend or conduct any proceedings and/or to take any other action relating to any assets which are the subject of Security Interests under the Security Documents.

(b) Each Obligor shall, and shall procure that each other Relevant Person 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 Interest conferred or intended to be conferred on any Owner by or pursuant to the Leasing Documents.

(c) At the same time as an Obligor delivers to an Owner any document executed by itself or another Relevant Person pursuant to this Clause 6 (*Further Assurances*), that Obligor shall

deliver, or shall procure that such other Relevant Person will deliver, to such Owner(s) reasonable evidence that that Obligor's or other Relevant Person's execution of such document has been duly authorised by it.

**7 COSTS AND EXPENSES**

All costs and expenses incurred by the Owners in connection with this Supplemental Agreement and the arrangements contemplated hereby shall be for the account of the Charterers. For the avoidance of doubt, any costs and expenses pertaining to the actions contemplated by this Supplemental Agreement (including legal costs arising out of the preparation, negotiation and execution of this Supplemental Agreement) shall be for the account of the Charterers.

**8 SUPPLEMENTAL PROVISIONS**

(a) All other terms and conditions of each Leasing Document shall remain unaltered and in full force and effect, as amended and supplemented by this Supplemental Agreement.

(b) This Supplemental Agreement supplements and amends, *inter alia*, the Charters. In the event that there is a conflict or contradiction between the terms of this Supplemental Agreement and the terms of any Charter or any other Leasing Document, the terms of this Supplemental Agreement shall prevail.

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

(d) This Supplemental Agreement is hereby designated by the Owners and the Charterers, and confirmed by each of the Obligors, as a "Leasing Document" under each of the Charters.

**9 GOVERNING LAW**

This Supplemental Agreement and any non-contractual rights and obligations arising out of or in connection therewith shall be governed by and construed in accordance with English law.

**10 ARBITRATION**

(a) Any dispute arising out of or in connection with this Supplemental Agreement (including a dispute relating to the existence, validity or termination of this Supplemental Agreement or any non-contractual obligation arising out of or in connection with it) (a "**Dispute**") shall be referred to and finally resolved by arbitration in London in accordance with the Arbitration Act 1996 or any statutory modification or re-enactment thereof save to the extent necessary to give effect to the provisions of this Clause 10 (*Arbitration*).

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

(c) The seat, or legal place, of arbitration shall be England.

(d) The language of the arbitration shall be English.

(e) The reference shall be to three (3) arbitrators selected as follows:

(i) In the event that the request for arbitration names only one claimant and one respondent, and no Party has exercised its right to joinder or intervention in accordance with the paragraphs below, the claimant and the respondent shall each

appoint one arbitrator within fourteen (14) calendar days after the expiry of the period during which parties can exercise their right to joinder or intervention. If either party fails to appoint an arbitrator as provided, then, upon the application of any party, that arbitrator shall be appointed by the President of the LMAA. The two arbitrators shall appoint the third arbitrator who shall act as presiding arbitrator. If the two arbitrators fail to appoint the presiding arbitrator within forty-five (45) calendar days of the appointment of the second arbitrator, the presiding arbitrator shall be appointed by the President of the LMAA.

(ii) In the event that more than two Parties are named as parties to the arbitration in the request for arbitration or at least one Party exercises its right to joinder or intervention in accordance with the paragraphs below, the Owners (hereinafter, "**Group A**") shall appoint one arbitrator and the other Parties (collectively, "**Group B**" and together with Group A, the "**Groups**" and each, a "**Group**") shall jointly appoint the other arbitrator, both within fourteen (14) calendar days after the expiry of the period within which parties can exercise their right to joinder or intervention. If either Group fails to appoint an arbitrator as provided above, the President of the LMAA shall, upon request of the other Group, appoint all three arbitrators and designate one of them to act as presiding arbitrator. If the claimant(s) and the respondent(s) appoint the arbitrators as provided above, the two arbitrators shall appoint the third arbitrator, who shall act as presiding arbitrator. If the two arbitrators fail to appoint the third arbitrator within forty-five (45) calendar days of the appointment of the second arbitrator, the presiding arbitrator shall be appointed by the President of the LMAA.

(iii) Any Party may, either separately or together with any other Party, initiate arbitration proceedings hereunder by submitting a written notice of claim, counterclaim or cross-claim all other Parties to this Supplemental Agreement and to the LMAA.

(iv) Any Party may intervene in any arbitration proceedings hereunder by submitting a written notice of claim, counterclaim or cross-claim against any party to this Supplemental Agreement, provided that such notice is also sent to all other Parties and to the LMAA within thirty (30) calendar days from the receipt by such intervening party of the relevant request for arbitration or notice or cross claim, counterclaim or cross-claim.

(v) Any Party named as respondent in a request for arbitration, or a notice of claim, counterclaim or cross-claim, may join any other Party in any arbitration proceedings hereunder by submitting a written notice of claim, counterclaim or cross-claim against that Party, provided that such notice is also sent to all other Parties and to the LMAA within thirty (30) calendar days from the receipt by such respondent of the relevant request for arbitration or notice of claim, counterclaim or cross-claim. For the avoidance of doubt, each Party agrees that it may be joined as an additional party to an arbitration involving other Parties under this Supplemental Agreement.

(vi) Any joined or intervening Party shall be bound by any award rendered by the arbitral tribunal even if such party chooses not to participate in the arbitration proceedings.

(f) Notwithstanding the above, the Parties further agree that if any Dispute:

(i) raises issues of law which are substantially the same as, or connected with, issues raised in an Existing Dispute; or

(ii) arises out of substantially the same facts as are the subject of an Existing Dispute,

(in either case a "**Related Dispute**"),

then the arbitral tribunal appointed or to be appointed in respect of such Existing Dispute shall also be appointed as the arbitral tribunal in respect of the Related Dispute. In such case, the arbitral tribunal may, having regard to the state of the arbitral proceedings of the Existing Dispute and any other circumstances it regards as relevant, consolidate the arbitral proceedings arising out of the Existing Dispute and the Related Dispute. For this purpose the Parties adhere to and consent to be bound by the arbitration agreement contained in each of the other Leasing Documents, such arbitration agreement being identical or substantially similar to the arbitration agreement made in this Clause 10 (*Arbitration*).

In particular, the Parties agree and acknowledge that:

(A) any consolidation order granted by any arbitral tribunal appointed under this or under any of the other Leasing Documents shall be binding on the Parties;

(B) the arbitral tribunal shall have exclusive jurisdiction to resolve the Existing Dispute and the Related Dispute that are the subject of the consolidation order;

(C) they shall be bound by any award rendered by the arbitral tribunal; and

(D) the arbitral tribunal may give such directions in the consolidated arbitral proceedings as it considers appropriate to:

(1) give effect to the consolidation and make provision for any costs which may result from it (including costs in any arbitration rendered *functus officio* by the consolidation); and

(2) ensure the proper organisation of the consolidated arbitral proceedings and that all issues between the Parties are properly formulated and resolved.

(g) In relation to any arbitration rendered *functus officio* by a consolidation pursuant to paragraph (f) above, such termination is without prejudice to:

(i) the validity of any acts done or orders made in the arbitration before the termination;

(ii) the arbitral tribunal's entitlement to be paid their proper fees and disbursements arising from such arbitration; and

(iii) the date when any claim or defence was raised for the purpose of applying any limitation bar or any like rule or provision.

(h) In the event that there is any dispute as to whether a dispute is a Related Dispute for the purposes of this Clause 10 (*Arbitration*), such dispute shall be resolved by the arbitral tribunal appointed or to be appointed in respect of the Existing Dispute. If two or more arbitral tribunals under this Supplemental Agreement or any of the other Leasing Documents issue consolidation orders, the order issued first shall prevail.

(i) For the purposes of this Clause 10 (*Arbitration*), an "**Existing Dispute**" shall mean a dispute which has already been referred to arbitration (i) by any of the Parties under this Supplemental Agreement; or (ii) by any of the parties under any of the other Leasing Documents (to the extent those Leasing Documents contain an arbitration agreement).

(j) In cases where neither the claim nor any counterclaim exceeds the sum of US$100,000 (or such other sum as the parties may agree) the arbitration shall be conducted in accordance with the LMAA Small Claims Procedure current at the time when the arbitration proceedings are commenced. Where the reference is to three (3) arbitrators the procedure for making appointments shall be in accordance with the procedure for full arbitration stated above.

**IN WITNESS WHEREOF,** the Parties hereto have caused this Supplemental Agreement to be duly executed and delivered as a deed on the date and year first above written.

**EXECUTION PAGE**

**OWNER B**

**SIGNED, SEALED AND DELIVERED AS A DEED**
by
as an attorney-in-fact /s/ Cong Meng
for and on behalf of
**XIANG H119 INTERNATIONAL SHIP LEASE CO., LIMITED**
in the presence of:
Witness' signature: /s/ Zhang Wenzhuo
Witness' name:
Witness' address:

**OWNER C**

**SIGNED, SEALED AND DELIVERED AS A DEED**
by
as an attorney-in-fact /s/ Cong Meng
for and on behalf of
**XIANG H129 INTERNATIONAL SHIP LEASE CO., LIMITED**
in the presence of:
Witness' signature:
Witness' name: /s/ Zhang Wenzhuo
Witness' address:

**OWNER D**

**SIGNED, SEALED AND DELIVERED AS A DEED**
by
as an attorney-in-fact /s/Cong Meng
for and on behalf of
**XIANG H130 INTERNATIONAL SHIP LEASE CO., LIMITED**
in the presence of:
Witness' signature:
Witness' name: /s/Zhang Wenzhuo
Witness' address:

**OWNER E**

**SIGNED, SEALED AND DELIVERED AS A DEED**
by
as an attorney-in-fact /s/Cong Meng
for and on behalf of
**XIANG H131 INTERNATIONAL SHIP**
**LEASE CO., LIMITED**
in the presence of:
Witness' signature:
Witness' name: /s/Zhang Wenzhuo
Witness' address:

**OWNER F**

**SIGNED, SEALED AND DELIVERED AS A DEED**
by
as an attorney-in-fact /s/Cong Meng
for and on behalf of
**XIANG H132 INTERNATIONAL SHIP** )
**LEASE CO., LIMITED**
in the presence of:
Witness' signature:
Witness' name: /s/Zhang Wenzhuo
Witness' address:

**OWNER G**

**SIGNED, SEALED AND DELIVERED AS A DEED**
by
as an attorney-in-fact
for and on behalf of /s/Cong Meng
**JIAHAI INTERNATIONAL SHIP**
**LEASE CO., LIMITED**
in the presence of:
Witness' signature:
Witness' name: /s/Zhang Wenzhuo
Witness' address:

**OWNER H**

**SIGNED, SEALED AND DELIVERED AS A DEED**
by
as an attorney-in-fact

for and on behalf of /s/ Cong Meng
**JIALONG INTERNATIONAL SHIP**
**LEASE CO., LIMITED**
in the presence of:
Witness' signature:
Witness' name: /s/Zhang Wenzhuo
Witness' address:

**OWNER I**

**SIGNED, SEALED AND DELIVERED AS A DEED**
by
as an attorney-in-fact
for and on behalf of /s/Cong Meng
**LONGSHI INTERNATIONAL SHIP**
**LEASE CO., LIMITED**
in the presence of:
Witness' signature:
Witness' name: /s/Zhang Wenzhuo
Witness' address:

**OWNER J**

**SIGNED, SEALED AND DELIVERED AS A DEED**
by
as an attorney-in-fact /s/Cong Meng
for and on behalf of
**LONGLI INTERNATIONAL SHIP**
**LEASE CO., LIMITED**
in the presence of:
Witness' signature:
Witness' name: /s/Zhang Wenzhuo
Witness' address:

**OWNER K**

**SIGNED, SEALED AND DELIVERED AS A DEED**
by
as an attorney-in-fact
for and on behalf of /s/Cong Meng
**XIANG L33 HK INTERNATIONAL SHIP**

**LEASE CO., LIMITED**
in the presence of:
Witness' signature:
Witness' name: /s/Zhang Wenzhuo
Witness' address:

**OWNER L**

**SIGNED, SEALED AND DELIVERED AS A DEED**
by
as an attorney-in-fact /s/Cong Meng
for and on behalf of
**XIANG T51 HK INTERNATIONAL SHIP**
**LEASE CO., LIMITED**
in the presence of:
Witness' signature: /s/Zhang Wenzhuo
Witness' name:
Witness' address:

**CHARTERER B**

**EXECUTED AND DELIVERED AS A DEED** )
by
as an attorney-in-fact /s/Stratigoula Sakellariou
for an on behalf of
**SILVANUS MARINE COMPANY**
In the presence of:
Witness' signature: /s/ Maria Trivela
Witness' name:
Witness' address:

**CHARTERER C**

**EXECUTED AND DELIVERED AS A DEED** )
bY /s/Stratigoula Sakellariou
as an attorney-in-fact
for an on behalf of
**MORVEN CHARTERING INC.**
In the presence of:
Witness' signature: /s/ Maria Trivela
Witness' name:
Witness' address:

**CHARTERER D**

**EXECUTED AND DELIVERED AS A DEED** )
by /s/Stratigoula Sakellariou
as an attorney-in-fact
for an on behalf of
**ISOLDE SHIPPING INC.**
In the presence of:
/s/Maria Trivela
Witness' signature:
Witness' name:
Witness' address:

**CHARTERER E**

**EXECUTED AND DELIVERED AS A DEED** )
by
as an attorney-in-fact
for an on behalf of /s/ Stratigoula Sakellariou
**VELOUR MANAGEMENT CORP.**
In the presence of:
Witness' signature: /s/Maria Trivela
Witness' name:
Witness' address:

**CHARTERER F**

**EXECUTED AND DELIVERED AS A DEED** )
by
as an attorney-in-fact /s/Stratigoula Sakellariou
for an on behalf of
**ENPLO SHIPPING LIMITED**
In the presence of:
Witness' signature: /s/Maria Trivela
Witness' name:
Witness' address:

**CHARTERER G**

**EXECUTED AND DELIVERED AS A DEED**
by
as an attorney-in-fact /s/Stratigoula Sakellariou
for an on behalf of
**OLYMPIA II NAVIGATION LIMITED**
In the presence of:
Witness' signature: /s/Maria Trivela
Witness' name:
Witness' address:

**CHARTERER H**

**EXECUTED AND DELIVERED AS A DEED** )
by

as an attorney-in-fact /s/Stratigoula Sakellariou
for an on behalf of
**PINGEL NAVIGATION LIMITED**
In the presence of:
Witness' signature: /s/Maria Trivela
Witness' name:
Witness' address:

**CHARTERER I**

**EXECUTED AND DELIVERED AS A DEED** )
by /s/ Stratigoula Sakellariou
as an attorney-in-fact
for an on behalf of
**EVIAN SHIPTRADE LTD**
In the presence of:
Witness' signature: /s/ Maria Trivela
Witness' name:
Witness' address:

**CHARTERER J**

**EXECUTED AND DELIVERED AS A DEED** )
by
as an attorney /s/Stratigoula Sakellariou
for an on behalf of
**ANTHIMAR MARINE INC.**
In the presence of:

Witness' signature:
Witness' name: /s/ Maria Trivela
Witness' address:

**CHARTERER K**

**EXECUTED AND DELIVERED AS A DEED**
by ) /s/Stratigoula Sakellariou
as an attorney-in-fact )
for an on behalf of )

**EBBA NAVIGATION LIMITED** )
In the presence of: )
)
Witness' signature: )
Witness' name: )
Witness' address: ) /s/Maria Trivela

**CHARTERER L**

**EXECUTED AND DELIVERED AS A DEED** )
by ) /s/Stratigoula Sakellariou
as an attorney-in-fact )
for an on behalf of )
**CLAN NAVIGATION LIMITED** )
In the presence of: )
)
Witness' signature: ) /s/Maria Trivela
Witness' name: )
Witness' address: )

**SHAREHOLDER**

**EXECUTED AND DELIVERED AS A DEED** )
by )
being an attorney-in-fact ) Stratigoula Sakellariou
for and on behalf of )
**NAVIOS PARTNERS CONTAINERS INC.** )
in the presence of: )
)
Witness' signature: )
Witness' name: )
Witness' address: ) Maria Trivela

**MAIN MANAGER**

**EXECUTED AND DELIVERED AS A DEED** )
by )
being an attorney-in-fact ) Stratigoula Sakellariou
for and on behalf of )
**NAVIOS SHIPMANAGEMENT INC.** )
in the presence of: )
)
Witness' signature: )
Witness' name: ) Maria Trivela
Witness' address: )

**SUB-MANAGER**

**EXECUTED AND DELIVERED AS A DEED** )
by )
being an attorney-in-fact )
for and on behalf of ) Stratigoula Sakellariou
**NAVIOS CONTAINERS MANAGEMENT INC.** )
in the presence of: )
)
Witness' signature: )
Witness' name: )
Witness' address: ) Maria Trivela

**GUARANTOR**

**EXECUTED AND DELIVERED AS A DEED** )
by )
as an attorney-in-fact ) Stratigoula Sakellariou
for and on behalf of )
**NAVIOS MARITIME PARTNERS L.P.** )
In the presence of: )
)
Witness' signature: )
Witness' name: )
Witness' address: ) Maria Trivela

**Exhibit 8.1**

**List of Subsidiaries of Navios Maritime Partners L.P. as of December 31, 2024**

Aegean Sea Maritime Holdings Inc.

Afros Maritime Inc.

Agistri Shipping Limited

Agron Navigation Company

Alatas Shipping Corporation

Aldebaran Shipping Corporation

Alegria Shipping Corporation

Alimia Shipping Corporation

Alkmene Shipping Corporation

Alonnisos Shipping Corporation

Amaryllis Shipping Inc.

Ambracia Navigation Company

Amindra Navigation Co.

Ammos Shipping Corp.

Amorgos Shipping Corporation

Anafi Shipping Corporation

Andromeda Shiptrade Limited

Andros Shipping Corporation

Anthimar Marine Inc.

Antikithira Shipping Corporation

Antiparos Shipping Corporation

Antipaxos Shipping Corporation

Antipsara Shipping Corporation

Aramis Navigation Inc.

Arkoi Shipping Corporation

Artala Shipping Co.

Asteroid Shipping S.A.

Astrovalos Shipping Corporation

Astypalaia Shipping Corporation

Atokos Shipping Corporation

Aurora Shipping Enterprises Ltd.

Avery Shipping Company

Azalea Shipping Inc.

Balder Maritime Ltd

Bato Marine Corp.

Bertyl Ventures Co.

Beryl Shipping Corporation

Boheme Navigation Company

Bole Shipping Corporation

Boysenberry Shipping Corporation

Brandeis Shipping Corporation

Buff Shipping Corporation

Cadmium Shipping Corporation

Calliope Shipping Corporation

Camelia Shipping Inc.

Casual Shipholding Co.

Cavalli Navigation Inc.

Cavos Navigation Co.

Celadon Shipping Corporation

Cerulean Shipping Corporation

Chalki Shipping Corporation

Chernava Marine Corp.

Cheryl Shipping Corporation

Chilali Corp.

Christal Shipping Corporation

Citrine Shipping Corporation

Clan Navigation Limited

Cloud Atlas Marine S.A.

Coasters Ventures Ltd

Corsair Shipping Ltd.

Crayon Shipping Ltd

Crete Shipping Corporation

Cronus Shipping Corporation

Customized Development S.A.

Cyrus Investments Corp.

Delos Shipping Corporation

Despotiko Shipping Corporation

Dione Shipping Corporation

Dionysus Shipping Corporation

Donoussa Shipping Corporation

Doxa International Corp.

Ducale Marine Inc.

Dune Shipping Corp.

Ebba Navigation Limited

Elafonisos Shipping Corporation

Emery Shipping Corporation

Enplo Shipping Limited

Erato Shipmanagement Corporation

Ereikousa Shipping Corporation

Esmeralda Shipping Corporation

Euterpe Shipping Corporation

Evian Shiptrade Ltd

Fairy Shipping Corporation

Faith Marine Ltd.

Fandango Shipping Corporation

Fantastiks Shipping Corporation

Felicity Shipping Corporation

Finian Navigation Co.

Flavescent Shipping Corporation

Floral Marine Ltd.

Folegandros Shipping Corporation

Galaxy Shipping Corporation

Galera Management Company

Galileo Shipping Corporation

Gatsby Maritime Company

Gavdos Shipping Corporation

Gemini Shipping Corporation

Goddess Shiptrade Inc.

Goldie Services Company

Golem Navigation Limited

Happiness Shipping Corporation

Highbird Management Inc.

Hyperion Enterprises Inc.

Ianthe Maritime S.A.

Ikaria Shipping Corporation

Iliada Shipping S.A.

Inastros Maritime Corp.

Ios Marine Corporation

Iraklia Shipping Corporation

Iris Shipping Corporation

Isolde Shipping Inc.

Ithaki Shipping Corporation

Jasmer Shipholding Ltd

Jasmine Shipping Corporation

Jaspero Shiptrade S.A.

Joy Shipping Corporation

JTC Shipping and Trading Ltd

Karpathos Shipping Corporation

Kastelorizo Shipping Corporation

Kastos Shipping Corporation

Kerkyra Shipping Corporation

Keros Shipping Corporation

Kimolos Shipping Corporation

Kinaros Shipping Corporation

Kithira Shipping Corporation

Kleio Shipping Corporation

Kohylia Shipmanagement S.A.

Kos Shipping Corporation

Koufonisi Shipping Corporation

Kymata Shipping Co.

Lavender Shipping Corporation

Lefkada Shipping Corporation

Legato Shipholding Inc.

Leros Shipping Corporation

Letil Navigation Ltd

Leto Shipping Corporation

Levitha Shipping Corporation

Libra Shipping Enterprises Corporation

Limestone Shipping Corporation

Limnos Shipping Corporation

Makri Shipping Corporation

Makronisos Shipping Corporation

Mandora Shipping Ltd

Mathraki Shipping Corporation

Meganisi Shipping Corporation

Melpomene Shipping Corporation

Mesta Shipping Corporation

Micaela Shipping Corporation

Migen Shipmanagement Ltd

Moonstone Shipping Corporation

Morganite Shipping Corporation

Morven Chartering Inc.

Muses Shipping Corporation

Mytilene Shipping Corporation

NAV Holdings Limited

Navios Acquisition Europe Finance Inc.

Navios Acquisition Finance (US) Inc.

Navios International Inc.

Navios Maritime Acquisition Corporation

Navios Maritime Containers Sub LP

Navios Maritime Midstream Operating LLC

Navios Maritime Midstream Partners Finance (US) Inc.

Navios Maritime Midstream Partners GP LLC

Navios Maritime Midstream Partners L.P.

Navios Maritime Operating L.L.C.

Navios Maritime Partners L.P.

Navios Partners Containers Finance Inc.

Navios Partners Containers Inc.

Navios Partners Europe Finance Inc.

Navios Partners Finance (US) Inc.

Nefeli Navigation S.A.

Nisyros Shipping Corporation

Nostos Shipmanagement Corp.

Oceanus Shipping Corporation

Oinousses Shipping Corporation

Olivia Enterprises Corp.

Olympia II Navigation Limited

Opal Shipping Corporation

Orbiter Shipping Corp.

Othonoi Shipping Corporation

Palermo Shipping S.A.

Pandora Marine Inc.

Patmos Shipping Corporation

Paxos Shipping Corporation

Pearl Shipping Corporation

Peran Maritime Inc.

Perigiali Navigation Limited

Perivoia Shipmanagement Co.

Persephone Shipping Corporation

Pharos Navigation S.A.

Pingel Navigation Limited

Pleione Management Limited

Polyaigos Shipping Corporation

Polymnia Shipping Corporation

Poros Marine Shipping Corporation

Prometheus Shipping Corporation

Prosperity Shipping Corporation

Proteus Shiptrade S.A.

Psara Shipping Corporation

Pserimos Shipping Corporation

Pueblo Holdings Ltd

Pyrgi Shipping Corporation

Red Rose Shipping Corp.

Rhea Shipping Corporation

Rhodes Shipping Corporation

Rider Shipmanagement Inc.

Rineia Shipping Corporation

Rodman Maritime Corp.

Rondine Management Corp.

Roselite Shipping Corporation

Rubina Shipping Corporation

Rumer Holding Ltd.

Sagittarius Shipping Corporation

Samos Shipping Corporation

Samothrace Shipping Corporation

Santorini Shipping Corporation

Schinousa Shipping Corporation

Serifos Shipping Corporation

Seymour Trading Limited

Shikhar Ventures S.A.

Shinyo Dream Limited

Shinyo Kannika Limited

Shinyo Kieran Limited

Shinyo Loyalty Limited

Shinyo Navigator Limited

Shinyo Ocean Limited

Shinyo Saowalak Limited

Sifnos Shipping Corporation

Sikinos Shipping Corporation

Silvanus Marine Company

Skiathos Shipping Corporation

Skopelos Shipping Corporation

Skyros Shipping Corporation

Solange Shipping Ltd.

Spetses Marine Shipping Corporation

Sui An Navigation Limited

Sunstone Shipping Corporation

Surf Maritime Co.

Syros Shipping Corporation

Talia Shiptrade S.A.

Tarak Shipping Corporation

Taurus Marine Corporation

Terpsichore Shipping Corporation

Teuta Maritime S.A.

Thalassa Marine S.A.

Thalia Shipping Corporation

Thasos Shipping Corporation

Thera Shipping Corporation

Theros Ventures Limited

Thetida Marine Co.

Thirasia Shipping Corporation

Tilos Shipping Corporation

Tinos Shipping Corporation

Topaz Shipping Corporation

Triangle Shipping Corporation

Trikeri Shipping Corporation

Tzia Shipping Corporation

Urania Shipping Corporation

Vatselo Enterprises Corp.

Vega Shipping Corporation

Veja Navigation Company

Velour Management Corp.

Velvet Shipping Corporation

Venetiko Shipping Corporation

Vernazza Shiptrade Inc.

Vinetree Marine Company

Vythos Marine Corp.

Wenge Shipping Corporation

White Narcissus Marine S.A.

Zakynthos Shipping Corporation

Ziggy Shipping Limited

Zoner Shiptrade S.A.

**NAVIOS MARITIME PARTNERS L.P.**

STATEMENT OF COMPANY POLICY
Securities Trades By Navios' Personnel

**Navios Maritime Partners L.P.** has adopted the following policy regarding trading by Company personnel in the Company's securities. It applies to *all* Company personnel, including directors, officers, employees and consultants of the Company and its subsidiaries.

***The Need For A Policy Statement***

This Policy Statement has been developed:
- To educate all Company personnel;
- To set forth guidelines for courses of action;
- To protect the Company and all of its personnel against legal liability; and
- To preserve the reputation of the Company and its personnel for integrity and ethical conduct.

Because the Company is a public company, transactions in the Company's securities are subject to the federal securities laws and regulations adopted by the United States Securities and Exchange Commission, or the SEC. These laws and regulations prohibit insider trading, i.e., make it illegal for an individual to buy or sell securities of the Company while aware of "Insider Information." Simply stated, insider trading occurs when a person uses material nonpublic information obtained through involvement with the Company to make decisions to purchase, sell, give away or otherwise trade the Company's securities or the securities of certain other companies or to provide that information to others outside the Company. The prohibitions against insider trading apply to trades, tips and recommendations by virtually any person, including all persons associated with the Company, if the information involved is material and nonpublic. Liability may extend not only to the individuals who trade on inside information, but also to their "tippers," people who leak the inside information to the individuals who trade.[1] The prohibitions would apply to any director, officer or employee who buys or sells securities on the basis of material nonpublic information that he or she obtained about the Company, its customers, suppliers, partners, competitors or other companies with which the Company has contractual relationships or may be negotiating transactions. **The SEC takes insider trading very seriously and devotes significant resources to uncovering the activity and to prosecuting offenders.** If we do not take active steps to adopt preventive policies and procedures covering stock trading by Company personnel, the consequences could be severe.

[1] In order to incur liability for "tipping," the tipper must (1) know or have reason to know that the information may be used in order to trade, and (2) derive some benefit from providing the information to the tippee. In order to incur liability for trading on a tip, the tippee must know or have reason to know that the information was provided in violation of a duty of trust or confidence. *See, e.g., SEC v. Musella*, 678 F. Supp. 1060, 1063 (S.D.N.Y. 1988)

In addition to responding to the statutes and regulations, we are adopting this Policy Statement to avoid even the appearance of improper conduct on the part of anyone employed by or associated with the Company (not just so-called insiders).

***The Consequences***

The consequences of insider trading violations can be severe:

For individuals who trade on inside information (or tip information to others):

- Disgorgement of any profit gained or loss avoided;
- A civil penalty of up to three times the profit gained or loss avoided;
- A criminal fine (no matter how small the profit) of up to $5 million; and
- A jail term of up to twenty years.

These penalties can apply even if the individual is not a member of the Board of Directors or an officer of the Company. Tippers, referenced above, can be subject to the same penalties and sanctions as the tippees, and the SEC has imposed large penalties even when the tipper did not profit from the transaction. Moreover, if an employee violates this Policy Statement, Company-imposed sanctions, including but not limited to termination of employment, could result from failing to comply with the Company's policy or procedures.

For a Company that fails to take appropriate steps to prevent illegal trading:

- A civil penalty of the greater of $1 million or three times the profit gained or loss avoided as a result of the employee's violation; and
- A criminal penalty of up to $25 million.

Any of the above consequences -- even an SEC investigation that does not result in prosecution -- can tarnish one's reputation and irreparably damage a career.

***Our Policy***

It is the Company's policy that Company personnel and any related persons[2] may not trade or engage in other transactions in (i) the Company's securities, including units, options and any other securities that the Company may issue, such as preferred units, notes, bonds and convertible securities, as well as to derivative securities relating to any of the Company's securities, whether or not issued by the Company and (ii) the securities of other companies, including common stock, options and other securities issued by those companies as well as derivative securities relating to any of those companies' securities, where the person trading used information obtained during the course of his or her service to or employment by the Company.

No Company personnel or any related persons[2] who knows of any material nonpublic information about the Company may communicate that information to any other person, including family members and friends, or otherwise disclose such information without the Company's authorization.

Transactions that may be necessary or justifiable for independent reasons (such as the need to raise money for an emergency expenditure) are no exception. Even the appearance of an improper transaction must be avoided to preserve our reputation for adhering to the highest standards of conduct.

***Policy Administrator.***

This policy shall be administered by the "Policy Administrator," who shall initially be **Anna Kalathakis**, Executive Vice President - Risk Management and **Vasiliki Papaefthymiou**, Secretary.

The Policy Administrators may, however, change from time to time. You are encouraged to consult the copy of this Policy Statement, signed versions of which are kept in the Greek and US offices.

***Material Non-Public Information.*** Material non-public information is any information that:

- is not generally known to the public, and
- which a reasonable investor would consider that information important in making a decision to buy, hold or sell securities.

***Examples.*** Common examples of information that will frequently be regarded as material are:

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[2] "Related persons" can include companies or entities affiliated with or otherwise controlled by the corporate insider. Note, however, that it does not include all family members related by blood: according to the section entitled "Transactions by Family Members and Others in Your Household," the Policy's restrictions extend explicitly only to those members of the insider's household and immediate family members as defined therein.

•quarterly or annual earnings results;
•projections of future results;
•earnings or losses;
•news of a pending or proposed merger, acquisition or tender offer;
•an important financing transaction;
•changes in dividend policies or the offering of additional securities;
•changes in management;
•restructuring changes;
•significant new products or discoveries;
•changes in pricing or cost structure;
•impending bankruptcy or financial liquidity problems;
•internal financial information which departs from what the market would expect; and
•the gain or loss of a major contract, license or collaboration.

We emphasize that this list is merely illustrative. Material information is not limited to historical facts but may also include projections and forecasts and can be either positive or negative information. With respect to a future event, such as a merger, acquisition or introduction of a new product, the point at which negotiations or product development are determined to be material is determined by balancing the probability that the event will occur against the magnitude of the effect the event would have on a company's operations or stock price should it occur. Thus, information concerning an event that would have a large effect on stock price, such as a merger, may be material even if the possibility that the event will occur is relatively small. When in doubt about whether particular nonpublic information is material, you should presume it is material.

***Twenty-Twenty Hindsight.*** Remember, if your securities transactions become the subject of scrutiny, they will be viewed after-the-fact with the benefit of hindsight. As a result, before engaging in any transaction, you should carefully consider how regulators and others might view your transaction in hindsight.

***Transactions by Controlled Entities; Family Members; Others in Your Household.*** These restrictions also apply to your immediate family members -- that is, any spouse, parent, child or sibling -- and others living in your household, including children away at school. SEC regulations now specifically provide that any material non-public information about the Company communicated to any spouse, parent, child or sibling is considered to have been communicated under a duty of trust or confidence; any trading in the Company securities by such family members while they are aware of such information may, therefore, violate insider trading laws and regulations. Employees are expected

to be responsible for the compliance of all family members with this Policy Statement.[3] Employees are also expected to be responsible for the compliance of other persons who live in their household, whether or not related, with this Policy Statement. **All restrictions also apply to entities controlled by a person covered by these restrictions.**

***Tipping Information to Others.*** Whether the information is proprietary information about the Company or information that could have an impact on our stock price, Company personnel must not pass the information on to others. The above penalties apply, whether or not you derive any monetary benefit from another person's actions. Inside information is often inadvertently disclosed or overheard in casual, social conversations. Care must be taken to avoid such disclosures.

***Post-Termination Transactions***. This policy will continue to apply to your transactions in Company securities even after you have terminated your employment with or position as a director of the Company or its affiliates. If you are in possession of material nonpublic information when your employment or directorship terminates, you may not trade in Company securities until that information has become public or is no longer material.

***When Information is Public.*** The fact that information has been disclosed to a few members of the public does not make it public for insider trading purposes. Because the Company's shareholders and the investing public should be afforded time to receive information and to act upon it, as a general rule you should not engage in any transactions until the beginning of the **second** business day after the information has been released. Thus, if an announcement is made on a Monday, Wednesday generally would be the first day on which you should trade. If an announcement is made on a Friday, Tuesday generally would be the first day on which you should trade.

***Prevention of Insider Trading by Others.*** If you become aware of a potential insider trading violation, you must immediately advise our Policy Administrators. Moreover, Company-imposed sanctions, including dismissal for cause, could result if an employee fails to comply with this Policy Statement or any other company policy.

***Confidentiality.*** Serious problems could be caused for the Company by the unauthorized disclosure of internal information about the Company, whether or not for the purpose of facilitating improper trading in the securities of the Company. Company employees should not discuss internal company matters or developments with anyone outside of the company, except as required in the performance of regular corporate duties.

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[3] This means that, to the extent such family/household members intend to trade in Company securities, they need to comply with regularly-scheduled and other black-out periods.

This prohibition applies specifically (but not exclusively) to inquiries about the Company that may be made by the financial press, investment analysts or others in the financial community. It is important that all such communications on behalf of the Company be through an appropriately designated officer under carefully controlled circumstances. Unless you are expressly authorized to the contrary, if you receive any inquiries of this nature, you should decline comment and refer the inquirer to the Policy Administrators.

***Additional Prohibited Transactions***

Because we believe it is generally improper and inappropriate for Company personnel to engage in short-term or speculative transactions involving the Company's securities, it is our policy that such personnel should not engage in any of the following activities with respect to the Company's securities:

•Trading in the Company's securities on a short-term basis. Any units of the Company purchased in the open market must be held for a minimum of six months and ideally longer. This rule does not apply to sales made within six months before or after the exercise of options that were granted by the Company.[4]

•Short sales of the Company's securities.

•Use of the Company's securities to secure a margin or other loan, except in limited cases with the prior approval of the Policy Administrators.

•Transactions in straddles, collars, or other similar risk reduction devices, except in limited cases with the prior approval of the Policy Administrators.

•Transactions in publicly-traded options relating to the Company's securities (i.e., options that are not granted by the Company), except in limited cases with the prior approval of the Policy Administrators.

[4] Under Rule 16b-3 and Rule 16b-6(b), exercises of Company-granted options and the related acquisition of stock upon exercise are exempt from Section 16 liability so long as certain conditions are met. If the company maintains a qualified Employee Stock Purchase Plan, the acquisition of securities through such a plan should also be excluded from the prohibition against the purchase and sale of securities within a six-month period.

***Trading Procedures Applying to all Company Personnel***

While it is never permissible to trade based on material non-public information, we are implementing the following procedures to help prevent inadvertent violations and avoid even the appearance of an improper transaction (which could result, for example, where Company personnel engage in a trade while unaware of a pending major development):

***Window Periods.*** All Company personnel, including directors, officers, employees and consultants of the Company and its subsidiaries, may buy or sell the Company's securities during the period beginning on the second business day following the Company's public announcement of quarterly (or annual) financial results, and ending twenty days prior to the end of the next fiscal quarter. Those periods are referred to as "window periods." Conversely, a window period is considered "closed" during the last twenty days of each quarter and the last twenty days of the Company's fiscal year, which ends each December 31, and remains closed until the results for the prior quarter or the fiscal year are announced by the Company and have a chance to be absorbed by the market (generally, two business days, i.e., weekends and holidays are excluded). Window periods are generally considered the times when there should be the least amount of inside information about a company that is unavailable to the investing public. **However, you may not buy or sell Company securities even during a window period if you possess material, non-public information.** Without the prior written approval of the Policy Administrators, as provided below, Company personnel may not engage in any trades outside of the window periods. This Policy Statement is for your and the Company's protection.

***Prior Approval.*** If Company personnel desire to buy or sell the Company's securities outside of a window period, then such employee must obtain the prior written approval of the Policy Administrators and the receipt of such approval may require certain conditions be satisfied by such employee, such as obtaining the advice of outside legal counsel, or other conditions which may be imposed by the Policy Administrators in their discretion.

***Exception for Trading Plans***

Notwithstanding the restrictions and prohibitions on trading in the Company securities as set forth in this Policy Statement, persons subject to this Policy Statement are permitted to effect transactions in Company securities pursuant to approved trading plans established under Rule 10b5-1 under the Securities Exchange Act of 1934 ("Trading Plans"), including transactions during the prohibited periods discussed below. Rule 10b5-1 requires that these transactions be made pursuant to a plan that was established while the person was not in possession of material non-public information. In order to comply with this Policy Statement, the Company must pre-approve any such Trading Plan

prior to its effectiveness. Company Personnel seeking to establish a Trading Plan should contact the Policy Administrators.

***Company Assistance***

Any person who has any questions about specific transactions or this Policy Statement in general may obtain additional guidance from the Policy Administrators. Remember, however, the ultimate responsibility for adhering to the Policy Statement and avoiding improper transactions rests with you. In this regard, it is imperative that you use your best judgment.

***Certifications***

As a condition to employment, all employees will be required to certify their understanding of and intent to comply with this Policy Statement. Members of the Board of Directors, executive officers and other personnel may be required to certify compliance on an annual basis.

**Exhibit 12.1**

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER**
**PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Angeliki Frangou, certify that:

1. I have reviewed this annual report on Form 20-F for the year ended December 31, 2024 of Navios Maritime Partners L.P.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

4. The company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e), and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiary, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report on such evaluation; and

d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and

5. The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal controls over financial reporting.

Date: March 28, 2025

/s/ Angeliki Frangou
Angeliki Frangou
Chief Executive Officer
(Principal Executive Officer)

**Exhibit 12.2**

**CERTIFICATION OF CHIEF FINANCIAL OFFICER**
**PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Erifyli Tsironi, certify that:

1. I have reviewed this annual report on Form 20-F for the year ended December 31, 2024 of Navios Maritime Partners L.P.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

4. The company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e), and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiary, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report on such evaluation; and

d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and

5. The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal controls over financial reporting.

Date: March 28, 2025

/s/ Erifyli Tsironi
Erifyli Tsironi
Chief Financial Officer
(Principal Financial Officer)

**Exhibit 13.1**

**Certification**
**Pursuant To Section 906 of the Sarbanes-Oxley Act Of 2002**
**(Subsections (A) And (B) Of Section 1350,**
**Chapter 63 of Title 18, United States Code)**

Pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code), each of the undersigned officers of Navios Maritime Partners L.P., (the "Company"), does hereby certify, to such officer's knowledge, that:

(i) the Annual Report on Form 20-F for the fiscal year ended December 31, 2024 (the "Form 20-F") of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934;

(ii) and the information contained in the Form 20-F fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: March 28, 2025

/s/ Angeliki Frangou
Angeliki Frangou
Chief Executive Officer

Dated: March 28, 2025

/s/ Erifyli Tsironi
Erifyli Tsironi
Chief Financial Officer

EXHIBIT 15.1

**Consent of Independent Registered Public Accounting Firm**

We consent to the incorporation by reference in the Registration Statement (Form F-3 No. 333-271842) of Navios Maritime Partners L.P. and in the related Prospectus of our reports dated March 28, 2025, with respect to the consolidated financial statements of Navios Maritime Partners L.P., and the effectiveness of internal control over financial reporting of Navios Maritime Partners L.P., included in this Annual Report (Form 20-F) for the year ended December 31, 2024.

/s/ Ernst & Young (Hellas) Certified Auditors Accountants S.A.
Athens, Greece
March 28, 2025