

SALEFORM 2012

MEMORANDUM OF AGREEMENT

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



BIMCO
STANDARD FORM

PART I

1 Dated:

WHEREAS

1) the Sellers (as defined hereunder) have agreed to sell the Vessel (as defined hereunder) via a public bidding sale hosted by Zhejiang Shipping Exchange Co., Ltd. (hereinafter called "Bidding Company") on December 18th, 2024;

2) the Buyers (as defined hereunder) have participated and won the Bidding Sale in accordance with the bidding regulation and the public announcement of bidding published by the Bidding Company (as the same may be revised by the Bidding Company from time to time, the "Bidding Rules");

3) in accordance with the Bidding Rules, the Buyers have lodged an amount of [*date] as deposit for bidding (the "Bidding Deposit");

4) in accordance with the commission agreement entered into by and between the Sellers and the Bidding Company on [*date], the Buyers agree that the Bidding Deposit lodged by the Sellers shall be held by the Transaction Service Agent (as defined hereunder) in the Transaction Service Account (as defined hereunder) and shall be remitted to the Sellers' Account as the Deposit in accordance with Clause 2 hereof; and

5) in accordance with the Bidding Rules published by the Bidding Company and accepted by the Buyers, the Buyers agree that the Bidding Deposit shall be held by the Transaction Service Agent in the Transaction Service Account shall be remitted to the Sellers' Account in accordance with Clause 2 hereof.

2 **HUASHUN SHIPPING(LIBERIA)INC.** (Name of sellers), hereinafter called the "Sellers", have agreed to sell, and

3 (Name of buyers), hereinafter called the "Buyers", have agreed to buy:

4 Name of vessel: **HUA SHUN**

5 IMO Number: **8407577**

6 Classification Society: **DNV**

7 Class Notation: **+1A1 supply vessel Tug E0 SF**

8 Year of Build: **1985** Builder/Yard: **Serkoder Mek, Verstad A/S**

9 Flag: **LIBERIA** Place of Registration: **MONROVIA** GT/NT: **1558 / 467**

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

11 **Definitions**

"Bidding Company" shall have the meaning given to such term in paragraph (1) of recital.

"Bidding Deposit" shall have the meaning given to such term in paragraph (3) of recital.

"Bidding Rules" shall have the meaning given to such term in paragraph (2) of recital.

"Bidding Sale" shall have the meaning given to such term in paragraph (1) of recital.

"Balance Amount" means the aggregate amount of (i) Remaining of the Purchase Price to be paid 3 banking days before delivery and (ii) all other sums (including and amount covering the payment for ROB in accordance with Clause 7), payable on delivery by the Buyers to the Sellers under this Agreement.

12 "Banking Days" are days (other than Saturdays and Sundays) on which banks are open for general business both
 13 in the country of the currency stipulated for
 14 the Purchase Price in Clause 1 (Purchase Price) and in the place of closing stipulated in Clause 8
 15 (Documentation) and **Beijing, HongKong, Macau** (add additional jurisdictions as appropriate).

16 "Buyers' Nominated Flag State" means (state flag state).

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

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

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

20 ~~"Deposit Holder" means (state name and location of Deposit Holder) or, if left blank, the
 Sellers' Bank, which shall hold and release the Deposit in accordance with this Agreement.~~
"Transaction Service Account" means the bank account designated by the Transaction Service Agent in
 accordance with the Transaction Service Agreement for the purpose of collecting and holding the purchase
 amount under this Agreement.
"Transaction Service Agent" means the Bidding Company.
"Transaction Service Agreement" means the transaction service agreement(s) entered into by and between the
 Sellers, the Buyers and the Transaction Service Agent in respect of the purchase amount under this Agreement.
"Transaction Service Fund" shall have the meaning given to such term in Clause 3(Payment).

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

23 "Parties" means the Sellers and the Buyers.

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

25 "Sellers' Account" means (state details of bank account) at the Sellers' Bank.

26 "Sellers' Bank" means (state name of bank, branch and details) or, if left blank, the bank
 27 notified by the Sellers to the Buyers for receipt of ~~the balance of~~ the Purchase Price.

28 **1. Purchase Price**

29 The Purchase Price is **USD** (state currency and amount both in words and figures).

30 **2. Deposit**

31 As security for the correct fulfilment of this Agreement the bidding deposit lodged by the Buyers into the
 Transaction Service Account on[*Date], in an amount of USD 40,000 (United States Dollars Only)(the "Bidding
 Deposit"), shall be automatically converted into purchase deposit (the "Deposit") in the Transaction Service
 Account~~Buyers shall lodge a deposit of~~
 32 ~~% (per cent) or, if left blank, 10% (ten per cent), of the Purchase Price~~ (the
 33 "Deposit") in an interest free~~interest bearing~~ account for the Parties with the Transaction Service Agent~~Deposit
 Holder~~ within three (3)
 34 Banking Days after the date that:
 35 (i) this Agreement has been signed by the Parties and exchanged in original or by
 36 e-mail or telefax; and
 37 (ii) the Transaction Service Agent~~Deposit Holder~~ has confirmed in writing to the Parties that the Transaction
 Service account has been
 38 opened.

39 ~~The Deposit shall be released in accordance with joint written instructions of the Parties.~~
 40 ~~Interest, if any, shall be credited to the Buyers. Any fee charged for H~~holding and releasing the

41 Deposit ~~shall be done by the Transaction Service Agent for free~~ shall be borne equally by the Parties. The Parties
42 shall provide to the Transaction Service Agent ~~Deposit Holder~~
all necessary documentation to open and maintain the account without delay.

43 **3. Payment**

44 The Buyers shall, no later than three (3) Banking Days prior to the Expected Delivery Date, lodge an amount
sufficient to cover the Balance Amount (together with the Deposit, the "Transaction Amount") The Transaction
Service Amount shall be held by the Transaction Service Agent in the Transaction Service Account and released in
accordance with the terms and conditions of the Transaction Service Agreement. The Transaction Service Amount
shall be remitted from of bank charges, withholdings, or any other deductions whatsoever.
On delivery of the Vessel, but not later than three (3) Banking Days after the date that Notice of
45 Readiness has been given in accordance with Clause 5 (Time and place of delivery and
46 notices), the Buyers shall give unconditional and irrevocable intruction to the Transaction Service Agent to
release the Purchase Amount to the Sellers.:

47 - ~~(i) the Deposit shall be released to the Sellers; and~~
~~(ii) the balance of the Purchase Price and all other sums payable on delivery by the Buyers~~
~~to the Sellers under this Agreement shall be paid in full free of bank charges to the~~
48 ~~Sellers' Account.~~
49 Any fee charged for holding and releasing the Transaction Amount shall be borne by the Buyers in accordance
50 with the Transaction Service Agreement.

51 **4. Inspection**

52 (a)* The Buyers have inspected and accepted the Vessel's classification records. [option 1: The Buyers
53 have also inspected the Vessel at/in HUI ZHOU (state place) on December 11th, 2024 (state date)] [option 2: The
54 Buyers have waived the right to inspected the Vessel] and have
accepted to take the Vessel basis on "as is where is" at the time of delivery. ~~the Vessel following this inspection~~
55 ~~and the sale is outright and definite, subject only~~
~~to the terms and conditions of this Agreement.~~ The Sale is outright and definite, subject only to the terms and
conditions of this Agreement.

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

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

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

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

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

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

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

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

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

76 (a) The Vessel shall be delivered by the Sellers and accepted by the Buyers on an "as is where is" as at the time of
77 delivery basis and shall be taken over safely afloat at a safe and accessible berth or
anchorage at/in **HONG KONG** (state place/range) in the Sellers' option.

78 Notice of Readiness shall not be tendered before: **December 30th, 2024** (date)

79 The Last Delivery~~Cancelling~~ Date (see Clauses 5(c), 6 (a)(i), 6 (a) (iii) and 14): **January 15th, 2025**

80 (b) The Sellers shall keep the Buyers well informed of the Vessel's itinerary and shall
81 provide the Buyers with ~~twenty (20),~~ ten (10), five (5) and three (3) days' approximate notice and one (1) day's
definite notice of the date on which the
82 Sellers intend to tender Notice of Readiness and of the intended place of delivery.

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

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

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

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

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

104 **6. Divers Inspection / Drydocking**

105 (a)*

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

time required for such positioning and the subsequent re-positioning. The Sellers may not tender Notice of Readiness prior to completion of the underwater inspection.

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

Notwithstanding anything to the contrary in this Agreement, if the Classification Society do not require the aforementioned defects to be rectified before the next class drydocking survey, the Sellers shall be entitled to deliver the Vessel with these defects against a deduction from the Purchase Price of the estimated direct cost (of labour and materials) of carrying out the repairs to the satisfaction of the Classification Society; whereafter the Buyers shall have no further rights whatsoever in respect of the defects and/or repairs. The estimated direct cost of the repairs shall be the average of quotes for the repair work obtained from two reputable independent shipyards at or in the vicinity of the port of delivery, one to be obtained by each of the Parties within two (2) Banking Days from the date of the imposition of the condition/recommendation, unless the Parties agree otherwise. Should either of the Parties fail to obtain such a quote within the stipulated time then the quote duly obtained by the other Party shall be the sole basis for the estimate of the direct repair costs. The Sellers may not tender Notice of Readiness prior to such estimate having been established.

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

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

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

(i) The Classification Society may require survey of the tailshaft system, the extent of the survey being to the satisfaction of the Classification surveyor. If such survey is not required by the Classification Society, the Buyers shall have the option to require the tailshaft to be drawn and surveyed by the Classification Society, the extent of the survey

being in accordance with the Classification Society's rules for tailshaft survey and consistent with the current stage of the Vessel's survey cycle. The Buyers shall declare whether they require the tailshaft to be drawn and surveyed not later than by the completion of the inspection by the Classification Society. The drawing and refitting of the tailshaft shall be arranged by the Sellers. Should any parts of the tailshaft system be condemned or found defective so as to affect the Vessel's class, those parts shall be renewed or made good at the Sellers' cost and expense to the satisfaction of Classification Society without condition/recommendation**.

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

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

(iv) The Buyers shall have the right to have the underwater parts of the Vessel cleaned and painted at their risk, cost and expense without interfering with the Sellers' or the Classification Society surveyor's work, if any, and without affecting the Vessel's timely delivery. If, however, the Buyers' work in drydock is still in progress when the Sellers have completed the work which the Sellers are required to do, the additional docking time needed to complete the Buyers' work shall be for the Buyers' risk, cost and expense. In the event that the Buyers' work requires such additional time, the Sellers may upon completion of the Sellers' work tender Notice of Readiness for delivery whilst the Vessel is still in drydock and, notwithstanding Clause 5(a), the Buyers shall be obliged to take delivery in accordance with Clause 3 (Payment), whether the Vessel is in drydock or not.

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

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

7. Spares, bunkers and other items

The Sellers shall deliver the Vessel to the Buyers with everything belonging to her on board ~~and on shore~~ except the spare parts list in the bidding announcement. All spare parts and spare equipment including spare tail-end shaft(s) and/or

spare propeller(s)/propeller blade(s), if any, belonging to the Vessel at the time of delivery ~~inspection~~ used or unused, ~~whether on board or not~~ shall become the Buyers' property, but spares on order are excluded. Forwarding charges, if any, shall be for the Buyers' account. The Sellers are not required to replace spare parts including spare tail-end shaft(s) and spare propeller(s)/propeller blade(s) which are taken out of spare and used as replacement prior to delivery, but the replaced items shall be the property of the Buyers. Unused stores and provisions shall be included in the sale and be taken over by the Buyers without extra payment.

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

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

Items on board at the time of inspection which are on hire or owned by third parties, not listed above, shall be replaced or procured by the Sellers prior to delivery at their cost and expense.

The Buyers shall take over remaining bunkers ~~and unused lubricating and hydraulic oils and~~

greases in storage tanks and unopened drums and pay either:

(a) *the actual net price for last refueling (excluding barging expenses) as evidenced by invoices or vouchers; or if such invoices or vouchers not available, the Platts Singapore price on the 3rd Banking Days prior to the date of delivery to be applied.
The Buyers shall take over unused lubricating and hydraulic oils and greases in tanks and unopened drums and pay:
the Last actual net price (excluding barging expenses) as evidenced by invoices or vouchers; or if such invoices or vouchers not available, the marketing price published by the makers on the three(3) Banking Days prior to the delivery date shall be applied.

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

~~for the quantities taken over.~~

Payment under this Clause shall be made at the same time and place and in the same currency as the Purchase Price.
The quantities of remaining bunkers and unused lubricating and hydraulic oils and greases remaining on board at the time of delivery shall be measured and established by a joint sounding by the Sellers and the Buyers on board on the delivery date.

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

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

8. Documentation

The place of closing: **virtual closing meeting or at Zhoushan, Ningbo or other place to be mutually agreed by the Parties.**

(a) In exchange for payment of the Purchase Price the Sellers shall provide the Buyers with the following delivery documents (to be mutually agreed and signed by Addendum No. 1 to this Agreement):

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

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

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

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

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

~~(vi) Certificate of Deletion of the Vessel from the Vessel's registry or other official evidence of deletion appropriate to the Vessel's registry at the time of delivery, or, in the event that~~

the registry does not as a matter of practice issue such documentation immediately, a written undertaking by the Sellers to effect deletion from the Vessel's registry forthwith and provide a certificate or other official evidence of deletion to the Buyers promptly and latest within four (4) weeks after the Purchase Price has been paid and the Vessel has been delivered;

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

(viii) Commercial Invoice for the Vessel;

(ix) Commercial Invoice(s) for bunkers, lubricating and hydraulic oils and greases;

(x) A copy of the Sellers' letter to their satellite communication provider cancelling the Vessel's communications contract which is to be sent immediately after delivery of the Vessel;

(xi) Any additional documents as may reasonably be required by the competent authorities of the Buyers' Nominated Flag State for the purpose of registering the Vessel, provided the Buyers notify the Sellers of any such documents as soon as possible after the date of this Agreement; and

(xii) The Sellers' letter of confirmation that to the best of their knowledge, the Vessel is not black listed by any nation or international organisation.

(b) At the time of delivery the Buyers shall provide the Sellers with (to be mutually agreed and signed by Addendum No. 1 to this Agreement):

(i) Evidence that all necessary corporate, shareholder and other action has been taken by the Buyers to authorise the execution, delivery and performance of this Agreement; and

(ii) Power of Attorney of the Buyers appointing one or more representatives to act on behalf of the Buyers in the performance of this Agreement, duly notarially attested and legalised or apostilled (as appropriate).

(c) If any of the documents listed in Sub-clauses (a) and (b) above are not in the English language they shall be accompanied by an English translation by an authorised translator or certified by a lawyer qualified to practice in the country of the translated language.

(d) The Parties shall to the extent possible exchange copies, drafts or samples of the documents listed in Sub-clause (a) and Sub-clause (b) above for review and comment by the other party not later than **ten (10)** (state number of days), or if left blank, **nine (9)** days prior to the Vessel's intended date of readiness for delivery as notified by the Sellers pursuant to Clause 5(b) of this Agreement.

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

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

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

300 **9. Encumbrances**

301 The Sellers warrant that the Vessel, at the time of delivery, is free from all charters,
302 encumbrances, mortgages and maritime liens or any other debts whatsoever, and is not subject
303 to Port State or other administrative detentions. The Sellers hereby undertake to indemnify the
304 Buyers against all consequences of claims made against the Vessel which have been incurred
305 prior to the time of delivery.

306 **10. Taxes, fees and expenses**

307 Any taxes, fees and expenses in connection with (1) the purchase and registration in the Buyers'
308 Nominated Flag State; and (2) any bunkers, lubricating oils and greases taken over by the Buyers in accordance
309 with Clause 7 shall be for the Buyers' account, whereas similar charges in connection
with the closing of the Sellers' register shall be for the Sellers' account.

310 **11. Condition on delivery**

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

314 However, the Vessel shall be delivered free of cargo and free of stowaways with her Class
315 maintained without condition/recommendation*, free of average damage affecting the Vessel's
316 class, and with her classification certificates and national certificates, as well as all other

317 certificates the Vessel had at the time of delivery inspection, valid and unextended without
318 condition/recommendation* by the Classification Society or the relevant authorities at the time
319 of delivery.

The title of the Vessel shall be transferred when the Protocol of Delivery and Acceptance is signed, dated and
timed by the Sellers and the Buyers.

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

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

325 **12. Name/markings**

326 Upon delivery the Buyers undertake to change the name of the Vessel and alter funnel
327 markings.

328 **13. Buyers' default**

329 Should the Deposit not be paid or lodged fully by the Buyers in accordance with Clause 2 (Deposit), the Sellers
330 have the right to cancel this Agreement, and they shall be entitled to confiscate all the bidding deposit paid by Buyers but
331 without prejudice to the Sellers' right to claim compensation for their losses
332 and for all expenses incurred together with interest.

332 Should the Balance Amount ~~Purchase Price~~ not be paid in accordance with Clause 3 (Payment), the Sellers
333 have the right to cancel this Agreement, in which case the Deposit ~~together with interest~~
334 ~~earned, if any,~~ shall be released to the Sellers. If the Deposit does not cover their loss, the
335 Sellers shall be entitled to claim further compensation for their losses and for all expenses
336 incurred together with interest.

No later than Three (3) banking days after breaching this Agreement as may be amended and/or supplemented
from time to time (such as fail to pay the Deposit and the Balance Amount in full and on time), the Bidding
Company shall have the right to re-organize the bidding activity for the Vessel against the sole instructions of the
Sellers.

337 **14. Sellers' default**

338 ~~If the Sellers anticipate that, notwithstanding the exercise of due diligence by them,~~ Should the Sellers fail to give
Notice of Readiness in accordance with Clause 5(b) or fail to be
339 ready to validly complete a legal transfer by the ~~Last Delivery~~Cancelling Date ~~(unless such failure is caused by the~~
~~Buyers' default)~~, the Buyers shall have the
340 option of cancelling this Agreement. If after Notice of Readiness has been given but before
341 the Buyers have taken delivery of the Vessel under this Agreement, the Vessel ceases to be physically ready for
delivery and is not
342 made physically ready again by the ~~Last Delivery~~Cancelling Date and new Notice of Readiness given, the
343 Buyers shall retain their option to cancel. In the event that the Buyers elect to cancel this
344 Agreement, the Deposit together with interest earned, if any, shall be released to them
345 immediately.

346 Should the Sellers fail to give Notice of Readiness by the ~~Last Delivery~~Cancelling Date or fail to be ready to
347 validly complete a legal transfer in accordance with Clauses 5 and 8 as aforesaid ~~(unless such failure is caused by~~
~~the Buyers' default)~~, they shall make due compensation as mentioned above to the Buyers
348 ~~for their loss and for all expenses together with interest~~ if their failure is due to proven
349 negligence and whether or not the Buyers cancel this Agreement.

350 **15. Buyers' representatives**

351 After this Agreement has been signed by the Parties and the ~~Deposit~~purchase amount has been fully lodged, the
352 Buyers have the right to place upto two (2) representatives on board two (2) days prior to the delivery of the
Vessel at their sole risk and
353 expense.

354 These representatives are on board for the purpose of familiarisation and in the capacity of
355 observers only, and they shall not interfere in any respect with the operation of the Vessel. The
356 Buyers and the Buyers' representatives shall sign the Sellers' P&I Club's standard letter of
357 indemnity prior to their embarkation.

358 **16. Law and Arbitration**

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

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

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

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

379 ~~(b) *This Agreement shall be governed by and construed in accordance with Title 9 of the~~
380 ~~United States Code and the substantive law (not including the choice of law rules) of the State~~

of New York and any dispute arising out of or in connection with this Agreement shall be referred to three (3) 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\$ 100,000 the arbitration shall be conducted in accordance with the Shortened Arbitration Procedure of the Society of Maritime Arbitrators, Inc.

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

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

17. Notices

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

Contact details for recipients of notices are as follows:

For the Buyers:

For the Sellers:

18. Entire Agreement

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

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

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

19. Confidentiality

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

20. Amendments and waivers

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

21. Severability

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

22. Successors and assigns

- This Agreement shall binding upon and insure to the benefit of and be enforceable by the respective successors and permitted assignees or transferees of the parties thereto. Notary may assign or transfer any of its rights, obligations or interests hereunder without the prior written consent of the other party.

23. Counterparts

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

For and on behalf of the Sellers	For and on behalf of the Buyers
Name:	Name:
Title:	Title:

Working Copy